

Company Registration No. 05351085 (England and Wales)

**OPENAD UK LIMITED**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2006**

TUESDAY



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04/08/2009  
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# **OPENAD UK LIMITED**

## **COMPANY INFORMATION**

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<b>Directors</b>	K Skoberne V Verlic (Appointed 12 August 2005)
<b>Secretary</b>	Wellington House Nominees Limited
<b>Company number</b>	05351085
<b>Registered office</b>	8 Hanover Street London W1S 1YE
<b>Auditors</b>	HLB Vantis Audit plc 66 Wigmore Street London W1U 2SB

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# OPENAD UK LIMITED

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# **OPENAD UK LIMITED**

## **DIRECTORS' REPORT**

### ***FOR THE PERIOD ENDED 31 DECEMBER 2006***

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The directors present their report and financial statements for the period ended 31 December 2006.

#### **Principal activities and review of the business**

The principal activity of the company was that of online selling of intellectual property rights.

The company has made losses of £1.63m in the period, as it was still in its start-up phase and was generating little income. The losses were supported by loans provided, and share capital subscribed for, by the immediate parent undertaking.

The company has continued to make losses since the balance sheet date. Therefore on 1 July 2009 the directors took the decision to wind up the company.

#### **Results and dividends**

The results for the period are set out on page 5.

#### **Directors**

The following directors have held office since 1 August 2005:

K Skoberne

V Verlic

(Appointed 12 August 2005)

#### **Statement of directors' responsibilities**

The directors are responsible for preparing 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). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records that 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 1985. 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.

# OPENAD UK LIMITED

## DIRECTORS' REPORT (CONTINUED)

**FOR THE PERIOD ENDED 31 DECEMBER 2006**

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### Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

On behalf of the board



K Skoberne

Director

4/8/09

# **OPENAD UK LIMITED**

## **INDEPENDENT AUDITORS' REPORT**

### **TO THE SHAREHOLDERS OF OPENAD UK LIMITED**

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We have audited the financial statements of OpenAd UK Limited for the period ended 31 December 2006 set out on pages 5 to 13. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. 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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company 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 the directors and auditors**

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the directors' report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

#### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

# OPENAD UK LIMITED

## INDEPENDENT AUDITORS' REPORT (CONTINUED)

### TO THE SHAREHOLDERS OF OPENAD UK LIMITED

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#### Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2006 and of its loss for the period then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.

#### Accounts prepared on a non-going concern basis

In forming our opinion, which is not qualified, we have considered the adequacy of the disclosures made in note 1 of the financial statements regarding the preparation of the accounts on a non-going concern basis. This is due to the directors decision that the company should be wound up.

*HLB Vantis Audit plc*

HLB Vantis Audit plc

*4/8/09*

Chartered Accountants

Registered Auditor



66 Wigmore Street  
London  
W1U 2SB

# OPENAD UK LIMITED

## PROFIT AND LOSS ACCOUNT

**FOR THE PERIOD ENDED 31 DECEMBER 2006**

		Period ended 31 December 2006 £	Period ended 31 July 2005 £
	Notes		
Turnover	2	32,453	-
Administrative expenses		(1,649,523)	-
Operating loss	3	(1,617,070)	-
Interest payable and similar charges	4	(11,564)	-
Loss on ordinary activities before taxation		(1,628,634)	-
Tax on loss on ordinary activities	5	-	-
Loss for the period	10	(1,628,634)	-

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.



# OPENAD UK LIMITED

## BALANCE SHEET

AS AT 31 DECEMBER 2006

	Notes	2006 £	£	2005 £	£
<b>Current assets</b>					
Debtors	6	20,595		400,000	
Cash at bank and in hand		143,909		-	
		<u>164,504</u>		<u>400,000</u>	
<b>Creditors: amounts falling due within one year</b>	7	(343,137)		-	
<b>Total assets less current liabilities</b>			(178,633)		400,000
<b>Creditors: amounts falling due after more than one year</b>	8		(623,738)		-
			<u>(802,371)</u>		<u>400,000</u>
<b>Capital and reserves</b>					
Called up share capital	9		206		100
Share premium account	10		826,057		399,900
Profit and loss account	10		(1,628,634)		-
<b>Shareholders' funds</b>	11		<u>(802,371)</u>		<u>400,000</u>

Approved by the Board and authorised for issue on 4/8/09

K Skoberne  
Director

# OPENAD UK LIMITED

## CASH FLOW STATEMENT

**FOR THE PERIOD ENDED 31 DECEMBER 2006**

	Period ended 31 December 2006		Period ended 31 July 2005
	£	£	£
Net cash outflow from operating activities	(906,099)		-
	<hr/>		<hr/>
Net cash outflow before management of liquid resources and financing	(906,099)		-
Financing			
Issue of ordinary share capital	426,263	-	
Other new long term loans	623,738	-	
	<hr/>	<hr/>	
Net cash inflow/(outflow) from financing	1,050,001		-
	<hr/>		<hr/>
Increase/(decrease) in cash in the period	143,902		-
	<hr/>		<hr/>

# OPENAD UK LIMITED

## NOTES TO THE CASH FLOW STATEMENT FOR THE PERIOD ENDED 31 DECEMBER 2006

1	Reconciliation of operating loss to net cash outflow from operating activities	2006	2005
		£	£
	Operating (loss)/profit	(1,617,070)	-
	Decrease/(increase) in debtors	379,405	-
	Increase in creditors within one year	331,566	-
	<b>Net cash outflow from operating activities</b>	<b>(906,099)</b>	<b>-</b>

  

2	Analysis of net debt	1 August 2005	Cash flow	Other non-cash changes	31 December 2006
		£	£	£	£
	Net cash:				
	Cash at bank and in hand	-	143,909	-	143,909
	Bank overdrafts	-	(7)	-	(7)
		-	143,902	-	143,902
	Debt:				
	Debts falling due after one year	-	(623,738)	-	(623,738)
	<b>Net debt</b>	<b>-</b>	<b>(479,836)</b>	<b>-</b>	<b>(479,836)</b>

  

3	Reconciliation of net cash flow to movement in net debt	2006	2005
		£	£
	Increase in cash in the period	143,902	-
	Cash inflow from increase in debt	(623,738)	-
	<b>Movement in net debt in the period</b>	<b>(479,836)</b>	<b>-</b>
	Opening net debt	-	-
	<b>Closing net debt</b>	<b>(479,836)</b>	<b>-</b>

# OPENAD UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE PERIOD ENDED 31 DECEMBER 2006**

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### **1 Accounting policies**

#### **1.1 Accounting convention**

The financial statements are prepared under the historical cost convention.

On 1 July 2009 the directors decided that the company will not continue trading and will be wound up. As required by FRS18 Accounting Policies, the directors have prepared the financial statements on the basis that the company is no longer a going concern.

#### **1.2 Compliance with accounting standards**

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

#### **1.3 Turnover**

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

#### **1.4 Leasing**

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

#### **1.5 Foreign currency translation**

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

### **2 Turnover**

#### **Geographical market**

	<b>Turnover</b>	
	<b>2006</b>	<b>2005</b>
	<b>£</b>	<b>£</b>
UK	7,493	-
Europe	24,434	-
Rest of the World	526	-
	<u>32,453</u>	<u>-</u>

# OPENAD UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2006

<b>3</b>	<b>Operating loss</b>	<b>2006</b>	<b>2005</b>
		<b>£</b>	<b>£</b>
	Operating loss is stated after charging:		
	Loss on foreign exchange transactions	1,392	-
	Operating lease rentals	56,170	-
	Auditors' remuneration	7,500	-
	Fees payable to an associate of the auditor for accounting and taxation services	25,936	-
<b>4</b>	<b>Interest payable</b>	<b>2006</b>	<b>2005</b>
		<b>£</b>	<b>£</b>
	Other interest	11,564	-
<b>5</b>	<b>Taxation</b>		
	On the basis of these financial statements no provision has been made for corporation tax.		
<b>6</b>	<b>Debtors</b>	<b>2006</b>	<b>2005</b>
		<b>£</b>	<b>£</b>
	Trade debtors	4,100	-
	Called up share capital not paid	-	400,000
	Other debtors	16,495	-
		20,595	400,000
<b>7</b>	<b>Creditors: amounts falling due within one year</b>	<b>2006</b>	<b>2005</b>
		<b>£</b>	<b>£</b>
	Bank loans and overdrafts	7	-
	Trade creditors	22,479	-
	Amounts owed to parent and fellow subsidiary undertakings	81,920	-
	Taxes and social security costs	15,495	-
	Other creditors	207,986	-
	Accruals and deferred income	15,250	-
		343,137	-

# OPENAD UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2006

8	Creditors: amounts falling due after more than one year	2006 £	2005 £
	Amounts owed to group undertakings	623,738	-
	<b>Analysis of loans</b>		
	Wholly repayable within five years	623,738	-
		623,738	-
	<b>Loan maturity analysis</b>		
	In more than one year but not more than two years	400,000	-
	In more than two years but not more than five years	223,738	-

Loans are from the company's immediate parent undertaking OpenAd AG, and so are included within amounts owed to group undertakings. The loans are unsecured and are provided interest free until the due date.

9	Share capital	2006 £	2005 £
	<b>Authorised</b>		
	1,000 Ordinary Shares of £1 each	1,000	100
	<b>Allotted, called up and fully paid</b>		
	206 Ordinary Shares of £1 each	206	100

On 1 June 2006 the company issued 56 ordinary £1 shares at £4,040.40 per share for cash. On 18 December 2006 the company issued 50 ordinary £1 shares at £4,000 per share for cash.

10	Statement of movements on reserves	Share premium account £	Profit and loss account £
	Balance at 1 August 2005	399,900	-
	Loss for the period	-	(1,628,634)
	Premium on shares issued during the period	426,157	-
	Balance at 31 December 2006	826,057	(1,628,634)

# OPENAD UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2006

<b>11 Reconciliation of movements in shareholders' funds</b>	<b>2006</b>	<b>2005</b>
	<b>£</b>	<b>£</b>
Loss for the financial period	(1,628,634)	-
Proceeds from issue of shares	426,263	-
Net depletion in shareholders' funds	(1,202,371)	-
Opening shareholders' funds	400,000	400,000
Closing shareholders' funds	(802,371)	400,000
<b>12 Directors' emoluments</b>	<b>2006</b>	<b>2005</b>
	<b>£</b>	<b>£</b>
Emoluments for qualifying services	296,581	-
Emoluments disclosed above include the following amounts paid to the highest paid director:		
Emoluments for qualifying services	296,581	-
<b>13 Employees</b>		
<b>Number of employees</b>		
The average monthly number of employees (including directors) during the period was:		
	<b>2006</b>	<b>2005</b>
	<b>Number</b>	<b>Number</b>
Sales and administrative	3	-
<b>Employment costs</b>	<b>2006</b>	<b>2005</b>
	<b>£</b>	<b>£</b>
Wages and salaries	469,497	-
Social security costs	66,859	-
	536,356	-

# **OPENAD UK LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

***FOR THE PERIOD ENDED 31 DECEMBER 2006***

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### **14 Control**

The immediate parent undertaking is OpenAd AG, a company registered in Switzerland.

The ultimate parent undertaking is Istrabenz, holdinška družba, d.d., a public company registered in Slovenia.

### **15 Related party transactions**

During the period the company purchased services of £41,076 from OpenAd AG, its immediate parent undertaking. Also during the period the company received loans of £623,726 from OpenAd AG. At the balance sheet date the company owed OpenAd AG £24,106 which is included in creditors due within one year, and £623,738 which is included in creditors due after more than one year.

During the period the company purchased services of £442,000 from OpenAd d.o.o., a fellow subsidiary undertaking. At the balance sheet date the company owed £57,815 to OpenAd d.o.o.

During the period the company provided services of £4,616 to Istrabenz, holdinška družba, d.d., its ultimate parent undertaking.