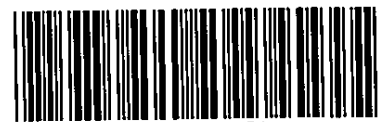


Company Registration No 04240875 (England and Wales)

REGISTRAR OF COMPANIES

MOBILE COMPUTING SYSTEMS LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

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MOBILE COMPUTING SYSTEMS LIMITED

COMPANY INFORMATION

Directors	R Scott N A Regan R Servini
Secretary	R Scott
Company number	04240875
Registered office	Unit 7 Technium II Kings Road Swansea SA1 8PJ
Auditors	Broomfield & Alexander Limited Pendragon House Caxton Place Pentwyn Cardiff CF23 8XE

MOBILE COMPUTING SYSTEMS LIMITED

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MOBILE COMPUTING SYSTEMS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2010

The directors present their report and financial statements for the year ended 30 June 2010

Principal activities and review of business

The principal activity of the company continued to be that of computer software and hardware consultancy supply and other related services

The company has continued to execute its strategy for the business based on selling its Priority1 software as a service (SAAS) 2009/10 saw the successful launch of a major new version, Priority1+, that offers increased capability for managing tasks, forms and processes using mobile devices. This attracted significant new customers who will contribute additional revenue in future years

The overall result for the year was in line with expectations and reflects careful cost control and cash management

Directors

The following directors have held office since 1 July 2009

R Scott
N A Regan
R Servini

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

MOBILE COMPUTING SYSTEMS LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2010

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

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

On behalf of the board



R Scott

Director

17/09/2010

MOBILE COMPUTING SYSTEMS LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF MOBILE COMPUTING SYSTEMS LIMITED

We have audited the financial statements of Mobile Computing Systems Limited for the year ended 30 June 2010 set out on pages 3 to 10. 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 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 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 members 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 pages 1 - 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 the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with 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.

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 June 2010 and of its profit for the year 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.

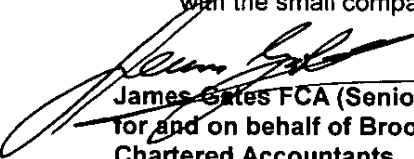
Opinion on other matter prescribed by the Companies Act 2006

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, or
- the directors were not entitled to prepare the financial statements and the directors' report in accordance with the small companies regime.


James Gales FCA (Senior Statutory Auditor)
for and on behalf of Broomfield & Alexander Limited
Chartered Accountants
Statutory Auditor

18th October 2010
Pendragon House
Caxton Place
Pentwyn
Cardiff
CF23 8XE

MOBILE COMPUTING SYSTEMS LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30 JUNE 2010

	Notes	2010 £	2009 £
Turnover		641,031	668,788
Cost of sales		(293,265)	(369,740)
Gross profit		<u>347,766</u>	<u>299,048</u>
Administrative expenses		(287,650)	(301,257)
Other operating income		-	18,075
Operating profit	2	<u>60,116</u>	<u>15,866</u>
Other interest receivable and similar income	3	556	3,465
Interest payable and similar charges	4	(12,706)	(16,079)
Profit on ordinary activities before taxation		<u>47,966</u>	<u>3,252</u>
Tax on profit on ordinary activities	5	(275)	-
Profit for the year	11	<u><u>47,691</u></u>	<u><u>3,252</u></u>

MOBILE COMPUTING SYSTEMS LIMITED

BALANCE SHEET

AS AT 30 JUNE 2010

	Notes	2010		2009	
		£	£	£	£
Fixed assets					
Tangible assets	6		48,177		39,696
Current assets					
Stocks		1,996		-	
Debtors	7	145,907		81,148	
Cash at bank and in hand		79,314		81,937	
		<u>227,217</u>		<u>163,085</u>	
Creditors: amounts falling due within one year	8	<u>(156,509)</u>		<u>(123,253)</u>	
Net current assets			70,708		39,832
Total assets less current liabilities			<u>118,885</u>		<u>79,528</u>
Creditors amounts falling due after more than one year	9		<u>(141,250)</u>		<u>(149,583)</u>
			<u>(22,365)</u>		<u>(70,055)</u>
Capital and reserves					
Called up share capital	10		35,292		35,292
Share premium account	11		283,124		283,124
Profit and loss account	11		(340,781)		(388,471)
Shareholders' funds			<u>(22,365)</u>		<u>(70,055)</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

Approved by the Board for issue on 17/09/2010


R Scott
Director

Company Registration No 04240875

MOBILE COMPUTING SYSTEMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2010

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 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated)

1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts

1.4 Research and development

Expenditure on research and development is written off in the year in which it is incurred

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows

Computer equipment	33% on cost
Fixtures, fittings & equipment	33% on cost

1.6 Profit recognition on contracting activities

Profit on individual contracts is taken only when their outcome can be foreseen with reasonable certainty, based on the lower of the percentage margin earned to date and that prudently forecast at completion, taking account of agreed claims. Full provision is made for all known or expected losses on individual contracts, taking a prudent view of future claims income, immediately such losses are foreseen

2 Operating profit

	2010	2009
	£	£
Operating profit is stated after charging		
Depreciation of tangible assets	26,993	25,576
Auditors' remuneration	3,500	3,950
Directors' emoluments	153,238	156,723
and after crediting		
Government grants	-	18,000

MOBILE COMPUTING SYSTEMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2010

3	Investment income	2010	2009
		£	£
	Bank interest	556	3,465
		<u>556</u>	<u>3,465</u>
4	Interest payable	2010	2009
		£	£
	Included in interest payable is the following amount		
	Dividends accrued on preference shares classified as financial liabilities		
	Preference interim accrued	11,300	11,300
		<u>11,300</u>	<u>11,300</u>
5	Taxation	2010	2009
		£	£
	Domestic current year tax		
	U K corporation tax	118	-
	Adjustment for prior years	157	-
		<u>275</u>	<u>-</u>
	Current tax charge	<u>275</u>	<u>-</u>

MOBILE COMPUTING SYSTEMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2010

6	Tangible fixed assets	Plant and machinery etc £
	Cost	
	At 1 July 2009	89,728
	Additions	36,805
	Disposals	(7,326)
	At 30 June 2010	<u>119,207</u>
	Depreciation	
	At 1 July 2009	50,032
	On disposals	(5,943)
	Charge for the year	26,941
	At 30 June 2010	<u>71,030</u>
	Net book value	
	At 30 June 2010	<u>48,177</u>
	At 30 June 2009	<u><u>39,696</u></u>

7	Debtors	2010 £	2009 £
	Trade debtors	131,112	65,125
	Amounts recoverable on long term contracts	1,425	2,850
	Other debtors	13,370	13,173
		<u>145,907</u>	<u>81,148</u>

Included within other debtors are directors' loan accounts of £7,858 (2009 £9,730) which are unsecured and bear interest at 4%, they have no set repayment terms

MOBILE COMPUTING SYSTEMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2010

8 Creditors' amounts falling due within one year

	2010 £	2009 £
Bank loans and overdrafts	8,333	25,000
Trade creditors	28,305	3,289
Taxation and social security	46,088	39,920
Other creditors	73,783	55,044
	<u>156,509</u>	<u>123,253</u>

The bank loan is secured by way of a fixed and floating charge over the assets and liabilities of the company

9 Creditors' amounts falling due after more than one year

	2010 £	2009 £
Bank loans	-	8,333
Preference shares classed as a financial liability	141,250	141,250
	<u>141,250</u>	<u>149,583</u>
Analysis of loans		
Wholly repayable within five years	8,333	33,333
Included in current liabilities	(8,333)	(25,000)
	<u>-</u>	<u>8,333</u>

The cumulative redeemable preference shares are non-equity shares which carry an entitlement to a dividend, which if not paid will be accrued for and paid to the holders of these shares at the date of redemption. They were redeemable between June 2008 and 2010. Redemption will only take place when the company has sufficient distributable reserves or as agreed with preference shareholders.

MOBILE COMPUTING SYSTEMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2010

10 Share capital

	2010	2009
	£	£
Allotted, called up and fully paid		
402 Ordinary of 50p each	201	201
182 'A' Ordinary of 50p each	91	91
70,000 'A' Preference of 50p each	35,000	35,000
	<u>35,292</u>	<u>35,292</u>

According to the shareholders agreement and articles of association the profits of the company available by law for distribution in respect of the financial year shall be applied as follows

- the company shall pay to the members holding 'A' Ordinary Shares a cumulative preferential net cash dividend which is equal to a per centum of net profits for the relevant financial year commencing 1 July 2006

The company has negative retained earnings of £340,781. Therefore no dividend can be accrued. However as soon as the company has positive net earnings a dividend shall be declared and paid. The cumulative dividends due in accordance with the shareholders' agreement would be £20,698.

Additionally a dividend of £8,400 is due in relation to the 'A' Preference Shares in accordance with the shareholders agreement. As soon as the company has positive net earnings a dividend shall be declared and paid.

11 Statement of movements on reserves

	Share premium account	Profit and loss account
	£	£
Balance at 1 July 2009	283,124	(388,472)
Profit for the year	-	47,691
Balance at 30 June 2010	<u>283,124</u>	<u>(340,781)</u>

MOBILE COMPUTING SYSTEMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2010

12 Financial commitments

At 30 June 2010 the company was committed to making the following payments under non-cancellable operating leases in the year to 30 June 2011

	2010 £	2009 £
Operating leases which expire Within one year	132	132

13 Transactions with directors

The following directors had loans during the year at which interest between 4.75% and 4% was charged
The movement on these loans are as follows

	Amount outstanding		Maximum in year
	2010 £	2009 £	£
R Scott	7,858	9,730	9,730

14 Control

In the opinion of the directors there is no ultimate controlling party