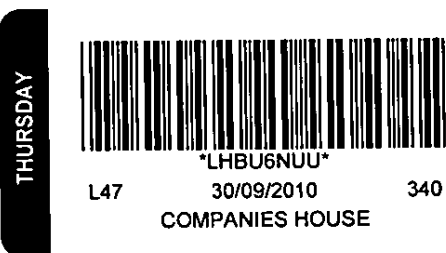


Registration number 04612415

Palantir UK Limited
Directors' report and financial statements
for the year ended 31st December 2009



Palantir UK Limited

Company information

Directors	H Hawkins D MacPherson
Secretary	The Company Books Ltd
Company number	04612415 (Registered in England and Wales)
Registered office	56 Buckingham Gate London SW1E 6AE
Accountants	The Company Books Ltd 15 Bunhill Row London EC1Y 8LP

Palantir UK Limited

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Palantir UK Limited

**Directors' report
for the year ended 31st December 2009**

The directors present their report and the financial statements for the year ended 31st December 2009

Principal activity and review of the business

The principal activity of the company during the year was software supply and consultancy

Business review

The financial statements for the year show a substantial loss as a consequence of the global down turn following the world wide economic problems Palantir UK Limited's clients trade and work internationally and the company's turnover shows a sharp fall over the previous year The directors and the parent company made the decision to retain key personnel to take advantage of any upturn The directors are pleased to say that the turnover has, at the time of this report, substantially improved and the company has now returned to profit The parent company has subordinated the debt owed to it to the claims of any third party creditor which the directors consider to be statement of confidence in Plantir UK Limited

Directors

The directors who served during the year are as stated below

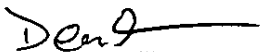
H Hawkins

J Ambrose Resigned on 01/03/2010

D MacPherson

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime

This report was approved by the Board on 28/09/10 and signed on its behalf by



DEAN MACPHERSON

Director

Palantir UK Limited

**Profit and loss account
for the year ended 31st December 2009**

		2009	2008
	Notes	£	£
Turnover	2	1,470,827	2,229,892
Cost of sales		(114,257)	(175,359)
Gross profit		1,356,570	2,054,533
Administrative expenses		(2,552,975)	(2,256,735)
Other operating income		75	100
Operating loss	3	(1,196,330)	(202,102)
Other interest receivable and similar income		17	2,162
Interest payable and similar charges		48,710	(35,543)
Loss on ordinary activities before taxation		(1,147,603)	(235,483)
Tax on loss on ordinary activities	6	-	(12,117)
Loss for the year	12	(1,147,603)	(247,600)
Accumulated (loss)/profit brought forward		(239,512)	8,088
Accumulated loss carried forward		(1,387,115)	(239,512)

The notes on pages 5 to 9 form an integral part of these financial statements.

Palantir UK Limited

**Balance sheet
as at 31st December 2009**

		2009		2008	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	8		84,116		51,647
Current assets					
Debtors	9	358,030		374,288	
Cash at bank and in hand		54,483		136,251	
		<u>412,513</u>		<u>510,539</u>	
Creditors: amounts falling due within one year	10	<u>(1,733,744)</u>		<u>(651,698)</u>	
Net current liabilities			<u>(1,321,231)</u>		<u>(141,159)</u>
Total assets less current liabilities			<u>(1,237,115)</u>		<u>(89,512)</u>
Deficiency of assets			<u>(1,237,115)</u>		<u>(89,512)</u>
Capital and reserves					
Called up share capital	11		150,000		150,000
Profit and loss account	12		<u>(1,387,115)</u>		<u>(239,512)</u>
Shareholders' funds			<u>(1,237,115)</u>		<u>(89,512)</u>

The directors' statements required by Sections 475(2) and (3) are shown on the following page which forms part of this Balance Sheet

The notes on pages 5 to 9 form an integral part of these financial statements.

Palantir UK Limited

Balance sheet (continued)

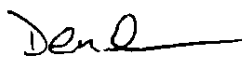
**Directors' statements required by Sections 475(2) and (3)
for the year ended 31st December 2009**

In approving these financial statements as directors of the company we hereby confirm

- (a) that for the year stated above the company was entitled to the exemption conferred by Section 477 of the Companies Act 2006 ,
- (b) that no notice has been deposited at the registered office of the company pursuant to Section 476 requesting that an audit be conducted for the year ended 31st December 2009 , and
- (c) that we acknowledge our responsibilities for
 - (1) ensuring that the company keeps accounting records which comply with Section 386 , and
 - (2) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the year then ended in accordance with the requirements of Section 393 and which otherwise comply with the provisions of the Companies Act 2006 relating to financial statements, so far as applicable to the company

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

The financial statements were approved by the Board on 28/09/10 and signed on its behalf by


.....
DEAN MACPHERSON
Director

Registration number 04612415

The notes on pages 5 to 9 form an integral part of these financial statements.

Palantir UK Limited

**Notes to the financial statements
for the year ended 31st December 2009**

1. Accounting policies

1.1. Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

1.2. Turnover

Turnover represents the total value, excluding value added tax, of fees and amounts receivable on consultancy, annual maintenance and software sales for the year

1.3. Software licences

Patents are valued at cost less accumulated amortisation

Amortisation is calculated to write off the cost of additions in the year of expenditure

1.4. Research and development

Research expenditure is written off to the profit and loss account in the year in which it is incurred

1.5. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows

Plant and machinery	-	33 1/3 % straight line
Fixtures, fittings and equipment	-	25% straight line

1.6. Pensions

The pension costs charged in the financial statements represent the contribution payable by the company during the year

The regular cost of providing retirement pensions and related benefits is charged to the profit and loss account over the employees' service lives on the basis of a constant percentage of earnings

1.7. Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange prevailing at the balance sheet date. Transactions in foreign currencies are recorded at the rate prevailing of the date of transactions. All exchange differences are taken to the Profit and Loss account

1.8. Going concern

The directors have reasonable expectations that the company will continue in operational existence for the foreseeable future and have therefore used the going concern basis in preparing the financial statements

2. Turnover

Turnover attributable to geographical markets outside the United Kingdom amounted to 51% for the year (2008 - 45%)

Palantir UK Limited

**Notes to the financial statements
for the year ended 31st December 2009**

3. Operating loss	2009	2008
	£	£
Operating loss is stated after charging		
Depreciation and other amounts written off intangible assets	70,553	61,293
Depreciation and other amounts written off tangible assets	47,042	31,609
Net foreign exchange gain	108	-
	<u> </u>	<u> </u>

4. Directors' remuneration	2009	2008
	£	£
Remuneration and other benefits	97,084	103,056
	<u> </u>	<u> </u>

5. Pension costs

The company operates a defined contribution pension scheme in respect of the Virgin Group Stakeholder Pension. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company and amounted to £57,466.

6. Tax on loss on ordinary activities

Analysis of charge in period	2009	2008
	£	£
Current tax		
Adjustments in respect of previous periods	-	12,117
	<u> </u>	<u> </u>

Palantir UK Limited

Notes to the financial statements
for the year ended 31st December 2009

7. Intangible fixed assets

	Software Licences £	Total £
Cost		
At 1st January 2009	554,536	554,536
Additions	70,553	70,553
At 31st December 2009	625,089	625,089
Amortisation		
At 1st January 2009	554,536	554,536
Charge for year	70,553	70,553
At 31st December 2009	625,089	625,089
Net book values		
At 31st December 2009	-	-
At 31st December 2008	-	-

8. Tangible fixed assets

	Website £	Fixtures, fittings and equipment £	Total £
Cost			
At 1st January 2009	10,578	145,806	156,384
Additions	1,500	78,011	79,511
At 31st December 2009	12,078	223,817	235,895
Depreciation			
At 1st January 2009	6,219	98,518	104,737
Charge for the year	3,527	43,515	47,042
At 31st December 2009	9,746	142,033	151,779
Net book values			
At 31st December 2009	2,332	81,784	84,116
At 31st December 2008	4,359	47,288	51,647

Palantir UK Limited

**Notes to the financial statements
for the year ended 31st December 2009**

9. Debtors	2009	2008
	£	£
Trade debtors	282,189	261,855
Other debtors	45,043	62,803
Prepayments and accrued income	30,798	49,630
	<u>358,030</u>	<u>374,288</u>
 10. Creditors: amounts falling due within one year	 2009	 2008
	£	£
Deferred income	435,125	-
Trade creditors	62,663	96,618
Amounts owed to group undertaking	1,113,594	144,644
Other taxes and social security costs	86,587	87,500
Directors' accounts	168	-
Accruals	35,607	322,936
	<u>1,733,744</u>	<u>651,698</u>
 11. Share capital	 2009	 2008
	£	£
Authorised		
150,000 Ordinary shares of £1 each	<u>150,000</u>	<u>150,000</u>
Allotted, called up and fully paid		
150,000 Ordinary shares of £1 each	<u>150,000</u>	<u>150,000</u>
 Equity Shares		
150,000 Ordinary shares of £1 each	<u>150,000</u>	<u>150,000</u>
 12. Reserves	 Profit and loss account	 Total
	£	£
At 1st January 2009	(239,512)	(239,512)
Loss for the year	<u>(1,147,603)</u>	<u>(1,147,603)</u>
At 31st December 2009	<u>(1,387,115)</u>	<u>(1,387,115)</u>

Palantir UK Limited

**Notes to the financial statements
for the year ended 31st December 2009**

13. Related party transactions

At the year end, the company owed Palantir Economic Solutions (BVI) £1,113,594 (2008 £144,644). The company is wholly owned by Palantir Economic Solutions (BVI), a company incorporated in British Virgin Islands.

Included in the company's sales is an amount of £469,278 (2008 £540,284) in respect of services provided to Palantir Economic Solutions Ltd.

14. Ultimate parent undertaking

The Directors believe that the Ultimate Parent Company is Palantir Economic Solutions (BVI) incorporated in British Virgin Islands.

15. Going concern

Following the subordination of all amounts due to Palantir Economic Solutions (BVI), the parent company, and the return to profitability the directors believe that the company is able to meet its liabilities.