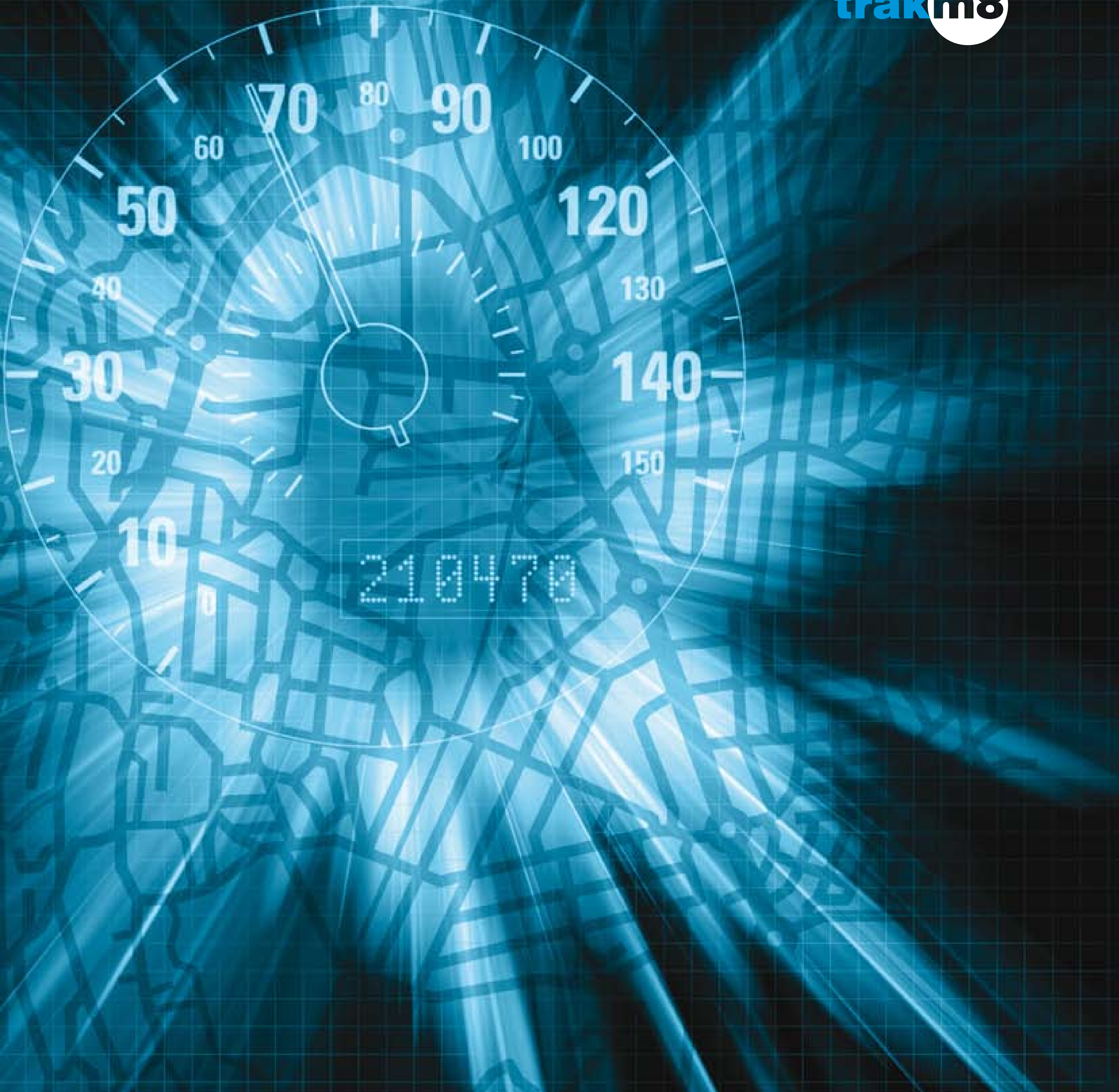
trakm8



Trakm8 Holdings PLC

REPORT AND FINANCIAL STATEMENTS

for the year ended 31 March 2010

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Officers and Advisers

DIRECTORS

C D Buck
M Cowley
T Cowley
J Hedges
J Watkins
P Wilson

SECRETARY

C Giles

REGISTERED OFFICE

Lydden House
Wincombe Business Park
Shaftesbury
Dorset
SP7 9QJ

BANKERS

HSBC Bank plc
165 High Street
Southampton
SO14 2NZ

AUDITOR

Baker Tilly UK Audit LLP
Chartered Accountants
Hartwell House
55-61 Victoria Street
Bristol
BS1 6AD

FINANCIAL PUBLIC RELATIONS

Tavistock Communications
131 Finsbury Pavement
London
EC2A 1NT

Highlights

	Year ended 31 March 2010	Year ended 31 March 2009
	£000's	£000's
Revenue	3,426	3,679
Gross Profit	2,303	2,162
Gross Profit %	67.2%	58.8%
Other income	583	473
Profit / (Loss) from operations	276	(383)
Profit / (Loss) after taxation	562	(403)
Cash and cash equivalents	692	100
Net Assets	2,019	1,182

- E.ON UK and Jewson contract awards
- Gross Profit up 8.4%
- Record profit from operations of £276k
- Record profit after taxation of £562k
- Net cash balance increased to £692k
- Successful placing to raise £289k (before expenses)
- Net assets increased by £837k

Chairman's Statement

OVERVIEW

I am pleased to report that the results for the Group have met our expectations. The trading during the financial year has continued the positive trends established in the second half of last year. Although the revenues in the period reduced 7% to £3.4m (2009: £3.7m), the focus on higher margin products and customers along with the cost reduction action taken last year has resulted in a record profit after tax of £0.6m (2009: loss after tax £0.4m).

Since our restructuring in September 2008 our sales performance has steadily increased over each subsequent six month period and indicates that Trakm8 is slowly returning to revenue growth. Contract awards with E.ON UK and Jewson (and sister brands) during the year demonstrate that Trakm8 now has the technology and infrastructure to secure large volume contracts.

The Company has generated positive cashflow from trading and improved the balance sheet with the share placing during the period. The net cash position at the year-end was increased by £0.6m to £0.7m.

OPERATIONAL REVIEW

Trakm8 implemented cost savings measures early on in the recession and as a result had a cost base that enabled a strong growth in profitability despite lower revenues. The Group has started to deliver units as part of the E.ON UK contract announced last year and also most recently to Jewson and its sister brands.

As lease finance has become almost impossible to obtain, the market in the SME space has reduced significantly. Trakm8 has responded with products supplied with low initial costs and ongoing monthly service charges. This has the effect of reducing the short term profitability to the benefit of longer term profits and security. As a result of this strategy, Trakm8 has made good progress in increasing the number of units in service operating on the Swift platform both in the SME space and with larger enterprises. This has created an increasing base of recurring monthly revenue, which provides an improved predictability to future income.

Larger customer contracts often require specific product developments and integration into existing enterprise management systems. In order to provide customers with the best possible service Trakm8 has increased the number of engineers to undertake this integration activity. The professional services aspect of project delivery has increased revenues and profits significantly during the year. Trakm8 has also made good progress in securing new customers that purchase the tracking unit only, both in the UK and internationally. Trakm8 hardware and its associated firmware has an excellent reputation for reliability, functionality and value.

The Group has continued to invest heavily in technology developments in server side solutions, onboard CANbus (controller area network), and logistics/mapping software. Considerable progress has been made on the government funded projects. These projects are jointly funded and have applications that benefit the long term product portfolio of the Group. The Group is also completing the development of the next generation hardware unit (T8) which will build on the success of the T6 and add increased functionality and features.

Chairman's Statement *(continued)*

BOARD ANNOUNCEMENT

In September 2008, following the resignation of Cary Knapton as CEO, John Watkins was appointed CEO as an interim measure. I am pleased to announce that John agreed on 25 March 2010 to remain as CEO on a permanent basis. In addition we announced on 29 June 2010 that Paul Wilson has been appointed as Sales Director of Trakm8 Holdings PLC. Paul has been a Director of Trakm8 Limited since 2009 and has made a valuable contribution to our sales strategy, developing customer relationships and opening new accounts.

OUTLOOK

The Trakm8 Group is confident that further gross margin improvements and profitability growth can continue over the next 12 months despite there being little sign of any overall economic recovery. Trakm8 solutions are expected to increase market penetration both in the large fleet market and the SME space. The installed base and its' consequent recurring revenues are expected to continue to increase with the monthly recurring income exceeding the monthly operating costs within the next 18 months.

Trakm8 is committed to owning the majority of the intellectual property of the solutions supplied. This is to protect the technical superiority of our products and services and also to ensure the lowest possible cost base. As a consequence, Trakm8 will continue to expand the engineering and professional services teams.

Increasingly cost effective telematics solutions and services improve the management of mobile assets and in these times of cost and emissions consciousness the benefits are of growing importance. Trakm8 is well placed to take advantage from this trend.

Finally, I would like to thank all the Trakm8 staff for their tremendous hard work over the past twelve months.

DAWSON BUCK

CHAIRMAN

Directors' Report

The Directors submit their report and financial statements of Trakm8 Holdings PLC for the year ended 31 March 2010.

Trakm8 Holdings PLC is a public listed company incorporated and domiciled in England (Company Number 05452547) whose shares are quoted on the Alternative Investment Market (AIM) of the London Stock Exchange.

PRINCIPAL ACTIVITIES

The principal activities of the Trakm8 Group are the marketing, manufacture and distribution of vehicle telematics equipment and services. Trakm8 Holdings PLC is the holding company for the Trakm8 Group.

REVIEW OF THE BUSINESS

The review of the business is contained in the Chairman's Statement on pages 4 to 5.

RESULTS AND DIVIDENDS

The Group results for the year ended 31 March 2010 are shown in the Consolidated Statement of Comprehensive Income on page 14. The Directors do not recommend the payment of a dividend.

SHARE PLACING

On 8 May 2009 the Group completed a share placing with existing shareholders and Directors. 4,454,046 new ordinary shares were issued at a price of 6.5 pence per share. A total of £289,513 was raised and the new shares represented approximately 24.3% of the enlarged share capital.

FUTURE DEVELOPMENTS

Future developments of the business is contained in the Chairman's Statement on pages 4 to 5.

RESEARCH AND DEVELOPMENT

The Board considers that the Group's research and development activity plays an important role in the operational and financial success of the business.

The Group continues to identify exciting technology developments in the telematics arena. These form the centre point of the Group's product strategy and will enable the delivery of new and enhanced products and services in the coming year. This investment continues to complement spend on the Trakm8 SWIFT® proposition and includes participation in two government sponsored projects.

Directors' Report *(continued)*

KEY PERFORMANCE INDICATORS

The key performance indicators used to assess the performance and position of the Group are as follows:-

1. Operating profit. The Group produced an operating profit of £275,819 compared to last year's operating loss of £382,963.

2. Borrowings. The Group monitors its cash and borrowings position and updates cashflow forecasts for the following twelve months on a daily basis. During the year total borrowings were reduced from £298,728 to £223,265 at the year end. Because of the improving cash position the Group decided to repay an outstanding bank loan early leaving only one remaining loan at the year end secured on the offices at Lydden House.

3. Customer services. A weekly analysis is undertaken of outstanding customer service cases to ensure compliance with our service level agreements.

4. Credit control. All overdue accounts are reviewed and where necessary contacted on a weekly basis.

GOING CONCERN

The Directors confirm that they are satisfied that the Group has adequate resources and facilities to continue in business for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. This is detailed in Note 4 to the financial statements.

DIRECTORS

The following directors have held office since 1 April 2009:

C D Buck

M Cowley

T Cowley

J Hedges

J Watkins

Directors' Report *(continued)*

DIRECTORS AND THEIR INTERESTS

The present members of the Board are as listed on page 2. The Directors' interests in the shares of the Company are detailed below:-

	1p ordinary shares At 31 March 2010	% of issued ordinary share capital (18,764,731 ordinary shares)	1p ordinary shares At 1 Apr 2009 or on subsequent date of appointment	% of issued ordinary share capital (13,517,033 ordinary shares)
C D Buck	511,994	2.73%	-	-
M Cowley	1,164,203	6.20%	773,178	5.72%
T Cowley	1,429,002	7.62%	759,756	5.62%
J Hedges	891,025	4.75%	-	-
J F Watkins	3,822,738	20.37%	1,066,328	7.89%

The Directors had no interest in the share capital of the Company's subsidiary undertakings at 31 March 2010 or on the date on which these financial statements were approved.

DIRECTORS' REMUNERATION

The Directors' remuneration for the year ended 31 March 2010 was:

Audited	Salaries & Fees £	Bonuses £	Pension £	Total 31 March 2010 £	Total 31 March 2009 £
D Buck	30,000	-	-	30,000	30,000
M Cowley	71,700	1,892	-	73,592	67,740
T Cowley	73,150	2,208	-	75,358	60,610
J Hedges [1]	73,150	2,208	-	75,358	36,762
J Watkins	20,000	76,414	20,000	116,414	41,793
T Couling [2]	-	-	-	-	49,892
C Knapton [3]	-	-	-	-	65,401
Total	268,000	82,722	20,000	370,722	352,198

[1] Appointed 24 September 2008
[2] Resigned 1 December 2008
[3] Resigned 10 September 2008

DIRECTORS' SHARE OPTIONS

At 31 March 2010 the following options had been granted to the Company's Directors and remain current and unexercised:

	Option Exercise price	Balance as at 31 March 2009	Granted during year	Exercised during year	Expired/ forfeited during year	Balance as at 31 March 2010	Expiry Date
D Buck	£0.06	-	100,000	-	-	100,000	30/07/2012
M Cowley	£0.25	25,750	-	-	-	25,750	30/11/2010
	£0.06	-	75,000	-	-	75,000	30/07/2012
T Cowley	£0.25	10,000	-	-	-	10,000	30/11/2010
	£0.26	-	-	-	-	20,305	30/11/2010
	£0.06	-	75,000	-	-	75,000	30/07/2012
J Hedges	£0.26	25,080	-	-	-	25,080	30/11/2010
	£0.05	100,000	-	-	-	100,000	30/11/2011
J Watkins	£0.06	-	200,000	-	-	200,000	30/07/2012

Directors' Report *(continued)*

SUPPLIERS PAYMENT POLICY

It is the Group's policy to establish payment terms with suppliers and to adhere to those terms, provided that the goods and services are in accordance with the agreed terms and conditions. Trade payables for the parent company at the year end represented 56 days of purchases (2009: 66 days).

EMPLOYMENT POLICY

During the year, the Group has consulted with employees in matters likely to affect their interests and is committed to involving them in the performance and development of the Group.

DISABLED EMPLOYEES

The Group gives full consideration to applications for employment from disabled persons where the requirements of the job can be adequately fulfilled by a handicapped or disabled person.

Should existing employees become disabled, it is the Group's policy wherever practicable to provide continuing employment under normal terms and conditions and to provide training, career development and promotion to such employees as appropriate.

CHARITABLE DONATIONS

The Group made charitable donations to the British Heart Foundation and Sports Relief in the year of £200 (2009: £268).

PRINCIPLE RISKS AND UNCERTAINTIES

The following are identified as the principle risks and uncertainties facing the Group:-

Technology risk - The Group invests in research and development to enable the delivery of new and enhanced products and services.

Interest rate risk - The Group uses fixed and floating interest rates where appropriate in order to minimise any interest rate risks.

Liquidity risk - The Group operates a long-term business, and its policy is to finance it primarily with equity and short to medium-term borrowings. Short-term flexibility is achieved by cash balances and overdraft facilities.

Credit risk - The Group aims to minimise its exposure to credit risk through a mixture of credit insurance, credit limits and credit checks on new customers.

Foreign currency risk - Historically the Group has not used hedging instruments to minimise currency risk as the exposure is limited. If foreign currency exposure increases, the use of foreign currency hedging instruments will be reviewed as necessary.

Directors' Report *(continued)*

STATEMENT AS TO DISCLOSURE OF INFORMATION TO THE 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.

POST BALANCE SHEET EVENT

The Group announced on 21 June 2010 that Trakm8 Limited had entered into a manufacturing agreement with Omitec Limited. Under the terms of the agreement Omitec Limited will supply the new T8 vehicle telematics hardware platform. Further details are included in notes 24 and 25 to the financial statements.

AUDITOR

A resolution to reappoint Baker Tilly UK Audit LLP, Chartered Accountants, as auditor, will be put to the members at the annual general meeting.

By approval of the Board on 30 June 2010.

J WATKINS

DIRECTOR

Statement of Director's 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 group and company financial statements for each financial year. The directors are required by the AIM Rules of the London Stock Exchange to prepare group financial statements in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union ("EU") and have elected under company law to prepare the company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

The group financial statements are required by law and IFRS adopted by the EU to present fairly the financial position and performance of the group; the Companies Act 2006 provides in relation to such financial statements that references in the relevant part of that Act to financial statements giving a true and fair view are references to their achieving a fair presentation.

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 group and the company and of the profit or loss of the group for that period.

In preparing each of the group and company 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. for the group financial statements, state whether they have been prepared in accordance with IFRSs adopted by the EU and for the company financial statements state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the company financial statements;

d. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and the company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Trakm8 Holdings plc website.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Independent Auditor's report to the members of Trakm8 Holdings PLC

We have audited the group and parent company financial statements ("the financial statements") on pages 14 to 48. The financial reporting framework that has been applied in the preparation of the group financial statements is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union. The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As more fully explained in the Directors' Responsibilities Statement set out on page 11, 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 the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/UKNP.

OPINION ON THE FINANCIAL STATEMENTS

In our opinion

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 31 March 2010 and of the group's profit for the year then ended;
- the group financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union;
- the parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent Auditor's report to the members of Trakm8 Holdings PLC *(continued)*

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

Heather Wheelhouse (Senior Statutory Auditor)
For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor
Chartered Accountants
Hartwell House
55-61 Victoria Street
Bristol
BS1 6AD

30 June 2010

Consolidated Statement of Comprehensive Income
for the year ended 31 March 2010

	Notes	2010 £	2009 £
REVENUE	6	3,426,153	3,678,929
Cost of sales		(1,123,584)	(1,516,626)
Gross profit		2,302,569	2,162,303
Other income	7	582,979	472,988
		2,885,548	2,635,291
Administrative expenses		(2,609,729)	(3,018,254)
PROFIT / (LOSS) FROM OPERATIONS	7	275,819	(382,963)
Finance income		152	2,652
		275,971	(380,311)
Finance costs	8	(14,975)	(31,061)
PROFIT / (LOSS) BEFORE TAXATION		260,996	(411,372)
Income tax	9	300,180	9,544
PROFIT / (LOSS) FOR THE YEAR ATTRIBUTABLE TO THE OWNERS OF THE PARENT		561,176	(401,828)
OTHER COMPREHENSIVE INCOME			
Currency translation differences		1,053	1,330
TOTAL COMPREHENSIVE INCOME FOR THE YEAR ATTRIBUTABLE TO OWNERS OF THE PARENT		562,229	(403,158)
EARNINGS / (LOSS) PER ORDINARY SHARE (PENCE) ATTRIBUTABLE TO OWNERS OF THE PARENT			
Basic	11	3.09p	(2.90)
Diluted	11	3.06p	(2.90)

There were no discontinued operations in 2010 or 2009. Accordingly the results relate to continuing operations.

Consolidated Statement of changes in Equity
for the year ended 31 March 2010

	Share Capital £	Share premium £	Shares to be issued £	Merger Reserve £	Share based payment reserve £	Translation reserve £	Retained Earnings £	Total equity attributable to owners of the parent £
Balance as at 1 April 2008	135,170	1,256,334	246,032	509,837	47,787	202,930	(825,678)	1,572,412
Comprehensive income								
Loss for the year	-	-	-	-	-	-	(401,828)	(401,828)
Other comprehensive income								
Exchange differences on translation of overseas operations	-	-	-	-	-	1,330	-	1,330
Total comprehensive income	-	-	-	-	-	1,330	(401,828)	(400,498)
Transactions with owners								
Issue of shares	3,401	102,041	(105,442)	-	-	-	-	-
IFRS2 Share based payments		-	-	-	9,608	-	-	9,608
Transactions with owners	3,401	102,041	(105,442)	-	9,608	-	-	9,608
Balance as at 1 April 2009	138,571	1,358,375	140,590	509,837	57,395	204,260	(1,227,506)	1,181,522
Comprehensive income								
Profit for the year	-	-	-	-	-	-	561,176	561,176
Other comprehensive income								
Exchange differences on translation of overseas operations	-	-	-	-	-	1,053	-	1,053
Total comprehensive income	-	-	-	-	-	1,053	561,176	562,229
Transactions with owners								
Issue of shares	49,076	381,027	(140,590)	-	-	-	-	289,513
Cost of share issue	-	(20,000)	-	-	-	-	-	(20,000)
IFRS2 Share based payments	-	-	-	-	5,757	-	-	5,757
Transactions with owners	49,076	361,027	(140,590)	-	5,757	-	-	275,270
Balance as at 31 March 2010	187,647	1,719,402	-	509,837	63,152	205,313	(666,330)	2,019,021

Consolidated Balance Sheet
as at 31 March 2010

	Notes	2010 £	2009 £
NON-CURRENT ASSETS			
Intangible assets	12	1,114,308	1,358,220
Property, plant and equipment	13	443,878	442,630
Deferred income tax asset	16	198,165	-
		1,756,351	1,800,850
CURRENT ASSETS			
Inventories	14	106,636	159,153
Trade and other receivables	15	701,329	700,008
Current tax assets	9	83,504	9,381
Cash and cash equivalents		692,138	100,191
		1,583,607	968,733
CURRENT LIABILITIES			
Trade and other payables	17	(1,097,672)	(1,270,822)
Borrowings	18	(36,764)	(58,172)
Bank overdrafts	18	-	(636)
		(1,134,436)	(1,329,630)
CURRENT ASSETS LESS CURRENT LIABILITIES		449,171	(360,897)
TOTAL ASSETS LESS CURRENT LIABILITIES		2,205,522	1,439,953
NON CURRENT LIABILITIES			
Borrowings	18	(186,501)	(239,920)
Deferred tax liabilities	16	-	(18,511)
NET ASSETS		2,019,021	1,181,522
EQUITY			
Share capital	20	187,647	138,571
Share premium account		1,719,402	1,358,375
Shares to be issued	20	-	140,590
Merger reserve account		509,837	509,837
Share based payment reserve		63,152	57,395
Translation reserve		205,313	204,260
Retained earnings		(666,330)	(1,227,506)
TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT		2,019,021	1,181,522

These financial statements were approved by the Directors and authorised for issue on 30 June 2010 and are signed on their behalf by:

J WATKINS
DIRECTOR

J HEDGES
DIRECTOR

Consolidated Cash Flow Statement
for the year ended 31 March 2010

	Notes	2010 £	2009 £
NET CASH INFLOW / (OUTFLOW) FROM OPERATING ACTIVITIES	22	429,616	(16,440)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of property, plant and equipment		(7,368)	(2,352)
Proceeds on disposal of property, plant and equipment		-	20,358
NET CASH (USED IN) / FROM INVESTING ACTIVITIES		(7,368)	18,006
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of ordinary shares net of expenses		269,513	-
Repayment of obligations under hire purchase agreements		(11,275)	(4,807)
Repayment of loans		(87,902)	(50,295)
NET CASH FROM / (USED IN) FINANCING ACTIVITIES		170,336	(55,102)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		592,583	(53,536)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		99,555	153,091
CASH AND CASH EQUIVALENTS AT END OF YEAR		692,138	99,555

Cash and cash equivalents comprise ‘Cash and cash equivalents’ and ‘Bank overdrafts’.

Notes to the Financial Statements
for the year ended 31 March 2010

1. GENERAL INFORMATION

Trakm8 Holdings PLC is a public limited company ("Company") incorporated in the United Kingdom (registration number 05452547). The Company is domiciled in the United Kingdom and its registered address is Lydden House, Wincombe Business Park, Shaftesbury, Dorset, SP7 9QJ. The Company's Ordinary Shares are traded on the Alternative Investment Market ("AIM").

The Group's principal activity is the marketing, manufacture and distribution of vehicle telematics equipment and services. The Company's principal activity is to act as a holding company for its subsidiaries.

2. AUTHORISATION OF FINANCIAL STATEMENTS AND STATEMENT OF COMPLIANCE WITH IFRS

The Group's financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") and International Financial Reporting Interpretations Committee ("IFRIC") interpretations as endorsed by the European Union, and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS.

3. BASIS OF PREPARATION

The accounting policies set out in note 4 have been applied consistently to all periods presented in these consolidated financial statements.

These financial statements are presented in sterling as that is considered to be the currency of the primary economic environment in which the Group operates. This decision was based on the Group's workforce being based in the UK and that sterling is the currency in which management reporting and decision making is based.

4. ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the date of the financial statements. If in the future such estimates and assumptions which are based on management's best judgement at the date of the financial statements, deviate from the actual circumstances, the original estimates and assumptions will be modified as appropriate in the year in which the circumstances change. Where necessary, the comparatives have been reclassified or extended from the previously reported results to take into account presentational changes.

Notes to the Financial Statements

for the year ended 31 March 2010 *(continued)*

4. ACCOUNTING POLICIES (continued)

GOING CONCERN

The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Chairman's Statement on pages 4 to 5. In preparing these financial statements on a going concern basis the Directors have considered the Group's overall financial position.

After the business review and actions taken in September 2008 the Group has continued to improve its trading position and available financial resources.

The profit before tax of £260,996 generated a substantial improvement in the Group's cash reserves. As outlined in the Chairman's Statement the Board is confident about the prospects for the current year and expect to see continuing profits being achieved.

Furthermore the successful equity placing in May 2009 of 4,454,046 shares at 6.5 pence raised a net £269,513 in cash and has further strengthened the Group's resources. As a result the Group ended the period with a net £692,138 cash available. The two DTi loans were fully repaid during the year leaving one outstanding bank loan secured on the freehold property.

The Group's forecasts and projections, including a detailed revenue sensitivity analysis, show that the Group is expected to be able to operate within the level of its cash resources. In addition the production of the new T8 will take place in the UK and therefore continue the strategy to reduce the Group's exposure to the euro.

Taking all of the above into account, the Directors are confident that despite the continuing challenging economic circumstances the Group has sufficient financial resources to continue as a going concern for the foreseeable future. They believe it is therefore appropriate to prepare the financial statements on the going concern basis and the financial statements do not include any adjustments that would result from the Group not being able to meet its liabilities as they fall due.

BASIS OF CONSOLIDATION

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries) made up to 31 March each year. Control is achieved where the Company has the power to govern the financial and operating policies of an investee entity so as to obtain benefits from its activities.

The trading results of subsidiaries acquired or disposed of during the year are included in the consolidated Statement of Comprehensive Income from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Notes to the Financial Statements
for the year ended 31 March 2010 *(continued)*

4. ACCOUNTING POLICIES (continued)

All intra-group transactions, balances, income and expenditure are eliminated on consolidation.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are initially measured at fair value at the acquisition date irrespective of the extent of any minority interest. The excess of cost of acquisition over the fair values of the Group's share of identifiable net assets acquired is recognised as goodwill. Any deficiency of the cost of acquisition below the fair value of identifiable net assets acquired (i.e. discount on acquisition) is recognised directly in the Statement of Comprehensive Income.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the Group.

SHARE-BASED PAYMENTS

The Group has applied the requirements of IFRS 2 Share-based Payment. In accordance with the transitional provisions, IFRS 2 has been applied to all grants of equity instruments after 7 November 2002 that were unvested as of 1 April 2006.

The Group issues equity-settled share-based payments to certain employees. Equity-settled share-based payments are measured at fair value at the date of grant. The fair value determined at the grant date of equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of shares that will eventually vest.

The fair value is measured by use of the Black-Scholes option pricing model. The expected life used in the model has been adjusted, based on management's best estimate, for the effect of non-transferability, exercise restrictions, and behavioural considerations. No expense is recognised for awards that do not ultimately vest.

Notes to the Financial Statements
for the year ended 31 March 2010 *(continued)*

4. ACCOUNTING POLICIES (continued)

FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognised in the Group's balance sheet when the Group becomes a party to the contractual provisions of the instrument.

Trade receivables

Trade receivables are initially recognised at fair value and subsequently measured at their amortised cost using the effective interest method less any provision for impairment. A provision for impairment is made where there is objective evidence, (including customers with financial difficulties or in default on payments), that amounts will not be recovered in accordance with original terms of the agreement. A provision for impairment is established when the carrying value of the receivable exceeds the present value of the future cash flow discounted using the original effective interest rate. The carrying value of the receivable is reduced through the use of an allowance account and any impairment loss is recognised in the Statement of Comprehensive Income.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value. For the purposes of the Cashflow Statement, cash and cash equivalents includes bank overdrafts.

Financial liabilities and equity
Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

Bank borrowings

Interest-bearing bank loans and overdrafts are recorded at the proceeds received, net of direct issue costs. Finance charges, including premiums payable on settlement or redemption, are accounted for on an accruals basis and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise.

Trade payables

Trade payables are initially recognised at fair value and subsequently at amortised cost using the effective interest method.

GOODWILL

Goodwill arising on consolidation is recorded as an intangible asset and is the surplus of the cost of acquisition over the Group's interest in the fair value of identifiable net assets acquired. Goodwill is reviewed annually for impairment. Any impairment identified as a result of the review is charged in the Statement of Comprehensive Income. Negative goodwill is written off in the year in which it arises.

On disposal of a subsidiary, associate or jointly controlled entity, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

Notes to the Financial Statements
for the year ended 31 March 2010 *(continued)*

4. ACCOUNTING POLICIES (continued)

INTANGIBLE ASSETS OTHER THAN GOODWILL

An intangible asset, which is an identifiable non-monetary asset without physical substance, is recognised to the extent that it is probable that the expected future economic benefits attributable to the asset will flow to the Group and that its cost can be measured reliably. An annual impairment review is undertaken on all intangible assets and any impairment identified is charged to the Statement of Comprehensive Income. Such intangible assets are carried at cost less amortisation. Amortisation is charged to 'Administrative expenses' in the Statement of Comprehensive Income on a straight line basis over the intangible assets' useful economic life (1-10 years).

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

Development expenditure is capitalised as an intangible asset only if the following conditions are met:

- an asset is created that can be identified;
- it is probable that the asset created will generate future economic benefit;
- the development cost of the asset can be measured reliably;
- it meets the Group's criteria for technical and commercial feasibility; and
- sufficient resources are available to meet the development to either sell or use as an asset.

Development expenditure thus capitalised is amortised on a straight-line basis over its useful life. Where the criteria are not met, development expenditure is recognised as an expense in the 'Administrative expenses' line of the Statement of Comprehensive Income.

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated at cost less any subsequent accumulated depreciation or impairment losses. With the exception of freehold buildings held at 31 March 2006 (the date of transition to IFRS), cost represents purchase price together with any incidental costs to acquisition. As permitted by IFRS 1, the cost of freehold buildings at 31 March 2006 represents deemed cost, being the market value of the property for existing use at that date.

Depreciation is provided on all property, plant and equipment, other than freehold land, at rates calculated to write each asset down to its estimated residual value over its expected useful life, as follows:

Buildings	2%	straight line
Furniture, fixtures and equipment	25%	reducing balance
Computer equipment	33%	straight line

Assets held under finance leases or hire purchase arrangements are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, over the term of the relevant agreement.

The assets' residual values and useful lives are reviewed at each balance sheet date and adjusted if appropriate. The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

Notes to the Financial Statements

for the year ended 31 March 2010 *(continued)*

4. ACCOUNTING POLICIES (continued)

INVENTORIES

Inventories are valued at the lower of cost and net realisable value. In general cost is determined on a first in first out basis and includes all direct expenditure and production overheads based on a normal level of activity. Net realisable value is the price at which the stocks can be sold in the normal course of business after allowing for the costs of realisation and where appropriate for the costs of conversion from its existing state to a finished condition. Provision is made for obsolete, slow moving and defective stocks.

LEASES

Assets held under finance leases, which are leases where substantially all the risks and rewards of ownership of the asset have been transferred to the Group, are capitalised in the balance sheet and depreciated over the shorter of the lease term or their useful lives. The asset is recorded at the lower of its fair value and the present value of the minimum lease payments at the inception of the lease. The capital elements of future obligations under finance leases are included in liabilities in the balance sheet and analysed between current and non-current amounts. The interest elements of future obligations under finance leases are charged to the Statement of Comprehensive Income over the periods of the leases and represent a constant proportion of the balance of capital repayments outstanding in accordance with the effective interest rate method.

Leases where the lessor retains substantially all the risks and rewards of ownership are classified as operating leases. The cost of operating leases (net of any incentives received from the lessor) is charged to the Statement of Comprehensive Income on a straight line basis over the periods of the leases.

FOREIGN CURRENCIES

Foreign currency assets and liabilities are converted to sterling at the rates of exchange ruling at the end of the financial year. Transactions in foreign currencies are converted to sterling at the rates of exchange ruling at the transaction date. All of the resulting exchange differences are recognised in the Statement of Comprehensive Income as they arise.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated at exchange rates prevailing on the balance sheet date. Income and expense items are translated at the average exchange rates for the period. Exchange differences arising are classified as equity and transferred to the Group's reserves. Such translation differences are recognised as income or expense in the period in which the operation is disposed of.

Notes to the Financial Statements
for the year ended 31 March 2010 *(continued)*

4. ACCOUNTING POLICIES (continued)

TAXATION

The tax expense represents the sum of the current tax expense and deferred tax expense.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the Statement of Comprehensive Income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated by using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method.

Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction which affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based upon tax rates that have been enacted or substantively enacted.

REVENUE RECOGNITION

Revenue represents the total of amounts receivable for goods and services provided excluding value added tax. Revenue is recognised on the delivery of the goods to the customer. Where a service is provided covering a future period the applicable revenue is shown as Deferred Income under Current Liabilities.

WARRANTY CLAIMS

Provision is made for liabilities arising in respect of expected warranty claims.

GOVERNMENT GRANTS

Government grants towards research and development projects are recognised as income over the periods necessary to match them with the related costs and are included within Other Income.

Notes to the Financial Statements

for the year ended 31 March 2010 *(continued)*

4. ACCOUNTING POLICIES (continued)

SEGMENTAL REPORTING

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors.

EQUITY

Equity comprises the following:

- Share capital represents the nominal value of equity shares.
- Share premium represents the excess over nominal value of the fair value of consideration received for equity shares, net of expenses of the share issue.
- Shares to be issued represents the equity element of deferred consideration arising on business combinations.
- Merger reserve represents the excess over nominal value of the fair value of consideration received for equity shares issued on reverse acquisition of subsidiaries, net of expenses of the share issue prior to the date of transition to IFRS
- Share based payment reserve represents the cumulative periodic charge for outstanding commitments to equity settled share based payments under IFRS 2.
- Translation reserve represents cumulative foreign exchange gains and losses on retranslation of overseas operations.
- Retained earnings represents retained losses.

CHANGES IN ACCOUNTING STANDARDS AND DISCLOSURES

a) The Group has adopted the following new IFRS's in the year ended 31 March 2010:-

   - IAS 1 (Amendment), Presentation of Financial Statements – comprehensive revision including requiring a statement of comprehensive income (effective for annual periods beginning on or after 1 January 2009)
   - IFRS 8 Operating Segments - (effective for annual periods beginning on or after 1 January 2009)
   - IFRS 2 (Amendment) Share based payment - (effective for annual periods beginning on or after 1 January 2009)

b) The Group have early adopted the amendments to IFRS 8 following Improvements to IFRS (April 2009) which is applicable to annual periods beginning on or after 1 January 2010. This has had the effect of not showing the Group's assets and liabilities split by segment. The Board believes that early adoption is necessary for the Financial Statements to more accurately reflect the information presented to the Board.

Notes to the Financial Statements
for the year ended 31 March 2010 *(continued)*

4. ACCOUNTING POLICIES (continued)

c) The following standards and interpretations have been issued by the IASB. They become effective after the current year and have not been early adopted by the Group:

		Effective date commencing	To be adopted by the Group during years
International Financial Reporting Standards (IFRS)			
IFRS 1	Revised IFRS 1 First-time Adoption of IFRS	01.07.2009	31.03.2011
IFRS 3	Business Combinations – Comprehensive revision on applying the acquisition method	01.07.2009	31.03.2011
IFRS 9	Financial instruments: Replacement of IAS 39	01.07.2009	31.03.2011
IAS27	Consolidated and Separate Financial Statements – Amendments arising from IFRS 3	01.07.2009	31.03.2011
IAS 28	Investments in Associates – Consequential amendments arising from IFRS 3	01.07.2009	31.03.2011
IAS 31	Investments in Joint Ventures – Consequential amendments arising from IFRS 3	01.07.2009	31.03.2011
IAS 32	Financial Instruments: Presentation – Amendments; Classification of Rights Issues	01.02.2010	31.03.2011
IAS 39	Financial instruments: Recognition and Measurement – Amendment; Eligible hedged items	01.07.2009	31.03.2011
IAS 39	Financial instruments: Recognition and Measurement – Amendment; Embedded Derivatives	30.06.2009	31.03.2011
International Financial Reporting Interpretations Committee (IFRIC)			
IFRIC 9	Reassessment of Embedded Derivatives – Amendment: Embedded Derivatives	30.06.2009	31.03.2011
IFRIC 17	Distributions of non-cash assets to owners	01.07.2009	31.03.2011
IFRIC 18	Transfers of assets from customers	01.07.2009	31.03.2011
IFRIC 19	Extinguishing financial liabilities with Equity instruments	01.07.2010	31.03.2012

The impact on the Group's financial statements is not expected to be material.

Notes to the Financial Statements
for the year ended 31 March 2010 *(continued)*

5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Critical judgements in applying the Group's accounting policies

In the process of applying the Group's accounting policies, which are described in note 4, management has made the following judgements that have the most significant effect on the amounts recognised in the financial statements (apart from those involving estimations, which are dealt with below).

Valuation of intellectual property

In assessing the fair value of the intellectual property, management have considered the current and likely future performance of the companies acquired. Attention has been paid to the potential introduction of new products and services and the return anticipated from these and existing product sales. The Directors believe that the fair value of the intellectual property is both appropriate and a realistic assessment of its long term value to the Group.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the balance sheet date, 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.

Recoverability of internally-generated intangible asset

During the year, management reconsidered the recoverability of its internally generated intangible asset which is included in the balance sheet at £69,895. The costs relate to the development of the Group's portfolio of hardware and software products and management continue to believe that the anticipated revenues will enable the carrying amount to be recovered in full. Assumptions have been made on the number of years over which the costs will be recovered based on management's best expectations and these could turn out to be longer or shorter although any subsequent adjustment is not expected to be material.

Recoverability of trade debtors

The withdrawal or reduction of credit facilities from Banks and leasing companies is affecting a wide range of businesses. Management are particularly conscious of the financial weakness of some companies and is closely monitoring its outstanding debtor book in order to minimise the risk associated with future bad debts. Weekly cash receipts are analysed and future supplies are stopped if accounts remain overdue. An increasing number of customers taking the Group's services pay by direct debit and this is reducing the Group's exposure to the non recoverability of trade debtors in the future.

Notes to the Financial Statements

for the year ended 31 March 2010 *(continued)*

6. SEGMENTAL ANALYSIS

The format of segmental reporting is based on the Group's management and internal reporting of the segments below which carry different risks and rewards and are used to make strategic decisions. Telematics is the sale of hardware through the Group's distributors. Trakm8 Swift represents the sale of the Group's full vehicle telematics service direct to customers. Development and other services comprises bespoke professional services and mapping solutions.

The Board review the revenue results by segment and the gross margin. Cost of sales comprise hardware costs and have been allocated to the segments based on the number of units sold. Administration costs and assets and liabilities are not separated out by segment.

Year ended 31 March 2010	Telematics £	Trakm8 Swift £	Development & other services £	Unallocated £	Total £
Segment revenue	1,680,640	1,398,767	346,746	-	3,426,153
Gross Profit	787,897	1,167,926	346,746	-	2,302,569
Other Income	-	-	582,979	-	582,979
Depreciation & amortisation	99,388	80,360	96,094	-	275,842
Finance income	-	-	-	152	152
Finance costs	-	-	-	(14,975)	(14,975)
Income Tax	-	-	83,504	216,676	300,180

Year ended 31 March 2009	Telematics £	Trakm8 Swift £	Development & other services £	Unallocated £	Total £
Segment revenue	2,336,029	1,122,471	220,429	-	3,678,929
Gross Profit	1,031,077	910,797	220,429	-	2,162,303
Other Income	-	-	472,988	-	472,988
Depreciation & amortisation	112,531	70,546	87,874	-	270,951
Finance income	-	-	-	2,652	2,652
Finance costs	-	-	-	(31,061)	(31,061)
Income Tax	-	-	9,381	163	9,544

Notes to the Financial Statements
for the year ended 31 March 2010 *(continued)*

6. SEGMENTAL ANALYSIS (continued)

The Group's operations are located in the UK and the Czech Republic. The following table provides an analysis of the Group's sales by geography based upon location of the Group's customers.

Year ended 31 March 2010	Telematics £	Trakm8 Swift £	Development & other services £	Total £
United Kingdom	1,000,334	1,395,132	220,030	2,615,496
Europe	268,966	3,635	120,216	392,817
Africa	352,532	-	6,500	359,032
Rest of the World	58,808	-	-	58,808
	1,680,640	1,398,767	346,746	3,426,153

Year ended 31 March 2009	Telematics £	Trakm8 Swift £	Development & other services £	Total £
United Kingdom	**1,477,448**	**1,110,316**	**52,675**	**2,640,439**
Europe	**205,289**	**12,155**	**146,626**	**364,070**
Africa	**586,297**	**-**	**21,128**	**607,425**
Rest of the World	**66,995**	**-**	**-**	**66,995**
	2,336,029	**1,122,471**	**220,429**	**3,678,929**

Revenues of £352,532 are derived from one customer in the telematics segment and revenues of £520,379 are derived from one customer within the Trakm8 Swift and development segments.

Notes to the Financial Statements
for the year ended 31 March 2010 *(continued)*

7. PROFIT / (LOSS) FROM OPERATIONS

		2010 £	2009 £
Profit / Loss from operations is stated after charging / (crediting):			
Other income	- Government grant	(582,979)	(472,988)
Depreciation	- owned fixed assets	24,544	33,280
	- assets on finance leases	5,967	6,371
Amortisation of intangible assets		243,912	239,561
Gain on disposal of property, plant and equipment		-	(8,080)
Operating lease rentals			
	- Land and buildings	28,420	27,164
	- Other	5,775	6,624
Research and development		704	12,578
Loss on foreign exchange transactions		5,707	20,234
Staff costs (note 10)		1,415,778	1,491,335

		2010 £	2009 £
Auditor's remuneration			
Baker Tilly UK Audit LLP and associates			
	- audit services		
	Parent Company and consolidation	5,000	5,600
	Subsidiary audits	20,000	22,400
	- tax advisory services	4,175	4,175

8. FINANCE COSTS

	2010 £	2009 £
Bank interest payable	7,770	29,498
Interest on finance leases	2,156	1,563
Interest on other loans	5,049	-
	14,975	31,061

Notes to the Financial Statements
for the year ended 31 March 2010 *(continued)*

9. INCOME TAX

	2010 £	2009 £
R&D tax credit	(83,504)	(9,381)
Recognition of deferred tax	(331,300)	-
Current year movement	114,624	(163)
Tax credit	(300,180)	(9,544)

Factors affecting the tax charge

The tax assessed for the years are lower (2009: higher) than the applicable rate of corporation tax in the UK. The difference is explained below:

	2010 £	2009 £
Profit / (Loss) before tax	260,996	(411,372)

Profit / (Loss) on ordinary activities multiplied by the standard rate of corporation tax in the UK of 28% (2009: 28%)	73,079	(115,184)
Effects of:		
Expenses not deductible/income not taxable	41,545	762
Share Option adjustment	1,612	2,690
Temporary differences	(1,612)	(2,690)
Tax losses for which no deferred income tax asset was recognised	-	114,259
Deferred tax brought forward recognised	(331,300)	-
R&D tax credit	(83,504)	(9,381)
Total tax	(300,180)	(9,544)

10. EMPLOYEES

The average monthly number of persons (including Directors) employed by the Group was:

	2010 £	2009 £
Research and development	11	10
Selling and distribution	11	12
Production	5	6
Administration	11	10
	38	38

Notes to the Financial Statements

for the year ended 31 March 2010 *(continued)*

10. EMPLOYEES (continued)

Staff costs for the employees and Directors (included under Administrative expenses):

	2010 £	2009 £
Wages and salaries	1,247,631	1,313,488
Social Security costs	162,390	168,239
Share Based Payments	5,757	9,608
	1,415,778	1,491,335

Costs relating to the Directors who are the key management of the Group:

	2010 £	2009 £
Wages and salaries	350,722	322,198
Pension	20,000	-
Compensation for loss of office	-	30,000
Social Security costs	37,055	32,039
Share Based Payments	4,203	2,618
	411,980	386,855

Pension costs above have been offset against the share premium account as detailed in the Consolidated Statement of Changes in Equity. Further details of Directors' fees and salaries, bonuses and pensions are given in the Directors' Report on page 8.

11. EARNINGS / (LOSS) PER ORDINARY SHARE

The earnings / (loss) per ordinary share has been calculated using the profit / (loss) for the year and the weighted average number of ordinary shares in issue during the year as follows:

	2010 £	2009 £
Earnings / (Loss) for the year after taxation	561,176	(401,828)
Number of ordinary shares of 1p each	18,764,731	13,857,169
Basic weighted average number of ordinary shares of 1p each	18,165,144	13,736,957
Basic weighted average number of ordinary shares of 1p each (diluted)	18,359,713	13,736,957
Basic profit / (loss) pence per share	3.09p	(2.90)p
Diluted profit / (loss) pence per share	3.06p	(2.90)p

The weighted average number of shares for the purpose of calculating the diluted earnings per ordinary share in 2009 is identical to that used for the basic earnings per ordinary share as any adjustment to the number of ordinary shares would be anti-dilutive.

Notes to the Financial Statements

for the year ended 31 March 2010 *(continued)*

12. INTANGIBLE ASSETS

	Development Costs £	Intellectual Property £	Total £
COST			
As at 1 April 2008	344,514	1,546,007	1,890,521
Additions	-	-	-
As at 31 March 2009	344,514	1,546,007	1,890,521
Additions	-	-	-
As at 31 March 2010	344,514	1,546,007	1,890,521

	Development Costs £	Intellectual Property £	Total £
AMORTISATION			
As at 1 April 2008	113,513	179,227	292,740
Charge for year	81,866	157,695	239,561
As at 31 March 2009	195,379	336,922	532,301
Charge for year	79,240	164,672	243,912
As at 31 March 2010	274,619	501,594	776,213
NET BOOK VALUE			
As at 31 March 2010	69,895	1,044,413	1,114,308
As at 31 March 2009	149,135	1,209,085	1,358,220
As at 1 April 2008	231,001	1,366,780	1,597,781

Amortisation expenses of £243,912 (2009: £239,561) have been charged to administrative expenses in the Consolidated Statement of Comprehensive Income. Development costs will be fully amortised within the next two years and Intellectual Property will be fully amortised within the next 7 years.

Notes to the Financial Statements

for the year ended 31 March 2010 *(continued)*

13. PLANT, PROPERTY & EQUIPMENT

	Freehold property £	Furniture, fixtures and equipment £	Computer equipment £	Total £
COST				
As at 1 April 2008	420,000	117,167	155,156	692,323
Additions	-	629	15,573	16,202
Exchange differences	-	1,654	510	2,164
Disposals	-	(57,943)	-	(57,943)
As at 31 March 2009	420,000	61,507	171,239	652,746
Additions	-	590	31,128	31,718
Exchange differences	-	-	236	236
As at 31 March 2010	420,000	62,097	202,603	684,700

	Freehold property £	Furniture, fixtures and equipment £	Computer equipment £	Total £
DEPRECIATION				
As at 1 April 2008	8,816	77,248	128,198	214,262
Charge for year	4,408	14,562	20,681	39,651
Exchange differences	-	1,560	308	1,868
Disposals	-	(45,665)	-	(45,665)
As at 31 March 2009	13,224	47,705	149,187	210,116
Charge for year	4,408	3,633	22,470	30,511
Exchange differences	-	-	195	195
As at 31 March 2010	17,632	51,338	171,852	240,822
NET BOOK VALUE				
As at 31 March 2010	402,368	10,759	30,751	443,878
As at 31 March 2009	406,776	13,802	22,052	442,630
As at 1 April 2008	411,184	39,919	26,958	478,061

Included within freehold property is £199,585 (2009: £199,585) relating to land which is not depreciated. The net book value of plant and computer equipment includes £15,235 (2009: £9,233) in respect of assets held under finance leases and hire purchase contracts. The depreciation charge in respect of these assets was £5,967 (2009: £6,371).

Total depreciation expenses of £30,511 (2009: £39,651) have been charged to administrative expenses in the Consolidated Statement of Comprehensive Income.

Notes to the Financial Statements
for the year ended 31 March 2010 *(continued)*

14. INVENTORIES

	2010 £	2009 £
Finished goods and goods for resale	106,636	159,153

The cost of inventories recognised as an expense and included in cost of sales amounted to £1,123,584 (2009: £1,516,626). During the year old inventory lines totalling £22,994 (2009: nil) were written down and charged to cost of sales in the consolidated statement of comprehensive income.

15. TRADE AND OTHER RECEIVABLES

	2010 £	2009 £
Trade receivables	529,990	574,996
Other receivables	116,620	76,033
Prepayments & accrued income	54,719	48,979
	701,329	700,008

The analysis of trade receivables by currency is as follows:

	2010 £	2009 £
Pound sterling	423,143	494,774
Euro	92,706	61,147
Other	14,141	19,075
	529,990	574,996

An allowance for impairment is made where there is an identified event which, based on previous experience, is evidence of a reduction in the recoverability of the outstanding amount. An allowance has been made for estimated irrecoverable trade receivables of £2,000 (2009: £114,940).

As at 31 March 2010 trade receivables of £105,812 were past due but not impaired. The ageing analysis of these trade receivables is as follows:-

	2010 £	2009 £
Up to 3 months	105,812	155,738
3 to 6 months	-	27,072
	105,812	182,810

The Directors consider that the carrying amount of trade and other receivables approximates to their fair values. The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivable mentioned above.

Notes to the Financial Statements
for the year ended 31 March 2010 *(continued)*

16. DEFERRED TAX

The analysis of deferred tax assets and deferred tax liabilities is as follows:

	2010 £	2009 £
Deferred tax asset		
Deferred tax asset to be recovered after more than 12 months	216,513	-
Deferred tax liability		
Deferred tax liability to be recovered after more than 12 months	(18,348)	(18,511)
Deferred tax asset/ (liability) net	198,165	(18,511)

The movement in the deferred income tax assets and liabilities during the year is as follows:-

Deferred tax assets	**Accelerated tax depreciation** **£**	**Utilisation of unrecognised losses** **£**	**Total** **£**
As at 1 April 2009	-	-	-
Credited to the income statement	16,404	200,109	216,513
At 31 March 2010	16,404	200,109	216,513

Deferred income tax assets are recognised for tax loss carry forwards to the extent that the realisation of the related tax benefit through future taxable profits is probable. The Group has not recognised a deferred income tax asset of £7,332 (2009: £360,920) in respect of losses amounting to £26,188 (2009: £1,289,000) that can be carried forward against future taxable income.

Deferred tax liabilities	**Building revaluation** **£**
As at 1 April 2008	(18,674)
Credited to the income statement	163
At 31 March 2009	(18,511)
Credited to the income statement	163
At 31 March 2010	(18,348)

Notes to the Financial Statements
for the year ended 31 March 2010 *(continued)*

17. CURRENT LIABILITIES – TRADE AND OTHER PAYABLES

	2010 £	2009 £
Trade payables	502,102	437,936
Taxation and social security	153,544	305,918
Other payables	31,136	75,849
Accruals and deferred income	410,891	451,119
	1,097,673	1,270,822

The Directors consider that the carrying amount of trade payables approximates to their fair value.

18. BORROWINGS

	2010 £	2009 £
Bank overdrafts	-	636
Bank loan	199,543	220,479
DTi loans	-	66,965
Obligations under finance leases and hire purchase arrangements (see note 19)	23,722	10,648
	223,265	298,728

The bank overdraft facility is £140,000 and at 31 March 2010 none of this facility was being utilised.

		2010 £	2009 £
On demand or within one year	- overdraft	-	636
	- other loans	36,764	58,172
After one and within two years		27,305	42,940
After two and within five years		65,239	80,621
After five years		93,957	116,359
		223,265	298,728
Less: Amount due for settlement within one year (shown as current liabilities)		(36,764)	(58,808)
Amount due for settlement after more than one year		186,501	239,920

Bank overdrafts are repayable on demand and secured by a floating charge over the assets of the Group. Interest was payable at 5% over base rate and the effective interest rate was 5.5% (2009: 7.0%). The bank loan is secured by a fixed and floating charge on all the assets of Trakm8 Limited. It is repayable by monthly instalments until 2019 and bears interest at a floating rate of 2.50% over base rate.

The DTi loans were provided to IPL in 2006 under the Small Firms Loan Guarantee Scheme. The two loans were fully repaid during the year. Interest was payable at the rate of 3.5% over Base rate. The average effective interest rate on the loans was 4.0% (2009: 7.0%).

Notes to the Financial Statements
for the year ended 31 March 2010 *(continued)*

19. OBLIGATIONS UNDER FINANCE LEASES

	2010 £	2009 £
Gross finance lease liabilities – minimum lease payments:		
No later than 1 year	17,682	5,719
Later than 1 year and no later than 5 years	6,884	6,671
	24,566	12,390
Less future finance charges	(844)	(1,742)
Present value	23,722	10,648

The present value of minimum lease payments is analysed as follows:

	2010 £	2009 £
No later than 1 year	16,893	4,497
Later than 1 year and no later than 5 years	6,829	6,151
	23,722	10,648

All lease obligations are denominated in sterling and are secured by the lessor's rights over the leased assets. The fair value of the lease obligations approximates to their carrying amount.

20. SHARE CAPITAL

	2010		2009	
	No's '000's	£	No's '000's	£
Authorised				
Ordinary shares of 1p each	200,000	2,000,000	200,000	2,000,000
Allotted, issued and fully paid				
Ordinary shares of 1p each	18,764	187,647	13,857	138,571

On 8 May 2009 the Group completed a share placing with existing shareholders and Directors. 4,454,046 new ordinary shares were issued at a price of 6.5 pence per share. A total of £269,513 was raised net of expenses and the new shares represent approximately 24.3% of the enlarged share capital.

On 7 August 2007 the Company acquired the entire issued share capital of PJSoft s.r.o. In final consideration the Company issued 453,516 ordinary shares (£140,590) on 7 August 2009. The shares have been valued at 31.0 pence being the mid market closing share price of Trakm8 Holdings at the date of acquisition.

Notes to the Financial Statements

for the year ended 31 March 2010 *(continued)*

21. SHARE-BASED PAYMENTS

Trakm8 Holdings PLC has issued options (under the Trakm8 Approved Option Scheme) to subscribe for ordinary shares of 1p in the Company. The purpose of the Option Scheme is to retain and motivate eligible employees.

The exercise price and number of shares to which the options relate are as follows:

Option Exercise Price	Balance as at 31 March 2009	Granted during year	Exercised during year	Expired/ forfeited during the year	Balance as at 31 March 2010	Grant date	Option & expected Life (years)	Risk free rate of return	Volatility
25p	115,230	-	-	-	115,230	31/3/07	3.5	4.8%	9%
26p	172,495	-	-	14,050	158,445	1/10/07	3.2	4.8%	60%
5.25p	100,000	-	-	-	100,000	30/11/08	3.0	3.0%	54%
6p	-	550,000	-	-	550,000	30/07/09	3.0	3.02%	54%
Total	387,725	550,000	-	14,050	923,675				

The weighted average exercise price of share options outstanding as at 31 March 2010 was 11.7 pence.

The exercise of all share options is the closing market price on the day of grant. A vesting period of 1 or 2 years is applicable according to the terms of each scheme.

The fair value of the equity settled share options granted is estimated as at the date of grant using the Black Scholes option pricing model taking into account the terms and conditions upon which the options were granted. The volatility has been based on historic share prices and the dividend yield has been assumed to be 0% for all schemes.

The Group charged £5,757 to the Statement of Comprehensive Income in respect of Share-Based Payments for the financial year ended 31 March 2010 (2009: £9,608).

Notes to the Financial Statements
for the year ended 31 March 2010 *(continued)*

22. CASH FLOWS

	2010 £	2009 £
Reconciliation of profit / (loss) before tax to net cash flow from operating activities:		
Profit / (Loss) before tax	260,996	(411,372)
Depreciation	30,511	39,651
Bank and other interest charges	14,823	28,409
Amortisation of intangible assets	243,912	239,561
Gain on disposal of property, plant and equipment	-	(8,080)
Share based payments	5,757	9,608
Net profit / (loss) before changes in working capital	555,999	(102,223)
Movement on retranslation of overseas operations	1,012	1,034
Movement in inventories	52,517	(13,126)
Movement in trade and other receivables	(1,321)	109,743
Movement in trade and other payables	(173,149)	(16,361)
Cash generated from / (absorbed by) operations	435,058	(20,933)
Interest paid	(14,975)	(31,061)
Interest received	152	2,652
Income taxes received	9,381	32,902
Net cash inflow / (outflow) from operating activities	429,616	(16,440)

Cash and cash equivalents comprise cash at bank, other short-term highly liquid investments with a maturity of three months or less (together presented as 'Cash and cash equivalents' on the face of the balance sheet) and bank overdrafts (presented as a single class of liability on the face of the balance sheet).

23. FINANCIAL COMMITMENTS

At the balance sheet date, the Group had outstanding commitments for future minimum operating lease payments under non-cancellable operating leases, which fall due as follows:

	2010 £	2009 £
Operating Leases		
Land and buildings		
Within one year	22,587	26,097
In the second to fifth years inclusive	13,815	42,336
Other		
Within one year	2,640	6,142
In the second to fifth years inclusive	615	3,255

Land and buildings under operating leases represent two leases payable by the Group which have expiry dates in August 2010 and December 2011.

Notes to the Financial Statements
for the year ended 31 March 2010 *(continued)*

24. RELATED PARTY TRANSACTIONS

Details of the remuneration of the directors, who are the key management personnel of the Group, are disclosed in the Directors' report.

J Watkins is a Director and shareholder of Omitec Group Limited. Omitec Limited is a wholly owned subsidiary of Omitec Group Limited and is a Partner of Trakm8 Limited working on the Trusted Road Usage Emissions Profiling Government Project for the Technology Strategy Board.

During the year ended 31 March 2010 a total of £21,926 was invoiced to Trakm8 Limited by Omitec Limited (2009: £2,721) and Trakm8 Limited also invoiced Omitec Limited £24,973 (2009: £5,572). The net balance due on 31 March 2010 from Omitec Limited to Trakm8 Limited was £2,609 (2009: £23).

25. POST BALANCE SHEET EVENT

The Group announced on 21 June 2010 that Trakm8 Limited had entered into a manufacturing agreement with Omitec Limited. Under the terms of the agreement Omitec Limited will supply the new T8 vehicle telematics hardware platform and it is expected that the initial value of the contract will be up to £730,000.

26. FINANCIAL INSTRUMENTS

Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including currency risk and interest rate risk), credit risk and liquidity risk. Where appropriate, the Group seeks to mitigate potential adverse effects on its financial performance.

Interest rate risk

The Group mitigates its exposure to interest rate fluctuations by using fixed rates or interest rate derivatives where appropriate.

Liquidity risk

The Group's objective is to maintain a balance between continuity and flexibility of funding through the use of borrowings and financial assets with a range of maturities. Borrowing facilities are monitored against the Group's forecast requirements and it is the Group's policy to mitigate the risk by maintaining undrawn overdraft facilities and cash reserves.

Credit risk

The Group's principal financial assets are bank balances, cash and trade and other receivables. The Group's credit risk is primarily attributable to its trade receivables and the Group attaches considerable importance to the collection and management of trade receivables. The Group minimises its credit risk through the application of appropriate credit limits to customers based on an assessment of net worth and trading history with the Group. Standard credit terms are net 30 days from date of invoice. Overdue trade receivables are managed through a phased escalation culminating in legal action.

The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

Notes to the Financial Statements
for the year ended 31 March 2010 *(continued)*

26. FINANCIAL INSTRUMENTS (continued)

Significant accounting policies

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expense are recognised, in respect of each class of financial asset, liability and equity instrument are disclosed in note 4 to the financial statements.

Foreign currency risk

The Group's principal exposure to foreign exchange rate risk arises with the purchase of inventory, which is predominantly denominated in Euros. Historically the Group has not used derivative instruments to hedge against possible risks arising from fluctuations in foreign currency exchange rates as the exposure is limited. If foreign currency exposure increases, the use of foreign currency hedging instruments will be reviewed as a means of reducing the effect of exchange rate fluctuations on the Group's results.

The carrying amount of the Group's foreign currency denominated monetary assets and liabilities at the reporting date is as follows:

	Assets		Liabilities	
	2010 £	2009 £	2010 £	2009 £
Euro	131,558	65,303	228,136	296,788
Other	28,975	28,516	28,811	3,996
	160,533	93,819	256,947	300,784
GBP	1,316,438	715,761	1,082,339	1,228,469
	1,476,971	809,580	1,339,286	1,529,253

Foreign currency sensitivity

The following table details the Group's sensitivity to a 10% strengthening of the Euro against GBP. This has been determined assuming a Euro rate 10% stronger than the actual rate achieved during the period.

	2010 £	2009 £
Loss	(50,520)	(123,134)

The Group's sensitivity to the Euro has decreased during the year as a result of the strategy adopted by the Board. This sensitivity to the euro is expected to further decrease in the future.

Notes to the Financial Statements
for the year ended 31 March 2010 *(continued)*

26. FINANCIAL INSTRUMENTS (continued)

Interest rate and liquidity risk

Interest rate sensitivity

The sensitivity analysis has been based on the average exposure to floating rate debt during the period. It has been assumed that floating interest rates were 50 basis point higher than those actually incurred. No interest rate derivatives were used during the year.

The effect of such a change would be to decrease the profit before tax for the year by £1,355 (2009: £1,089).

Liquidity and interest risk tables

The following table details the Group's remaining contractual maturity for its financial liabilities. The tables have been drawn up based on the undiscounted contractual maturities of the financial liabilities (including interest that will accrue to maturity). The discount column reflects the adjustments necessary to reconcile to the carrying amounts of the financial liabilities.

2010	Weighted average effective interest rate %	Less than 1 month or on demand £	1-3 months £	3-12 months £	1-5 years £	More than 5 years £	Total £
Fixed rate							
Obligations under finance leases	10.1%	-	3,486	13,407	6,829	-	23,722
Floating rate							
Bank loan	3.0%	-	4,912	14,959	85,715	93,957	199,543
Trade payables		502,102	-	-	-	-	502,102
		502,102	8,398	28,366	92,544	93,957	725,367

2009	Weighted average effective interest rate %	Less than 1 month or on demand £	1-3 months £	3-12 months £	1-5 years £	More than 5 years £	Total £
Fixed rate							
Obligations under finance leases	15.5%	347	710	3,440	6,251	-	10,748
Floating rate							
Bank overdrafts	7.0%	636	-	-	-	-	636
Bank loan	6.9%	-	6,419	14,517	83,185	116,358	220,479
Other loans	7.0%	-	8,929	23,809	34,227	-	66,965
Trade payables	-	437,936	-	-	-	-	437,936
		438,919	16,058	41,766	123,663	116,358	736,764

Fair values

There is no material difference between the book value and the fair value of the Group's financial assets or liabilities.

Notes to the Financial Statements

for the year ended 31 March 2010 *(continued)*

26. FINANCIAL INSTRUMENTS (continued)

Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio. This ratio is calculated as debt divided by total capital. Debt is calculated as total borrowings including "current and non-current borrowings" as shown in the consolidated balance sheet. Total capital is calculated as "equity" as shown in the consolidated balance sheet plus debt.

The Group's strategy has been to reduce gearing and to increase cash and cash equivalents. This has been successfully achieved through the share placing in May 2009 and profits generated during the year.

	2010 £	2009 £
Total borrowings (note 18)	223,265	298,728
Total equity	2,019,021	1,181,522
Total capital	2,242,286	1,480,250
Gearing ratio	10%	20%

Financial instruments by category

Assets as per balance sheet	Loans and receivables	
	2010 **£**	**2009** **£**
Trade and other receivables excluding prepayments	646,610	651,029
Cash and cash equivalents	692,138	100,191
	1,338,748	751,220
Liabilities as per balance sheet	**Financial liabilities at amortised cost**	
	2010 **£**	**2009** **£**
Borrowings (excluding finance lease liabilities)	199,543	288,080
Finance leases	23,722	10,648
Trade and other payables excluding statutory liabilities	835,960	848,827
	1,059,225	1,147,555

Parent Company Balance Sheet
as at 31 March 2010

	Notes	2010 £	2009 £
FIXED ASSETS			
Investments	3	1,285,224	1,285,224
CURRENT ASSETS			
Debtors	4	378,935	121,468
Cash at bank		504,389	29,741
		883,324	151,209
CREDITORS: Amounts falling due within one year	5	(267,493)	(96,516)
NET CURRENT ASSETS		615,831	54,693
NET ASSETS		1,901,055	1,339,917
CAPITAL AND RESERVES			
Called up share capital	6	187,647	138,571
Share premium	7	1,719,402	1,358,375
Share based payment reserve	7	63,152	57,395
Shares to be issued	7	-	140,590
Profit and loss account	7	(69,146)	(355,014)
SHAREHOLDERS' FUNDS		1,901,055	1,339,917

These financial statements were approved by the Directors and authorised for issue on 30 June 2010 and are signed on their behalf by:

J WATKINS
DIRECTOR

J HEDGES
DIRECTOR

Notes to the Parent Company Financial Statements
for the year ended 31 March 2010

1. ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention in accordance with the applicable accounting standards.

SHARE-BASED PAYMENTS

The company has applied the requirements of FRS 20 Share-based Payments. In accordance with the transitional provisions, FRS 20 has been applied to all grants of equity instruments after 7 November 2002 that were unvested as of 1 April 2006.

The Company issues equity-settled share-based payments to certain employees. Equity-settled share-based payments are measured at fair value at the date of grant. The fair value determined at the grant date of equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of shares that will eventually vest.

The fair value is measured by use of the Black-Scholes option pricing model. The expected life used in the model has been adjusted, based on management's best estimate, for the effect of non-transferability, exercise restrictions, and behavioural considerations. No expense is recognised for awards that do not ultimately vest.

FINANCIAL INSTRUMENTS

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. Instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Convertible loan notes are regarded as compound instruments, consisting of a liability component and an equity component. At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible debt. The difference between the proceeds of the issue of the convertible loan notes and the fair value assigned to the liability component, representing the embedded option to convert the liability into equity of the Company, is included in equity.

Issue costs are apportioned between the liability and equity components of the convertible loan notes based on their relative carrying amounts at the date of issue. The portion relating to the equity component is charged directly against equity.

The interest expense on the liability component is calculated by applying the prevailing market interest rate for similar non-convertible debt to the liability component of the instrument. The difference between this amount and the interest paid is added to the carrying amount of the convertible loan note.

Notes to the Parent Company Financial Statements
for the year ended 31 March 2010 *(continued)*

1. ACCOUNTING POLICIES (continued)

INVESTMENTS

Fixed asset investments are stated at cost less impairment against the cost of investments. The carrying values of investments in subsidiaries are reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable.

FOREIGN CURRENCIES

Foreign currency assets and liabilities are converted to sterling at the rates of exchange ruling at the end of the financial year. Transactions in foreign currencies are converted to sterling at the rates of exchange ruling at the transaction date. All of the resulting exchange differences are recognised in the profit and loss account as they arise.

DEFERRED TAXATION

Provision is made for deferred taxation in respect of all material timing differences that have originated but not reversed by the balance sheet date. Timing differences represent differences between gains and losses recognised for tax purposes in periods different from those in which they are recognised in the financial statements. No deferred tax is recognised on permanent differences between the Company's taxable gains and losses and its results as stated in the financial statements. Deferred tax assets and liabilities are included without discounting.

2. PROFIT AND LOSS ACCOUNT

As permitted by Section 408 of the Companies Act 2006, the profit and loss account of the Company is not presented as part of these financial statements.

The profit after tax for the year in the Company is £285,868 (2009: loss £113,415).

3. INVESTMENTS

Cost	Subsidiaries £
At 1 April 2009	1,285,224
Additions	-
At 31 March 2010	1,285,224

Name of subsidiary	Country of incorporation	Class of holding	Proportion held and voting rights	Nature of business
Trakm8 Limited	England and Wales	Ordinary	100%	Marketing and distribution of vehicle telematics
Interactive Projects Limited	England and Wales	Ordinary	100%	Project management and design
PJSoft s.r.o.	Czech Republic	Ordinary	100%	Mapping services
Purple Reality Limited	England and Wales	Ordinary	100%	Dormant

Notes to the Parent Company Financial Statements

for the year ended 31 March 2010 *(continued)*

4. DEBTORS

	2010 £	2009 £
Amounts due from subsidiary undertakings	373,102	112,706
VAT recoverable	-	2,929
Prepayments	5,833	5,833
	378,935	121,468

5. CREDITORS: Amounts falling due within one year

	2010 £	2009 £
Trade creditors	15,404	20,381
Amounts owed to subsidiary undertakings	247,589	-
Accruals and other creditors	4,500	76,135
	267,493	96,516

6. SHARE CAPITAL

Details of share capital and share options are shown in notes 20 and 21 to the consolidated accounts above.

7. RESERVES

	Share Capital £	Share premium £	Shares to be issued £	Share based payment reserve £	Profit and loss account £	Total £
At 1 April 2008	135,170	1,256,334	246,032	47,787	(241,599)	1,443,724
Shares issued	3,401	102,041	(105,442)	-	-	-
Loss for the year	-	-	-	-	(113,415)	(113,415)
FRS20 Share based payments	-	-	-	9,608	-	9,608
At 1 April 2009	138,571	1,358,375	140,590	57,395	(355,014)	1,339,917
Shares issued	49,076	361,027	(140,590)	-	-	269,513
Profit for the year	-	-	-	-	285,868	285,868
FRS20 Share based payments	-	-	-	5,757	-	5,757
As at 31 March 2010	187,647	1,719,402	-	63,152	(69,146)	1,901,055

8. RELATED PARTIES

The Company has taken advantage of the exemptions conferred by FRS 8 from the requirement to disclose transactions between subsidiary undertakings, 90% or more of whose voting rights are controlled within the Group.

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