

Company Registration No: 2935835

ALLURIAN LIMITED
(Formerly Man Bytes Dog Limited)

Report and Financial Statements

31 December 2010

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ALLURIAN LIMITED
(Formerly Man Bytes Dog Limited)

REPORT AND FINANCIAL STATEMENTS 2010

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ALLURIAN LIMITED
(Formerly Man Bytes Dog Limited)

REPORT AND FINANCIAL STATEMENTS

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

R H Cunningham
J H Dawson
A P Sunderland
A M Barber

SECRETARY

A V Dearden

REGISTERED OFFICE

20 St Christopher's Way
Pride Park
Derby
DE24 8JY

BANKERS

Barclays Bank plc
Sir Frank Whittle Road
Derby

AUDITOR

Deloitte LLP
Chartered Accountants and Statutory Auditor
Nottingham, UK

ALLURIAN LIMITED
(Formerly Man Bytes Dog Limited)

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the 18 month period ended 31 December 2010

The directors changed the accounting reference date to 31 December to fall into line with the subsidiaries in the group

This directors' report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime

BUSINESS REVIEW AND PRINCIPAL ACTIVITIES

The principal activities of the company were that of providing managed IT services to the business marketplace. The company also conducts research and development activities on behalf of other group companies in order to develop these services

During the period the entire share capital of the company was acquired by Octium Limited

During the period under review the company made a loss after taxation for the financial period of £159,221 (2009 £17,240)

The directors do not recommend the payment of a dividend (2009 £nil)

GOING CONCERN

The directors, in their consideration of going concern, have reviewed the company's future cash flow forecasts and revenue projections, which they believe are based on reasonable market data and past experience

The directors believe that the company in 2011 and 2012 will continue to build and expand its operations. As a growing company, losses are forecast for 2011, however it is expected that the company will generate profits in 2012. As a result the company will require the use of the committed group overdraft facility. Fellow group undertaking Griffin Information Systems Limited will continue to provide financial support to the company during the period, a letter confirming that fact has been received by the company

After making enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for a period of no less than 12 months from the date of signing the accounts. For this reason they continue to adopt the going concern basis in preparing the financial statements

PRINCIPAL RISKS AND UNCERTAINTIES

The main risks facing the company are

- Technological change
- Requirement for CAPEX

The potential for technological change is constantly under review. All processes involved in the delivery of service to customers are designed in such a way to ensure they do not become redundant as a result of technological changes but are easily adapted to implement new technologies. The company forecasts its capital expenditure requirement well in advance and the directors ensure that it has sufficient lease funding or internal reserves to meet any known requirement

The company is exposed to interest rate changes as the cash is held at floating rates. The directors do not believe it is necessary to mitigate this risk, given the current rates of interest. The directors mitigate liquidity risk by ensuring there is sufficient cash at hand to meet routine liabilities as they fall due

The company currently has a significant concentration of credit risk as there are few customers. This risk is mitigated by the fact that all customers are fellow group undertakings

ALLURIAN LIMITED
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DIRECTORS' REPORT (Continued)

DIRECTORS

The directors who served during the year and subsequently were

R H Cunningham (Appointed 1 April 2010)

J H Dawson (Appointed 1 April 2010)

A P Sunderland (Appointed 1 April 2010)

A M Barber (Appointed 1 April 2010)

P Cook (Resigned 1 April 2010)

P Moss (Resigned 1 April 2010)

J R Young (Resigned 1 April 2010)

C Exelby (Resigned 1 April 2010)

AUDITOR

Each of the persons who is a director at the date of approval of this report confirms that

(1) so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and

(2) the director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006. Deloitte LLP have indicated their willingness to continue in office as the company's auditor. A resolution for their reappointment will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors
and signed on behalf of the Board



A V Dearden
Secretary

ALLURIAN LIMITED

(Formerly Man Bytes Dog Limited)

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Annual 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 these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments 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 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 ALLURIAN LIMITED

We have audited the financial statements of Allurian Limited for the 18 month period ended 31 December 2010 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 14. 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.

As the company was exempt from audit under section 477 of the Companies Act in the prior year, we have not audited the corresponding amounts for that year.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement, 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 Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the Company's affairs as at 31 December 2010 and of its loss for the period 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

In our opinion the information given in the Directors' 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
- the directors were not entitled to take advantage of the small companies exemption in preparing the directors' report.



Mark Doleman FCA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
Nottingham, UK

23 September 2011

ALLURIAN LIMITED
(Formerly Man Bytes Dog Limited)

PROFIT AND LOSS ACCOUNT
18 month period ended 31 December 2010

	Note	18 months ended 31 December 2010 £	12 months ended 30 June 2009 £
TURNOVER	2	1,682,203	1,194,230
Cost of sales		(540,532)	(381,651)
Gross profit		1,141,671	812,579
Administrative expenses		(1,317,776)	(836,160)
OPERATING LOSS	4	(176,105)	(23,581)
Interest receivable and similar income		4	180
Interest payable and similar charges		(1,772)	(16,087)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(177,873)	(39,488)
Tax on loss on ordinary activities	5	18,652	22,248
LOSS ON ORDINARY ACTIVITIES AFTER TAXATION	11,12	(159,221)	(17,240)

All results are derived from continuing operations

There are no recognised gains or losses other than the loss for the current year and prior period. Accordingly no separate statement of total recognised gains and losses is presented.

ALLURIAN LIMITED
(Formerly Man Bytes Dog Limited)

BALANCE SHEET
31 December 2010

	Note	31 December 2010 £	30 June 2009 £
FIXED ASSETS			
Tangible assets	6	32,501	45,896
CURRENT ASSETS			
Debtors	7	250,801	294,694
Cash at bank and in hand		10,720	7,204
		<u>261,521</u>	<u>301,898</u>
CREDITORS' amounts falling due within one year	8	<u>(720,410)</u>	<u>(614,961)</u>
NET CURRENT LIABILITIES		<u>(458,889)</u>	<u>(313,063)</u>
NET LIABILITIES		<u>(426,388)</u>	<u>(267,167)</u>
CAPITAL AND RESERVES			
Called up share capital	10	571	571
Share premium	11	428,667	428,667
Profit and loss account	11	<u>(855,626)</u>	<u>(696,405)</u>
SHAREHOLDERS' DEFICIT	11,12	<u>(426,388)</u>	<u>(267,167)</u>

These financial statements of Allurian Limited, registered number 2935835 were approved by the Board of Directors and authorised for issue on *20 September 2011*

Signed on behalf of the Board of Directors

R. H. Cunningham

R H Cunningham
Director

ALLURIAN LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
18 month period ended 31 December 2010

1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable United Kingdom accounting standards. The particular accounting policies adopted are described below and have been applied consistently in the current and prior year.

Accounting convention

The financial statements are prepared under the historical cost convention.

Going concern

The directors, in their consideration of going concern, have reviewed the company's future cash flow forecasts and revenue projections, which they believe are based on reasonable market data and past experience.

The directors believe that the company in 2011 and 2012 will continue to build and expand its customer base. As a new company, losses are forecast for 2011, however it is expected that the company will generate profits in 2012. As a result the Company will require the use of the committed group overdraft facility. Fellow group undertaking Griffin Information Systems Limited will continue to provide financial support to the Company during the period, a letter confirming that fact has been received by the Company.

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for a period of no less than 12 months from the date of signing the accounts. For this reason they continue to adopt the going concern basis in preparing the financial statements.

Cash flow statement

The accounts do not include a cash flow statement because the company, as a wholly owned subsidiary undertaking of Octium Limited, is exempt from the requirement to prepare such a statement under Financial Reporting Statement 1 "Cash flow statements".

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Leasehold Property - 33% straight line
Plant & Machinery - 25% straight line
Computer Equipment - 33% straight line

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 between the group's taxable profits and its 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.

A net deferred tax asset is regarded as recoverable and therefore recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the 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.

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NOTES TO THE FINANCIAL STATEMENTS (Continued)
18 month period ended 31 December 2010

2. TURNOVER

Turnover represents the value of services provided by the company, excluding value added tax, any invoicing in advance of this point is held on the balance sheet as deferred income. The turnover, which arises solely in the United Kingdom, is attributable to the provision of internet services and hardware sales.

3. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

	18 months ended 31 December 2010 £	12 months ended 30 June 2009 £
Directors' emoluments	<u>303,674</u>	<u>212,865</u>
Highest paid director		
Emoluments	<u>168,924</u>	<u>101,965</u>
Staff costs during the year (including directors)		
Wages and salaries	786,288	542,846
Social security costs	<u>88,676</u>	<u>60,896</u>
	<u>874,965</u>	<u>603,742</u>
Average number of persons employed (including directors)	Number	Number
Administration	2	2
Operations	2	2
Development	2	2
Sales	4	4
	<u>10</u>	<u>10</u>

4. OPERATING LOSS

Operating loss is after charging:	18 months ended 31 December 2010 £	12 months ended 30 June 2009 £
Depreciation of owned fixed assets	39,394	26,211
The analysis of auditor's remuneration is as follows:		
Fees payable to the company's auditor for the audit of the company's annual accounts	<u>2,000</u>	<u>-</u>
Total audit fees	<u>2,000</u>	<u>-</u>
Other services pursuant to legislation:		
Tax services	1,000	-
Total non audit fees	<u>1,000</u>	<u>-</u>

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NOTES TO THE FINANCIAL STATEMENTS (Continued)
18 month period ended 31 December 2010

5. TAX ON LOSS ON ORDINARY ACTIVITIES

a) Analysis of credit in the period/year

	18 months ended 31 December 2010 £	12 months ended 30 June 2009 £
Current tax		
United Kingdom corporation tax at 28% (2009 21%) based on the profit for the year	(18,666)	22,248
Adjustments in respect of prior years	14	-
Total current tax	(18,652)	22,248

b) Factors affecting the tax credit for the period/year

The tax assessed for the period is lower than the standard rate of corporation tax in the UK. The differences are explained below

	18 months ended 31 December 2010 £	12 months ended 30 June 2009 £
Loss on ordinary activities before taxation	(177,873)	(39,488)
UK corporation tax at the standard rate of 28% (2009 21%)	(49,804)	(8,292)
Effects of:		
Capital allowances less than/in excess of depreciation	6,003	(1,172)
Expenses not deductible for tax purposes	6,453	1,400
Deduction for qualifying R&D expenditure	-	(25,308)
Surrender of tax losses for R&D credit refund	-	11,124
Losses extinguished on cessation of trade	18,682	-
Under provision in respect of prior years	14	-
	(18,652)	(22,248)

c) Factors that may affect the future tax charge

The Finance Act (No 2) 2010, which provides for a reduction in the main rate of UK corporation tax from 28% to 27% effective from 1 April 2011, was substantively enacted on 21 July 2010. This reduced rate has been reflected in the calculation of deferred tax.

On 23 March 2011 the Government announced that the main rate of Corporation Tax would reduce to 26% with effect from 1 April 2011, with subsequent 1% reductions per annum to reach 23% with effect from 1 April 2014. These tax rate reductions had not been substantively enacted at the balance sheet date and therefore have not been reflected in the financial statements. The effect of these tax rate reductions on the deferred tax balance will be accounted for in the period in which the tax rate reductions are substantively enacted.

ALLURIAN LIMITED
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NOTES TO THE FINANCIAL STATEMENTS (Continued)
18 month period ended 31 December 2010

6. TANGIBLE FIXED ASSETS

Cost	Long leasehold property £	Plant and Machinery £	Computer Equipment £	Total £
At 1 July 2009	13,005	22,194	154,070	189,269
Additions	-	-	26,161	26,161
Disposals	(13,005)	(7,821)	(38,277)	(59,103)
At 31 December 2010	-	14,373	141,954	156,327
Accumulated depreciation				
At 1 July 2009	13,005	21,524	108,844	143,373
Charge for the period	-	511	38,883	39,394
Disposals	(13,005)	(7,662)	(38,274)	(58,941)
At 31 December 2010	-	14,373	109,453	123,826
Net book value				
At 31 December 2010	-	-	32,501	32,501
At 30 June 2009	-	670	45,226	45,896

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 December 2010 £	30 June 2009 £
Trade debtors	224,832	176,014
Corporation tax repayable	-	51,147
Prepayments & other debtors	7,303	67,533
Amounts due from fellow subsidiaries	18,666	-
	<u>250,801</u>	<u>294,694</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 December 2010 £	30 June 2009 £
Bank loans and overdrafts	12,750	28,793
Trade creditors	87,881	202,059
Amounts owing to group undertakings	542,359	-
Social security and other taxes	36,340	42,117
Accruals and deferred Income	41,080	-
Other Creditors	-	341,992
	<u>720,410</u>	<u>614,961</u>

ALLURIAN LIMITED
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NOTES TO THE FINANCIAL STATEMENTS (Continued)
18 month period ended 31 December 2010

9. DEFERRED TAXATION

	31 December 2010 £	30 June 2009 £
Deferred tax		
At 1 July	-	-
Accelerated capital allowances	(2,527)	-
Deferred tax not provided	2,527	-
	<u>-</u>	<u>-</u>
Balance at 31 December	<u>-</u>	<u>-</u>

The deferred tax asset has not been recognised due to the uncertainty around when it will be utilised

10. CALLED UP SHARE CAPITAL

	31 December 2010 £	30 June 2009 £
Called up, allotted and fully paid		
16,019 Ordinary A shares of £0.01 each	-	160
16,019 Ordinary B shares of £0.01 each	-	160
11,208 Ordinary C shares of £0.01 each	-	48
20,234 Ordinary D shares of £0.01 each	-	203
571 Ordinary shares of £1 each	571	-
	<u>571</u>	<u>571</u>

On 21 October 2010 the Company adopted a special resolution converting all classes of Ordinary shares to Ordinary shares of £1 each

11. RESERVES

	Share capital £	Share Premium £	Profit and loss account £	Total £
At 1 July 2009	571	428,667	(696,405)	(267,167)
Loss for the period	-	-	(159,221)	(159,221)
	<u>571</u>	<u>428,667</u>	<u>(855,626)</u>	<u>(426,388)</u>
At 31 December 2010	<u>571</u>	<u>428,667</u>	<u>(855,626)</u>	<u>(426,388)</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)
18 month period ended 31 December 2010

12. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' DEFICIT

	31 December 2010	30 June 2009
Opening shareholders' deficit	(267,167)	(249,927)
Loss for the period/year	(159,221)	(17,240)
Closing shareholders deficit	(426,388)	(267,167)

13. RELATED PARTY DISCLOSURES

The company has taken advantage of the exemption in FRS 8 "Related Party Disclosures" not to disclose transaction with other group companies

14. ULTIMATE PARENT COMPANY

The company's parent and ultimate parent company is Octium Limited, a company incorporated in the United Kingdom. The ultimate controlling party is R H Cunningham Octium Limited represents both the largest and smallest group into which the company's results are consolidated. Consolidated accounts for Octium Limited are available from Companies House, Crown Way, Maundy, Cardiff, CF14 3UZ