

VALUE WORKS E-TRADE LIMITED

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Report and Financial Statements

For the 15 month period ended

31 March 2013

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REPORT AND FINANCIAL STATEMENTS 2013

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OFFICERS AND PROFESSIONAL ADVISERS

DIRECTOR

J B Dandridge (resigned 22 January 2014)
A Bell (resigned 22 January 2014)
V Broadbent (resigned 31 October 2012)
E A Sipiery (appointed 21 January 2014)

SECRETARY

P M Cooper

REGISTERED OFFICE

1 Smithy Court
Smithy Brook Road
Wigan
Lancashire
WN3 6PS

Registered Number 05582738

BANKERS

Barclays Bank plc
PO Box 229
Navigation Way
Preston
Lancashire
PR2 2XY

AUDITOR

Deloitte LLP
Chartered Accountants and Statutory Auditor
Manchester
United Kingdom

DIRECTORS' REPORT

The Directors present their report and the audited financial statements for the period ended 31 March 2013

In order to align with its new parent, the Company changed its accounting reference date from 31 December to 31 March during the period. Accordingly, the financial statements for the current period have been prepared for 15 months from 1 January 2012 to 31 March 2013.

On 31 October 2012, the Company and other companies in the group were acquired by Valueworks Holdings Limited, a company incorporated on 18 September 2012 as Teal Holdco Limited for the purposes of the acquisition.

On 31 December 2012, the Company transferred its trade and assets (net of liabilities) to Valueworks Limited, a fellow subsidiary, at net book value. No profit or loss arose on transfer. The Company is now dormant and has not traded since 31 December 2012.

This report has been prepared in accordance with the provisions applicable to companies entitled to follow the small companies regime.

PRINCIPAL ACTIVITY

The principal activity of the Company in the period was that of software research and development.

GOING CONCERN

As part of a group reorganisation, the Company ceased trading during the year. The Directors intend for the Company to become dormant. Consequently, as required by FRS 18, "Accounting Policies", the financial statements have been prepared on a basis other than that of a going concern.

Further details regarding the basis of preparation and assessment of going concern can be found in note 1 to the financial statements.

DIRECTORS

The Directors who served during the period and thereafter were:

J B Dandridge (resigned 22 January 2014)

A Bell (resigned 22 January 2014)

V Broadbent (resigned 31 October 2012)

E A Sipiere (appointed 21 January 2014)

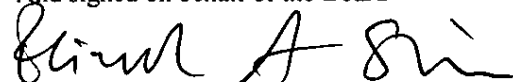
STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR

So far as the Director is aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditor is unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

AUDITOR

Deloitte LLP was appointed as auditor in the period ended 31 March 2013. Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and Deloitte LLP will therefore continue in office.

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



E A Sipiere
Director
24 January 2014

DIRECTORS' RESPONSIBILITIES STATEMENT

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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and 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 judgments and accounting 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, and
- 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 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 VALUE WORKS E-TRADE LIMITED

We have audited the financial statements of Value Works E-Trade Limited for the 15 month period ended 31 March 2013, which comprise the profit and loss account, the statement of recognised gains and losses, the balance sheet and the related notes 1 to 15. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 the 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 the 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 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 on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 March 2013 and of its profit for the period then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

Emphasis of matter – financial statements prepared other than on a going concern basis

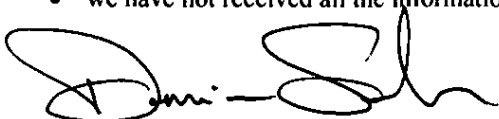
In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1 to the financial statements, which explains that the financial statements have been prepared on a basis other than that of a going concern.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VALUE WORKS E-TRADE 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



Damian Sanders (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
Manchester, United Kingdom
29 January 2014

VALUE WORKS E-TRADE LIMITED

PROFIT AND LOSS ACCOUNT 15 month period ended 31 March 2013

		15 month period ended 31 March 2013 £	Year ended 31 December 2011 £
	Note		
TURNOVER		1,193,819	1,265,052
Cost of sales		(190,869)	(130,176)
GROSS PROFIT		1,002,950	1,134,876
Administrative expenses		(776,970)	(662,747)
OPERATING PROFIT	3	225,980	472,129
Interest receivable and similar income		-	1,244
		225,980	473,373
Interest payable and similar charges		-	-
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		225,980	473,373
Tax on profit on ordinary activities	4	(1,773)	(371)
PROFIT FOR THE FINANCIAL PERIOD	11	224,207	473,002

All activities relate to discontinued operations

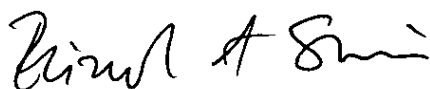
There are no gains or losses recognised in the current period or prior year other than those shown in the profit and loss account. Accordingly, no statement of total recognised gains or losses has been prepared.

BALANCE SHEET
As at 31 March 2013

	Note	£	31 March 2013 £	£	31 December 2011 £
FIXED ASSETS					
Intangible assets	6		-		-
Tangible assets	7		-		17,533
					<u>17,533</u>
CURRENT ASSETS					
Debtors	8	1,056,029		573,897	
Cash at bank		-		382,841	
		<u>1,056,029</u>		<u>956,738</u>	
CREDITORS amounts falling due within one year	9	<u>28,963</u>		<u>171,412</u>	
NET CURRENT ASSETS			<u>1,027,066</u>		<u>785,326</u>
NET ASSETS			<u>1,027,066</u>		<u>802,859</u>
CAPITAL AND RESERVES					
Called-up share capital	10		100		100
Profit and loss account	11		<u>1,026,966</u>		<u>802,759</u>
SHAREHOLDERS' FUNDS			<u>1,027,066</u>		<u>802,859</u>

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

The financial statements of Value Works E-Trade Limited, registration number 05582738, were approved by the Board of Directors on 24 January 2014 and were signed on its behalf by



Elizabeth Sapiere
Director

NOTES TO THE ACCOUNTS

15 month period ended 31 March 2013

1. ACCOUNTING POLICIES

The principal accounting policies are summarised below. They have all been applied consistently throughout the period and the preceding year.

Accounting convention

These financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standards for Smaller Entities (effective April 2008). The company is exempt from the requirement to prepare a cash flow statement as it is a small company.

Basis of preparation and going concern

As part of a group reorganisation, the Company has ceased trading and the Directors intend that the Company will become dormant. Consequently, as required by FRS 18, the financial statements have been prepared on a basis other than that of a going concern. No adjustments arose as a result of ceasing to apply the going concern basis.

Turnover

Turnover is stated net of VAT and trade discounts. Turnover from the supply of services represents the value of services provided under contracts to the extent that there is a right to consideration and is recorded at the value of the consideration due. Where a contract has only been partially completed at the balance sheet date, turnover represents the value of the service provided to date based on a proportion of the total contract value. Where payments are received from customers in advance of services provided, the amounts are recorded as Deferred Income and included as part of Creditors due within one year.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Such cost includes costs directly attributable to making an asset capable of operating as intended.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Computer equipment	-	25% on cost
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Current taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or received) using the tax rates and laws that have been enacted by the balance sheet date.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Full provision is made for deferred taxation resulting from timing differences between the recognition of gains and losses in the accounts and their recognition for tax purposes. Deferred taxation is calculated on an un-discounted basis at the tax rates which are expected to apply in the periods when the timing differences will reverse.

Intangible assets - research and development

Research expenditure is written off to the profit and loss account in the period in which it is incurred. Development expenditure is written off in the same period unless the directors are satisfied as to the technical, commercial and financial viability of individual projects. In such cases, the expenditure is deferred and amortised over the period from which the company is expected to benefit. Provision is made for any impairment.

NOTES TO THE ACCOUNTS (continued)
15 month period ended 31 March 2013

2. DISPOSAL OF TRADE AND ASSETS

On 31 October 2012, the Company and other companies in the group were acquired by Valueworks Holdings Limited, a company incorporated on 18 September 2012 as Teal Holdco Limited for the purposes of the acquisition

On 31 December 2012, the Company transferred its trade and assets (net of liabilities) to Valueworks Limited, a fellow subsidiary, at net book value. No profit or loss arose on transfer. The Company is now dormant and has not traded since 31 December 2012.

3 OPERATING PROFIT

Operating profit is stated after charging

	15 month period ended 31 March 2013 £	Year ended 31 December 2011 £
Depreciation - owned assets	9,154	17,539
Development costs amortisation	-	61,023
Operating lease – rent	20,853	27,441
Directors' remuneration and other benefits	5,102	17,500

Auditor's remuneration of £1,000 (2011 £1,000) was paid by Valueworks Limited, a fellow group company and the charge appears in the company's financial statements

4. TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the period was as follows

	15 month period ended 31 March 2013 £	Year ended 31 December 2011 £
Current tax:		
UK corporation tax	35,237	122,401
UK corporation tax – amounts in respect of prior periods	(55,081)	(100,413)
Total current tax	(19,844)	21,988
Deferred tax	21,617	(21,617)
Tax on profit on ordinary activities	1,773	371

UK corporation tax has been charged at 24.40% (2011 – 23.50%)

NOTES TO THE ACCOUNTS (continued)
15 month period ended 31 March 2013

5. DIVIDENDS

	15 month period ended 31 March 2013 £	Year ended 31 December 2011 £
Dividends paid of £nil (2011 – £59) per ordinary share	-	5,870

6. INTANGIBLE FIXED ASSETS

	Intangible assets £
Cost	
At 31 December 2011	300,458
Transferred to Valueworks Ltd	(300,458)
At 31 March 2013	-
Amortisation	
At 31 December 2011	300,458
Transferred to Valueworks Ltd	(300,458)
At 31 March 2013	-
Net book value	
At 31 March 2013	-
At 31 December 2011	-

7. TANGIBLE FIXED ASSETS

	Computer equipment £
Cost	
At 31 December 2011	57,759
Additions	225
Disposals	(3,547)
Transferred to Valueworks Ltd	(54,437)
At 31 March 2013	-
Depreciation	
At 31 December 2011	40,226
Charge for the period	9,154
Eliminated on disposals	(3,223)
Transferred to Valueworks Ltd	(46,157)
At 31 March 2013	-
Net book value	
At 31 March 2013	-
At 31 December 2011	17,533

NOTES TO THE ACCOUNTS (continued)
15 month period ended 31 March 2013

8 DEBTORS: amounts falling due within one year

	31 March 2013 £	31 December 2011 £
Amounts owed by group undertakings	1,056,029	-
Trade debtors	-	447,002
Directors' current accounts	-	25,000
Deferred tax asset	-	21,617
Prepayments and accrued income	-	80,278
	<u>1,056,029</u>	<u>573,897</u>

The deferred tax asset relates to fixed asset timing differences and has been recognised in full

9. CREDITORS: amounts falling due within one year

	31 March 2013 £	31 December 2011 £
Trade creditors	-	81,858
Corporation tax	28,963	21,403
VAT	-	27,266
Accruals and deferred income	-	40,885
	<u>28,963</u>	<u>171,412</u>

10. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number	Class	Nominal value	2013 £	2011 £
100	Ordinary	£1	<u>100</u>	<u>100</u>

11. RESERVES

	Profit and loss account £
At 31 December 2011	802,759
Profit for the period	<u>224,207</u>
At 31 March 2013	<u>1,026,966</u>

12. TRANSACTIONS WITH DIRECTORS

During the period the directors operated overdrawn current accounts of £25,000 in aggregate which constitute advances made by the company. These advances were repaid in full at 31 March 2013. There were no such transactions with directors in the year ended 31 December 2011.

NOTES TO THE ACCOUNTS (continued)

15 month period ended 31 March 2013

13. RELATED PARTY DISCLOSURES

During the period to 31 March 2013 J B Dandridge, A Bell and V Broadbent received dividends of £nil, £nil and £nil respectively (2011 £1,174, £3,522 and £1,174)

The company made/received various recharges in the period from other members of the Valueworks Limited group. The balances owed to this company from Valueworks Limited at the end of the period was £1,056,029 (2011 £312,361)

14. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The ultimate parent company is Valueworks Holdings Limited, a company incorporated in England and Wales

The largest and smallest group within which the Company is consolidated is that headed by Valueworks Holdings Limited, an unlimited company registered in England and Wales whose principal place of business is at 1 Smithy Court, Smithy Brook Road, Wigan, Greater Manchester, WN3 6PS

The ultimate controlling party of Valueworks Holdings Limited is considered to be HgCapital LLP. There is not considered to be an ultimate controlling party of HgCapital LLP

15. POST BALANCE SHEET EVENTS

There have been no significant post balance sheet events