

# Lorien Customer Focus Limited

## FINANCIAL STATEMENTS

for the year ended

31 December 2011



Company Registration No 00287211

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# Lorien Customer Focus Limited

## CONTENTS

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DIRECTORS	L A Blaker D J Kennedy
SECRETARY	L A Blaker
COMPANY NUMBER	00287211
REGISTERED ADDRESS	The Connexion Unit 5G Station Road Langley SL3 8DS
AUDITORS	Baker Tilly UK Audit LLP St Philips Point Temple Row Birmingham B2 5AF

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# Lorien Customer Focus Limited

## DIRECTORS' REPORT

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The directors present their report and the audited financial statements of Lorien Customer Focus Limited for the year ended 31 December 2011

### PRINCIPAL ACTIVITIES

The company is now dormant. however, for the year ended 31 December 2010 the principal activity of the company was the provision of business services in the fields of market research and training

The company has entered into an undisclosed agency agreement with its subsidiary, Lorien Connect Limited. As a result, with effect from 1 January 2011, any transactions undertaken in the name of the company have been accounted for within the financial statements of Lorien Connect Limited

### BUSINESS REVIEW AND RESULTS

Following the acquisition by Technical Training Inc in October 2010, the trading activities and related assets and liabilities of the company were transferred to its subsidiary Lorien Connect Limited with effect from 1 January 2011

The profit for the year amounted to £nil (2010 profit of £542,000). The directors do not recommend the payment of a final dividend (2010 £nil)

### DIRECTORS

The directors who held office during the year and to date are as follows

L A Blaker  
D J Kennedy (appointed 30 June 2011)


### AUDITORS

Baker Tilly UK Audit LLP have expressed their willingness to continue in office as auditors

### DISCLOSURE OF INFORMATION TO AUDITORS

The directors have confirmed that, as far as they are aware, there is no relevant audit information of which the auditors are unaware. Each of the directors have confirmed that they have taken all the steps that they ought to have taken as directors, in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor

On behalf of the Board

  
D J Kennedy  
Director

29 May 2012

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# Lorien Customer Focus Limited

## DIRECTORS' RESPONSIBILITIES

### IN THE PREPARATION OF THE FINANCIAL STATEMENTS

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The directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law)

Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LORIEN CUSTOMER FOCUS LIMITED

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We have audited the financial statements on pages 5 to 15. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### Respective responsibilities of directors and auditor

As more fully explained in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

### Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm).

### Basis for adverse opinion on financial statements

As more fully explained in the accounting policies section on page 7, no consolidated financial statements have been prepared. In our opinion, consolidated financial statements should be presented as the group is medium sized and does not qualify for any of the exemptions from preparing consolidated financial statements contained in Financial Reporting Standard 2 'Accounting for Subsidiary Undertakings' and sections 400 to 402 of the Companies Act 2006.

### Adverse opinion on financial statements

In our opinion because of the significance of the failure to present consolidated financial statements referred to above, the financial statements:

- do not give a true and fair view of the state of the group's affairs as at 31 December 2011 and of its result for the year then ended,
- group financial statements have not been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- group financial statements have not been prepared in accordance with the requirements of Companies Act 2006.

In all other respects, in our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2011 and of its result for the year then ended
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Opinion on other matter prescribed by the Companies Act 2006

Notwithstanding our adverse opinion on the failure to present consolidated financial statements, in our opinion the information given in the Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit.

*Baker Tilly UK Audit LLP*

CHARLES FRAY (Senior Statutory Auditor)  
For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor  
Chartered Accountants  
St Philips Point  
Temple Row  
Birmingham  
B2 5AF

29 June 2012

# Lorien Customer Focus Limited

## PROFIT AND LOSS ACCOUNT

For the year ended 31 December 2011

	Notes	2011 £'000	2010 £'000
TURNOVER		-	8,355
Cost of sales		-	(7,139)
GROSS PROFIT		-	1,216
Administrative expenses		-	(953)
Other income	4	-	294
OPERATING PROFIT	1	-	557
Loss on disposal of tangible fixed assets	3	-	(191)
Loss on disposal of investment in subsidiary undertaking	3	-	(14)
Net interest payable and similar charges	5	-	(1)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		-	351
Tax credit on loss on ordinary activities	6	-	191
RETAINED PROFIT FOR THE FINANCIAL YEAR	13	-	542

The result for the year ended 31 December 2010 arises from the company's discontinued operations, which were transferred to its subsidiary, Lorien Connect Limited, with effect from 1 January 2011

There are no recognised gains and losses other than the results stated above

# Lorien Customer Focus Limited

## BALANCE SHEET

31 December 2011

Company Registration No 00287211

	Note	2011 £000	2010 £000
<b>FIXED ASSETS</b>			
Tangible assets	7	-	36
Investments	8	1	1
		<u>1</u>	<u>37</u>
<b>CURRENT ASSETS</b>			
Debtors	9	679	2 573
Cash at bank and in hand		-	335
		<u>679</u>	<u>2 908</u>
<b>CURRENT LIABILITIES</b>			
CREDITORS Amounts falling due within one year	10	-	(2,265)
		<u>680</u>	<u>643</u>
<b>NET CURRENT ASSETS</b>			
		<u>680</u>	<u>680</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			
		<u>680</u>	<u>680</u>
<b>NET ASSETS</b>			
		<u>680</u>	<u>680</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	11	2 209	2 209
Share premium account	12	1,921	1 921
Profit and loss account	12	(3 450)	(3 450)
		<u>680</u>	<u>680</u>
<b>SHAREHOLDER'S FUNDS</b>	13	680	680
		<u>680</u>	<u>680</u>

These financial statements on pages 5 to 15 were approved by the board of directors and authorised for issue on 29 May 2012 and were signed on its behalf by

  
D J Kennedy  
Director

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# Lorien Customer Focus Limited

## ACCOUNTING POLICIES

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### BASIS OF PREPARATION

The financial statements have been prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom General Accepted Accounting Practice), which have been applied consistently (except as otherwise stated) and under the historical cost convention

### CONSOLIDATION

The directors are aware that the provisions of the Companies Act 2006 require medium sized groups to prepare consolidated financial statements for periods commencing after 6 April 2008

Following the sale, during the previous year, of Lorien Unique Limited the directors no longer have access to the books and records of this company for the preceding period

The directors also believe that by 31 December 2012 the group will be structured such that the preparation of consolidated financial statements will not be required. As such any attempt to prepare consolidated financial statements in the current period will not provide any significant benefit to the reader of the financial statements in addition to being excessively time consuming and costly to prepare

In light of these facts, the directors have concluded that the group is not going to prepare consolidated financial statements for the year ended 31 December 2011. This is contrary to the Companies Act 2006

### CASH FLOW STATEMENT

The company has taken advantage of the small company exemption from preparing a cash flow statement under the terms of FRS 1

### FIXED ASSETS AND DEPRECIATION

Fixed assets are stated at cost or valuation less depreciation and any provision for impairment

Depreciation is provided by the company to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows

Computer equipment	-	1-4 years
Office equipment	-	3-4 years
Fixtures and fittings	-	5 years

### INVESTMENTS

Investments in subsidiaries are stated at cost less any provision for permanent diminution in value. They are reviewed for impairment whenever circumstances indicate that the carrying amount may not be recoverable

### FOREIGN CURRENCIES

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account

### LEASES

Where the company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a 'finance lease'. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated over its estimated useful life or the term of the lease, whichever is shorter. Future instalments under such leases, net of finance charges, are included within creditors. Rentals payable are apportioned between the finance element, which is charged to the profit and loss account, and the capital element which reduces the outstanding obligation for future instalments

All other leases are accounted for as 'operating leases' and the rental charges are charged to the profit and loss account on a straight line basis over the life of the lease



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# Lorien Customer Focus Limited

## ACCOUNTING POLICIES (continued)

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### DEFERRED TAXATION

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between taxable profits and the results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

### TURNOVER

Turnover represents the amounts (excluding value added tax) derived from the provision of goods and services to customers during the period. Turnover of the company in the previous period derived from the provision of goods and services predominantly in the United Kingdom.

The company had two distinctive revenue streams, market research and training.

Turnover for the market research business was recognised over the life of the project according to the proportion of work performed in each period.

The training business invoiced customers based on the purchase order value and keeps the amount received as a payment on account liability, releasing an appropriate amount to the profit and loss account each period as turnover based upon days worked and expenses incurred during that period.

### PENSION COSTS

The company operates a defined contribution scheme. Contributions to the defined contribution scheme are charged to the profit and loss account as they fall due.

# Lorien Customer Focus Limited

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2011

1	PROFIT ON ORDINARY ACTIVITIES BEFORE EXCEPTIONAL ITEMS, INTEREST AND TAXATION	2011 £000	2010 £000
	Profit on ordinary activities before taxation is stated after charging/(crediting)		
	Depreciation of tangible fixed assets – owned assets	-	117
	Operating leases – land and buildings	-	245
	Hire of plant and machinery	-	8
	Foreign exchange gains	-	(1)
	Auditors remuneration – audit of the financial statements	-	9
		<u>          </u>	<u>          </u>

Auditors remuneration is borne by the company's subsidiary undertaking, Lorien Connect Limited

## 2 STAFF NUMBER AND COSTS

The average number of persons employed by the company (including directors) during the period was Nil (2010 2) These are split as follows

	2011 No	2010 No
Administration	-	0 5
Technical	-	0 5
Finance	-	0 5
Management	-	0 5
	<u>          </u>	<u>          </u>
	-	2
	<u>          </u>	<u>          </u>

No remuneration has been paid to directors in respect of their services to the company during either year

The aggregate payroll costs of these persons were as follows

	2011 £000	2010 £000
Wages and salaries	-	97
Social security costs	-	11
Pension costs	-	1
	<u>          </u>	<u>          </u>
	-	109
	<u>          </u>	<u>          </u>

# Lorien Customer Focus Limited

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2011

### 3 EXCEPTIONAL ITEMS REPORTED AFTER OPERATING PROFIT

The loss on disposal of investment in subsidiary undertaking and the loss on disposal of tangible fixed assets relate to the relocation to new premises and the disposal of Lorien Unique Limited and its associated digital marketing business during the previous year

	2011 £000	2010 £000
Loss on disposal of investment – impairment of intercompany balance	-	14
Loss on disposal of tangible fixed assets	-	191
	<u>-</u>	<u>205</u>

### 4 OTHER INCOME

	2011 £000	2010 £000
Management charges to subsidiary undertakings	-	294
	<u>-</u>	<u>294</u>

### 5 INTEREST PAYABLE AND SIMILAR CHARGES

	2011 £000	2010 £000
Bank interest payable	-	1
	<u>-</u>	<u>1</u>

# Lorien Customer Focus Limited

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2011

6	TAXATION	2011 £000	2010 £000
	Current tax		
	UK corporation tax at 26.5% (2010: 28%)	-	-
	Deferred tax		
	- recognition of previously unrecognised tax loss	-	(329)
	- origination and reversal of timing differences	-	135
	- effect of tax rate change on opening balance	-	3
	Total tax credit for the period	-	(191)
	Factors affecting current tax charge for the period		
	The difference between the total current tax charge shown above and the amount calculated by applying the standard rate of corporation tax is as follows		
	Profit on ordinary activities before taxation	-	351
	Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 26.5% (2010: 28%)	-	98
	Expenses not deductible for tax purposes	-	34
	Depreciation in excess of capital allowances	-	34
	Utilisation of tax losses and other deductions	-	(166)
	Current tax charge for the period	-	-
	The elements of deferred taxation are as follows	2011 £000	2010 £000
	Differences between accumulated depreciation and capital allowances	-	72
	Tax losses	-	163
	Deferred tax asset (note 9)	-	235

On 1 January 2011, the deferred tax asset was transferred to the company's subsidiary undertaking, Lorien Connect Limited, along with the trade and assets of the business

# Lorien Customer Focus Limited

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2011

7	TANGIBLE FIXED ASSETS	Fixtures and fittings £000	Computer equipment £000	Office equipment £000	Total £000
	Cost				
	At the beginning of the year	85	337	2	424
	Transfer to subsidiary undertaking	(85)	(337)	(2)	(424)
	At the end of the year	-	-	-	-
	Depreciation				
	At the beginning of the year	80	308	-	388
	Transfer to subsidiary undertaking	(80)	(308)	-	(388)
	At the end of the year	-	-	-	-
	Net book value				
	At 31 December 2011	-	-	-	-
	At 31 December 2010	5	29	2	36

8	INVESTMENTS	Shares in subsidiary undertakings £000
	Cost	
	At the beginning and end of the year	1
	Provision for impairment	
	At the beginning and end of the year of the year	-
	Net book value	
	At 31 December 2011 and 31 December 2010	1

The company has one wholly owned trading subsidiary, Lorien Connect Limited

Company	Class of holding	Country of Incorporation	Principal Activity	Profit for the year after taxation £'000	Aggregate capital and reserves £'000
Lorien Connect Limited	Ordinary	England & Wales	Training & market research	697	734

# Lorien Customer Focus Limited

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2011

9	DEBTORS	2011 £000	2010 £000
	Trade debtors	-	1,991
	Amounts owed by subsidiary undertaking	679	-
	Other debtors	-	90
	Prepayments and accrued income	-	257
	Deferred tax asset (note 6)	-	235
		<u>679</u>	<u>2,573</u>
10	CREDITORS: Amounts falling due within one year	2011 £000	2010 £000
	Trade creditors	-	865
	Payments on account	-	528
	Amounts owed to fellow subsidiaries	-	252
	Amounts owed to parent company	-	155
	Other taxation and social security	-	241
	Accruals and deferred income	-	224
		<u>-</u>	<u>2,265</u>
11	CALLED UP SHARE CAPITAL	2011 £000	2010 £000
	Allotted, called up and fully paid 22,090,000 ordinary shares of £0 10 each	2,209	2,209
12	SHARE PREMIUM ACCOUNT AND RESERVES	Share premium account £000	Profit and loss account £000
	At the beginning of the year	1,921	(3,450)
	Profit for the financial year	-	-
	At the end of the year	<u>1,921</u>	<u>(3,450)</u>

# Lorien Customer Focus Limited

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2011

13	RECONCILIATION OF SHAREHOLDER'S FUNDS	2011 £000	2010 £000
	Opening shareholder's funds	680	138
	Profit for the financial year	-	542
		<hr/>	<hr/>
	Closing shareholders' funds	680	680
		<hr/>	<hr/>

## 14 PENSIONS

The company makes pension payments for the benefit of employees via defined contribution pension schemes. The pension charge represents contributions payable by the company to the schemes and amounted to £Nil (2010 £1,000). There were no pension contributions outstanding at the period end.

## 15 CONTINGENT LIABILITIES

The company's ultimate parent undertaking, Technical Training Inc, is party to a funding agreement with Charter One Bank NA. The agreement is secured by way of a fixed and floating charge over all of the assets of Lorien Customer Focus Limited and other group companies. The maximum exposure at 31 December 2011 for the group is £6,409,000.

## 16 COMMITMENTS

The company had the following annual commitments under operating lease commitments that expire

	Property	
	2011 £000	2010 £000
Less than one year	-	-
One – two years	-	-
Two – five years	-	77
	<hr/>	<hr/>
Total	-	77
	<hr/>	<hr/>

There were no capital commitments at the period end (2010 £Nil).

On 1 January 2011 the operating lease was transferred to the company's subsidiary undertaking, Lorien Connect Limited.

## 17 RELATED PARTY TRANSACTIONS

Advantage is taken under FRS 8 not to disclose transactions with fellow wholly owned group companies. Balances with group undertakings are disclosed within notes 9 and 10 to the financial statements.

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# Lorien Customer Focus Limited

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2011

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### 18 ULTIMATE PARENT UNDERTAKING

The ultimate parent company at the year-end is Technical Training Inc, a company incorporated in the United States of America and is the smallest and largest group for which consolidated accounts including Lorien Customer Focus Limited are prepared

L A Blaker is considered to be the controlling party by virtue of her majority shareholding in Technical Training Inc