

Financial Statements

Keyedin (UK) Limited

For the year ended 30 April 2015

Registered number: 07812708

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COMPANIES HOUSE

Keyedin (UK) Limited

Company Information

Directors	L A Klaus L G Klaus
Registered number	07812708
Independent auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor No 1 Whitehall Riverside Leeds West Yorkshire LS1 4BN

Keyedin (UK) Limited

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Keyedin (UK) Limited

Directors' Report

For the year ended 30 April 2015

The directors present their report and the audited financial statements for the year ended 30 April 2015.

Directors

The directors who served during the year were:

L A Klaus

L G Klaus

E A Blainé (resigned 21 January 2015)

Directors' responsibilities statement

The directors are responsible for preparing the Directors' 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;
- 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.

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Keyedin (UK) Limited

Directors' Report

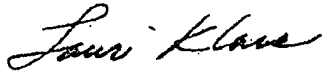
For the year ended 30 April 2015

Auditor

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 29 Jan 2016 and signed on its behalf.



L A Klaus
Director

Independent Auditor's Report to the Members of Keyedin (UK) Limited

We have audited the financial statements of Keyedin (UK) Limited for the year ended 30 April 2015, 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 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 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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

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 April 2015 and of its results 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 Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.



Independent Auditor's Report to the Members of Keyedin (UK) Limited

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 take advantage of the small companies' exemption from the requirement to prepare a strategic report and in preparing the Directors' report.

Grant Thornton UK LLP

Mark Overfield Bsc FCA (Senior statutory auditor)
for and on behalf of
Grant Thornton UK LLP
Statutory Auditor
Chartered Accountants
Leeds

29 January 2016

Keyedin (UK) Limited

Profit and Loss Account

For the year ended 30 April 2015

	Note	2015 £	2014 £
Impairment of investment in subsidiary		-	(5,617,533)
Operating profit/(loss)		-	(5,617,533)
Interest payable and similar charges	3	-	(126,239)
Profit/(loss) on ordinary activities before taxation		-	(5,743,772)
Tax on profit/(loss) on ordinary activities		-	-
Profit/(loss) for the financial year	9	-	(5,743,772)

All amounts relate to continuing operations.

There were no recognised gains and losses for 2015 or 2014 other than those included in the Profit and loss account.

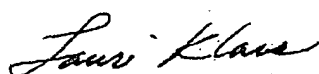
The notes on pages 7 to 10 form part of these financial statements.

Balance Sheet

As at 30 April 2015

	Note	£	2015 £	2014 £
Current assets				
Debtors	5	24,903	24,903	
Creditors: amounts falling due within one year	6	(993,049)	(993,049)	
Net current liabilities			(968,146)	(968,146)
Total assets less current liabilities			(968,146)	(968,146)
Creditors: amounts falling due after more than one year	7		(2,524,777)	(2,524,777)
Net liabilities			(3,492,923)	(3,492,923)
Capital and reserves				
Called up share capital	8		2,321,499	2,321,499
Share premium account	9		249,999	249,999
Profit and loss account	9		(6,064,421)	(6,064,421)
Shareholders' deficit	10		(3,492,923)	(3,492,923)

The financial statements were approved and authorised for issue by the board and were signed on its behalf on



L A Klaus
Director

The notes on pages 7 to 10 form part of these financial statements.

Notes to the Financial Statements

For the year ended 30 April 2015

1. Accounting Policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards (United Kingdom Generally Accepted Accounting Practice).

The company is the parent undertaking of a small group and as such is not required by the Companies Act 2006 to prepare group accounts. These financial statements therefore present information about the company as an individual undertaking and not about its group.

1.2 Going concern

The current economic environment is challenging and the company has net liabilities of £3,492,923 at the year end.

The company does not expect to incur any expenditure for the foreseeable future but is dependent upon the continued support of its ultimate parent undertaking and the principal shareholder of its ultimate parent undertaking. The directors have received an undertaking from its US Parent and subsidiary that they will not demand payment in full or in part of any amounts owed to them.

After making enquiries the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For these reasons, they continue to adopt the going concern basis in preparing the annual report and accounts.

1.3 Cash flow

The company has taken advantage of the exemption in Financial Reporting Standard No.1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

1.4 Investments

Investments held as fixed assets are shown at cost less provision for impairment.

2. Staff costs

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

2015	2014
No.	No.
3	3

3. Interest payable

On other loans

2015	2014
£	£
-	126,239

Notes to the Financial Statements

For the year ended 30 April 2015

4. Fixed asset investments

	Investments in subsidiary companies £
Cost	
At 1 May 2014 and 30 April 2015	5,617,533
Impairment	
At 1 May 2014 and 30 April 2015	5,617,533
Net book value	
At 30 April 2015	-
At 30 April 2014	-

Subsidiary undertakings

The following were subsidiary undertakings of the company:

Name	Class of shares	Holding
Keyedin Solutions (Holdings) Limited	Ordinary	100%
Keyedin Solutions Limited	Ordinary	100%
Keyedin Limited	Ordinary	100%

Name	Business	Registered office
Keyedin Solutions (Holdings) Limited	Holding company	England and Wales
Keyedin Solutions Limited	Sale of software	England and Wales
Keyedin Limited	Dormant	England and Wales

The aggregate of the share capital and reserves as at 30 April 2015 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

Name	Aggregate of share capital and reserves £	Profit/(loss) £
Keyedin Solutions (Holdings) Limited	1,243,651	-
Keyedin Solutions Limited	(6,819,761)	(2,111,778)
Keyedin Limited	443,594	-

5. Debtors

	2015 £	2014 £
Amounts owed by group undertakings	24,903	24,903

Notes to the Financial Statements

For the year ended 30 April 2015

6. Creditors:

Amounts falling due within one year

	2015	2014
	£	£
Loan notes	13,985	155,235
Amounts owed to group undertakings	715,633	574,383
Accruals and deferred income	263,431	263,431
	<u>993,049</u>	<u>993,049</u>

7. Creditors:

Amounts falling due after more than one year

	2015	2014
	£	£
Amounts owed to group undertakings	<u>2,524,777</u>	<u>2,524,777</u>

8. Share capital

	2015	2014
	£	£
Allotted, called up and fully paid		
2,321,498 Ordinary shares of £1 each	2,321,498	2,321,498
1 Non-voting ordinary share of £1	1	1
	<u>2,321,499</u>	<u>2,321,499</u>

9. Reserves

	Share premium account	Profit and loss account
	£	£
At 1 May 2014 and 30 April 2015	<u>249,999</u>	<u>(6,064,421)</u>

Notes to the Financial Statements

For the year ended 30 April 2015

10. Reconciliation of movement in shareholders' deficit

	2015	2014
	£	£
Opening shareholders' deficit	(3,492,923)	(59,731)
Profit/(loss) for the financial year	-	(5,743,772)
Shares issued during the year	-	2,310,580
Closing shareholders' deficit	<u>(3,492,923)</u>	<u>(3,492,923)</u>

11. Related party transactions

The ultimate parent undertaking of Keyedin (UK) Limited and the parent of the only group to consolidate the company was Keyedin Solutions Holdings, Inc. (incorporated in the United States).

The directors consider that the ultimate controlling related party of company is George Klaus by virtue of his majority shareholding in Keyedin Solutions Holding, Inc..

At 30 April 2015 a loan of £2,524,77 (2014: £2,524,777) was owed to Keyedin Solutions Holdings, Inc.. Interest of £nil (2014: £126,239) was charged but not paid in the year.