Company Number 04150784

Metaskil Group Limited

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ANNUAL REPORT & FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

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Officers and Professional Advisors

Directors
I Faulkner
R S Terry
L Moorse

Secretary
E I C Walker

Registered Office
Quindell Court
1 Barnes Wallis Road
Segensworth East
Fareham
Hampshire
PO15 5UA

Bankers
Lloyds TSB Bank Plc
1-2 Market Place
Reading
RG1 2EQ

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Directors' Report

The directors present their report and the unaudited financial statements for the year ended 31 December 2013 The financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the EU

Principal activities
The principal activity of the company continued to be the provision of a range of management consulting and staffing services to third party clients and other companies within the Group

Dividends
The directors recommend no dividend for the period under review

Financial and business review
Turnover for the year was £1,066,000 (2012 £927,000) The company returned a profit before tax for the year of £315,000 (2012 £7,000 loss) The operating cash flow for the year was £nil (2012 £nil) The company was acquired by Quindell Plc in 2012, as a result of the acquisition the Accounting Year End was moved from 31 March 2012 to 31 December 2012 to align with Quindell Plc The results for the period are therefore for a twelve month period whilst the comparatives with the previous period are for nine months

Directors
The directors who served during the year are as stated below

I Faulkner
R S Terry
L Moorse

Political and charitable donations
The Company made no political or charitable donations or incurred any political expenditure during the year (2012 £nil)

Going concern
As at December 2013 the Company had access to significant banking facilites provided by the wider Quindell Group No material uncertainties related to events or conditions that may cast significant doubt about the ability of the Company to continue as a going concern have been identified by the Directors Thus they continue to adopt the going concern basis of accounting in preparing the financial statements

Disabled persons policy
Applications for employment by disabled persons are always considered, bearing in mind the aptitudes of the applicant concerned In the event of members of staff becoming disabled, every effort is made to ensure that their employment with the Company continues and that appropriate retraining is arranged It is the policy of the Company that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees

Employee consultation
The Company places considerable value on the involvement of its employees and has continued to keep them informed on matters affecting them as employees and on the performance of the Company and its wider Group

Directors' Responsibility Statement
The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable laws and regulations

Company law requires the directors to prepare such financial statements for each financial year Under that law the directors have chosen to prepare the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union 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 its profit or loss for that period In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and 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

Directors' Report

The directors are responsible for keeping proper 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

By order of the board

L Moorse
29 September 2014

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Income Statement

for the year ended 31 December 2013

	Note	12 months 2013 £'000	9 months 2012 £'000
Revenue		**1,066**	927
Cost of sales		**40**	(279)
Gross profit		**1,106**	648
Administrative expenses		**(791)**	(655)
Operating profit/(loss) and profit/(loss) before taxation	5	**315**	(7)
Taxation	7	**(14)**	-
Retained profit/(loss)		**301**	(7)

Statement of Changes in Equity

for the year ended 31 December 2013

	Share capital £'000	Capital redemption reserve £'000	Retained earnings £'000
At 1 January 2013	3,620	81	270
Profit for the year	-	-	301
At 31 December 2013	**3,620**	**81**	**571**
At 31 March 2012	3,073	81	277
Loss for the period	-	-	(7)
Issue of share capital	547	-	-
At 31 December 2012	3,620	81	270

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Statement of Financial Position

as at 31 December 2013

	Note	2013 £'000	2012 £'000	31 March 2012 £'000
Non-current assets				
Property, plant and equipment	8	-	-	1
Investments	9	3,371	3,371	2,824
		3,371	3,371	2,825
Current assets				
Trade and other receivables	10	2,748	2,339	2,166
Cash	11	1	1	1
		2,749	2,340	2,167
Total assets		6,120	5,711	4,992
Current liabilities				
Trade and other payables	12	(1,834)	(1,739)	(1,560)
Corporation tax		(14)	(1)	(1)
		(1,848)	(1,740)	(1,561)
Total liabilities		(1,848)	(1,740)	(1,561)
Net assets		4,272	3,971	3,431
Equity				
Share capital	13	3,620	3,620	3,073
Share premium account	14	81	81	81
Retained earnings		571	270	277
Total equity		4,272	3,971	3,431

For the year ending 31 December 2013 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies, and the directors are satisfied that no member or members have requested an audit pursuant to section 476 of that Act

The directors acknowledge their responsibilities for
(i) ensuring that the company keeps adequate accounting records which comply with section 386 of the Act, and

(ii) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 393, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company

The financial statements of Metaskil Group Limited, registered number 04150784, on pages 6 to 17 were approved and authorised for issue by the board of directors on 29 September 2014 and signed on its behalf by

L Moorse
Director

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Cash Flow Statement

for the year ended 31 December 2013

	Note	12 months 2013 £'000	9 months 2012 £'000
Net cash generated from/(used in) operating activities	**15**	**-**	-
Net increase/(decrease) in cash and cash equivalents	**16**	**-**	-
Cash and cash equivalents at the beginning of the year	**11**	**1**	1
Cash and cash equivalents at the end of the year	**11**	**1**	1

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Notes to the Financial Statements

1. General information

Intelligent Claims Management Limited is a company incorporated and domiciled in the United Kingdom

2. Adoption of new and revised Standards

In the current year, the following new and revised Standards and Interpretations have been adopted

Standards affecting the financial statements – both early adopted by the Group

IFRS10	Consolidated Financial Statements (2011)
IFRS 12	Disclosure of Interests in Other Entities

Standards and interpretations not significantly affecting the reported results or the financial position

Amendments to IFRS 7	Disclosures – Offsetting Financial Assets and Financial Liabilities (effective for periods beginning on or after 1 January 2013)
IFRS 11	Joint Arrangements
IFRS 13	Fair Value Measurement (effective for periods beginning on or after 1 January 2013)
Amendments to IAS 1	Presentation of Items of Other Comprehensive Income (effective for periods beginning on or after 1 January 2013)
IAS 19	Employee Benefits (2011)
Amendments to IAS 36	Recoverable Amount Disclosures for Non-Financial Assets (2013)
IAS 28	(as revised in 2011) Investments in Associates and Joint Ventures

IFRS10, IFRS11 and IFRS12 have been early adopted by the Group but have no impact on the reported results or financial position of the Company

All amendments issued to IFRS10, IFRS 11, IFRS 12 and IAS 27 have also been applied Annual improvements issued for 2010-2012 and for 2011-2013 have been considered and applied

Where any additional disclosure requirements were identified from these standards, the appropriate disclosures have been included in the notes to the accounts

Accounting standards not yet effective

At the date of authorisation of these financial statements, the following relevant Standards and Interpretations which have not been applied in these financial statements were in issue but not yet effective (and in some cases had not been adopted by the EU)

International Financial Reporting Standards (IFRS)

IFRS 9	Financial Instruments (effective for periods beginning on or after 1 January 2018 but is yet unendorsed)
Amendments to IFRS 9 and IFRS 7	Mandatory Effective Date of IFRS 9 and Transition Disclosures (effective for periods beginning on or after 1 January 2015)
Amendments to IAS 32	Offsetting Financial Assets and Financial Liabilities (effective for periods beginning on or after 1 January 2014)
Amendments to IAS 39	Novation of Derivatives and Continuation of Hedge Accounting (effective for periods beginning on or after 1 January 2014)

The Directors do not anticipate that the adoption of these Standards and Interpretations in future periods will have a material impact on the financial statements of the Company

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3 Significant accounting policies

The principal accounting policies adopted in the preparation of these financial statements are set out below These policies have been consistently applied to all the years presented, unless otherwise stated

Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) for the first time IFRS 1 "First-time Adoption of International Financial Reporting Standards" has been applied The Company's transition date for the adoption of IFRS 1 is 31 March 2012 IFRS 1 permits companies adopting IFRS for the first time to take certain exemptions from full retrospective application of IFRS accounting policies In accordance with IFRS 1 the Company has not revised estimates required under IFRS 1 that were also required under UK GAAP as at 31 March 2012 and 31 December 2012, and, in addition where estimates were not required under UK GAAP, they have been based on information known at that time, and not on subsequent events

On adoption of IFRSs, no differences have arisen which affect the reported financial position, financial performance and cash flows of the company, with the exception of the fact that the Company was exempt from preparing a cashflow statement under UK GAAP, being a small company Therefore no transition disclosures or reconciliations are presented In accordance with IAS1, a third balance sheet has been presented as at 31 March 2012, which is the same position as at the opening balance sheet date of the earliest comparative period, being 1 April 2012 The financial statements have also been prepared in accordance with IFRSs adopted by the European Union The financial statements have been prepared on the historical cost basis Historical cost is generally based on the fair value of the consideration given in exchange for the assets acquired The principal accounting policies adopted are set out below

Revenue recognition

The Company provides software, business and technology consulting services, administration and management services, white labelled solutions, e-commerce, membership services, SaaS solutions and other services Customers can be other businesses, membership bodies or other non-profit making organisations

The Company receives its income through Software ILF (Initial Licence Fee), SaaS (Software as a Service), consulting fees, management charges, membership fees, e-commerce revenues, click fees and other success based one-time fees Intellectual property rights ("IPR") or distribution rights to IPR are sold and recognised on the delivery of IPR or granting of the rights to the customer

When selling software, new solution sales typically involve software licences being sold together with Post Customer Support (PCS) services and/or implementation services Where the commercial substance of such a combination is that the individual components operate independently of each other and fair values can be attributed to each of the components, each are then recognised in accordance with their respective policies described below Where it is not possible to attribute reliable fair values to two or more components, these are viewed as a combination and revenue is recognised on the combined revenue streams as the combined service is delivered using the percentage of completion method Provisions for estimated losses on uncompleted contracts are recorded in the year in which such losses become probable, based on contract cost estimates

The revenue recognition policies for separately identifiable revenue streams are as follows

Initial licence fees, SaaS and other success based one-time fees

Revenues are recognised when pervasive evidence of an arrangement exists, delivery has occurred, the licence or other one-time fee is fixed or determinable, the collection of the fee is reasonably assured, no significant obligations with regard to success, installation or implementation of the software or service remain, and customer acceptance, when applicable, has been obtained On certain SaaS contracts where there are fixed and contracted term lengths and no other services are required to be performed during the remainder of the contract, receivables under the contracts are recognised at the point of sale

Maintenance, Hosting and other PCS Services

Maintenance, Hosting and PCS services are billed on a periodic basis in advance The Group recognises revenue on these services evenly over the period of the contract

Solution Delivery Implementation Services

Revenues for all fixed fee contracts are recognised on a percentage complete basis The Group calculates the percentage to complete by comparing the number of man days utilised at the period end with the total number of man days required to complete the project Project plans are reviewed on a regular basis with any losses recognised immediately in the period in which such losses become probable based on contract cost estimates

Operating profit

Operating profit is profit stated before finance income, finance expense and tax

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Property, plant and equipment
Property, plant and equipment is stated at cost, net of depreciation and any provision for impairment Depreciation is calculated to write off the cost less estimated residual values over their estimated useful lives as follows

Plant and machinery	25% straight line basis

Assets in the course of construction are capitalised as expenditure is incurred Depreciation is not charged until the asset is brought into use Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, over the term of the relevant lease Residual value is based on the estimated amount that would currently be obtained from disposal

Estimated residual values and useful economic lives are reviewed annually and adjusted where necessary

Leases
Rentals payable under operating leases are charged to income on a straight-line basis over the term of the relevant lease

Finance leases, which transfer to the Group substantially all the risks and benefits incidental to the ownership of the leased item are capitalised at the inception of the lease at the fair value of the leased asset, or if lower, at the present value of the minimum lease payments Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability Finance charges are charged directly against income

Trade receivables
Trade receivables are held at amortised cost less any impairment provisions and this equates to their recoverable value Amounts set aside for settlement adjustments, which insurers in certain limited circumstances (e g due to administrative delays) seek to negotiate, are based on historical experience The resulting settlement adjustments are recognised within revenue as they relate to revisions of income estimates, not collectability (credit risk) Movements in the impairment provision relating to credit risk are recognised within administrative expenses as bad debt expenses

Trade payables
Trade payables do not carry any interest and are stated at their fair value

Cash and cash equivalents
Cash in the Statement of Financial Position comprises cash at banks and in hand For the purpose of the cash flow statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts

Taxation including deferred tax
The tax expense represents the sum of current tax and deferred tax Tax is recognised in the Income Statement except to the extent that it relates to items recognised in equity in which case it is recognised in equity The current tax is based on taxable profit for the year calculated using tax rates that have been enacted or substantively enacted by the Statement of Financial Position date

Deferred tax is provided using the balance sheet liability method on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit In principle deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which deductible temporary differences can be utilised Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets or liabilities in a transaction that affects neither the tax profit nor the accounting profit

The carrying amount of deferred tax assets is reviewed at each Statement of Financial Position date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised Tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority

4 Critical accounting judgements and key sources of estimation uncertainty

In the process of applying the Company's accounting policies, management has made a number of judgements, and the preparation of financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting year Although these estimates are based on management's best knowledge of the amount, event or actions, actual results ultimately may differ from those estimates

The key assumption concerning the future and other sources of estimation is outlined below

Revenue recognition
The Company recognises revenue as described in the revenue recognition accounting policy, when it is reasonably certain that the revenue has been earned

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5. Operating profit

The operating profit for the year is stated after charging

	12 months 2013 £'000	9 months 2012 £'000
Depreciation of property, plant and equipment - owned assets	-	1

The directors consider that the activities of the company represent a single business segment being the provision of management consulting and staffing services The location of all revenue, operating profits and net assets was within the United Kingdom

6 Employee and staff costs

There were no employees during the year apart from the directors

The remuneration of the executive and non-executive directors was as follows

	12 months 2013 £'000	9 months 2012 £'000
Emoluments	-	45
	-	45

The cost of certain of the other directors was borne by other group companies

No retirement benefits were accruing under any schemes in respect of any of the directors (2012 none) None of the directors received any remuneration in connection with contributions to pension schemes

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7. Taxation

	12 months 2013 £'000	9 months 2012 £'000
The taxation charge comprises		
Current tax		
- Current year	14	-
Total current tax	14	-
Deferred tax		
- Origination and reversal of temporary differences	-	-
Total deferred tax	-	-
Total tax expense	14	-

Income tax for the UK is calculated at the standard rate of UK corporation tax of 23 25% (2012 24 50%) on the estimated assessable profit for the year The total charge for the year can be reconciled to the accounting profit as follows

	12 months 2013 £'000	9 months 2012 £'000
Profit/(loss) on ordinary activities before tax	315	(7)
Tax at 23 25% (2012 24 5%) thereon	73	(2)
Effect of		
(Income not taxable)/expenses not deductible for tax purposes	(59)	2
Total tax charge for the year	14	-

Factors affecting future tax charges
The 2013 Budget on 20 March 2013 announced that the UK corporation tax rate will be reduced to 21% from 1 April 2014 and to 20% from 1 April 2015 These rates were substantially enacted on 2 July 2013 A rate of 20% has been used for deferred tax assets and liabilities being realised or settled after 1 April 2015

8. Property, plant and equipment

	Leasehold Land and Buildings £'000	Plant and Equipment £'000	Total £'000
Cost			
At 1 April 2012	1	25	26
Additions	-	-	-
At 31 December 2012	1	25	26
Additions		-	-
At 31 December 2013	1	25	26
Depreciation			
At 1 April 2012	1	24	25
Charge of the period	-	1	1
At 31 December 2012	1	25	26
Charge for the year	-	-	-
At 31 December 2013	1	25	26
Net book value			
31 December 2013	-	-	-
31 December 2012	-	-	-
31 March 2012	-	1	1

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9 Investments

The Company has the following investments in subsidiaries

	Country of Incorporation	Percentage Holding
Quindell Resourcing Limited	UK	100 0
Open Square Limited	UK	100 0

10. Trade and other receivables

	2013 £'000	2012 £'000	31 March 2012 £'000
Trade receivables (net of impairment provision)	**183**	260	157
Amounts due from group companies	**2,539**	2,018	1,966
Other receivables	**2**	35	5
Prepayments and accrued income	**24**	26	38
	2,748	2,339	2,166

The directors consider that the net carrying amount of Trade receivables approximates to their fair value

11. Cash and cash equivalents

Cash and cash equivalents comprise the following for the purposes of the cash flow statement

	2013 £'000	2012 £'000	31 March 2012 £'000
Cash and cash equivalents	**1**	1	1
	1	1	1

Cash and cash equivalents comprise cash held by the Company The carrying amount of these assets approximates to their fair value

12 Trade and other payables

	2013 £'000	2012 £'000	31 March 2012 £'000
Current liabilities			
Trade payables	-	7	16
Amounts due to group companies	**1,796**	1,529	1,519
Other liabilities	**12**	12	-
Accruals and deferred income	**26**	191	25
	1,834	1,739	1,560

Trade payables principally comprise amounts outstanding for trade purchases and ongoing costs The directors consider that the carrying amount of Trade payables approximates to their fair value

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13 Share Capital

	2013		2012		March 2012	
	Number '000	**Nominal Value £'000**	Number '000	Nominal value £'000	Number '000	Nominal value £'000
Authorised ordinary shares of 1p each						
At the start and end of the period	**1,000,000**	**10,000**	1,000,000	10,000	1,000,000	10,000
Issued and fully paid ordinary shares of 1p each						
At the start of the period	**362,029**	**3,620**	307,283	3,073	307,283	3,073
Issue of share capital	-	-	54,746	547	-	-
At the end of the period	**362,029**	**3,620**	362,029	3,620	307,283	3,073

14. Reserves

	Capital redemption reserve £'000
As at 1 April 2012, 1 January 2013 and 31 December 2013	81

15. Cash flow from operating activities

	12 months 2013 £'000	9 months 2012 £'000
Operating profit/(loss)	**315**	(8)
Adjustments for		
Depreciation of property, plant and equipment	-	1
Operating cash flows before movements in working capital and provisions	**315**	(7)
(Increase)/decrease in trade and other receivables	**(409)**	(173)
Increase in trade and other payables	**94**	180
Cash generated from/(used in) operations before exceptional costs	-	-

16. Reconciliation of net cash flow to movement in net funds

	1 January 2013 £'000	**Cash flow movements £'000**	**31 December 2013 £'000**
Cash and cash equivalents	1	-	**1**
Net funds	1	-	**1**

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17. Financial instruments

The Company's financial instruments comprise borrowings, cash and liquid resources and various items such as trade debtors and trade creditors that arise from its operations The Company does not use derivatives The main purpose of these financial instruments is to manage the Company's operations It is, and has been throughout the period under review, the policy of the Company that no trading in financial instruments shall be undertaken

Liquidity risk

The Company has a strong cash position and funds generated from operations are managed centrally The Company maintains the most appropriate mix of short and medium term borrowings from the Company's lenders

The following are the contractual maturities of financial liabilities

Non-derivative financial liabilities	Carrying amount £'000	Contractual cash flows £'000	Less than 1 year £'000	Between 1-5 years £'000
2013				
Trade and other payables	**1,534**	**(1,534)**	**(1,534)**	-
	1,534	**(1,534)**	**(1,534)**	-
2012				
Trade and other payables	1,739	(1,739)	(1,739)	-
	1,739	(1,739)	(1,739)	-
March 2012				
Trade and other payables	1,560	(1,560)	(1,560)	-
	1,560	(1,560)	(1,560)	-

Credit risk

Credit risk is the risk of financial loss to the Company if a customer fails to meet its contractual obligations, and arises principally from the Company's receivables from customers The carrying amount of financial assets represents the maximum credit exposure

The ageing of trade receivables at the reporting date was as follows

31 December 2013

	£'000 Gross	**£'000 Impairment**	**£'000 Net**
Under 1 year	**183**	-	**183**
	183	-	**183**

31 December 2012

	£'000 Gross	£'000 Impairment	£'000 Net
Under 1 year	260	-	260
	260	-	260

31 March 2012

	£'000 Gross	£'000 Impairment	£'000 Net
Under 1 year	157	-	157
	157	-	157

Included in the above net trade debtors is £nil (2012 £nil) which are past their due date but not impaired

The allowance has been determined by reference to the recoverability of specific overdue debts No allowance for impairment is made against other receivables The creation and reversal of provisions for impaired trade receivables where they arise are included in administrative expenses in the Income Statement The directors consider that the carrying amount of trade and other receivables approximates their fair value

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18 Ultimate parent company

The immediate and ultimate parent company of the Company is Quindell Plc Copies of the consolidated accounts of Quindell Plc can be obtained by writing to the Company Secretary at Quindell Court, 1 Barnes Wallis Road, Segensworth East, Fareham, Hampshire PO15 5UA

19. Related party transactions

Transactions with other group companies
As part of its normal operating activities, the company enters into transactions with other group undertakings

The amounts and balances of these transactions are shown below

	Sales 12 months 2013 £'000	**Purchases 12 months 2013 £'000**	**Debtor 2013 £'000**	**Creditor 2013 £'000**	Sales 9 months 2012 £'000	Purchases 9 months 2012 £'000	Debtor 2012 £'000	Creditor 2012 £'000
Transactions with								
Other group subsidiaries	**38**	**-**	**2,539**	**(1,796)**	-	-	2,018	(1,529)
	38	**-**	**2,539**	**(1,796)**	-	-	2,018	(1,529)

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