

**CREATIVE MOBILE TECHNOLOGIES (UK)  
LIMITED**

**ANNUAL REPORT  
FOR THE PERIOD ENDED  
31 DECEMBER 2013**

Company Registration Number 08281080



# **CREATIVE MOBILE TECHNOLOGIES (UK) LIMITED**

## **FINANCIAL STATEMENTS**

**FOR THE PERIOD FROM 5 NOVEMBER 2012 TO 31 DECEMBER 2013**

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# **CREATIVE MOBILE TECHNOLOGIES (UK) LIMITED**

## **OFFICERS AND PROFESSIONAL ADVISERS**

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**The board of directors**

R Sherman  
J Poliner

**Company secretary**

Scrip Secretaries Limited

**Registered office**

Fifth Floor  
17 Hanover Square  
London  
W1S 1HU

**Auditors**

F. W. Smith, Riches & Co.  
Chartered Accountants  
& Statutory Auditors  
15 Whitehall  
London  
SW1A 2DD

## **CREATIVE MOBILE TECHNOLOGIES (UK) LIMITED**

### **REPORT OF THE DIRECTORS**

#### **FOR THE PERIOD FROM 5 NOVEMBER 2012 TO 31 DECEMBER 2013**

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The directors present their report and the financial statements of the company for the period from 5 November 2012 to 31 December 2013.

#### **INCORPORATION**

The company was incorporated on 5 November 2012 and commenced trading on 11 November 2012.

#### **PRINCIPAL ACTIVITIES**

The principal activity of the company during the period was the provision of payment processing and passenger information technologies for the transportation industry.

#### **DIRECTORS**

The directors who served the company during the period were as follows:

R Sherman	(Appointed 5 November 2012)
J Poliner	(Appointed 5 November 2012)

#### **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 period. 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;
- 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.

In so far as the directors are aware:

- there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all steps that they ought to have taken as directors to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

#### **AUDITORS**

In accordance with section 485 of the Companies Act 2006, Messrs. F. W. Smith, Riches & Co. will be proposed for reappointment as auditors for the forthcoming financial year.

**CREATIVE MOBILE TECHNOLOGIES (UK) LIMITED**

**REPORT OF THE DIRECTORS**

**FOR THE PERIOD FROM 5 NOVEMBER 2012 TO 31 DECEMBER 2013**

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**SMALL COMPANY PROVISIONS**

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

Signed on behalf of the directors



J Poliner  
Director

25 July 2014

Company Registration Number: 08281080

**CREATIVE MOBILE TECHNOLOGIES (UK) LIMITED****INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDER  
FOR THE PERIOD FROM 5 NOVEMBER 2012 TO 31 DECEMBER 2013**

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We have audited the financial statements of Creative Mobile Technologies (UK) Limited for the period from 5 November 2012 to 31 December 2013 on pages 6 to 11. 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 shareholder, 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 shareholder 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 shareholder 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 Directors' Responsibilities Statement set out on page 2, 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 Annual Report 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 31 December 2013 and of its loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**EMPHASIS OF MATTER - GOING CONCERN**

In giving our opinion on the financial statements, which is not qualified, we have considered the adequacy of the disclosures in Note 1 "Going concern". This notes that the company will need to successfully roll out the company's services in order to generate sufficient cash to enable it to continue in operational existence for the foreseeable future. This condition indicates the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern.

The financial statements do not reflect any adjustments that would be required to be made if they were to be prepared on a basis other than the going concern basis.

**CREATIVE MOBILE TECHNOLOGIES (UK) LIMITED**

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDER  
FOR THE PERIOD FROM 5 NOVEMBER 2012 TO 31 DECEMBER 2013**

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**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.

**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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption from the requirement to prepare a strategic report or in preparing the Directors' Report.



Daniel D. E. Crawford (Senior Statutory Auditor)  
For and on behalf of F. W. Smith, Riches & Co.  
Chartered Accountants & Statutory Auditors  
London

25 July 2014

**CREATIVE MOBILE TECHNOLOGIES (UK) LIMITED****PROFIT AND LOSS ACCOUNT****FOR THE PERIOD FROM 5 NOVEMBER 2012 TO 31 DECEMBER 2013**

	Note	Period from 5 Nov 12 to 31 Dec 13 £
<b>TURNOVER</b>		<b>74</b>
Cost of sales		<u>31,019</u>
<b>GROSS LOSS</b>		<b>(30,945)</b>
Administrative expenses		<u>67,645</u>
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>(98,590)</b>
Tax on loss on ordinary activities	3	—
<b>LOSS FOR THE FINANCIAL PERIOD</b>	10	<u><b>(98,590)</b></u>

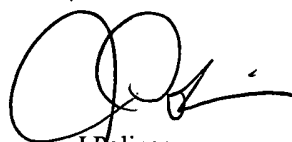


**CREATIVE MOBILE TECHNOLOGIES (UK) LIMITED****BALANCE SHEET  
AS AT 31 DECEMBER 2013**

	Note	31 Dec 13 £
<b>FIXED ASSETS</b>		
Tangible assets	4	<u>1,085,914</u>
<b>CURRENT ASSETS</b>		
Debtors	5	5,823
Cash at bank		<u>87,513</u>
		93,336
<b>CREDITORS: Amounts falling due within one year</b>	6	<u>371,707</u>
<b>NET CURRENT LIABILITIES</b>		<u>(278,371)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>807,543</u>
<b>CREDITORS: Amounts falling due after more than one year</b>	7	<u>906,132</u>
		<u>(98,589)</u>
<b>CAPITAL AND RESERVES</b>		
Called-up equity share capital	9	1
Profit and loss account	10	<u>(98,590)</u>
<b>SHAREHOLDER'S FUNDS DEFICIT</b>		<u>(98,589)</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements on pages 6 to 11 were approved by the directors on 25 July 2014 and were signed on their behalf by:



J Poliner  
Director

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD FROM 5 NOVEMBER 2012 TO 31 DECEMBER 2013

### Basis of accounting

### Going concern

However, the directors have a reasonable expectation that the roll out of the company's services will be successful and the company will have adequate resources to continue in operational existence for the foreseeable future. They have therefore prepared the financial statements on a going concern basis.

## Turnover

Turnover is the amount receivable by the company for services provided, excluding VAT.

## Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Equipment - over 3 years

### Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

## Deferred taxation

Deferred tax arises as a result of including items of income and expenditure in taxation computations in periods different from those in which they are included in the company's financial statements. Deferred tax is provided in full on timing differences which result in an obligation to pay more (or less) tax at a future date, at the average tax rates that are expected to apply when the timing differences reverse, based on current tax rates and laws.

# CREATIVE MOBILE TECHNOLOGIES (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM 5 NOVEMBER 2012 TO 31 DECEMBER 2013

### 1. ACCOUNTING POLICIES *(continued)*

#### 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 the transaction. Exchange differences are taken into account in arriving at the operating profit.

#### Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

### 2. OPERATING LOSS

Operating loss is stated after charging:

	Period from 5 Nov 12 to 31 Dec 13 £
Directors' remuneration	—
Auditors' remuneration	900
Net loss on foreign currency translation	<u>485</u>

### 3. TAX ON LOSS ON ORDINARY ACTIVITIES

#### Factors affecting current tax charge

The tax assessed on the loss on ordinary activities for the period differs from the standard rate of corporation tax in the UK of 20% as follows:

	Period from 5 Nov 12 to 31 Dec 13 £
Loss on ordinary activities before taxation	<u>(98,590)</u>
Loss on ordinary activities multiplied by rate of tax	(19,718)
Disallowed expenditure	200
Capital allowances in advance of depreciation	(78,346)
Losses carried forward	<u>97,864</u>
Total current tax	<u>—</u>

#### Factors that may affect future tax charges

The company has tax losses of £489,321 to offset against future trading profits.

# CREATIVE MOBILE TECHNOLOGIES (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD FROM 5 NOVEMBER 2012 TO 31 DECEMBER 2013

### 4. TANGIBLE FIXED ASSETS

	Equipment £
<b>COST</b>	
Additions	1,085,914
<b>At 31 December 2013</b>	<u>1,085,914</u>
<b>NET BOOK VALUE</b>	
<b>At 31 December 2013</b>	<u>1,085,914</u>

No depreciation has been charged in the period as the majority of the equipment disclosed above was either not in use or had not been installed at the balance sheet date. In the opinion of the directors the depreciation charge on any items of equipment which had been utilised or installed at the balance sheet date would be immaterial.

### 5. DEBTORS

	31 Dec 13 £
Amounts owed by group undertakings	496
Other debtors	5,327
	<u>5,823</u>

### 6. CREDITORS: Amounts falling due within one year

	31 Dec 13 £
Trade creditors	362,674
Other creditors	9,033
	<u>371,707</u>

### 7. CREDITORS: Amounts falling due after more than one year

	31 Dec 13 £
Loan from CMT Holdings (Europe) LLP	906,132

CMT Holdings (Europe) LLP has given an undertaking not to demand repayment of its loan prior to 1 August 2015.

# CREATIVE MOBILE TECHNOLOGIES (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD FROM 5 NOVEMBER 2012 TO 31 DECEMBER 2013

### 8. COMMITMENTS UNDER OPERATING LEASES

At 31 December 2013 the company had aggregate annual commitments under non-cancellable operating leases as set out below:

	31 Dec 13
	£
Operating leases which expire:	
Within 1 year	<u>25,200</u>

### 9. SHARE CAPITAL

Allotted, called up and fully paid:

	No	£
Ordinary shares of £1 each	<u>1</u>	<u>1</u>

During the period the company issued one ordinary £1 at par for cash.

### 10. PROFIT AND LOSS ACCOUNT

	Period from 5 Nov 12 to 31 Dec 13
	£
Loss for the financial period	<u>(98,590)</u>
Balance carried forward	<u>(98,590)</u>

### 11. ULTIMATE PARENT COMPANY

The company's immediate parent undertaking is Creative Mobile Technologies (Europe) Limited, a company registered in England and Wales. The company's intermediate parent undertaking is CMT Holdings (Europe) LLP, a limited liability partnership registered in England and Wales.

The company's ultimate parent undertaking is Creative Mobile Technologies LLC, a company registered in the United States of America.

### 12. RELATED PARTY DISCLOSURES

The company is controlled by R Sherman, a director of the company, by virtue of his controlling interest in the shares of Creative Mobile Technologies LLC.

During the year CMT Holdings (Europe) LLP lent the company £906,132. At the balance sheet date the company owed CMT Holdings (Europe) LLP £906,132.

During the year the company lent Creative Mobile Technologies (Europe) Limited £496. At the balance sheet date Creative Mobile Technologies (Europe) Limited owed the company £496.

During the period the company purchased equipment costing £202,452 from Mobile Knowledge Systems Inc, a company controlled by Creative Mobile Technologies LLC. At the balance sheet date the company owed £nil to Mobile Knowledge Systems Inc.