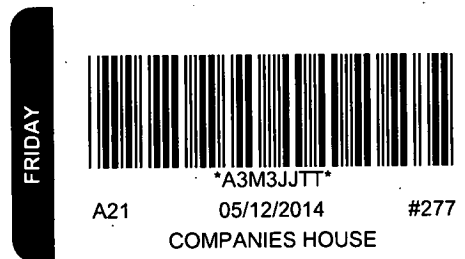


Registered number 04252034

ABSE Limited

Annual report and financial statements
for the 15 months to 31 March 2014



ABSE Limited

Contents

	Page
Directors and advisors	2
Strategic report for the 15 months to 31 March 2014	3
Directors' report for the 15 months to 31 March 2014	5
Independent auditors' report to the members of ABSE Limited	8
Profit and loss account for the 15 months to 31 March 2014	10
Balance sheet as at 31 March 2014	11
Notes to the financial statements for the 15 months to 31 March 2014	12

ABSE Limited

Directors and advisors

Directors

M Riley
S Smith

Company secretary

D McGlennon

Registered office

Daisy House
Suite 1
Lindred Road Business Park
Nelson
Lancashire
BB9 5SR

Bankers

Bank of Scotland
19/21 Spring Gardens
Manchester
M2 1FB

Independent auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
101 Barbirolli Square
Lower Mosley Street
Manchester
M2 3PW

ABSE Limited

Strategic report for the 15 months to 31 March 2014

The directors present their strategic report on ABSE Limited ("the Company") for the 15 months to 31 March 2014.

The Company changed its accounting period end from 31 December to 31 March upon acquisition by Daisy Communications Ltd ("Daisy").

Principal activity

The principal activity of the Company is that of a business and management consultancy organisation. The Company ceased to trade during the period and has no plans to trade in the future.

Business review

The results for the Company can be found on page 10. The financial position of the Company at 31 March 2014 is set out on page 11.

Exceptional administrative expenses of £464,000 were incurred as a result of redundancies which arose following a change in ownership.

Following acquisition of the Company by Daisy, the accounting policies were reviewed and a historic error was identified in relation to revenue recognition. The prior period results have been restated and the adjustment can be found in note 20.

Current performance

Performance since the period end has been in line with expectations.

Key performance indicators (KPIs)

The KPIs for the Company are set out below:

	15 months to 31 March 2014	Restated Unaudited 12 months to 31 December 2012
	£'000	£'000
Turnover	1,700	1,891
Adjusted EBITDA*	652	1,061

* - operating result before depreciation and net exceptional administrative expenses

Turnover has decreased from the prior period and the adjusted EBITDA has also fallen.

Future developments

The Company has no plans to trade in the future.

ABSE Limited

Strategic report for the 15 months to 31 March 2014 (continued)

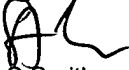
Principal risks and uncertainties

The directors regularly assess the key business risks of the Company, which, whilst it was trading, were considered to be:

- Reliance on key suppliers
- Reliance on employees who have significant experience in the sector

The Company, together with support from the group, managed these risks by building strong relationships with its suppliers, investing in training and competitive remuneration packages for its employees, and providing detailed planning and execution around integration activities.

By order of the board



S Smith
Director

36 September 2014

ABSE Limited

Directors' report for the 15 months to 31 March 2014

The directors present their report and the audited financial statements for the Company, for the 15 months to 31 March 2014. The comparative figures have not been audited.

Financial risk management

The Company's operations expose it to a limited number of financial risks, namely credit risk and liquidity risk. The Company's ultimate parent company arranges and manages external debt funding.

Credit risk

Appropriate credit checks are undertaken on all potential customers before new contracts are accepted. Individual exposures are monitored with customers to ensure the Company's exposure to bad debts is minimised.

Credit risk associated with cash balances and funding to obtain leased vehicles is managed by transacting with financial institutions with high quality credit ratings. Accordingly, the Company's associated credit risk is deemed to be limited. All associated financial institutions utilised by the Company require the advance approval of the board.

Liquidity risk

The Company regularly forecasts cash flow to ensure that sufficient cash is available from trading for future expenses and capital expenditure.

Policy on payment to suppliers

The Company's supplier payment policy is to agree terms and conditions for business transactions with suppliers. Suppliers are made aware of the Company's terms of payment. Payment is then made subject to these terms and conditions being met.

Proposed dividend

The directors do not recommend the payment of a dividend (2012: £245,000).

Directors

The directors who were in office during the period and up to the date of signing the financial statements are given below:

M Riley	(appointed 16 February 2014)
S Smith	(appointed 16 February 2014)
J Leefield	(resigned 16 February 2014)
J D Witts	(resigned 16 February 2014)

ABSE Limited

Directors' report for the 15 months to 31 March 2014 (continued)

Directors' and officers' liability insurance and indemnity

The Company has purchased insurance to cover its directors and officers against the costs of defending themselves in legal proceedings taken against them in that capacity and in respect of any damages resulting from those proceedings. In accordance with section 236(2) of the Companies Act 2006 the directors disclose a qualifying third party indemnity provision entered into between the ultimate parent company (Daisy Group plc) and the current directors which was in force during the financial period and at the date of approval of this report. The indemnity provision applies in their capacity as directors of the Company. Neither the insurance nor the indemnity provides cover where the director has acted fraudulently or dishonestly.

Political and charitable donations

The Company made no charitable donations during the period (2012: £nil). No political donations were made during the period (2012: £nil).

Statement of directors' responsibilities

The directors are responsible for preparing the Strategic report, 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 period. Under that law, the directors have prepared 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 UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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

Under company law, the directors are required to consider whether it is appropriate to prepare financial statements on the basis that the Company is a going concern. The Company has the continuing support of its ultimate parent company, Daisy Group plc, and therefore the going concern basis continues to be adopted in preparing the financial statements

ABSE Limited

Directors' report for the 15 months to 31 March 2014 (continued)

Disclosure of information to auditors

Each of the persons who is a director at the date of approval of this report confirms that:

- (a) so far as the directors are aware, there is no relevant audit information of which the Company's auditors are unaware; and
- (b) each director has taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

By order of the board



S Smith
Director
26 September 2014

ABSE Limited

Independent auditors' report to the members of ABSE Limited

Report on the financial statements

Our opinion

In our opinion the financial statements, defined below:

- give a true and fair view of the state of the company's affairs as at 31 March 2014 and of its profit for the 15 month period 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.

This opinion is to be read in the context of what we say in the remainder of this report.

What we have audited

The financial statements, which are prepared by ABSE Limited comprise:

- the balance sheet as at 31 March 2014; and
- the profit and loss account for the period then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

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).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

What an audit of financial statements involves

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). 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 and financial statements (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 other matter prescribed by the Companies Act 2006

In our opinion the information given in the strategic report and the directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements.

ABSE Limited

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

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the statement of directors' responsibilities on page 6. 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 ISAs (UK & 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.

Other matter

The financial statements for the year ended 31 December 2012, forming the corresponding figures of the financial statements for the 15 months ended 31 March 2014, are unaudited.



Fiona Kelsey (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Manchester

26 September 2014

ABSE Limited

Profit and loss account for the 15 months to 31 March 2014

		15 months ended 31 March 2014	Restated Unaudited Year ended 31 December 2012
	Note	£'000	£'000
Turnover	3	1,700	1,891
Cost of sales		-	-
Gross profit		1,700	1,891
Administrative expenses		(1,517)	(835)
Operating profit	6	183	1,056
Adjusted EBITDA*		652	1,061
Depreciation	11	(5)	(5)
Exceptional administrative expense	4	(464)	-
Operating profit	6	183	1,056
Interest receivable and similar income	9	15	11
Profit on ordinary activities before taxation		198	1,067
Tax on profit on ordinary activities	10	(75)	(238)
Profit for the period	15	123	829

The notes on pages 12 to 21 are an integral part of these financial statements.

All results in the current and prior period derive from continuing activities.

In the current and prior period there is no material difference between the profit on ordinary activities before taxation and the profit stated above and their historical cost equivalents.

The Company has recognised no gains or losses, in the current or prior period, other than those shown above in the profit and loss account, and therefore no separate statement of total recognised gains and losses has been prepared.

* - operating result before depreciation and net exceptional administrative expenses

ABSE Limited

Balance sheet as at 31 March 2014

		31 March 2014	Unaudited 31 December 2012
	Note	£'000	£'000
Fixed assets			
Tangible assets	11	-	6
		-	6
Current assets			
Debtors	12	1,683	161
Cash at bank		211	1,603
		1,894	1,764
Creditors: amounts falling due within one year	13	(686)	(685)
Net current assets		1,208	1,079
Total assets less current liabilities		1,208	1,085
Net assets		1,208	1,085
Capital and reserves			
Called up share capital	14	-	-
Profit and loss account	15	1,208	1,085
Total shareholders' funds	16	1,208	1,085

The notes on pages 12 to 21 are an integral part of these financial statements.

The financial statements on pages 10 to 21 were approved by the board of directors on 26 September 2014 and signed on its behalf by:


S Smith
Director

26 September 2014

Registered number 04252034

ABSE Limited

Notes to the financial statements for the 15 months to 31 March 2014

1 Accounting policies

Basis of preparation

These financial statements are prepared on the going concern basis, under 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 period, are set out below.

Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and can be reliably measured. Turnover is measured at the fair value of the consideration received, excluding discounts, rebates, VAT and other sales duty.

Where goods and or services are sold in one bundled transaction, the Company allocates the total arrangement's consideration to the different individual elements based on their relative fair values. Management determines the fair values of individual components based on actual amounts charged by the Company on a stand-alone basis, or alternatively based on comparable pricing arrangements observable in the market.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. Depreciation is provided to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Plant and machinery equipment	50% on cost
-------------------------------	-------------

Costs that are directly associated with development of identifiable and unique software products generated for use by the Company, and that will generate economic benefits exceeding costs beyond one year are recognised as tangible fixed assets.

Taxation

The charge for taxation is based on the profit for the period and takes into account taxation deferred due to timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and account purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19, 'Deferred tax'.

Exceptional administrative expense

Items that are material and non-operating or non-recurring in nature are presented as exceptional administrative expense items in the profit and loss account, within the relevant account heading. The directors are of the opinion that the separate recording of exceptional items provides helpful information about the Company's underlying business performance.

ABSE Limited

Notes to the financial statements for the 15 months to 31 March 2014 (continued)

2 Cash flow statement and related party disclosures

The Company is a wholly owned subsidiary of Daisy Group plc ("Daisy Group") and is included in the consolidated financial statements of this company, which are publicly available. Consequently, the Company has elected not to prepare a cash flow statement under the terms of FRS 1 (revised 1996), 'Cash Flow Statements'. The Company is exempt under the terms of paragraph 3(c) of FRS 8, 'Related Party Disclosures' from disclosing related party transactions with entities that are part of the Daisy Group.

3 Turnover

The Company's activities consist of consultancy services to business customers within the United Kingdom. The Company had a single class of business and consequently does not present a segmental analysis.

4 Net exceptional administrative expense

	Year ended 31 March 2014	Unaudited Year ended 31 March 2013
	£'000	£'000
Redundancy related costs	464	-
	464	-

There was a change in the ownership of the Company during the period and this resulted in redundancy related costs of £464,000.

5 Auditors' remuneration

Auditors' remuneration was borne by the ultimate parent, Daisy Group plc, with no recharge. There were no non audit fees paid to the auditors.

6 Operating profit

Operating profit is stated after charging:

	Note	15 months to 31 March 2014	Unaudited 12 months to 31 December 2012
		£'000	£'000
Depreciation of tangible fixed assets			
- owned assets	11	5	5
Operating leases:			
-other		7	5

ABSE Limited

Notes to the financial statements for the 15 months to 31 March 2014 (continued)

7 Directors' emoluments

The Company paid £19,200 in remuneration to the directors' for the 13 months to 31 January 2014 (2012: £19,200 for 12 months to 31 December 2012, unaudited). Any remuneration received by the directors afterwards was borne by the ultimate parent undertaking, Daisy Group plc, with no recharge

8 Employee information

The average monthly number of persons (including executive directors) employed by the Company during the period, analysed by category, was as follows:

	15 months to 31 March 2014	Unaudited 12 months to 31 December 2012
	Number	Number
Sales	4	4
Administration and operations	5	9
	9	13

The aggregate payroll costs were as follows:

	15 months to 31 March 2014	Unaudited 12 months to 31 December 2012
	£'000	£'000
Wages and salaries	1,232	667
Social security costs	74	74
	1,306	741

The Company did not have pension arrangements in place for employees in either the current or prior period.

ABSE Limited

Notes to the financial statements for the 15 months to 31 March 2014 (continued)

9 Interest receivable and similar income

	15 months to 31 March 2014	Unaudited 12 months to 31 December 2012
	£'000	£'000
Bank interest	15	12
	15	12

10 Tax on profit on ordinary activities

Analysis of the charge in the period is as follows:

	15 months to 31 March 2014	Unaudited 12 months to 31 December 2012
	£'000	£'000
Current tax		
- UK corporation tax on profit for the period	75	238
Total current tax	75	238
Total tax on profit on ordinary activities	75	238

The current tax charge for the period is higher (2012: higher) than the standard effective rate of corporation tax in the UK 23.2% (2012: 24.5%). The differences are explained below:

ABSE Limited

Notes to the financial statements for the 15 months to 31 March 2014 (continued)

10 Tax on profit on ordinary activities (continued)

	15 months to 31 March 2014 £'000	Restated Unaudited 12 months to 31 December 2012 £'000
Profit on ordinary activities before taxation	198	1,067
Current tax at 23.2% (2012: 24.5%)	46	261
Effects of:		
Timing differences between capital allowances and depreciation	1	-
Other timing differences	28	(23)
Current tax charge for the period	75	238

The Finance Act 2013 ("the Act") was substantively enacted on 2 July 2013. The Act reduced the main rate of corporation tax to 21% with effect from 1 April 2014 and 20% with effect from 1 April 2015. The impact on the income statement as a result of these rate changes is £nil.

11 Tangible fixed assets

	Note	Plant and machinery £'000
Cost		
At 1 January 2013 (unaudited)		35
Additions		3
Disposals		(38)
At 31 March 2014		-
Accumulated depreciation		
At 1 January 2013 (unaudited)		29
Charge for the period	6	5
Disposals		(34)
At 31 March 2014		-
Net book value		
At 31 March 2014		-
At 31 December 2012 (unaudited)		6

ABSE Limited

Notes to the financial statements for the 15 months to 31 March 2014 (continued)

12 Debtors

	31 March 2014 £'000	Restated Unaudited 31 December 2012 £'000
Amounts owed by group undertakings	1,683	-
Other debtors	-	161
	1,683	161

Amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

13 Creditors: amounts falling due within one year

	31 March 2014 £'000	Unaudited 31 December 2012 £'000
Amounts owed to group undertakings	598	-
Corporation tax	88	-
Other taxation and social security	-	238
Other creditors	-	269
Accruals and deferred income	-	178
	686	685

Other creditors in the prior period included a loan from the directors of the Company for £148,607.

Amounts owed to group undertakings are unsecured, carry interest at 4%, have no fixed date of repayment and are repayable on demand.

14 Called up share capital

	Unaudited		Unaudited	
	2014	2012	2014	2012
	Number	Number	£	£
Allotted, called up and fully paid				
Ordinary shares of £1	10	10	10	10
	10	10	10	10

ABSE Limited

Notes to the financial statements for the 15 months to 31 March 2014 (continued)

15 Profit and loss account

	Profit and loss account £'000
At 1 January 2013 (unaudited and restated)	1,085
Profit for the financial period	123
At 31 March 2014	1,208

16 Reconciliation of movements in shareholders' funds

	31 March 2014 £'000	Restated Unaudited 31 December 2012 £'000
Profit for the financial period	123	829
Dividend	-	(245)
Net addition to shareholders' funds	123	584
Opening shareholders' funds	1,085	501
Closing shareholders' funds	1,208	1,085

17 Operating lease commitments

There were no lease commitments as at the end of March 2014.

Annual commitments under non-cancellable operating leases expire as follows as at the end of the prior period:

31 December 2012	Other £'000
Within one year	5
Within two to five years inclusive	4
	9

ABSE Limited

Notes to the financial statements for the 15 months to 31 March 2014 (continued)

18 Contingent liabilities

Daisy Group plc, the ultimate parent of the Company, has banking facilities in place which are secured through fixed and floating charges over the assets of the company and its subsidiary undertakings. The directors do not expect any material loss to arise in respect of the group security arrangements in place. The total indebtedness against this facility at 31 March 2014 was £111,300,000.

19 Related party transactions

The previous directors of the Company had provided loans to the business and the creditor balances outstanding as at the end of the period are given below:

	31 March	Unaudited
	2014	31 December
	£'000	2012
		£'000
J Leefield	-	56
J D Witts	-	92
	-	148

The balance on the loan accounts were cleared upon the resignation by the directors. A dividend of £245,000, which was declared in 2012, was paid during the period and settled through the directors loan accounts:

	Dividend paid	Unaudited
	31 March	Dividend paid
	2014	31 December
	£'000	2012
		£'000
J Leefield	127	-
J D Witts	118	-
	245	-

ABSE Limited

Notes to the financial statements for the 15 months to 31 March 2014 (continued)

20 Prior Year Adjustment

Following acquisition of the Company by Daisy, the accounting policies were reviewed and a historic error was identified in relation to revenue recognition. The prior period results have been restated.

The impact of this adjustment for the year ended the 31 December 2012 is shown below:

Profit and loss account for the year ended 31 December 2012

	Unaudited As reported Year ended 31 December 2012 £'000	Adjustments £'000	Unaudited Restated Year ended 31 December 2012 £'000
Turnover	1,774	117	1,891
Cost of sales	-	-	-
Gross profit	1,774	117	1,891
Administrative expenses	(835)	-	(835)
Operating profit	939	117	1,056
Adjusted EBITDA*	944	117	1,061
Depreciation	(5)	-	(5)
Operating profit	939	117	1,056
Interest receivable and similar income	11	-	11
Profit on ordinary activities before taxation	950	117	1,067
Tax on profit on ordinary activities	(238)	-	(238)
Profit for the period	712	117	829

ABSE Limited

Notes to the financial statements for the 15 months to 31 March 2014 (continued)

20 Prior Year Adjustment (continued)

Balance sheet as at 31 December 2012

	Unaudited As reported 31 December 2012 £'000	Adjustments £'000	Unaudited Restated 31 December 2012 £'000
Fixed assets			
Tangible assets	6	-	6
	6	-	6
Current assets			
Debtors	44	117	161
Cash at bank	1,603	-	1,603
	1,647	117	1,764
Creditors: amounts falling due within one year	(685)	-	(685)
Net current assets	962	117	1,079
Total assets less current liabilities	968	117	1,085
Net assets	968	117	1,085
Capital and reserves			
Called up share capital	-	-	-
Profit and loss account	968	117	1,085
Total shareholders' funds	968	117	1,085

21 Ultimate parent undertaking

The ultimate parent undertaking and controlling party is Daisy Group plc which is the parent undertaking of the smallest and largest group to consolidate these financial statements. Copies of Daisy Group plc consolidated financial statements can be obtained from the Daisy Group's website www.daisygroupplc.com.

The Company's immediate parent undertaking is Daisy Communication Limited, a company registered in England.