

Registered Number 2764901

**Fabasoft Limited**  
**Annual report and financial statements**  
**For the year ended 31 March 2011**



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## **Fabasoft Limited**

### **Annual report and financial statements For the year ended 31 March 2011**

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**Directors and advisers for the year ended 31 March 2011**

**Directors**

H Fallmann

L Bauernfeind

**Secretary**

C Rumberg

**Registered Office**

5 Old Bailey

London

EC4M 7BA

**Auditors**

PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

31 Great George Street

Bristol

BS1 5QD

**Bankers**

Barclays Bank plc

36 East Street

Bedminster

Bristol

BS3 4HE

Bank Austria AG

Johann-Konrad-Vogel-Str 7-9

A-4020

Linz

Austria

**Directors' report for the year ended 31 March 2011**

The directors present their annual report and the audited financial statements of the company for the year ended 31 March 2011

**Principal activities**

The company's principal activity during the year was the sale of software, in addition to maintenance and other related computer services to professional and commercial organisations

**Results**

The company's profit for the year, after taxation, is £7,691 (2010 £5,248)

**Directors**

The directors of the company during the year and up to the date of this report are listed on page 1

**Statement of directors' responsibilities**

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 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

**Going Concern**

Based on the company's operating projections, cash flow forecasts, historical performance, and taking in to account undertakings to provide continuing financial support given by the ultimate parent company, the Directors believe that there is reasonable expectation that the company will generate sufficient cash and have access to working capital facilities to enable it to meet its funding requirements for at least the next 12 months. For this reason, the Directors continue to adopt the going concern basis in preparing the financial statements

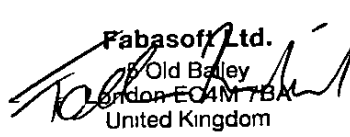
**Provision of information to auditors**

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware and the directors have taken all the steps necessary to make themselves aware of any relevant audit information and to convey that information to the company's auditors

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006

**By order of the Board**

**H Fallmann**  
Director

  
Fabasoft Ltd.  
10 Old Bailey  
London EC4M 7BA  
United Kingdom

**L Bauernfeind**  
Director

1 JULY

2011

**Independent auditors' report to the members of Fabasoft Limited**

We have audited the financial statements of Fabasoft Limited for the year ended 31 March 2011 which comprise the Profit and Loss Account, the Balance Sheet, the Accounting Policies 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).

**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.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

**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 Directors' Report to identify material inconsistencies with the audited financial statements. 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 March 2011 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

**Independent auditors' report to the members of Fabasoft Limited  
(continued)**

**Emphasis of matter – Going concern**

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1 to the financial statements concerning the company's ability to continue as a going concern. The company had net current liabilities of £192,860 at 31 March 2011 and is dependent upon the continued support of the company's parent company to provide the funding necessary over the next 12 months. These conditions, along with the other matters explained in note 1 to the financial statements, indicate 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 include the adjustments that would result if the company was unable to continue as a going concern.

**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.

**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



Colin Bates (Senior Statutory Auditor)  
For and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Bristol

1 JULY 2011

**Profit and loss account for the year ended 31 March 2011**

	Note	2011 £	2010 £
<b>Turnover</b>		<b>187,708</b>	203,320
Cost of sales		<b>(163,395)</b>	(173,799)
Gross profit		<b>24,313</b>	29,521
Administrative expenses		<b>(16,677)</b>	(24,209)
<b>Operating profit</b>	2	<b>7,636</b>	5,312
Interest receivable	4	<b>55</b>	18
<b>Profit on ordinary activities before taxation</b>		<b>7,691</b>	5,330
Tax on profit on ordinary activities	5	-	(82)
<b>Profit for the financial year</b>	10	<b>7,691</b>	5,248

All items dealt with in arriving at operating profit above relate to continuing operations

The company has no recognised gains and losses other than the results above and therefore no separate statement of total recognised gains and losses has been presented

**Balance sheet as at 31 March 2011**

	Note	2011 £	2010 £
<b>Current assets</b>			
Debtors	6	145,999	154,546
Cash at bank and in hand		266,169	241,777
		<b>412,168</b>	396,323
<b>Creditors - amounts falling due within one year</b>	7	<b>(605,028)</b>	(596,874)
<b>Net current liabilities</b>		<b>(192,860)</b>	(200,551)
<b>Net liabilities</b>		<b>(192,860)</b>	(200,551)
<b>Capital and reserves</b>			
Called up share capital	8	510,000	510,000
Capital contribution reserve	9	1,400,000	1,400,000
Profit and loss account	10	(2,102,860)	(2,110,551)
	11	<b>(192,860)</b>	(200,551)

The notes on pages 7 to 12 form part of these financial statements

The financial statements on pages 5 to 12 were approved by the board of directors on 1 July 2011 and were signed on its behalf by

  
**Fabasoft Ltd.**  
 5 Old Bailey  
 London EC4M 7BA  
 United Kingdom

**H Fallmann**  
 Director

**L Bauernfeind**  
 Director



## **Accounting policies**

### **Basis of preparation**

These financial statements are prepared on the going concern basis, under the historical cost convention, and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the year, are set out below.

### **Revenue recognition**

Turnover comprises the invoiced value of goods and services and is stated net of value added tax. All of the revenue was within the United Kingdom.

In the case of non-maintenance revenue, the company recognises the income on the basis of goods and services supplied and invoiced to customers.

In respect of maintenance contracts, revenue is recognised in the profit and loss account over the duration of the maintenance contracts. Any income invoiced in advance but relating to future years is carried forward on the balance sheet as deferred income.

### **Foreign currencies**

Transactions in foreign currencies have been valued at the rate prevailing at the date of the relevant remittance. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account.

### **Deferred tax**

Provision is made for deferred tax on all timing differences which have originated but not reversed at the balance sheet date. Deferred tax assets are recognised where their recovery is considered more likely than not. Deferred tax assets and liabilities are not discounted.

### **Cash Flow Statement and related party disclosures**

The company has taken advantage of the exemption from preparing a cash flow statement, in accordance with FRS 1 paragraph 5a, as it is a wholly owned subsidiary whose ultimate parent company prepares consolidated financial statements which are publicly available.

The company is also exempt under the terms of FRS 8 from disclosing related party transactions with wholly owned entities that are part of the Fabasoft Group.

**Notes to the financial statements for the year ended 31 March 2011****1 Basis of preparing the financial statements – going concern assumption**

Due to the nature of the industry, revenue is generated through a small number of high value contracts each year. At the date of preparing these accounts, the company had not been awarded any new contracts for 2011/12.

However, the ultimate parent company, Fabasoft AG, have committed to provide the funding necessary over the next 12 months to meet all liabilities and as a result of this, the financial statements have been prepared on the going concern basis, which assumes that the company will continue in operation for the foreseeable future.

If the company was unable to continue in operational existence for the foreseeable future, adjustments would have to be made to reduce the balance sheet values of assets to their recoverable amounts, and to provide for further liabilities that might arise, and to reclassify fixed assets and long term liabilities as current assets and liabilities.

The directors believe that on the basis of the above undertaking provided by the parent company it is appropriate for the financial statements to be prepared on the going concern basis.

**2 Operating Profit**

	2011 £	2010 £
<b>Operating profit is stated after charging/(crediting)</b>		
Auditor's remuneration for audit services	<b>4,590</b>	4,500
Auditor's remuneration for non audit services - taxation	<b>2,650</b>	2,660
Gain on foreign exchange	<b>(697)</b>	(174)

**3 Staff costs****a) Staff costs**

The company does not have any employees (2010: nil)

**b) Directors' emoluments**

The directors are also directors of the ultimate parent undertaking and their remuneration is borne by that company. There is no charge levied, in the current or prior year, on the company by Fabasoft AG in respect of director emoluments.

#### **4 Interest receivable**

	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Bank deposits	<b>55</b>	<b>18</b>

#### **5 Tax on profit on ordinary activities**

<b>a) Analysis of charge in the year</b>	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Current Tax United Kingdom corporation tax charge at 21% (2010 21%)	-	-
Adjustments in respect of prior periods	-	82
<b>Tax on profit on ordinary activities</b>	<b>-</b>	<b>82</b>

A reconciliation of the expected tax charge is given in Note 5 (b)

<b>b) Factors affecting current tax charge</b>	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Profit on ordinary activities before taxation	<b>7,691</b>	<b>5,330</b>
Tax on profit on ordinary activities at standard rate 21% (2010 21%)	<b>1,615</b>	<b>1,119</b>
Factors affecting the charge		
Accelerated capital allowances	<b>(1,615)</b>	<b>(1,119)</b>
	<b>(1,615)</b>	<b>(1,119)</b>
<b>Tax charge for the year</b>	<b>-</b>	<b>-</b>

**5 Tax on profit on ordinary activities (continued)****c) Factors affecting future tax charges**

The Finance Bill 2010, enacted as Finance (No 2) Act 2010 in July 2010, reduced the Small Profits Rate of corporation tax from 21% to 20% with effect from April 2011. There are no significant factors, other than the items noted above, that might affect future tax charges.

The deferred tax asset for which provision has not been made	2011 £	2010 £
Accelerated capital allowances	9,680	11,778
Losses	476,049	499,852
	<b>485,729</b>	<b>511,630</b>

The deferred tax asset has not been recognised in the accounts as there is considerable uncertainty as to whether there will be sufficient taxable profits from which the future reversal of the losses and underlying timing differences can be deducted.

**6 Debtors**

	2011 £	2010 £
Trade debtors	1,079	7,444
Prepayments	144,920	147,102
	<b>145,999</b>	<b>154,546</b>

**7 Creditors – Amounts falling due within one year**

	2011 £	2010 £
Trade creditors	4,533	2,618
Amounts owed to group undertakings	156,800	14,080
Amounts due to parent undertaking	226,215	363,665
Taxation and social security	34,850	33,981
Accruals and deferred income	182,630	182,530
	<b>605,028</b>	<b>596,874</b>

**8 Called up share capital**

	2011 £	2010 £
<b>Authorised</b>		
600,000 ordinary shares of £1 each	<b>600,000</b>	600,000
<b>Allotted, called up and fully paid</b>		
510,000 ordinary shares of £1 each	<b>510,000</b>	510,000

**9 Capital contribution reserve**

	Capital contribution reserve £
<b>At 1 April 2010 and at 31 March 2011</b>	<b>1,400,000</b>

The capital contribution relates to amounts advanced to the company by its parent Fabasoft AG

**10 Profit and loss account**

	Profit and loss account £
Accumulated losses at 1 April 2010	2,110,551
Profit for the year	7,691
<b>Accumulated losses at 31 March 2011</b>	<b>2,102,860</b>

**11 Reconciliation of movements in shareholders' funds**

	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Opening shareholders' deficit	<b>(200,551)</b>	(205,799)
Profit for the year	<b>7,691</b>	5,248
<b>Closing shareholders' deficit</b>	<b>(192,860)</b>	(200,551)

**12 Ultimate controlling party**

The ultimate parent undertaking and controlling party is Fabasoft AG, a company incorporated in Austria. The company has been included in the consolidated financial statements of Fabasoft AG, copies of which can be obtained from its registered office at Honauerstrasse 4, A-4020 Linz, Austria.