

QSOFT CONSULTING LIMITED

ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2012

TUESDAY



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COMPANIES HOUSE

QSOF CONSULTING LIMITED

COMPANY INFORMATION

DIRECTOR	H A J Badenhorst
COMPANY SECRETARY	PD Cosec Limited
REGISTERED NUMBER	03472519
REGISTERED OFFICE	1 The Green Richmond Surrey TW9 1PL
TRADING ADDRESS	6th Floor Queens House 2 Holly Road Twickenham Middlesex TW1 4EG
INDEPENDENT AUDITORS	Felton Pumphrey 1 The Green Richmond Surrey TW9 1PL

QSOFT CONSULTING LIMITED

CONTENTS

	Page
Director's report	1 - 2
Independent auditors' report	3
Profit and loss account	4
Balance sheet	5
Cash flow statement	6
Notes to the abbreviated accounts	7 - 15

QSOF CONSULTING LIMITED

DIRECTOR'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2012

The Director presents his report and the financial statements for the year ended 31 December 2012

DIRECTOR'S RESPONSIBILITIES STATEMENT

The Director is responsible for preparing the Director's report and the financial statements in accordance with applicable law and regulations

Company law requires the Director to prepare financial statements for each financial year. Under that law the Director has 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 Director must not approve the financial statements unless he is 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 Director is required to

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

The Director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

PRINCIPAL ACTIVITIES

The principal activity of the company continued to be that of a technology company with a portfolio of multi-platform brands which deliver interactive services to the global gay and lesbian community.

These include the Gaydar Online Dating portals, a Digital Radio station, Mobile telecommunication platforms and News and Information portals. The company activities include IT development, broadcasting, journalism and various advertising and media activities.

BUSINESS REVIEW

The level of business was considered to be satisfactory by the director.

The principal risks and uncertainties facing the company are the risk of increased competition and the risk of continued difficulties with the general economy.

The company's financial position at the year end is set out in the balance sheet.

As shown in the company's profit and loss account, the company's turnover has decreased by 17.1% since the previous year.

The director believes the company has a sound financial basis and is confident the present level of activity will be sustained over the coming year.

RESULTS

The loss for the year, after taxation, amounted to £791,846 (2011 - loss £2,443,742).

QSOF CONSULTING LIMITED

**DIRECTOR'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2012**

DIRECTOR

The Director who served during the year was

H A J Badenhorst

DISCLOSURE OF INFORMATION TO AUDITORS

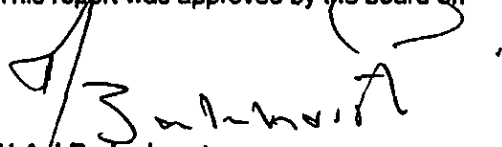
The Director at the time when this Director's report is approved has confirmed that.

- so far as he is aware, there is no relevant audit information of which the company's auditors are unaware, and
- he has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Felton Pumphrey, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006

This report was approved by the board on 26 April 2013 and signed on its behalf


H A J Badenhorst
Director

QSFT CONSULTING LIMITED

**INDEPENDENT AUDITORS' REPORT TO QSFT CONSULTING LIMITED
UNDER SECTION 449 OF THE COMPANIES ACT 2006**

We have examined the abbreviated accounts set out on pages 4 to 15, together with the financial statements of Qsoft Consulting Limited for the year ended 31 December 2012 prepared under section 396 of the Companies Act 2006

This report is made solely to the company in accordance with section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special Auditors' 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, for our work, for this report, or for the opinions we have formed.

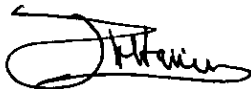
RESPECTIVE RESPONSIBILITIES OF DIRECTOR AND AUDITORS

The Director is responsible for preparing the abbreviated accounts in accordance with section 445 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts are properly prepared.

OPINION ON FINANCIAL STATEMENTS

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 445(3) of the Companies Act 2006, and the abbreviated accounts on pages 4 to 15 have been properly prepared in accordance with the regulations made under that section.



John Hamblin (Senior statutory auditor)

for and on behalf of
Felton Pumphrey

Statutory Auditor

1 The Green
Richmond
Surrey
TW9 1PL

Date 20 September 2013

QSOFT CONSULTING LIMITED

**ABBREVIATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2012**

	Note	2012 £	2011 £
TURNOVER	1	5,559,761	6,705,730
GROSS PROFIT		4,694,684	5,898,527
Administrative expenses		(5,694,163)	(5,144,540)
OPERATING (LOSS)/PROFIT	2	(999,479)	753,987
Interest receivable and similar income		9,255	3,884
Amounts written off investments and loans		-	(2,953,452)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(990,224)	(2,195,581)
Tax on loss on ordinary activities	6	198,378	(248,161)
LOSS FOR THE FINANCIAL YEAR	12	(791,846)	(2,443,742)

All amounts relate to continuing operations

There were no recognised gains and losses for 2012 or 2011 other than those included in the Profit and loss account

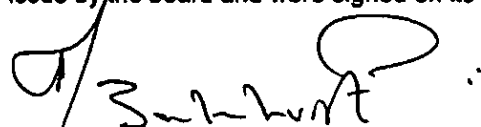
The notes on pages 7 to 15 form part of these financial statements

QSOFT CONSULTING LIMITED
REGISTERED NUMBER: 03472519

ABBREVIATED BALANCE SHEET
AS AT 31 DECEMBER 2012

	Note	£	2012 £	£	2011 £
FIXED ASSETS					
Tangible assets	7		190,539		236,988
CURRENT ASSETS					
Debtors: amounts falling due after more than one year	8	95,553		121,694	
Debtors: amounts falling due within one year	8	903,025		551,183	
Cash at bank and in hand		2,201,055		3,078,530	
		<u>3,199,633</u>		<u>3,751,407</u>	
CREDITORS: amounts falling due within one year	9	<u>(1,646,806)</u>		<u>(1,453,183)</u>	
NET CURRENT ASSETS			<u>1,552,827</u>		<u>2,298,224</u>
NET ASSETS			<u>1,743,366</u>		<u>2,535,212</u>
CAPITAL AND RESERVES					
Called up share capital	11		1,000		1,000
Profit and loss account	12		<u>1,742,366</u>		<u>2,534,212</u>
SHAREHOLDERS' FUNDS	13		<u>1,743,366</u>		<u>2,535,212</u>

The abbreviated accounts, which have been prepared in accordance with the special provisions of section 445(3) of the Companies Act 2006 relating to medium-sized companies, were approved and authorised for issue by the board and were signed on its behalf on 26 April 2013



H A J Badenhorst
Director

The notes on pages 7 to 15 form part of these financial statements

QSOF CONSULTING LIMITED

**ABBREVIATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2012**

	Note	2012 £	2011 £
Net cash flow from operating activities	14	(573,990)	713,573
Returns on investments and servicing of finance	15	9,255	3,884
Taxation		(218,378)	(122,757)
Capital expenditure and financial investment	15	(94,362)	(59,730)
(DECREASE)/INCREASE IN CASH IN THE YEAR		(877,475)	534,970

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS/DEBT
FOR THE YEAR ENDED 31 DECEMBER 2012**

	2012 £	2011 £
(Decrease)/Increase in cash in the year	(877,475)	534,970
MOVEMENT IN NET DEBT IN THE YEAR	(877,475)	534,970
Net funds at 1 January 2012	3,078,530	2,543,560
NET FUNDS AT 31 DECEMBER 2012	2,201,055	3,078,530

The notes on pages 7 to 15 form part of these financial statements

QSOF CONSULTING LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2012

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention and in accordance with applicable accounting standards

1.2 GOING CONCERN

The financial statements are prepared on a going concern basis

The director has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. As a result, he continues to adopt the going concern basis of accounting in preparation of the financial statements

1.3 TURNOVER

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts

Turnover from subscriptions are spread evenly over the period to which they relate

1.4 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases

Leasehold Property	-	10% straight line
Plant & machinery	-	33% straight line
Fixtures & fittings	-	20% straight line

1.5 OPERATING LEASES

Rentals under operating leases are charged to the Profit and loss account on a straight line basis over the lease term

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2012**

1 ACCOUNTING POLICIES (continued)

1.6 DEFERRED TAXATION

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation

A net deferred tax asset is recognised only if 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 assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse

Deferred tax assets and liabilities are not discounted

1.7 FOREIGN CURRENCIES

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction

Exchange gains and losses are recognised in the Profit and loss account

1.8 PENSIONS

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year

1.9 EMPLOYER FUNDED RETIREMENT BENEFITS SCHEMES

In 2010, the company operated two employer financed retirement benefit schemes for the benefit of its officers, employees and their wider families

In accordance with UITF abstract 32 'Employee Benefit Trusts and other intermediate payment arrangements' the Company did not include the assets and liabilities of the schemes on its balance sheet to the extent that it considered it would not retain and economic benefit from the assets of the schemes and would not have control of the rights or other access to those present economic benefits

QSOF CONSULTING LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2012**

2. OPERATING (LOSS)/PROFIT

The operating (loss)/profit is stated after charging/(crediting)

	2012 £	2011 £
Depreciation of tangible fixed assets		
- owned by the company	140,811	138,598
Reversal of impairment of fixed assets	(77,049)	(45,455)
Auditors' remuneration	14,500	12,500
Operating lease rentals		
- other operating leases	176,294	163,417
Difference on foreign exchange	87,863	22,971
	<u>140,811</u>	<u>138,598</u>

3. AMOUNTS WRITTEN OFF INVESTMENTS AND LOANS

At 31 December 2011, a loan amount of £2,953,452 provided to Bar Profile Limited, a company under the common control of H A J Badenhorst, was written off

4. STAFF COSTS

Staff costs, including Director's remuneration, were as follows

	2012 £	2011 £
Wages and salaries	1,810,803	1,766,031
Social security costs	203,263	174,964
Other pension costs	158,036	170,830
	<u>2,172,102</u>	<u>2,111,825</u>

The average monthly number of employees, including the Director, during the year was as follows

2012 No	2011 No
42	46

QSOFT CONSULTING LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2012**

5. DIRECTOR'S REMUNERATION

	2012 £	2011 £
Remuneration	103,500	103,625
Company pension contributions to defined contribution pension schemes	100,000	110,000

During the year retirement benefits were accruing to 1 Director (2011 - 1) in respect of defined contribution pension schemes

6. TAXATION

	2012 £	2011 £
ANALYSIS OF TAX (CREDIT)/CHARGE IN THE YEAR/YEAR		
CURRENT TAX (see note below)		
UK corporation tax (credit)/charge on loss for the year/Year	(194,433)	242,670
DEFERRED TAX (see note 10)		
Deferred tax charge/credit current year	(3,945)	5,491
TAX ON LOSS ON ORDINARY ACTIVITIES	(198,378)	248,161

QSOF CONSULTING LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2012**

6 TAXATION (continued)

FACTORS AFFECTING TAX CHARGE FOR THE YEAR/YEAR

The tax assessed for the year is higher than (2011 - *higher than*) the standard rate of corporation tax in the UK of 24 5% (2011 - 26 49%) The differences are explained below

	2012 £	2011 £
Loss on ordinary activities before tax	(990,224)	(2,195,581)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 24 5% (2011 - 26 49%)	(242,605)	(581,609)
EFFECTS OF:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	62,019	801,444
Capital allowances for year/Year in excess of depreciation	6,245	(1,998)
Utilisation of tax losses	(20,092)	-
Adjustments to tax charge in respect of prior periods	-	24,447
Short term timing difference leading to an increase (decrease) in taxation	-	140
Other timing differences leading to an increase (decrease) in taxation	-	246
CURRENT TAX (CREDIT)/CHARGE FOR THE YEAR/YEAR (see note above)	(194,433)	242,670

QSOF CONSULTING LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2012**

7 TANGIBLE FIXED ASSETS

	L/Term Leasehold Property £	Plant & machinery £	Fixtures & fittings £	Total £
COST				
At 1 January 2012	379,044	1,533,997	316,868	2,229,909
Additions	-	94,230	132	94,362
At 31 December 2012	<u>379,044</u>	<u>1,628,227</u>	<u>317,000</u>	<u>2,324,271</u>
DEPRECIATION				
At 1 January 2012	254,230	1,433,280	305,411	1,992,921
Charge for the year	37,904	99,024	3,883	140,811
At 31 December 2012	<u>292,134</u>	<u>1,532,304</u>	<u>309,294</u>	<u>2,133,732</u>
NET BOOK VALUE				
At 31 December 2012	<u>86,910</u>	<u>95,923</u>	<u>7,706</u>	<u>190,539</u>
At 31 December 2011	<u>124,814</u>	<u>100,717</u>	<u>11,457</u>	<u>236,988</u>

8 DEBTORS

	2012 £	2011 £
DUE AFTER MORE THAN ONE YEAR		
Other debtors	<u>95,553</u>	<u>121,694</u>
DUE WITHIN ONE YEAR		
Trade debtors	118,890	182,494
Other debtors	544,646	178,395
Prepayments and accrued income	207,296	162,046
Deferred tax asset (see note 10)	32,193	28,248
	<u>903,025</u>	<u>551,183</u>

QSOF CONSULTING LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2012**

**9. CREDITORS
AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2012 £	2011 £
Trade creditors	372,111	136,549
Corporation tax	-	218,002
Other taxation and social security	115,458	243,170
Other creditors	7,656	9,228
Accruals and deferred income	1,151,581	846,234
	<u>1,646,806</u>	<u>1,453,183</u>

10 DEFERRED TAX ASSET

	2012 £	2011 £
At beginning of year/Year	28,248	33,739
Other movement (P&L)	3,945	(5,491)
	<u>32,193</u>	<u>28,248</u>

The deferred tax asset is made up as follows

	2012 £	2011 £
Decelerated capital allowances	<u>32,193</u>	<u>28,248</u>

11 SHARE CAPITAL

	2012 £	2011 £
ALLOTTED, CALLED UP AND FULLY PAID		
100,000 Ordinary shares of £0.01 each	<u>1,000</u>	<u>1,000</u>

As at 31 December 2012, share options totalling 11,111 had been granted to 4 employees in respect of B ordinary shares of £0.01 each. The share options have an exercise price of £18.84. Subject to conditions, the share options can be exercised at any time up until 21 April 2020. After this date the share options will lapse.

QSOF CONSULTING LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2012**

12 RESERVES

	Profit and loss account £
At 1 January 2012	2,534,212
Loss for the financial year	(791,846)
At 31 December 2012	<u>1,742,366</u>

13. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2012 £	2011 £
Opening shareholders' funds	2,535,212	4,978,954
Loss for the year/Year	(791,846)	(2,443,742)
Closing shareholders' funds	<u>1,743,366</u>	<u>2,535,212</u>

14. NET CASH FLOW FROM OPERATING ACTIVITIES

	2012 £	2011 £
Operating (loss)/profit	(999,479)	753,987
Depreciation of tangible fixed assets	140,811	138,598
(Increase)/decrease in debtors	(126,947)	53,427
Increase/(decrease) in creditors	411,625	(232,439)
NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES	<u>(573,990)</u>	<u>713,573</u>

15. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	2012 £	2011 £
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		
Interest received	<u>9,255</u>	<u>3,884</u>
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT		
Purchase of tangible fixed assets	<u>(94,362)</u>	<u>(59,730)</u>

QSOF CONSULTING LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2012**

16 ANALYSIS OF CHANGES IN NET FUNDS

	1 January 2012 £	Cash flow £	Other non-cash changes £	31 December 2012 £
Cash at bank and in hand	3,078,530	(877,475)	-	2,201,055
NET FUNDS	3,078,530	(877,475)	-	2,201,055

17 PENSION COMMITMENTS

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £158,036 (2011 - £170,830).

18 OPERATING LEASE COMMITMENTS

At 31 December 2012 the company had annual commitments under non-cancellable operating leases as follows

	Land and buildings 2012 £	2011 £	2012 £	Other 2011 £
EXPIRY DATE:				
Within 1 year	-	-	544,605	135,333
Between 2 and 5 years	127,880	127,880	-	-

19. RELATED PARTY TRANSACTIONS

During the year royalties were payable to H A J Badenhorst, the sole director and shareholder of the company for the following amounts

	2012 £	2011 £
Royalties	443,146	532,920

20. CONTROLLING PARTY

The company is controlled by H Badenhorst, the sole director and shareholder of the company