

# **Advanced Payment Solutions Limited**

Abbreviated accounts

For the year ended 31 March 2006

Grant Thornton 



**Company No. 4947027**

## Company information

**Registered office**

6th Floor  
One London Wall  
London  
EC2Y 5EB

**Directors**

R T Wagner  
J G Jones  
S B Galasso  
D R Dixon  
C P Marshall

**Secretary**

R K Dear

**Auditor**

Grant Thornton UK LLP  
Chartered Accountants  
Registered Auditors  
Central Milton Keynes

## Index to the abbreviated accounts

<b>Report of the auditor to the company</b>	4
<b>Principal accounting policies</b>	5
<b>Abbreviated balance sheet</b>	6
<b>Notes to the abbreviated accounts</b>	7 - 8

# Independent auditor's report to Advanced Payment Solutions Limited under Section 247B of the Companies Act 1985

We have examined the abbreviated accounts set out on pages 5 to 8, together with the financial statements of Advanced Payment Solutions Limited for the year ended 31 March 2006 prepared under Section 226 of the Companies Act 1985.

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. Our work has been undertaken so that we might state to the company those matters we are required to state to them in a special 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, for our audit work, for this report, or for the opinions we have formed.

## **Respective responsibilities of directors and auditor**

The directors are responsible for preparing the abbreviated accounts in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Act to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with those provisions and to report our opinion to you.

## **Basis of opinion**

We conducted our work in accordance with Bulletin 2006/3 "The special auditor's report on abbreviated accounts in the United Kingdom" 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 to be delivered are properly prepared.

## **Opinion**

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts have been properly prepared in accordance with those provisions.



GRANT THORNTON UK LLP  
REGISTERED AUDITORS  
CHARTERED ACCOUNTANTS

17 July 2006

## Principal 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 January 2005).

### **Turnover**

Turnover represents fees and commissions receivable in respect of the period. Initial fees are recognised after the first monetary load, and monthly fees are in the month raised where there is available credit on the cardholder's account.

### **Fixed assets**

All fixed assets are initially recorded at cost.

### **Depreciation**

Depreciation is calculated so as to write off the cost of an asset over the useful economic life of that asset as follows:

Computer equipment	-	3 years
Fixtures & Fittings	-	5 years
Equipment	-	3 years
Software	-	2 - 3 years

### **Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

### **Financial instruments**

Borrowings are initially recorded in the balance sheet at fair value of the consideration received, and thereafter increased by the finance cost in respect of the reporting period and reduced by payments made in that period.

Finance costs of borrowings are allocated to periods over the term of the borrowings at a constant rate on the carrying amount, and are charged to profit.

## Abbreviated balance sheet

	Note	2006 £	2005 £
<b>Fixed assets</b>	1		
Tangible assets		532,406	-
<b>Current assets</b>			
Stocks		68,627	-
Debtors		93,193	60
Cash at bank and in hand		1,840,969	9,511
		<u>2,002,789</u>	<u>9,571</u>
<b>Creditors: amounts falling due within one year</b>		<u>334,052</u>	<u>4,000</u>
<b>Net current assets</b>		<u>1,668,737</u>	<u>5,571</u>
<b>Total assets less current liabilities</b>		<u>2,201,143</u>	<u>5,571</u>
<b>Creditors: amounts falling due after more than one year</b>	2	5,191,038	-
		<u>(2,989,895)</u>	<u>5,571</u>
<b>Capital and reserves</b>			
Called-up equity share capital	3	2,398	1,000
Share premium account		205,522	124,360
Profit and loss account		(3,197,815)	(119,789)
<b>(Deficiency)/shareholders' funds</b>		<u>(2,989,895)</u>	<u>5,571</u>

These abbreviated accounts have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

These abbreviated accounts were approved by the directors on 14 July 2006 and are signed on their behalf by:



R T Wagner

## Notes to the abbreviated accounts

### 1 Fixed assets

	Tangible Assets £
Cost	
Additions	664,831
At 31 March 2006	<u>664,831</u>
Depreciation	
Charge for year	132,425
At 31 March 2006	<u>132,425</u>
Net book value	
At 31 March 2006	<u>532,406</u>

### 2 Creditors: amounts falling due after more than one year

Represents 6% loan stock 2010 which is held by shareholders including the controlling related party, Trident Capital Fund VI LP, with a closing balance of £4,798,503.

### 3 Share capital

Authorised share capital:

	2006 £	2005 £
830 Ordinary shares of £1 each	-	830
170 Preferred shares of £1 each	-	170
1,190,000 Ordinary shares of £0.001 each	1,190	-
2,040,000 Series A convertible preferred shares of £0.001 each	2,040	-
170,000 Series B preferred shares of £0.001 each	170	-
	<u>3,400</u>	<u>1,000</u>

Allotted, called up and fully paid:

	2006 No	£	2005 No	£
Ordinary shares of £1 each	-	-	830	830
Preferred shares of £1 each	-	-	170	170
Ordinary shares of £0.001 each	850,000	850	-	-
Series A convertible preferred shares of £0.001 each	1,378,378	1,378	-	-
Series B preferred shares of £0.001 each	170,000	170	-	-
	<u>2,398,378</u>	<u>2,398</u>	<u>1,000</u>	<u>1,000</u>

**3 Share capital (continued)**

**Allotment during the Year:**

On 22 April 2005, all the existing and new, issued or unissued shares in the capital of company are subdivided by 1,000 shares of £0.001 each.

On 22nd of April 2005 the company issued 20,000 ordinary shares of £0.001 for £0.751 per share giving rise to a share premium of £15,000 and 827,027 A convertible preferred shares of £0.001 each for 0.049p per share giving rise to share premium of £39,697.

22 June 2005 the company issued 551,351 A Convertible Preferred shares of £0.001 each for £0.049 each giving rise a share premium of £26,465

**Rights of Shares:**

All shares rank pari passu in respect of income and capital distributions, detailed conversion rights are set out in the companys Articles of Association.

**Share Options:**

The company has issued options to employees to purchase 170,450 shares at £0.45 per share. These options can be exercised between 4 years from date of grant and no later than 10 years after the date of grant.

**4 Ultimate controlling party**

The ultimate controlling party is Trident Capital Fund VI LP incorporated in the United States of America.