

Lateral Minds Limited

**Director's report and financial
statements**

Registered number 06032108

Period ended 31 December 2009



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Director's report

The director presents the annual report and the audited financial statements for the period ended 31 December 2009

Principal activities

The principal activities of the company are that of marketing communications and consultancy, but the company has not traded in the period

Business review

The company has incurred a small loss in the period due to administrative charges and the director will review the company's status in the coming year

Directors

The director who held office during the period was as follows

R Thomas

Disclosure of information to auditors

The director who held office at the date of approval of this director's report confirms that, so far as he is aware, there is no relevant audit information of which the Company's auditors are unaware, and he has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information, and to establish that the Company's auditors are aware of that information

Auditors

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and KPMG LLP will therefore continue in office

By order of the board



R Thomas
Director

2nd Floor
Aldersgate House
135/137 Aldersgate Street
London
EC1A 4JA

Statement of director's responsibilities in respect of the Director's Report and the financial statements

The director is responsible for preparing the Director's Report and the financial statements in accordance with applicable law and regulations

Company law requires the director to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice)

Under company law the director 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 director is required to

- select suitable accounting policies and then apply them consistently,
- make judgments 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, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The director is 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



KPMG LLP

1 Waterloo Way
Leicester
LE1 6LP
United Kingdom

Independent auditors' report to the members of Lateral Minds Limited

We have audited the financial statements of Lateral Minds Limited for the year ended 31 December 2009 set out on pages 4 to 9. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK 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 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 directors and auditors

As explained more fully in the Director's Responsibilities Statement set out on page 2, the director is 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 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 (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's web-site at www.frc.org.uk/apb/scope/UKNP.

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 December 2009 and of its loss for the year then ended,
- have been properly prepared in accordance with UK 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 Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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 director's remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit.

IJ Borley (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered accountants

Leicester, 30 March 2010

Profit and loss account
for the period ended 31 December 2009

	<i>Note</i>	2009 £	2008 £
Turnover		-	8,000
Cost of sales		-	(6,375)
		<hr/>	<hr/>
Gross profit		-	1,625
Administrative expenses		(1,535)	(1,586)
		<hr/>	<hr/>
(Loss)/profit on ordinary activities before taxation	2	(1,535)	39
Tax on (loss)/profit on ordinary activities	5	-	(5,847)
		<hr/>	<hr/>
Loss for the period		(1,535)	(5,808)
		<hr/>	<hr/>

The company has no recognised gains and losses other than the profit for the period

The results for the year all arise from continuing operations

Balance sheet
at 31 December 2009

	<i>Note</i>	2009	2008
		£	£
Current assets			
Debtors	6	100	100
Creditors: amounts falling due within one year	7	<u>(148,967)</u>	<u>(147,432)</u>
Net liabilities		<u>(148,867)</u>	<u>(147,332)</u>
Capital and reserves			
Called up share capital	8	100	100
Profit and loss account	9	<u>(148,967)</u>	<u>(147,432)</u>
Shareholders' deficiency of funds		<u>(148,867)</u>	<u>(147,332)</u>

These financial statements were approved by the board of directors and agreed on 30 March 2010
and were signed on its behalf by



R Thomas
Director

Registered company number 06032108

Reconciliation of movements in shareholders' funds

	2009 £	2008 £
Loss for the period	(1,535)	(5,808)
Opening shareholders' deficiency of funds	(147,332)	(141,524)
	<hr/>	<hr/>
Closing shareholders' deficiency of funds	(148,867)	(147,332)
	<hr/>	<hr/>

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules

Under FRS 1 the company is exempt from the requirement to prepare a cash flow statement on the grounds of its size

The company is exempt under FRS 8 from the requirement to disclose related party transactions with the Lateral Group and its associated undertakings as it is a wholly owned subsidiary undertaking of Lateral Group Limited

Turnover

Turnover represents the amounts (excluding value added tax) derived from the provision of services to customers

Going concern

The financial statements have been prepared on the going concern basis, notwithstanding net liabilities of £148,867, which the director believes to be appropriate for the following reasons. The company is dependent for its working capital on funds provided to it by Data Lateral Limited, the company's holding undertaking. Data Lateral Limited has provided the company with an undertaking that, for at least 12 months from the date of approval of these financial statements, it will continue to make available such funds as are needed by the company. This should enable the company to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for payment. As with any company placing reliance on other group entities for financial support, the director acknowledges that there can be no certainty that this support will continue, although, at the date of approval of these financial statements, he has no reason to believe that it will not do so.

Based on this undertaking the director believes that it remains appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments that would result from this basis of preparation being inappropriate.

Taxation

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19.

2 Profit on ordinary activities before taxation

<i>Operating profit is stated after charging</i>	2009 £	2008 £
Auditors' remuneration	1,535	1,500

3 Remuneration of director

	2009 £	2008 £
Director's emoluments	-	-

Notes (continued)

4 Staff numbers and costs

The aggregate payroll costs of the three employees (2008 3) were as follows

	2009 £	2008 £
Wages and salaries	-	-
Social security costs	-	-
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>

5 Taxation

Analysis of credit in period

	2009 £	2008 £
Deferred tax	-	-
Prior year adjustment	-	(5,847)
	<u>-</u>	<u>(5,847)</u>
Tax on loss on ordinary activities	-	(5,847)
	<u>-</u>	<u>(5,847)</u>

Factors affecting the tax charge for the current period

The current tax charge for the period is higher (2008 lower) than the standard rate of corporation tax in the UK 28% (2008 28.5%). The differences are explained below

	2009 £	2008 £
<i>Current tax reconciliation</i>		
Profit/(loss) on ordinary activities before tax	(1,535)	39
	<u>(1,535)</u>	<u>39</u>
Current tax at 28% (2008 28.5%)	(430)	11
	<u>(430)</u>	<u>11</u>
<i>Effects of</i>		
Expenses not deductible for tax purposes	-	79
Transfer pricing adjustment	(916)	(3,405)
Group relief given for no payment	1,346	3,315
	<u>-</u>	<u>-</u>
Total current tax credit	-	-
	<u>-</u>	<u>-</u>

6 Debtors

	£	£
Other debtors	100	100
	<u>100</u>	<u>100</u>
	<u>100</u>	<u>100</u>

Notes (continued)

7 Creditors: amounts falling due within one year

	2009 £	2008 £
Accruals and deferred income	1,500	-
Group creditors	147,467	147,432
	<u>148,967</u>	<u>147,432</u>

8 Called up share capital

	2009 £	2008 £
<i>Authorised</i>		
8,750 A' ordinary shares of 10p each	875	875
1,250 'B' ordinary shares of 10p each	125	125
	<u>1,000</u>	<u>1,000</u>
	£	£
<i>Allotted, called up and fully paid</i>		
875 A ordinary shares of 10p each	88	88
125 B ordinary shares of 10p each	12	12
	<u>100</u>	<u>100</u>

9 Reserves

	Profit and loss account £
Reserves brought forward	(147,432)
Loss for the period	(1,535)
	<u>(148,967)</u>
Reserves carried forward	<u>(148,967)</u>

10 Ultimate parent company

The ultimate parent company is Lateral Group Limited, a company incorporated in England

The parent company's accounts are available from Lateral Group Limited, Unit 2, Oddicroft Lane, Sutton Parkway, Sutton in Ashfield, Nottinghamshire, NG17 5FB