

Drivology Limited

FINANCIAL STATEMENTS

For the year ended

31 December 2017

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COMPANIES HOUSE

Drivology Limited

DIRECTORS

G Humphreys
K R Spencer
K J Barber
M R Brittain

SECRETARY

C J Payne

REGISTERED OFFICE

45 Westerham Road
Bessels Green
Sevenoaks
Kent
TN13 2QB

AUDITOR

RSM UK Audit LLP
Chartered Accountants
Hanover House
18 Mount Ephraim Road
Tunbridge Wells
Kent TN1 1ED

BANKERS

National Westminster Bank plc
27 South Street
Worthing
West Sussex
BN11 3AR

Drivology Limited

DIRECTORS' REPORT

The directors submit their report and financial statements for the year ended 31 December 2017.

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was the supply of an app-based insurance product.

REVIEW OF THE BUSINESS

The company is a wholly owned subsidiary of Markerstudy Holdings Limited and operates within the group's Retail division.

The directors have decided that the business is not core to the activities of the wider group and the company therefore ceased to offer new business or renewals during the year ended 31 December 2017. As noted in the going concern accounting policy on page 9, the financial statements have therefore been prepared on a basis other than that of a going concern.

DIRECTORS

The directors who served the company during the period and up to the date of signing the financial statements were as follows:

K J Barber
G Humphreys
K R Spencer
M R Brittain

THIRD PARTY INDEMNITY PROVISION FOR DIRECTORS

The company has made qualifying third party indemnity provisions for the benefit of its directors, which were made during the year.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR

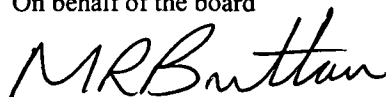
The directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditor is unaware. Each of the directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

AUDITOR

RSM UK Audit LLP is deemed to be re-appointed under section 487(2) of the Companies Act 2006.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board



M R Brittain
Director

28 September 2018

Drivology Limited

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

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 those financial statements, the directors are required to:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and accounting estimates that are reasonable and prudent;
- c. 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.

Drivology Limited

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DRIVOLOGY LIMITED

Opinion

We have audited the financial statements of Drivology Limited (the 'company') for the year ended 31 December 2017 which comprise the Statement of Comprehensive Income and Retained Earnings, the Statement of Financial Position, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter – Non-going concern basis of accounting

We draw attention to the disclosure made in the accounting policies on page 9 within the notes to the financial statements, concerning the company's use of a basis of accounting other than going concern.

As described on page 9, during the year ended 31 December 2017 the directors took the decision for the company to cease trading. The company also reported a loss for the year ended 31 December 2017 of £134,266 and had net current liabilities and net liabilities of £883,119 at that date. Therefore, in accordance with FRS 102, the financial statements have been prepared on a basis other than that of a going concern.

Our opinion is not modified in respect of this matter.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Drivology Limited

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DRIVOLOGY LIMITED (continued)

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which 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 or in preparing the directors' report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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.

RSM UK Audit LLP

Gary Purdy (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
Hanover House
18 Mount Ephraim Road
Tunbridge Wells
Kent
TN1 1ED

Date: 28 September 2018

Drivology Limited

STATEMENT OF COMPREHENSIVE INCOME AND RETAINED EARNINGS

For the year ended 31 December 2017

		Year to 31 December 2017	Period from 1 September 2015 to 31 December 2016
	Notes	£	£
Turnover	1	148,286	1,212,692
Cost of sales		(111,206)	(901,297)
Gross profit		<u>37,080</u>	<u>311,395</u>
Administrative expenses		(170,853)	(656,194)
Operating loss	2	<u>(133,773)</u>	<u>(344,799)</u>
Interest payable	4	<u>(493)</u>	<u>(3,433)</u>
Loss on ordinary activities before taxation		<u>(134,266)</u>	<u>(348,232)</u>
Taxation	5	-	(82,547)
Loss on ordinary activities after taxation		<u>(134,266)</u>	<u>(430,779)</u>
Loss and total comprehensive income for the period		<u>(134,266)</u>	<u>(430,779)</u>
 Retained losses at the start of the period		 <u>(748,953)</u>	 <u>(318,174)</u>
Retained losses at the end of the period		<u>(883,219)</u>	<u>(748,953)</u>

Drivology Limited**NOTES TO FINANCIAL STATEMENTS**

For the year ended 31 December 2017

		31 December 2017	31 December 2016
		£	£
Fixed assets	Notes		
Intangible assets	6	-	12,213
Tangible assets	7	-	-
		<u>-</u>	<u>12,213</u>
Current assets			
Debtors due within one year	8	3,571	9,820
Cash at bank and in hand		774	25,611
		<u>4,345</u>	<u>35,431</u>
Current liabilities			
Creditors: amounts falling due within one year	9	(887,464)	(747,909)
		<u>(883,119)</u>	<u>(712,478)</u>
Net current liabilities			
		<u>(883,119)</u>	<u>(700,265)</u>
Long term liabilities			
Creditors: amounts falling due after more than one year	10	-	(47,889)
Government grants		-	(699)
		<u>(883,119)</u>	<u>(748,853)</u>
Capital and reserves			
Called up share capital	12	100	100
Profit and loss account	13	(883,219)	(748,953)
		<u>(883,119)</u>	<u>(748,853)</u>
Total equity		<u>(883,119)</u>	<u>(748,853)</u>

The financial statements on pages 6 to 16 were approved by the board of directors and authorised for issue on 28 September 2018 and are signed on their behalf by:



M R Brittain
Director

Drivology Limited

NOTES TO FINANCIAL STATEMENTS

For the year ended 31 December 2017

GENERAL INFORMATION

Drivology Limited is a private company limited by shares and is registered, domiciled and incorporated in England and Wales. The address of the registered office is 45 Westerham Road, Bessels Green, Sevenoaks, Kent, TN13 2QB. Its principal activity is disclosed in the Directors' Report.

STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland' and the requirements of Companies Act 2006.

BASIS OF PREPARATION

The financial statements have been prepared under the historical cost convention and in sterling, which is the functional currency of the entity. Monetary amounts in these financial statements are rounded to the nearest whole £. The comparative period presented is longer than one year to bring the prior year-end in line with the Markerstudy group and as such the comparative amounts are not entirely comparable.

DISCLOSURE EXEMPTIONS

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. Its financial statements are consolidated into the financial statements of Markerstudy Holdings Limited which can be obtained from 246-248 Europort, Gibraltar. For this reason, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102: (a) No cash flow statement has been presented for the company; (b) No disclosure has been given for the aggregate remuneration of key management personnel and (c) Disclosures in respect of financial instruments have not been presented.

Drivology Limited

NOTES TO FINANCIAL STATEMENTS

For the year ended 31 December 2017

GOING CONCERN

The company reported a loss for the year ended 31 December 2017 of £134,266 and had net current liabilities and net liabilities of £883,119 at that date.

The directors have decided that the business is not core to the activities of the wider group and the company therefore ceased to offer new business or renewals during the year ended December 2017.

Accordingly the financial statements have been prepared on a basis other than that of a going concern.

Following the cessation of trade, intangible fixed assets with a net book value of £23,106 have been written off as the recoverable amount of these was considered to be nil. In addition, a bank loan liability totalling £14,667 was reclassified from due in more than one year to due in less than one year, as this is repayable on demand. No further adjustments have arisen as a result of the financial statements being prepared on a non-going concern basis.

Due to the cessation of trade, the company is reliant on support from other group companies headed by the parent company Markerstudy Holdings Limited to enable it to meet its liabilities as they fall due.

Markerstudy Holdings Limited has provided a letter of support confirming that they will provide financial support to the company, such that it will continue to be able to meet its obligations as they fall due for a period of at least 18 months from 1 April 2018.

The group headed by Markerstudy Holdings Limited has material third party loans which have repayments due on 1 June 2019, 1 August 2019 and 1 June 2020 in excess of the group's expected operating cash flows. The directors of Markerstudy Holdings Limited do not believe this represents a material uncertainty that may cast significant doubt upon the group's ability to continue as a going concern as they believe that there are a number of options available to the group to be able to make these repayments in addition to cash flows generated by operations, including potential asset and or business disposals, additional funds from shareholders or external funding.

After making enquiries, and considering the matters described above, the directors have a reasonable expectation that the company will have adequate resources to meet its liabilities as they fall due.

REVENUE RECOGNITION

The turnover arises from discontinued operations and comprises commissions and other income arising principally from the sale of insurance policies in the United Kingdom, recognised at inception of the policy and once all obligations to the policyholder have been discharged, net of discounts and rebates.

Income from financing services provided to policyholders was recognised using the effective interest method.

EMPLOYEE BENEFITS

The company recognises short-term employee benefits as an expense in the profit and loss account during the period in which the associated services have been received.

INTANGIBLE ASSETS

Computer software is carried at cost less accumulated amortisation. Computer software is reviewed for impairment at the end of the each financial year following the acquisition and in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable. The effects of any changes are recognised in the profit and loss account.

Drivology Limited

NOTES TO FINANCIAL STATEMENTS

For the year ended 31 December 2017

AMORTISATION

Amortisation is calculated so as to write off the cost of intangible assets, less their estimated residual value, over the useful economic life of that asset as follows:

Computer Software - 33% straight line

Amortisation is charged to administrative expenses in the statement of comprehensive income.

TANGIBLE FIXED ASSETS

All fixed assets are initially recorded at cost, and subsequently at cost net of depreciation.

Depreciation is calculated so as to write off the cost of tangible fixed assets, less their estimated residual value, over the useful economic life of the asset as follows:

Fixtures and fittings - 33% straight line

TAXATION

The taxation expense comprises current and deferred tax.

Current tax is the amount of tax payable in respect of the taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured at the tax rates that are expected to apply in the periods in which timing differences are expected to reverse and both current and deferred tax are based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Drivology Limited

NOTES TO FINANCIAL STATEMENTS

For the year ended 31 December 2017

FINANCIAL INSTRUMENTS

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

The company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

Basic financial instruments including insurance, trade and other receivables, bank balances and balances due from fellow group companies are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the net present value of the estimated cash flows discounted at the asset's original effective interest rate.

Financial assets are derecognised when the contractual right to the cash flows from the asset expire or are settled, or substantially all the risks and rewards of the asset are transferred to another party.

Basic financial liabilities, including insurance and trade and other payables, bank loans and overdrafts, and balances due to fellow group companies are initially measured at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished that is when the contractual liability is discharged, cancelled or expires.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash in hand and at bank and deposits held at call with banks or with original maturities of three months or less. Bank overdrafts, when applicable, are shown within creditors due within one year.

CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Impairment of debtors

Provisions are made in respect of the impairment of debtors which requires judgement of the likely future recoverability of balances, which cannot be known with certainty.

Drivology Limited**NOTES TO FINANCIAL STATEMENTS**

For the year ended 31 December 2017

1 TURNOVER

The turnover is attributable to the one principal activity of the company.

An analysis of turnover is given below:

	Year to 31 December 2017 £	Period from 1 September 2015 to 31 December 2016 £
United Kingdom	148,286	1,212,692

2 OPERATING LOSS

Operating loss is stated after charging/(crediting):

	Year to 31 December 2017 £	Period from 1 September 2015 to 31 December 2016 £
Directors' remuneration	-	100,000
Depreciation of owned fixed assets	-	422
Amortisation of intangible assets	17,259	46,929
Amortisation of government grants re fixed assets	(699)	(4,444)
Intangible assets written off	(23,106)	
Auditor's remuneration	11,750	15,000
Bad debts written off	65,190	377,937

3 PARTICULARS OF EMPLOYEES

The average number of staff employed by the company during the period including directors was:

	Year to 31 December 2017 No.	Period from 1 September 2015 to 31 December 2016 No.
Administration	-	1

The aggregate payroll costs of the above were:

	Year ending December 2017 £	Period from 1 September 2015 to 31 December 2016 £
Wages and salaries	-	117,901
Social and security costs	-	10,472
	-	128,373

Drivology Limited

NOTES TO FINANCIAL STATEMENTS

For the year ended 31 December 2017

3 PARTICULARS OF EMPLOYEES (Continued)

The directors' aggregate remuneration in respect of qualifying services was:

	Year to 31 December 2017 £	Period from 1 September 2015 to 31 December 2016 £
Remuneration	-	100,000

The company did not pay any contributions to pension schemes on behalf of the above (2016: £nil)

The directors are remunerated by the parent group and it is not practicable to identify the element which relates to Drivology Limited.

4 INTEREST PAYABLE AND SIMILAR CHARGES

	Year to 31 December 2017 £	Period from 1 September 2015 to 31 December 2016 £
Interest on bank loans	493	3,433

5 TAXATION ON ORDINARY ACTIVITIES

Analysis of charge for the period

	Year to 31 December 2017 £	Period from 1 September 2015 to 31 December 2016 £
Current tax:		
UK Corporation tax based on the results for the year at 19.25% (2016 – 20%)	-	-
Total current tax	-	-
Deferred tax:		
Deferred tax credit	-	-
Adjustment to deferred tax in respect of previous period	-	70,164
Effect of changes in tax rates	-	12,383
	-	82,547
Tax charge for the period	-	82,547

Drivology Limited
NOTES TO FINANCIAL STATEMENTS
For the year ended 31 December 2017

5 TAXATION ON ORDINARY ACTIVITIES (CONTINUED)

	Year to 31 December 2017 £	Period from 1 September 2015 to 31 December 2016 £
Loss on ordinary activities before taxation	(134,266)	(348,232)
Tax on profit on ordinary activities at standard rate of UK Corporation tax of 19.25% (2016 – 20%)	(25,842)	(69,646)
Effects of:		
Expenses not deductible for tax purposes	(135)	5,843
Fixed assets ineligible	-	-
Group relief surrendered / (claimed)	25,287	-
Adjust opening deferred tax to average rate of 19.25%	(13,173)	-
Adjust closing deferred tax to average rate of 19.25%	13,254	21,081
Deferred tax not recognised	609	125,269
	-	152,193
Current tax charge for the period	-	82,547

The UK corporation tax rate decreased from 21% to 20% from 1 April 2015 and from 20% to 19% with effect from 1 April 2017, and is expected to reduce to 17% with effect from 1 April 2020.

6 INTANGIBLE FIXED ASSETS

	Computer Software £
Cost	
At 1 January 2017	106,590
Additions	28,152
Impairment	(134,742)
As at 31 December 2017	-
Amortisation	
At 1 January 2017	94,377
Charge for the period	17,259
Impairment	(111,636)
At 31 December 2017	-
Net book value	
At 31 December 2016	12,213
At 31 December 2017	-

Drivology Limited

NOTES TO FINANCIAL STATEMENTS

For the year ended 31 December 2017

7 TANGIBLE FIXED ASSETS

	Fixtures & Fittings
Cost	£
At 1 January 2017 and December 2017	1,551
Depreciation	
At 1 January 2017	1,551
Charge for the period	-
At 31 December 2017	1,551
Net book value	
At 31 December 2016	-
At 31 December 2017	-

8 DEBTORS

	31 December 2017	31 December 2016
	£	£
Amounts owed by parent and fellow subsidiary companies	50	-
Trade debtors	2,308	-
Prepayments and accrued income	1,213	9,820
	<u>3,571</u>	<u>9,820</u>

9 CREDITORS: Amounts falling due within one year

	31 December 2017	31 December 2016
	£	£
Bank loans	25,667	11,000
Trade creditors	-	28,705
Amounts owed to parent and fellow subsidiary companies	800,474	482,644
Other creditors	5,661	168,089
Accruals and deferred income	55,662	57,471
	<u>887,464</u>	<u>747,909</u>

10 CREDITORS: Amounts falling due in more than one year

	31 December 2017	31 December 2016
	£	£
Loans	-	25,667
Other creditors	-	22,222
	<u>-</u>	<u>47,889</u>

The bank loans are secured on the assets of the company.

Drivology Limited**NOTES TO FINANCIAL STATEMENTS**

For the year ended 31 December 2017

11 DEFERRED TAXATION

The deferred tax asset is made up as follows:

	31 December 2017	31 December 2016
	£	£
Balance brought forward	-	(82,547)
Profit and loss account	-	82,547
At 31 December 2017	-	-

12 SHARE CAPITAL

	31 December 2017	31 December 2016
	£	£
Allotted, called up and fully paid: 100 Ordinary shares of £1 each	100	100

The company's ordinary shares, which carry no right to fixed income, each carry the right to one vote at general meetings of the company.

13 RESERVES

Profit and Loss account – this reserve records retained earnings and accumulated losses, less equity dividends paid.

14 ULTIMATE PARENT COMPANY AND ULTIMATE CONTROLLING COMPANY

The immediate and ultimate parent undertaking is Markerstudy Holdings Limited, a company registered in Gibraltar. Copies of the parent company's consolidated financial statements may be obtained from 846-848 Europort, Gibraltar. Markerstudy Holdings Limited is controlled by K R Spencer.

The smallest and largest group to include the company in its consolidated financial statements is that headed by Markerstudy Holdings Limited.