Company Registration No. 5175576

WIN Limited

Report and Financial Statements

31 March 2012

WIN Limited

Report and financial statements 2012

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WIN Limited

Report and financial statements 2012

Officers and professional advisers

Directors

Mr Jayesh Patel
Mr Michael Jefferies

Registered Office

1 Cliveden Office Village
Lancaster Road
Cressex Business Park
High Wycombe
Buckinghamshire
HP12 3YZ

Bankers

Barclays Bank Plc
Barclays Corporate
180 Oxford Street
London
W1D 1EA

Auditor

Deloitte LLP
Chartered Accountants
London

WIN Limited

Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 March 2012

Principal activities

The Company's principal activity is that of a holding company

Business review

WIN Limited, including all its subsidiaries, was acquired by IMImobile Europe Limited on the 25 August 2010, together making up the European group Details of the acquisition can be found with the financial statements of IMImobile Europe Limited

Since acquisition the newly combined group has been working on various integration activities One of the elements of this was to transfer the trade and assets of the main trading company within the WIN Group to IMImobile Europe Limited which was completed on 1 March 2012 Following the transfer a review of the investments held was undertaken which resulted in an impairment charge of £1,743,000

In addition to this, a review was undertaken of the recoverability of a loan to the Greek subsidiary of WIN Limited Given current trading in Greece as well as wider economic conditions in the Eurozone a provision has been created for the full outstanding balance of the loan

The Board continues to be satisfied with the European Group's performance The principal risks and uncertainties of the company are considered in note 17 of the financial statements For more details please refer to the statutory accounts of IMImobile Europe Limited

There have been no significant events since the balance sheet date

The company recorded a loss of £2,538,000 (2011 £3,532,000) in the year The full trading performance of WIN Limited for the year is shown on page 7

Future Prospects

The market for continuing new business remains attractive and the Group is well positioned to take advantage of the opportunities, particularly in the operator market where the Group see increased pressures on the major operators to outsource services in order to reduce costs The Group also see good opportunities in Europe and beyond, to sell Managed Services into markets where the major operators do not have sufficient scale to develop their own solutions

Dividend

Total dividends of £nil (2011 £nil) were paid during the year

Basis of preparation

Going concern

The financial statements have been prepared on the going concern basis as the parent company, IMImobile Europe Limited, a company incorporated in the United Kingdom, will continue to support the company for the foreseeable future following the approval of the accounts by the directors A letter to this effect has been provided by the parent company

Directors

The directors who held office during the year and to the date of this report were as follows

Mr Jayesh Patel
Mr Michael Jefferies
Mr Lance Moir (resigned 14 March 2012)

Directors' remuneration

The particulars of the remuneration of the directors are as shown in note 4 of the financial statements

Directors' report (continued)

Auditors

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

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- 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 were appointed in the year and have expressed their willingness to continue in office as auditor and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting

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

M Jefferies
Finance Director
16 August 2012

WIN Limited

Statement of directors responsibilities

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 International Financial Reporting Standards (IFRSs) as adopted by the European Union 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, International Accounting Standard 1 requires that directors

- properly select and apply accounting policies, and
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information, and
- provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance, and
- make an assessment of the company's ability to continue as a going concern

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 WIN Limited

We have audited the financial statements of WIN Limited for the year ended 31 March 2012 which comprise Income Statement, the Statement of financial position, Statement of Cash Flows, the Statement of Changes in Equity and the related notes 1 to 19 The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union

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

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 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 In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report

Opinion

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 March 2012 and of its loss for the year then ended, and
- have been properly prepared in accordance with IFRSs as adopted by the European Union, and
- have been prepared in accordance with the requirements of the Companies Act 2006

Opinion on matters prescribed in 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

Independent auditor's report to the members of WIN Limited (continued)

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

Other Matter

The financial statements of WIN Limited for the period ended 31 March 2011 were audited by another auditor who expressed an unmodified opinion on those statements on 8 September 2011

Robert Matthews

Robert Matthews
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
London
16 August 2012

WIN Limited

Income statement

Year ended 31 March 2012

	Notes	2012 Underlying profit £'000	2012 Exceptionals £'000	2012 Total £'000	2011 Underlying profit £'000	2011 Exceptionals £'000	2011 Total £'000
Revenue		-	-	-	-	-	-
Cost of sales		-	-	-	-	-	-
Gross profit		-	-	-	-	-	-
Other administrative expenses		(781)	-	(781)	(162)	-	(162)
Charge in relation to share based payments		-	-	-	(24)	-	(24)
Restructuring of activities	3	-	(1,743)	(1,743)	-	(5,109)	(5,109)
Administrative expenses		(781)	(1,743)	(2,524)	(186)	(5,109)	(5,295)
Operating loss		(781)	(1,743)	(2,524)	(186)	(5,109)	(5,295)
Financial income	6	-	-	-	1,781	-	1,781
Financial Expense	7	(14)	-	(14)	(12)	-	(12)
Profit/(loss) before tax		(795)	(1,743)	(2,538)	1,583	(5,109)	(3,526)
Tax (expense)/credit	8	-	-	-	(6)	-	(6)
Profit/(loss) for the period attributable to equity holders of the Company		(795)	(1,743)	(2,538)	1,577	(5,109)	(3,532)

A statement of comprehensive income has not been included as part of these financial statements as the company made no gains or losses in the period other than as disclosed in the income statement

The results above are all derived from continuing operations

WIN Limited

Statement of financial position
at 31 March 2012

	Notes	2012 £'000	2011 £'000
Non-current assets			
Investment in subsidiaries	9	-	1,743
Other financial assets	10	-	790
Total non-current assets		-	2,533
Current assets			
Trade and other receivables	12	-	1,144
Assets held for sale	11	-	360
Cash and cash equivalents		-	-
Total current assets		-	1,504
Total assets		-	4,037
Current liabilities			
Trade and other payables	13	(547)	(2,046)
Total current liabilities		(547)	(2,046)
Total liabilities		(547)	(2,046)
Net assets		(547)	1,991
Equity			
Share capital	15	1,125	1,125
Share premium		3,108	3,108
Capital redemption reserve		656	656
Available for sale reserve		-	260
Retained earnings		(5,436)	(3,158)
Total equity attributable to equity holders of the Company		(547)	1,991

The financial statements of WIN Limited, registered number 5175576, were approved by the Board of Directors on 16 August 2012

Signed on behalf of the Board of Directors

M Jefferies
Finance Director

WIN Limited

Statement of changes in equity

Year ended 31 March 2012

	Notes	Share capital £'000	Shares to be issued £'000	Share premium £'000	Capital redemption reserve £'000	Merger reserve £'000	Available for sale £'000	Retained earnings £'000	Total £'000
Balance at 1 January 2010		1,015	205	2,332	656	922	-	244	5,374
Comprehensive income for the period		-	-	-	-	-	-	(3,532)	(3,532)
Impairment of Intangibles		-	-	-	-	(922)	-	922	-
Shares issued		38	(205)	167	-	-	-	-	-
Exercised Options		72	-	609	-	-	-	-	681
Available for sale assets		-	-	-	-	-	100	(100)	-
Increase in fair value of financial asset		-	-	-	-	-	160	-	160
Share based payments		-	-	-	-	-	-	24	24
Dividends to shareholders		-	-	-	-	-	-	(716)	(716)
Balance at 31 March 2011		1,125	-	3,108	656	-	260	(3,158)	1,991
Balance at 1 April 2011		1,125	-	3,108	656	-	260	(3,158)	1,991
Comprehensive income for the period		-	-	-	-	-	-	(2,538)	(2,538)
Available for sale assets	11	-	-	-	-	-	(260)	260	-
Balance at 31 March 2012		1,125	-	3,108	656	-	-	(5,436)	(547)

WIN Limited

Statement of cash flows

Year ended 31 March 2012

	Notes	2012 £'000	2011 £'000
Cash flows from operating activities			
Profit/(loss) for the period		(2,538)	(3,532)
Adjustments for			
Impairment loss	9	1,743	4,420
Net Financial expense	6,7	14	9
Provision	10	751	-
Dividend Income	6	-	(1,778)
Equity settled share-based payment expenses		-	24
Exchange rate movement		39	26
Taxation	8	-	6
Operating loss before changes in working capital and provisions		9	(825)
Decrease/(increase) in trade and other receivables		1,144	(989)
Increase in trade and other payables		(391)	772
Net cash from operating activities		762	(1,042)
Cash flows from investing activities			
Interest paid		(7)	(9)
Dividend received		-	478
Loan repayment		(1,041)	468
Sale of investments	11	360	
Net cash from investing activities		(688)	937
Cash flows from financing activities			
Proceeds from the issue of share capital		-	682
Dividends paid		-	(716)
Net cash from financing activities		-	(34)
Net decrease in cash and cash equivalents		74	(139)
Cash and cash equivalents at 1 April		(74)	65
Cash and cash equivalents at 31 March		-	(74)

WIN Limited

Notes to the financial statements
Year ended 31 March 2012

1. **Accounting policies**

WIN Limited is a company domiciled in the United Kingdom

The financial statements have been prepared and approved by the directors in accordance with International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs")

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in the financial statements

The company is exempt by virtue of Section 401 of the Companies Act 2006 from the requirement to prepare group accounts These financial statements present information about the company as an individual undertaking and not about its group

Measurement convention

The financial statements are prepared on the historical cost basis, except financial instruments which are stated at fair value

Going concern

Note 17 to the financial statements include the Company's objectives, policies and processes for managing its capital, its financial risk management objectives, details of its financial instruments and hedging activities, and its exposures to credit risk and liquidity risk

The company has net current liabilities of £547,000 and made a loss in the year of £2,538,000

The directors have considered the use of the going concern basis in the preparation of the financial statements in light of current market conditions and concluded that it is appropriate In coming to this conclusion, the directors have considered the fact that the parent company IMImobile Europe, has indicated that it will support the company to meet its obligations as and when they fall due as it continues to trade in the future

Foreign currency

Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date Foreign exchange differences arising on translation are recognised in the income statement Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined

Exchange differences arising from the translation of the net investment in foreign operations, and of related hedges are taken to the translation reserve They are released into the income statement upon disposal

1. **Accounting policies (continued)**

Classification of financial instruments

Following the adoption of IAS 32, financial instruments are treated as equity only to the extent that they meet the following two conditions

(a) they include no contractual obligations upon the Company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Company, and

(b) where the instrument will or may be settled in the Company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the Company's own equity instruments or is a derivative that will be settled by the Company exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments

Finance payments associated with financial liabilities are dealt with as part of finance expenses Finance payments associated with financial instruments that are classified in equity are treated as distributions and are recorded directly in equity

Investments in debt and equity securities

Investments in subsidiaries are carried at cost less impairment

Other investments in debt and equity securities held by the Company are stated at fair value, with any resultant gain or loss being recognised directly in equity (in the fair value reserve), except for impairment losses When these investments are derecognised, the cumulative gain or loss previously recognised directly in equity is recognised in profit or loss

Trade and other payables

Trade and other payables are recognised initially at fair value Subsequent to initial recognition they are measured at amortised cost using the effective interest method

Intra-group financial instruments

Where the Company enters into financial guarantee contracts to guarantee the indebtedness of other companies within its group, the Company considers these to be insurance arrangements and accounts for them as such In this respect, the Company treats the guarantee contract as a contingent liability until such time as it becomes probable that the Company will be required to make a payment under the guarantee

Impairment excluding deferred tax assets

The carrying amounts of the Company's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment, a financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset If any such indication exists, the asset's recoverable amount is estimated

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount Impairment losses are recognised in the income statement

Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to cash-generating units and then to reduce the carrying amount of the other assets in the unit on a pro rata basis A cash generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets

The recoverable amount of other assets is the greater of their fair value less costs to sell and value in use In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs

Dividends

Dividends are recognised as a liability in the period in which they are declared

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1. **Accounting policies (continued)**

Employee benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which the company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts Obligations for contributions to defined contribution pension plans are recognised as an expense in the income statement as incurred

Provisions

A provision is recognised in the balance sheet when the company has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation Provisions are determined by discounting the expected future cash flows at a discount rate that reflects risks specific to the liability

Taxation

Income tax on the profit or loss for the period comprises current and deferred tax Income tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity

Current tax is the expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes The following temporary differences are not provided for goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect neither accounting nor taxable profit, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised

Adopted IFRS not yet applied

The following standards and amendments were not endorsed by the EU at the date of approval of these financial statements and have not been applied by the Company Their adoption is expected to have no material impact on the company financial statements, unless otherwise indicated

- IFRS 9 Financial Instruments (will be applied from 1 January 2013)

Use of estimates and judgements

The preparation of financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses Actual results may differ from these estimates

Estimates and underlying assumptions are reviewed on an on-going basis Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected

Exceptional items

Exceptional items are material items which derive from events or transactions that do not fall within the ordinary activities of the company and which individually or, if of a similar type, in aggregate, need to be disclosed by virtue of their size of incidence if the financial statements are to give a true and fair view and to ensure the presentation is relevant to an entity's financial performance

1. **Accounting policies (continued)**

Share Options

Equity-settled share-based payments to employees are measured at the fair value of the equity instruments at the grant date Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 19

The share option programme allows Group employees to acquire shares of the Company The fair value of options granted is recognised as an employee expense with a corresponding increase in equity The fair value is measured at grant date and spread over the period during which the employees become unconditionally entitled to the options The fair value of the options granted is measured using a Black Scholes Model, taking into account the terms and conditions upon which the options were granted The amount recognised as an expense is adjusted to reflect the actual number of share options that vest except where forfeiture is only due to share prices not achieving the threshold for vesting

2. **Auditor's remuneration**

Auditors' remuneration

	2012 £'000	2011 £'000
Audit of these financial statements	5	4
Amounts receivable by auditors and their associates in respect of Services relating to corporate transactions	-	38
	5	42

Audit fees for the period are borne by its parent, IMImobile Europe Limited

3. **Exceptional items**

	2012 £'000	2011 £'000
Impairment charges	1,743	4,420
Restructuring	-	689
	1,743	5,109

In 2011, following the acquisition of the group by IMImobile Europe Limited the company has restructured its business to take advantage of synergies that have arisen The costs of restructuring are deemed to be exceptional non-recurring costs which include the deal costs associated with the acquisition

4. Directors' remuneration

	2012 £'000	2011 £'000
Directors' emoluments	-	466
Company contributions to defined contribution stakeholder pension scheme	-	27
Compensation for loss of office	-	270
	-	763

The aggregate of emoluments of the highest paid director was £nil (2011 £434,000) and Company pension contributions of £nil (2011 £2,000) were made to a defined contribution stakeholder pension scheme on their behalf

	Number of directors 2012	2011
Retirement benefits are accruing to the following number of directors under Defined contribution stakeholder pension schemes	-	1

5. Staff numbers and costs

The average number of persons employed by the Company (including directors) during the period, analysed by category, was as follows

	Number of employees 2012	2011
Management	-	3

The aggregate payroll costs of these persons were as follows

	2012 £'000	2011 £'000
Wages and salaries	-	736
Social security costs	-	76
Other pension costs	-	27
Share based payments	-	25
	-	864

6. Financial income

	2012 £'000	2011 £'000
Bank interest receivable	-	3
Dividend income	-	1,778
	-	1,781

WIN Limited

7. Financial expense

	2012 £'000	2011 £'000
Bank interest payable	14	12

8. Income tax credit

Recognised in the income statement

	2012 £'000	2011 £'000
Current tax credit		
Origination and reversal of temporary differences	-	6
Deferred tax (see note 14)	-	6
Tax credit in income statement	-	-
Total tax credit	-	6

Reconciliation of effective tax rate

	2012 £'000	2011 £'000
Profit/(loss) before taxation	(2,538)	(3,526)
Tax using the UK corporation tax rate of 26% (2011 28 %)	(660)	(987)
Increases in losses carried forward	-	172
Non-deductible expenses	657	1,154
Other	-	1
Group relief	3	158
Non-taxable income		(498)
Total tax credit	-	-

9. Investments in subsidiaries

Company	Investment in subsidiaries £'000
Cost	
At beginning of period	8,695
At end of period	8,695
Impairment	
At beginning of period	6,952
Impairment charge	1,743
At end of period	8,695
Net book value	
At 31 March 2012	-
At 31 March 2011	1,743

Impairment charge and net book value

	2012		2011	
	Impairment £'000	Net book value £'000	Impairment £'000	Net book value £'000
Wireless Information Network Limited	1,448	-	-	1,448
WIN Interactive	-	-	635	-
WIN SA	210	-	-	210
WIN Wireless Network Systems AG	75	-	2,145	75
Pocket Group	10	-	1,640	10
	1,743	-	4,420	1,743

The companies in which the Company's interest at the 31 March 2012 is more than 20% are as follows

Subsidiary undertakings	Country of incorporation	Principal activity During the period	Class and percentage of shares held
WIN Societe Anonyme Wireless Products and Services (WIN SA)	Greece	Data systems and services	Ordinary 100%
Wireless Information Network Limited	England and Wales	Data systems and services	Ordinary 100%
WIN Wireless Network Systems AG	Switzerland	Data systems and services	Ordinary 100%
IMD Europe KfT **	Hungary	Data systems and services	Ordinary 100%
Pocket Group Limited	England and Wales	Holding company	Ordinary 100%
Pocket Entertainment Limited ***	England and Wales	Content Provider	Ordinary 100%
Pocket Technology Limited ***	England and Wales	Content Provider	Ordinary 100%

** These companies are held indirectly through WIN Wireless Network Systems AG

*** These companies are held indirectly through Pocket Group Limited

10. Other financial assets

	2012 £'000	2011 £'000
Loan to subsidiary undertaking classified as loans and receivables	751	790
Provision against loan	(751)	-
	-	790

The loan is payable by WIN Societe Anonyme Wireless Products and Services (WIN SA) to the Company The loan has been designated as quasi-equity from 1 January 2009, as a result, interest is no longer payable on the loan The amounts above represent the element of the loan which is due to the Company after one year The loan has been fully provided for in the year

A provision has been created to cover the loan balance between the company and WIN Societe Anonyme Wireless Products and Services (WIN SA) as the directors believe it is unlikely that this will be settled in the foreseeable future

11. Assets held for sale

	2012 £'000	2011 £'000
Investment in TextAnywhere	-	360

On the 13 April 2011 the investment in TextAnywhere was sold for its carrying value The asset had been previously fair valued in accordance with IFRS 5 and reclassified to current assets within the balance sheet

12. Trade and other receivables

	2012 £'000	2011 £'000
Amounts owed by group undertakings	-	1,144
	-	1,144

Amounts owed by group undertakings amounting to £nil (2011 £1,144,000) are due after more than one year

13. Trade and other payables

	2012 £'000	2011 £'000
Bank loans and overdraft	-	74
Trade creditors	-	67
Amounts owed to group undertakings	547	1,892
Other creditors	-	13
	547	2,046

14 Deferred tax

The elements of deferred taxation are as follows

	2012 £'000	2011 £'000
Movement in deferred tax asset:		
At beginning of period	-	6
Share based payments	-	(6)
At end of the period (see note 8)	-	-

The deferred tax asset recognised by the Company at 31 March 2012 was £nil (2011 £nil)

15. Share capital

	2012 No'000	2011 No'000
Number of ordinary shares of 10p each		
In issue at 1 April 2011	11,246	10,155
Issued as consideration for acquisitions	-	377
Issued in consideration of options	-	714
In issue at 31 March 2012 – fully paid	11,246	11,246

The holders of ordinary shares are entitled to receive dividends as declared and are entitled to one vote per share at meetings of the Company

16. Related party disclosures

The company is a wholly owned subsidiary of IMImobile Europe Limited which is considered to be the immediate parent company The directors consider IMImobile Pvt Limited to be the ultimate controlling party Details of this company can be found in note 18 of the financial statements

17. Financial instruments

The Company's financial instruments comprise trade receivables, trade payables, cash and equity shares It is, and has been throughout the period under review, the Company's policy that no trading in financial instruments shall be undertaken The main risks arising from the Company's financial instruments are interest rate risk, liquidity risk and foreign currency risk The Board reviews and agrees policies for managing each of these risks and they are summarised below

Interest risk

The Company has financed its operations through equity

The Company at the period end held cash balances of £171 compared to an overdraft of £74,398 in 2011 The applicable interest rate is 0 1% below the Bank of England base rate with a minimum rate of 0 5%

Liquidity risk

As regards liquidity, the Company's policy has throughout the period been to ensure continuity of funding The Company have not entered into any derivative transactions in either period

Currency risk

The Company at period end did not hold any material cash at bank amounts denominated in a foreign currency

Financial assets

Other than short term receivables and cash balances, the Company had the following financial assets

	2012 £'000	2011 £'000
Loan due from subsidiary undertaking classified as loans and receivables	751	790
Investment	-	360
	751	1,150

The loan is payable by WIN Societe Anonyme Wireless Products and Services (WIN SA) to the Company The carrying amount of the loan as at 31 March 2012 is €900,000 (2011 €900,000) – see note 10

Fair values

There are deemed to be no differences of a material nature between the carrying values and the fair values of trade and other receivables, cash and cash equivalents and trade and other payables (2011 £nil)

Capital

The Company's capital comprises entirely equity and the Company believes that it has adequate capital to support its business The Group's overdraft facility is used to support working capital variations

18. Ultimate controlling party

The company is a subsidiary undertaking of IMImobile Europe Limited which is considered by the directors to be the immediate parent company The ultimate parent company of the group is IMImobile Pvt Limited, incorporated in India

The group in which the results of the company are consolidated is that headed by IMImobile Pvt Limited The consolidated accounts of the group may be obtained by request from IMImobile Pvt Limited, Plot No 770, Road No 44, Jubilee Hills, Hyderabad – 500 033

WIN Limited

19. Employee share schemes

The Company has share option schemes whereby directors and employees are able to subscribe for ordinary shares in the Company

Share options are granted on the recommendation of the Remuneration Committee The schemes are used to provide long-term incentives to the recipients to assist in creating and sustaining growth in share value Share options granted are conditional on continued employment of up to four years after the grant of the option These share options have been granted periodically, typically twice a year to eligible employees At 31 March 2012 the outstanding share options, including those under the long term incentive plan represented 0% (2011 0%) of the issued share capital

All share incentives are over 10p ordinary shares of the Company The Company grants share incentives to employees in the form of share options Share options vest over a period of 0 to 4 years, whilst individuals are employed by the Company or by agreement by the remuneration committee There are no market conditions associated with the share option grants

The employee expense is recognised equally over the time from grant until vesting of the incentive The employee charge in 2012 was £nil (2011 £24,000) The fair value has been measured using a Black Scholes model The expected volatility is based on the historic volatility The material inputs into the model have been

		Granted	
Share Option	**14 August 2006**	**23 April 2007**	**15 September 2009**
Average Fair Value	£0 468	£0 648	£0 205
Share price at Grant	£1 200	£2 190	£ 0 675
Exercise Price	£1 200	£2 190	£ 0 675
Vesting Periods	1-4 years	1-4 years	1-4 years
Expected volatility	60%	40%	50%
Expected life	10 years	10 years	10 years
Expected dividends	0%	0%	2%
Risk-free rate of return	4 75%	5 54%	4 00%

The number of shares options that were in existence at 31 March 2012 was

	Weighted average exercise price 31 March 2012	**Number of options 31 March 2012**	**Weighted average exercise price 31 March 2011**	**Number of options 31 March 2011**
Outstanding at the beginning of the period	-	-	-	-
Surrendered during the period	-	-	-	-
Exercised during the period	-	-	-	-
Granted during the period	-	-	-	-
Outstanding at the end of the period	-	-	-	-
Exercisable at the end of the period	-	-	-	-