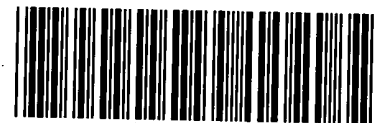


REGISTERED NUMBER: 06702998

**Report of the Directors and
Financial Statements
for the Year Ended 30 June 2014
for
CONVERTERTECHNOLOGY (UK) PRIVATE LIMITED**

Haines Watts Bristol Limited
Chartered Accountants and Statutory Auditors
Hyland Mews
21 High Street
Clifton
Bristol
BS8 2YF

THURSDAY



A30 *A4408Q2W* #282
26/03/2015
COMPANIES HOUSE

CONVERTERTECHNOLOGY (UK) PRIVATE LIMITED

**Contents of the Financial Statements
FOR THE YEAR ENDED 30 JUNE 2014**

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CONVERTERTECHNOLOGY (UK) PRIVATE LIMITED

Company Information
FOR THE YEAR ENDED 30 JUNE 2014

DIRECTORS: S R Allaway
Convertertechnology, Inc

REGISTERED OFFICE: Hyland Mews
21 High Street
Clifton
Bristol
BS8 2YF

REGISTERED NUMBER: 06702998

AUDITORS: Haines Watts Bristol Limited
Chartered Accountants and Statutory Auditors
Hyland Mews
21 High Street
Clifton
Bristol
BS8 2YF

CONVERTERTECHNOLOGY (UK) PRIVATE LIMITED

Report of the Directors FOR THE YEAR ENDED 30 JUNE 2014

The directors present their report with the financial statements of the company for the year ended 30 June 2014.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the provision of software solutions to the Banking, Insurance, Pharmaceutical, Utilities and Entertainment industries.

REVIEW OF BUSINESS

The directors consider the company's performance in the year to be in line with expectations. The company forms part of the worldwide ConverterTechnology group and has a role predominantly to support that group in the UK and the surrounding regions. The directors consider the ability to generate leads and close deals in the region as the key performance indicator. The UK group performance is monitored as a whole, rather than an isolated location.

The principal risks continue to be project delays incurred due to the sluggish global economy as well as the global uncertainty in the markets. Many customers have either postponed their projects or scaled them back which has exerted pricing pressures and revenue contraction. We have made adjustments in the business as a whole to compensate for the change in revenue projections for this fiscal year.

DIVIDENDS

No dividends will be distributed for the year ended 30 June 2014.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 July 2013 to the date of this report.

S R Allaway
Convertertechnology, Inc

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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 judgements and accounting estimates that are reasonable and prudent;
- state whether applicable 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 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each 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 auditors are aware of that information.

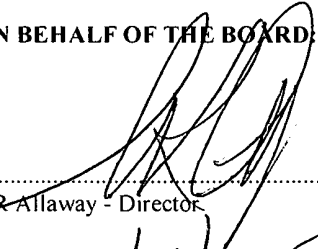
CONVERTERTECHNOLOGY (UK) PRIVATE LIMITED

**Report of the Directors
FOR THE YEAR ENDED 30 JUNE 2014**

AUDITORS

The auditors, Haines Watts Bristol Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:


.....
S.R. Allaway - Director

Date:

03/18/2015

Report of the Independent Auditors to the Members of ConverterTechnology (UK) Private Limited

We have audited the financial statements of ConverterTechnology (UK) Private Limited for the year ended 30 June 2014 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 a Report of the Auditors 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 Statement of Directors' Responsibilities set out on page three, 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 the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Strategic Report and the Report of the Directors to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 30 June 2014 and of its profit for the year 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.

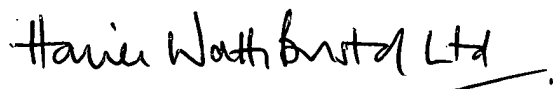
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Report of the Directors 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Matthew J Bracher Ltd

Matthew J Bracher FCA (Senior Statutory Auditor)
for and on behalf of Haines Watts Bristol Limited
Chartered Accountants and Statutory Auditors
Hyland Mews
21 High Street
Clifton
Bristol
BS8 2YF

23 March 2015

CONVERTERTECHNOLOGY (UK) PRIVATE LIMITED**Profit and Loss Account
FOR THE YEAR ENDED 30 JUNE 2014**

	Notes	2014 £	2013 £
TURNOVER	2	403,530	747,119
Cost of sales		<u>53,702</u>	<u>63,675</u>
GROSS PROFIT		349,828	683,444
Administrative expenses		<u>294,589</u>	<u>332,361</u>
OPERATING PROFIT and PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	4	55,239	351,083
Tax on profit on ordinary activities	5	<u>-</u>	<u>(132,342)</u>
PROFIT FOR THE FINANCIAL YEAR		<u>55,239</u>	<u>483,425</u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current year or previous year.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current year or previous year.

The notes form part of these financial statements

CONVERTERTECHNOLOGY (UK) PRIVATE LIMITED (REGISTERED NUMBER: 06702998)

Balance Sheet
30 JUNE 2014

	Notes	2014 £	2013 £
CURRENT ASSETS			
Debtors	6	986,208	956,091
Cash at bank		<u>6,746</u>	<u>152,414</u>
		992,954	1,108,505
CREDITORS			
Amounts falling due within one year	7	<u>75,654</u>	<u>246,444</u>
NET CURRENT ASSETS		<u>917,300</u>	<u>862,061</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>917,300</u>	<u>862,061</u>
CAPITAL AND RESERVES			
Called up share capital	8	100	100
Profit and loss account	9	<u>917,200</u>	<u>861,961</u>
SHAREHOLDERS' FUNDS	12	<u>917,300</u>	<u>862,061</u>

The financial statements were approved and authorised for issue by the Board of Directors on and were signed on its behalf by:

.....
S R Allaway - Director

The notes form part of these financial statements

CONVERTERTECHNOLOGY (UK) PRIVATE LIMITED

Notes to the Financial Statements FOR THE YEAR ENDED 30 JUNE 2014

1. ACCOUNTING POLICIES

Accounting convention

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

Financial Reporting Standard number 1

Exemption has been taken from preparing a cash flow statement on the grounds that the parent company includes the subsidiary in its published financial statements.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the period, exclusive of Value Added Tax.

In respect of long-term contracts and contracts for on-going services, turnover represents the value of work done in the year, including estimates of amounts not invoiced. Turnover in respect of long-term contracts and contracts for on-going services is recognised by reference to the stage of completion.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

CONVERTERTECHNOLOGY (UK) PRIVATE LIMITED

Notes to the Financial Statements - continued FOR THE YEAR ENDED 30 JUNE 2014

2. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the company.

An analysis of turnover by geographical market is given below:

	2014	2013
	£	£
United Kingdom	96,267	569,226
Overseas	<u>307,263</u>	<u>177,893</u>
	<u>403,530</u>	<u>747,119</u>

3. STAFF COSTS

	2014	2013
	£	£
Wages and salaries	145,365	183,103
Social security costs	<u>23,689</u>	<u>24,673</u>
	<u>169,054</u>	<u>207,776</u>

The average monthly number of employees during the year was as follows:

	2014	2013
Management staff	2	1
Other staff	<u>-</u>	<u>2</u>
	<u>2</u>	<u>3</u>

4. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	2014	2013
	£	£
Auditors remuneration - Audit	3,195	3,495
Auditors remuneration - Taxation	515	-
Taxation compliance services	-	500
Other non-audit services	475	280
Foreign exchange differences	<u>(312)</u>	<u>(4,576)</u>
	<u>-</u>	<u>-</u>
Directors' remuneration	<u>-</u>	<u>-</u>

CONVERTERTECHNOLOGY (UK) PRIVATE LIMITED**Notes to the Financial Statements - continued
FOR THE YEAR ENDED 30 JUNE 2014****5. TAXATION****Analysis of the tax credit**

The tax credit on the profit on ordinary activities for the year was as follows:

	2014 £	2013 £
Current tax:		
Over/under provision in prior year	-	(132,342)
Tax on profit on ordinary activities	<u>-</u>	<u>(132,342)</u>

Factors affecting the tax credit

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2014 £	2013 £
Profit on ordinary activities before tax	<u>55,239</u>	<u>351,083</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20% (2013 - 24%)	11,048	84,260
Effects of:		
Expenses not deductible for tax purposes	129	-
Adjustments to tax charge in respect of previous periods	-	(132,342)
Tax chargeable at lower rates	-	(876)
Marginal relief	-	(1,396)
Group relief	<u>(11,177)</u>	<u>(81,988)</u>
Current tax credit	<u>-</u>	<u>(132,342)</u>

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2014 £	2013 £
Trade debtors	13,295	310,116
Amounts owed by group undertakings	971,920	644,033
VAT	993	-
Prepayments and accrued income	<u>-</u>	<u>1,942</u>
	<u>986,208</u>	<u>956,091</u>

CONVERTERTECHNOLOGY (UK) PRIVATE LIMITED**Notes to the Financial Statements - continued
FOR THE YEAR ENDED 30 JUNE 2014****7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2014	2013
	£	£
Trade creditors	2,890	5,215
VAT	-	48,951
Other creditors	12,400	49,055
Accrued expenses	60,364	143,223
	<u>75,654</u>	<u>246,444</u>

8. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			2014	2013
Number:	Class:	Nominal value:	£	£
100	Ordinary	£1	<u>100</u>	<u>100</u>

9. RESERVES

	Profit and loss account £
At 1 July 2013	861,961
Profit for the year	<u>55,239</u>
At 30 June 2014	<u>917,200</u>

10. RELATED PARTY DISCLOSURES

The company was under the control of Convertertechnology, Inc by virtue of its shareholding in the company.

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 8 Related Party Disclosures, not to disclose related party transactions with wholly owned subsidiaries within the group.

11. ULTIMATE CONTROLLING PARTY

At the year end, the ultimate parent company was CPS Group Investments (No 2) Pty Limited, a company registered in Australia.

CONVERTERTECHNOLOGY (UK) PRIVATE LIMITED

**Notes to the Financial Statements - continued
FOR THE YEAR ENDED 30 JUNE 2014**

12. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2014	2013
	£	£
Profit for the financial year	<u>55,239</u>	<u>483,425</u>
Net addition to shareholders' funds	55,239	483,425
Opening shareholders' funds	<u>862,061</u>	<u>378,636</u>
Closing shareholders' funds	<u><u>917,300</u></u>	<u><u>862,061</u></u>

CONVERTERTECHNOLOGY (UK) PRIVATE LIMITED**Trading and Profit and Loss Account
FOR THE YEAR ENDED 30 JUNE 2014**

	2014		2013	
	£	£	£	£
Turnover				
Sales	96,267		569,226	
Overseas sales	<u>307,263</u>		<u>177,893</u>	
		403,530		747,119
Cost of sales				
Direct costs	5,728		1,037	
Staff Commissions	<u>47,974</u>		<u>62,638</u>	
		53,702		63,675
GROSS PROFIT		349,828		683,444
Expenditure				
Wages	97,391		120,465	
Social security	23,689		24,673	
Filing penalties	-		1,453	
Telephone	2,209		2,681	
Advertising	549		13,009	
Travelling	19,178		22,854	
Licences and insurance	538		-	
Repairs and renewals	3		50	
Sundry expenses	311		632	
Staff welfare	422		828	
Accountancy	2,283		3,963	
Auditors' remuneration	3,710		3,495	
Auditors' remuneration for non audit work	475		780	
Foreign exchange losses	(312)		(4,576)	
Management charges payable	<u>143,674</u>		<u>141,664</u>	
		294,120		331,971
		55,708		351,473
Finance costs				
Bank charges		<u>469</u>		<u>390</u>
NET PROFIT		<u>55,239</u>		<u>351,083</u>

This page does not form part of the statutory financial statements