

COMPANY REGISTRATION NUMBER 03888256

LTP TRADE LIMITED

FINANCIAL STATEMENTS

30 JUNE 2012

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LTP TRADE LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2012

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LTP TRADE LIMITED

OFFICERS AND PROFESSIONAL ADVISORS

THE BOARD OF DIRECTORS

L M La Ferla
P J Adkins (non-executive chairman)

COMPANY SECRETARY

J Talbut

REGISTERED OFFICE

2nd Floor
Berkley Square House
Berkley Square
London
W1J 6BD

AUDITOR

Menzies LLP
Chartered Accountants
Heathrow Business Centre
65 High Street
Egham
Surrey
TW20 9EY

SOLICITORS

Lewis Silkin LLP
5 Chancery Lane
Clifford's Inn
London
EC4A 1BL

LTP TRADE LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 30 JUNE 2012

The directors present their report and the financial statements of the group for the year ended 30 June 2012

PRINCIPAL ACTIVITIES

The principal activity of the group during the period was the provision of administrative, advisory and information services on trade finance

DIRECTORS

The directors who served the company during the year were as follows

L M La Ferla
P J Adkins (non-executive chairman)

DIRECTORS' RESPONSIBILITIES

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 the group and of the profit or loss of the group for that year.

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,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group 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 group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the directors are aware

- there is no relevant audit information of which the group's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

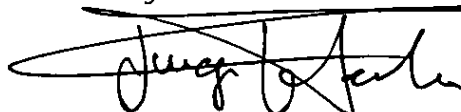
AUDITOR

Menzies LLP are deemed to be re-appointed under section 487(2) of the Companies Act 2006

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006

Registered office
2nd Floor
Berkley Square House
Berkley Square
London
W1J 6BD

Signed on behalf of the directors

L M La Ferla
Director

Approved by the directors on 15-3-2013

LTP TRADE LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF LTP TRADE LIMITED YEAR ENDED 30 JUNE 2012

We have audited the group and parent company financial statements ("the financial statements") of LTP Trade Limited for the year ended 30 June 2012 on pages 4 to 11. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's shareholders, 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 shareholders 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

As explained more fully in the Directors' Responsibilities Statement set out on page 2, 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.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements

- give a true and fair view of the state of the group's and parent company's affairs as at 30 June 2012 and of the group's loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, and
- have been prepared in accordance with the requirements of the Companies Act 2006.


OPINION ON OTHER MATTERS 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent company 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, or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report.



ANDREW COOK FCA (Senior
Statutory Auditor)
For and on behalf of
MENZIES LLP
Chartered Accountants
& Statutory Auditor

Heathrow Business Centre
65 High Street
Egham
Surrey TW20 9EY



LTP TRADE LIMITED

GROUP PROFIT AND LOSS ACCOUNT

YEAR ENDED 30 JUNE 2012

	Note	2012 £	2011 £
GROUP TURNOVER		–	234,000
Administrative expenses		115,769	160,041
OPERATING (LOSS)/PROFIT	2	<u>(115,769)</u>	<u>73,959</u>
Interest receivable		39	398
Interest payable and similar charges		–	(5)
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>(115,730)</u>	<u>74,352</u>
Tax on (loss)/profit on ordinary activities		–	–
(LOSS)/PROFIT FOR THE FINANCIAL YEAR	4	<u><u>(115,730)</u></u>	<u><u>74,352</u></u>

The company has taken advantage of section 408 of the Companies Act 2006
not to publish its own Profit and Loss Account

The notes on pages 7 to 11 form part of these financial statements.

LTP TRADE LIMITED

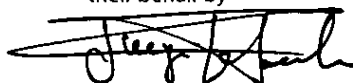
GROUP BALANCE SHEET

30 JUNE 2012

	Note	2012 £	2011 £
FIXED ASSETS			
Tangible assets	6	2,595	4,268
CURRENT ASSETS			
Debtors	8	497,425	472,522
Cash at bank and in hand		146,149	240,101
		643,574	712,623
CREDITORS: Amounts falling due within one year	9	90,096	45,088
NET CURRENT ASSETS		553,478	667,535
TOTAL ASSETS LESS CURRENT LIABILITIES		556,073	671,803
CAPITAL AND RESERVES			
Called-up equity share capital	13	1,203,747	1,203,747
Share premium account	14	4,661,053	4,661,053
Other reserves	14	125,001	125,001
Profit and loss account	14	(5,433,728)	(5,317,998)
SHAREHOLDERS' FUNDS		556,073	671,803

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

These financial statements were approved by the directors and authorised for issue on ~~15-3-2012~~ and are signed on their behalf by



L M La Ferla

The notes on pages 7 to 11 form part of these financial statements

LTP TRADE LIMITED

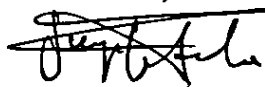
BALANCE SHEET

30 JUNE 2012

	Note	2012 £	2011 £
FIXED ASSETS			
Tangible assets	6	2,595	4,268
Investments	7	1	1
		<u>2,596</u>	<u>4,269</u>
CURRENT ASSETS			
Debtors	8	497,425	472,522
Cash at bank and in hand		146,149	240,101
		<u>643,574</u>	<u>712,623</u>
CREDITORS: Amounts falling due within one year	9	<u>90,096</u>	<u>45,088</u>
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These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

These financial statements were approved by the directors and authorised for issue on 15-8-2013 and are signed on their behalf by



L M La Ferla

Company Registration Number 03888256

The notes on pages 7 to 11 form part of these financial statements.

LTP TRADE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2012

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the company and all group undertakings. These are adjusted, where appropriate, to conform to group accounting policies. Acquisitions are accounted for under the acquisition method and goodwill on consolidation is capitalised and written off over five years from the year of acquisition. The results of companies acquired or disposed of are included in the group profit and loss account after or up to the date that control passes respectively. As a consolidated group profit and loss account is published, a separate profit and loss account for the parent company is omitted from the group financial statements by virtue of section 408 of the Companies Act 2006.

Turnover

The turnover shown in the group profit and loss account represents amounts receivable, under licence fee agreements, for the use of intellectual property owned by group companies, in the normal course of business.

In respect of long-term contracts and contracts for on-going services, turnover represents the value of work done in the year, including estimates of amounts not invoiced. Turnover in respect of long-term contracts and contracts for on-going services is recognised by reference to the stage of completion.

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:

Fixtures and fittings	- 20%
Computer equipment and software	- 33 33% straight line

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the group profit and loss account.

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 have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

LTP TRADE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2012

1 ACCOUNTING POLICIES *(continued)*

Going concern

The accounts are not prepared on a going concern basis following the successful completion of the dispute referred to in note 15. The directors' intention within the next 12 months is that the group companies will be wound up through a Members Voluntary Liquidation. No accounting adjustments are required to be made to assets and liabilities in the financial statements.

2. OPERATING (LOSS)/PROFIT

Operating (loss)/profit is stated after charging

	2012 £	2011 £
Staff pension contributions	510	510
Depreciation of owned fixed assets	1,673	1,014
Net loss on foreign currency translation	45	11
Auditor's remuneration	<u>8,600</u>	<u>6,750</u>
	2012 £	2011 £
Auditor's remuneration - audit of the financial statements	<u>8,600</u>	<u>6,750</u>

3 DIRECTORS' REMUNERATION

The directors' aggregate remuneration in respect of qualifying services were

	2012 £	2011 £
Aggregate remuneration	<u>18,000</u>	<u>14,743</u>

4. LOSS ATTRIBUTABLE TO MEMBERS OF THE PARENT COMPANY

The loss dealt with in the financial statements of the parent company was £(115,730) (2011 - £74,354)

5 FUTURE TAX CHARGE

The group has £3.9m (2011 £3.8m) of tax losses, part of which will be utilised in future periods.

The group have not recognised a deferred tax asset in respect of these tax losses.

6 TANGIBLE FIXED ASSETS

Group	Plant and machinery etc £
COST	
At 1 July 2011	326,101
Disposals	<u>(3,199)</u>
At 30 June 2012	<u>322,902</u>
DEPRECIATION	
At 1 July 2011	321,833
Charge for the year	1,673
On disposals	<u>(3,199)</u>
At 30 June 2012	<u>320,307</u>
NET BOOK VALUE	
At 30 June 2012	<u>2,595</u>
At 30 June 2011	<u>4,268</u>

LTP TRADE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2012

6. TANGIBLE FIXED ASSETS *(continued)*

Company	Plant and machinery etc. £
COST	
At 1 July 2011	9,745
Disposals	(3,199)
At 30 June 2012	6,546
DEPRECIATION	
At 1 July 2011	5,477
Charge for the year	1,673
On disposals	(3,199)
At 30 June 2012	3,951
NET BOOK VALUE	
At 30 June 2012	2,595
At 30 June 2011	4,268

7. INVESTMENTS

Company	Group companies £
COST	
At 1 July 2011 and 30 June 2012	1
NET BOOK VALUE	
At 30 June 2012 and 30 June 2011	1

	Country of incorporation	Holding	Proportion of voting rights and shares held	Nature of business
Subsidiary undertaking				
Trade Edge Systems Limited	England	Ordinary £1 shares	100%	Trade finance services

8. DEBTORS

	Group		Company	
	2012 £	2011 £	2012 £	2011 £
Trade debtors	258,500	220,000	258,500	220,000
Other debtors	238,925	252,522	238,925	252,522
	497,425	472,522	497,425	472,522

At 30 June 2012 the intercompany debtor balance due from Trade Edge Systems Limited of £3,585,779 (2011 - £3,482,080) has been fully provided against as the recoverability of this balance could not be predicted with reasonable certainty at the year end

Following the balance sheet date, an on going dispute with Trade Edge Systems Limited primary customer came to a conclusion and it is estimated that approximately £300,000 of the intercompany balance will be recoverable during the following financial period See note 15 for more details

LTP TRADE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2012

9 CREDITORS: Amounts falling due within one year

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
Trade creditors	38,654	27,894	38,654	27,894
Other creditors	44,842	12,194	44,842	12,194
Accruals and deferred income	6,600	5,000	6,600	5,000
	<u>90,096</u>	<u>45,088</u>	<u>90,096</u>	<u>45,088</u>

10. PENSIONS

The company operates defined contribution schemes for the benefit of the employees. The assets of the scheme are administered in a fund independent from those of the group.

The pension cost for the year was £510 (2011 - £510).

11. COMMITMENTS UNDER OPERATING LEASES

At 30 June 2012 the group had annual commitments under non-cancellable operating leases as set out below:

	2012	2011
	£	£
Operating leases which expire		
Within 1 year	<u>513</u>	<u>513</u>

At 30 June 2012 the company had annual commitments under non-cancellable operating leases as set out below:

	2012	2011
	£	£
Operating leases which expire		
Within 1 year	<u>513</u>	<u>513</u>

12. RELATED PARTY TRANSACTIONS

No related party transactions have been disclosed between this company and its group undertakings as permitted under Financial Reporting Standard 8.

No other transactions with related parties were undertaken such as are required to be disclosed under Financial Reporting Standard 8.

13. SHARE CAPITAL

Allotted, called up and fully paid:

	2012		2011	
	No	£	No	£
12,037,465 Ordinary shares of £0.10 each	<u>12,037,465</u>	<u>1,203,747</u>	<u>12,037,465</u>	<u>1,203,747</u>

LTP TRADE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2012

13 SHARE CAPITAL (continued)

Share options

	Number of shares under option	Subscription price per share
Enterprise Management Incentive Scheme		
Exercisable between 19 December 2003 - 18 December 2013	6,870	10 00p
Unapproved Share Option Scheme		
Exercisable between 19 December 2003 - 18 December 2013	-	10 00p

There was no movement in the number of shares under option in the Enterprise Management Incentive Scheme during the year

The directors consider that it is unlikely that any of the share options will be exercised at a cost to the company before the exercise dates. Consequently no liability or charge has been recognised in the financial statements in relation to these schemes

14. RESERVES

Group

	Share premium account £	Capital redemption reserve £	Profit and loss account £
Balance brought forward	4,661,053	125,001	(5,317,998)
Loss for the year	-	-	(115,730)
Balance carried forward	<u>4,661,053</u>	<u>125,001</u>	<u>(5,433,728)</u>

Company

	Share premium account £	Capital redemption reserve £	Profit and loss account £
Balance brought forward	4,661,053	125,001	(5,317,997)
Loss for the year	-	-	(115,730)
Balance carried forward	<u>4,661,053</u>	<u>125,001</u>	<u>(5,433,727)</u>

15. POST BALANCE SHEET EVENTS

During the year the group were in a joint dispute with the group's primary customer in relation to their contractual arrangements. The dispute included the settlement of fees included in turnover for the periods ended 31 December 2010 totalling £454,000. Further amounts due remained in dispute and as such were not accrued within the financial statements.

Following the balance sheet date, the company and its parent agreed a settlement receipt of £975,000, including VAT and costs. The balance of the receipt, after deduction of VAT and related costs will be recorded in the following financial period.

16 ULTIMATE CONTROLLING PARTY

The directors are the ultimate controlling party of the company and group.