Atlantic Global

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Atlantic Global Plc

Annual Report and Accounts

Year ended 31 December 2009

Contents

> ***"Atlantic Global's mission: helping businesses to better understand their resource capability and project delivery process, thereby enabling improvement in operational efficiency and effectiveness."***

Product Innovation

The Group is pleased with the significant progress made in 2009 with the development of its products. Two major product releases were issued during 2009 which included over 200 product updates and the introduction of the following major areas of functionality:

- Multi-Tenancy Support
- Consolidated and Simplified Product Licensing
- New Organisation Planning Module (Financial & Resource Forecasting)
- Enhanced Contract and Billing Management
- Mobile access to our Solutions
- Increased levels of R&D investment

Atlantic Global's product is now more focussed on financial management making it easier to define / sell the benefits of the Solution.

Sales & Marketing

The Group revised the licensing and packaging of software, resulting in three competitively priced, high value modules, targeted at three established markets: Project Portfolio Management (PPM), Professional Services Automation (PSA), Organisational Planning (Financial & Resource Forecasting).

The Group continues to be ranked in the Gartner "Project Portfolio Management" Magic Quadrant (fifth consecutive year). Only 19 PPM vendors are now listed worldwide (down from 25).

Atlantic Global launched a new website with access to a new self service "Resource Portal" that enables customers to download product brochures and case studies and view product demonstration videos.

The new website also provides access to the new "Live Demo" Centre. This is a pre-configured system which enables both prospective and existing customers to get hands on access to the actual solution. It is available 24 hours a day, seven days a week.

Business Development

The Group's new demonstration platform and website will also make it easier to engage in potential business development partnerships.

Financial and Operational Highlights

Financial

	Year ended 31 December 2009 £000	Year ended 31 December 2008 £000
Turnover	**1,350,000**	2,176,000
Profit before tax	**(130,000)**	401,000
Earnings per share	**(0.57)p**	1.40p
Dividend payable per share – Full year	**–**	0.40p
Dividend payable per share – Half year	**–**	0.25p
Cash and cash equivalents	**2,032,000**	2,159,000

Turnover analysis

	Year ended 31 December 2009		Year ended 31 December 2008	
	£000	**%**	£000	%
Licence	**202**	**15**	557	26
Support	**668**	**49**	766	35
Services	**426**	**32**	853	39
On Demand – (Software as a Service)	**54**	**4**	–	–
	1,350	**100%**	2,176	100%

Operational Highlights

- Stable Cost Base
- Healthy levels of sales pipeline activity
- Continue to investigate ways to make our products more accessible and easier to evaluate
- Change of emphasis to make the Solution more focussed on financial management – CEO/FD ‘Entry Point’
- Prospect of establishing successful business development partnerships

Chairman's Statement

Introduction

I am pleased to report Atlantic Global's results for the year ended 31 December 2009. In the second half of the year, the Group returned to profitability, maintained its investment in Research and Development and launched the new Organisation Planning Module and the Client Contract and Billing Management functionality.

Results

In the second half of the year, Atlantic Global returned to profit, with profits before taxation of £18,000 compared with a loss of £148,000 in the first half of 2009. This improvement is in line with the Board's expectations as expressed in the September 2009 interim results statement and December 2009 trading update. The Group produced losses before taxation for the twelve month period to 31 December 2009 of £130,000 (2008 profit: £401,000) while turnover was £1,350,000 (2008: £2,176,000). This result was achieved despite the Group increasing its investment in Research and Development as well as operating in the difficult economic climate. The loss per share was 0.57 pence (2008 profit per share: 1.40 pence).

Atlantic Global continued to invest in and develop its products throughout 2009, carrying out the highest level of product development in the Group's history, both in terms of productivity and cost, £403,000 (2008: £386,000). Despite this investment, the Group broadly maintained its net cash balance for the period of £2,032,000 (2008: £2,159,000).

New Clients

The Group is pleased to announce that it secured an increasing number of blue-chip OnDemand customers throughout the year. These new customers include RCUK Shared Service Centre and further departments within GlaxoSmithKline Plc. The Group also gained new Project Portfolio Management (PPM) software customers, including ADP Dealer Services, Admiral Insurance, Sindicatum and Carbon Capital. We made new sales to existing customers XChanging, GlaxoSmithKline, Pfizer and EuroDirect Database Marketing.

Recurring Income

The Group's level of recurring support and maintenance income for 2009 was £668,000 (2008: £766,000), a drop year-on-year as some clients reduced their numbers of supported licences; no major client terminated support, however. Support revenue was also lower as Atlantic Global upgraded existing clients to the SaaS model, securing extra revenue for the Group in the process. The OnDemand contracts closed during the period were £86,000, with £44,000 of these contracts being accounted for and delivered during 2010. This remains a solid base for the Group, especially given the positive indication of monthly revenue intake from the SaaS contacts.

Operating Review

Our stated aim for 2009 was to finalise the next generation of the Group's products, so that in 2010 we could sell these products into the market. 2009 saw the launch of the new OnDemand/ SaaS service which is a cost effective, easy-to-use business management software solution designed to address the Project Portfolio Management (PPM), Professional Services Automation (PSA) and the Financial & Resource Forecasting markets.

The Group is very pleased with the quality and functional range of the software and the range of deployment options developed throughout 2009. The new OnDemand service represents a significant investment which has been ongoing since March 2006. It provides Atlantic Global and its customers with the following benefits:

- Deployment – the OnDemand product provides a flexible range of deployment options ranging from
  - On-Premise: Traditional Client Installation
  - Hosted: Dedicated Customer Installation on Atlantic Global's dedicated outsourced infrastructure or
  - OnDemand: All customers share the same Atlantic Global Software as a Service (SaaS) outsourced infrastructure.
- Wider Geographic Coverage – the OnDemand product has completed Multi-Currency and Multi-Lingual capability with English (UK), English (US) and French provided as standard. Additional languages are available on request, as demanded by customers.

Routes to Market

Atlantic Global continues to develop its routes to market through a mixture of direct and indirect selling organisations. We believe that the new functionality and the ease of deployment has made it easier for the Group to partner with other organisations as this has removed the need for partners to have the expert technical skills to install the product. The Group has negotiated an active sales partnership agreement and are actively exploring several further partner opportunities. Atlantic Global is also now able to penetrate the small user market almost remotely, aiming at sub 100 users which in current market conditions could be an attractive market to us, as the use of SaaS applications increases apace.

Sales and Marketing

The Group has made significant progress in this area with the launch of its new website, www.atlantic-global.com.

The new website includes a new resource centre (http://www.atlantic-ec.com/resources.html) where customers can register to access online video tutorials and download the latest product literature, product updates and case studies.

In addition, the new "Live Demo" area has been launched (http://www.atlantic-ec.com/register_for_demo). This enables prospective customers to easily register and use the product through the use of a demonstration database. When a user logs into the website, they can choose to simulate a range of configurations which have been created to address the three key markets as described above. We continually analyse the traffic on the website and in the "Live Demo" database which provides a valuable source of sales leads.

This new approach allows for potential customers to trial with the system prior to receiving a demonstration from the Group. These prospective customers can continue to use the system afterwards to help resolve any queries that they may have.

This has the advantage of giving customers greater access to our solution and lowers the administration and sales effort dealing with early stage enquiries. This provides a valuable means of qualifying sales leads as it often means that prospective customers who are in contact with the Group after having had a high level of exposure to our solutions should be further down their sales cycle.

The "Live Demo" is a key selling tool which means that Atlantic Global can now effectively sell its solution worldwide 24 hours per day, seven days per week. The "Live Demo" area also provides a useful platform for existing customers to explore new features.

Repurchase of Company Shares

For a number of years, Atlantic Global has maintained relatively high cash levels reflecting the cash generative nature of the business. The return on this surplus cash is increasingly modest and the Directors believe that this cash could be better used by continuing to repurchase some of the Company's shares for cancellation. The Directors believe this will enhance shareholder value and accordingly, we will seek re-approval at the forthcoming Annual General Meeting from shareholders to repurchase up to 10% of the Company's outstanding share capital from time to time. During 2009, the Company repurchased 313,000 shares at a cost of just over £51,000.

Current Trading

In the year to date, trading is in line with the Board's expectations. Overall, market conditions remain challenging but feedback received from existing and new customers, partners and potential partners regarding the latest product launches gives the Board confidence that the current year will show an improvement on 2009.

The Board is satisfied with the pipeline of new business prospects as well as the possibilities of new partnership opportunities. The Group is pleased to report that it has already secured approximately 63% of its budgeted 2010 support revenue.

Annual General Meeting

We shall be holding our AGM on 6 May 2010 at the Group's Head Office at Woodland Park, Bradford Road, Chain Bar, Cleckheaton, West Yorkshire, BD19 6BW.

The Board extends the invitation to all shareholders in the hope that as many as possible attend.

Dividend

The Directors are not proposing a full year dividend for the year ended 31 December 2009, (2008: 0.4 pence per share). The Directors will return to their progressive dividend policy once there is a return to profitability.

People

We recognise the contribution, commitment and enthusiasm made by all Group employees during 2009 which was a difficult year and which involved a significant effort to further develop Atlantic Global's products and identify routes to market.

Adrian Bradshaw
Chairman
23 March 2010

Directors’ Biographies

Brief biographies of the Group’s Directors are given below.

NON-EXECUTIVE DIRECTORS:

Adrian Bradshaw (54) – Chairman

Non-Executive Director: Adrian Bradshaw is currently, and has been, a director of a number of private and public companies. He previously worked for Citicorp Scrimgeour Vickers, NatWest Markets and Guidehouse Limited, and in 1989 he was appointed head of corporate finance at Arbuthnot Latham Bank. In 1991, he became chief executive officer of Incepta Group PLC before establishing Bradmount Investments Limited in 1993 as a private Investment company where he has been involved in a number of flotations, notably GW Pharmaceuticals plc, RWS Group plc, Atlantic Global plc and AssetCo plc. He is currently senior non-executive director of AssetCo PLC.

EXECUTIVE DIRECTORS:

Eugene Blaine (41)

Managing Director (and Founder): Prior to founding Atlantic EC Limited, Eugene joined Training International Limited in 1988 as an analyst programmer where he played a major role in the development of the Comic Relief computer system. In 1990 he joined Parachute Management Limited as a senior development consultant where he developed the project management system responsible for the rollout of the NUBS2 computer system throughout the employment service. He joined Direct Project Management Limited in 1991 as general manager. He has spearheaded the development of the Group since 1993 when he created its initial product Timesheet Expert for Windows. As Managing Director, he is involved in every aspect of its business, including driving the overall strategy, expanding its customer base and overseeing the development and implementation of its product range.

Rupert Hutton (43) FCCA MBA

Finance Director & Company Secretary: Rupert was appointed Finance Director during 2002, having worked with the Group since March 2001. Rupert is responsible for the Group’s daily finances, administration, legal and other central support functions. Previously he was Group Financial Controller of the Milton Keynes and North Bucks Chamber of Commerce Training and Enterprise, a £10m turnover group of six private limited companies. Rupert’s early career and formal accountancy training took place with Grant Thornton. He has a Masters in Business Administration and is a Fellow of the Association of Chartered Certified Accountants.

Paul Gleghorn (37)

Technical Director: Paul has been with the group since 1996. During this time he has performed both consulting and development roles and has been instrumental in the development of our suite of software products. Appointed Technical Director in April 2004, he continues to ensure that our products remain at the forefront of best technical and business practices. Prior to joining the Group he held developer positions in Procter & Gamble and Spectrum Computer Services Plc. Paul has a BSc Hons degree in Computing and Business.

The Directors present their annual report and the audited accounts for the year ended 31 December 2009.

Principal activities

The Group's principal activity is the development and sale of computer software, its maintenance and related services.

Business review and future developments

The principal activities of the Company and its subsidiaries are as follows:

Atlantic Global Plc	Group holding company
Atlantic EC Limited	Development and sale of business management software
Atlantic Global Inc	Dormant
Actualdetail Limited	Dormant

A commentary on the Group's activities and of future developments is included in the Chairman's Statement.

Dividends and Reserves

The Directors do not propose the payment of a final dividend for the year ended 31 December 2009 (2008: 0.4p per share).

Policy and practice on payment of creditors

Whilst the Group does not follow any code or standard on payment practice, its policy is to pay suppliers in accordance with agreed terms. At the end of the year there were eight days supplies in trade payables, (2008: nine days).

Research and development

The Group researches new and future technologies, keeping abreast of new advances, and continues to develop its software to meet its customers' ever expanding needs.

Financial risk management

The Directors are confident that the banking facilities currently in place are more than adequate for the working capital requirements. There is no significant exposure to currency risk or credit risk. More details are included in note 19 to the accounts.

Going concern

The directors have considered the available cash resources of the Group and its current forecasts and are satisfied that the Group has adequate resources to continue in operational existence for the foreseeable future and so the going concern basis has been adopted in the preparation of these financial statements

Principal risks and uncertainties

As a Group with significant cash resources the principal risks that are faced relate to the reduction of IT budgets and spending by their present and future customer base. This is addressed by the diversification of the product offering and delivery method.

Directors and Directors' interests

The Directors who held office during the year were as follows:

EA Blaine
RG Hutton
P Gleghorn
AE Bradshaw

P Gleghorn and AE Bradshaw retire by rotation in accordance with the Company's Articles of Association and, being eligible, offer themselves for re-appointment.

According to the register of Directors' interests, the Directors who held office at the end of the financial year had the following interests in the ordinary shares of the Company:

	Class of share	Interest at 31 December 2009	Percentage of total issued share capital	Interest at 1 January 2009
EA Blaine	Ordinary	11,585,267	51.6%	11,585,267
RG Hutton	Ordinary	59,000	0.3%	59,000
P Gleghorn	Ordinary	981,028	4.4%	981,028
AE Bradshaw	Ordinary	722,980	3.2%	722,980

Mr AE Bradshaw's shares include 208,000 shares bought using the Bradmount SSAS.

Share options in issue to Directors at 31 December 2009 and 1 January 2009

	At 1 January 2009 and at 31 December 2009	Exercise price	Exercise dates From	To
RG Hutton	120,000	25p	4 June 2004	3 June 2011
	20,000	25p	7 December 2004	6 December 2011
P Gleghorn	389,328	25p	4 June 2004	3 June 2011
	38,108	27p	19 March 2005	18 March 2012

Further details of total share options are analysed in note 17 to the accounts.

Purchase of own shares

During the year the company purchased 313,000 of its own ordinary shares (with a nominal value of £15,650) for a consideration of £51,260. These shares represented 1.39% of the total issued share capital as at 31 December 2009.

Major shareholdings

As at 18 March 2010 the Directors were aware of the following interests of over 3% of the issued ordinary share capital of the Company:

Shareholder	Number of shares	% of total issued share capital
E A Blaine	11,585,267	51.6%
Rathbone IM VCT	1,240,000	5.5%
P Gleghorn	981,028	4.4%
S L Howcroft	893,675	4.0%
Leggmason Investors AIM CT Plc	741,000	3.3%
A E Bradshaw	722,980	3.2%

Third party indemnity provisions

Certain directors benefit from qualifying third party indemnity provisions in place during the financial year and at the date of this report.

Political and charitable donations

During the year the Group made no political or charitable contributions.

Auditors

Grant Thornton UK LLP, offer themselves for reappointment in accordance with the Companies Act 2006.

By order of the board

RG Hutton
Company Secretary
23 March 2010

Maple House
Woodland Park
Bradford Road
Chain Bar
Cleckheaton
West Yorkshire
BD19 6BW

Statement of Directors' Responsibilities in Respect of the Directors' Report and the Financial Statements

The Directors are responsible for preparing the Annual 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 Group financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and the parent company financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The financial statements are required by law to give a true and fair view of the state of affairs of the Group and parent company and of the profit or loss of the Group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable International Financial Reporting Standards as adopted by the European Union have been followed, subject to any material departures disclosed and explained in the Group financial statements;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the parent company financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business;

The Directors are responsible for keeping adequate accounting records that 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.

In so far as the Directors are aware:

- there is no relevant audit information of which the company's auditors are unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's 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 Atlantic Global Plc

We have audited the group financial statements of Atlantic Global plc for the year ended 31 December 2009 which comprise the consolidated statement of comprehensive income, the consolidated statement of changes in equity, the consolidated balance sheet, the consolidated cashflow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

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 explained more fully in the Statement of Directors' Responsibilities in respect of the Directors' Report and the Financial Statements set out on page 12, the directors are responsible for the preparation of the group financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the group 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 financial statements

In our opinion the group financial statements:

- give a true and fair view of the state of the group's affairs as at 31 December 2009 and of its loss for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006

Opinion on other matter prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- 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.

Independent Auditor's Report to the members of Atlantic Global Plc
continued

Other matter

We have reported separately on the parent company financial statements of Atlantic Global plc for the year ended 31 December 2009.

Andrew Wood
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Leeds

23 March 2010

Consolidated Statement of Comprehensive Income
for the year ended 31 December 2009

	Notes	2009 £000	2008 £000
Revenue	2	**1,350**	2,176
Cost of sales		**(927)**	(1,186)
Gross profit		**423**	990
Administration and other operating expenses		**(569)**	(686)
Operating (loss)/profit		**(146)**	304
Finance income	6	**16**	97
(Loss)/profit before tax		**(130)**	401
Income tax credit/(expense)	7	**–**	(81)
(Loss)/profit and total comprehensive income for the period attributable to owners of the parent		**(130)**	320
(Loss)/Earnings per share			
Basic & diluted (pence)	8	**(0.57)p**	1.40p

Consolidated statement of changes in equity
for the 12 months ended 31 December 2009

12 months ended 31 December 2009	Share Capital £000	Share premium account £000	Merger reserve £000	Profit and loss account £000	Capital redemption reserve £000	Total £000
Balance brought forward at 1 January 2009	1,139	1,578	2,538	(59)	6	5,202
Dividends paid (note 9)	–	–	–	(91)	–	(91)
Share buy back	(16)	–	–	(52)	16	(52)
Transactions with owners	(16)	–	–	(143)	16	(143)
Loss and total comprehensive expense for the period	–	–	–	(130)	–	(130)
Balance at 31 December 2009	1,123	1,578	2,538	(332)	22	4,929

12 months ended 31 December 2008	Share Capital £000	Share premium account £000	Merger reserve £000	Profit and loss account £000	Capital redemption reserve £000	Total £000
Balance brought forward at 1 January 2008	1,145	1,578	2,538	(234)	–	5,027
Dividends paid (note 9)	–	–	–	(125)	–	(125)
Share buy back	(6)	–	–	(20)	6	(20)
Transactions with owners	(6)	–	–	(145)	6	(145)
Profit and total comprehensive income for the period	–	–	–	320	–	320
Balance at 31 December 2008	1,139	1,578	2,538	(59)	6	5,202

Consolidated Balance Sheet
as at 31 December 2009

	Notes	**2009 £000**	2008 £000
Assets			
Non-current assets			
Intangible assets	11	**2,792**	2,792
Property, plant and equipment	12	**13**	15
Deferred tax asset	13	**52**	9
Total non-current assets		**2,857**	2,816
Current assets			
Trade and other receivables	14	**507**	936
Income tax receivable		**12**	–
Cash and cash equivalents	15	**2,032**	2,159
		2,551	3,095
Total assets		**5,408**	5,911
Equity and liabilities			
Liabilities			
Current liabilities			
Trade and other payables	16	**479**	681
Income tax payable		–	28
Total liabilities		**479**	709
Equity attributable to owners of the parent			
Share capital	18	**1,123**	1,139
Share premium account		**1,578**	1,578
Merger reserve		**2,538**	2,538
Retained earnings		**(332)**	(59)
Capital redemption reserve		**22**	6
Total equity		**4,929**	5,202
Total equity and liabilities		**5,408**	5,911

These financial statements were approved by the board of directors on 23 March 2010 and were signed on its behalf by:

EA Blaine
Managing Director
Company no: 4168028

RG Hutton
Finance Director and Company Secretary

Consolidated Cash Flow Statement

for the year ended 31 December 2009

	Note	2009 £000	2008 £000
Cash flows from operating activities			
(Loss)/profit for the year		**(130)**	320
Adjustments for:			
Financial income		**(16)**	(97)
Income tax		**–**	81
Depreciation		**10**	14
Operating (loss)/profit before changes in working capital and provisions		**(136)**	318
Decrease in trade and other receivables		**429**	431
(Decrease) in trade and other payables		**(202)**	(86)
Income tax (paid)/received		**(83)**	8
Net cash from operating activities		**8**	671
Cash flows from investing activities			
Interest received		**16**	97
Acquisition of property, plant and equipment		**(8)**	(10)
Net cash from investing activities		**8**	87
Cash flows from financing activities			
Purchase of own shares		**(52)**	(20)
Dividends paid		**(91)**	(125)
Net cash used in financing activities		**(143)**	(145)
Net (decrease)/increase in cash and cash equivalents		**(127)**	613
Cash and cash equivalents at the beginning of the period		**2,159**	1,546
Cash and cash equivalents at the end of the period	15	**2,032**	2,159

1 Accounting policies

Significant accounting policies

Atlantic Global Plc (the "Company") is a public limited company incorporated in the UK. The Group financial statements consolidate those of the Company and its subsidiaries (together referred to as the "Group"). The parent company financial statements present information about the Company as a separate entity and not about its Group.

The accounting policies set out below have been applied consistently to all periods presented in these Group financial statements. The accounting policies have been applied consistently by Group entities. These accounts reflect the first time adoption of IAS1 Presentation of Financial Statements (revised 2007) and IFRS8 Operating Segments. The effect of the adoption standards has been presentational only. Given this the opening comparative balance sheet has not been presented as the information is unchanged from that presented previously.

Basis of preparation

The group financial statements have been prepared and approved by the directors in accordance with International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"). The Company has elected to prepare its Parent Company financial statements in accordance with UK GAAP. These Parent Company statements appear after the notes to the consolidated financial statements.

The directors have considered the available cash resources of the Group and its current forecasts and are satisfied that the Group has adequate resources to continue in operational existence for the foreseeable future and so the going concern basis has been adopted in the preparation of these financial statements.

The financial statements have been prepared under the historical cost convention.

The consolidated financial statements are presented in sterling, rounded to the nearest thousand.

Significant judgements and estimates

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The Directors consider that the key judgements and sources of estimation made in preparation of the financial statements are:

Intangible assets – Goodwill

Tests have been undertaken using commercial judgements and a number of assumptions and estimates have been made to support the carrying amount, assessed against discounted cash flows. The details of these assumptions are set out in note 11.

1 Accounting policies (continued)

Capitalisation of development expenditure

The directors review all development expenditure to ascertain whether it meets all the criteria of IAS38 and so requires capitalisation.

Revenue recognition

Certain of the Group's contracts for licences, professional services and maintenance services have a term of more than one year and do not fairly attribute the value of each type of service or timing of that service. The Directors assess the fair value of the entire contract attributable to each of the different services and the timing of when revenues should be recognised and this assessment can differ from the legally contracted values.

New standards

As of 31 December 2009, the following standards and interpretations are in issue but not yet effective:

Improvements to IFRSs (Issued 16 April 2009)

Group Cash-settled Share-based Payment Transactions – Amendment to IFRS 2 (effective 1 January 2010)

Amendment to IFRS 1 Additional Exemptions for First-time Adopters (effective 1 January 2010)

IAS 24 (Revised 2009) Related Party Disclosures (effective 1 January 2011)

The effect of the adoption of these new standards is expected to be presentational only

Basis of consolidation

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that are currently exercisable or convertible are taken into account. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

All intra-group balances and transactions, including unrealised profits or losses arising from intra-group transactions, are eliminated fully on consolidation.

Revenue recognition

Revenue represents the fair value of sales of licences, support and services contracts excluding sales related taxes made during the period to external customers.

Revenues are recognised on the basis of the performance of contractual obligations and to the extent that the right to consideration has been earned.

Revenue from the sale of software licences is recognised only when the software is installed, provided that the payment terms are unconditional, full payment is contractually binding and there are no material contract conditions or warranties. Revenue from chargeable services including consultancy, customisation and development is recognised as these services are performed. Support income is recognised evenly over the life of each support contract.

1 Accounting policies (continued)

Property, plant and equipment

Property, plant and equipment are held at cost less accumulated depreciation and impairment charges.

Depreciation is provided to write off the cost less the estimated residual value of property, plant and equipment by equal instalments over their estimated useful economic lives as follows:

Computer and office equipment	–	20% – 33.3% per annum
Short leasehold improvements	–	33.3% per annum

Material residual value estimates are updated as required, but at least annually.

Intangible assets – Goodwill

Goodwill represents the excess of cost of acquisitions over the fair value of the net identifiable assets acquired. Goodwill is stated at cost less any accumulated impairment losses. Goodwill is allocated to cash generating units. Goodwill is tested for impairment annually and where there is an indication of impairment. If impaired, goodwill is written down to its recoverable amount.

Impairment

The carrying amount of the Group's non-financial assets (other than goodwill), are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

An impairment loss is recognised whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognised in the consolidated statement of comprehensive income.

An impairment loss is recognised for the amount by which the carrying amount exceeds its recoverable amount. The recoverable amount is the higher of the asset's fair value less costs to sell and the value in use. For the purposes of assessing impairments, assets are grouped at the lowest levels for which there are identifiable cash flows.

Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to cash-generating units (group of units) and then, to reduce the carrying amount of the other assets of the unit (group of units) on a pro-rata basis.

Financial instruments

Non-derivative financial instruments comprise trade and other receivables, cash and cash equivalents and trade and other payables.

Non-derivative financial instruments are recognised initially at fair value plus, for instruments not at fair value through profit or loss, any directly attributable transaction costs, except as described below. Subsequent to initial recognition non-derivative financial instruments are measured as described below.

A financial instrument is recognised when the Group becomes a party to the contractual provisions of the instrument. Financial assets are derecognised if the Group's contractual rights to the cash flows from the financial assets expire or if the Group transfers the financial asset to another party without retaining control or substantially all risks and rewards of the asset. Regular way purchases and sales of financial assets are accounted for at trade date, i.e. the date that the Group commits itself to purchase or sell the asset. Financial liabilities are derecognised if the Group's obligations specified in the contract expire or are discharged or cancelled.

Cash and cash equivalents comprise cash balances and call deposits.

1 Accounting policies (continued)

Trade and other receivables

Trade receivables are recognised and carried at original fair value less allowance for any uncollectible amounts. Where debtor balances are considered to be irrecoverable an impairment charge is included in the consolidated statement of comprehensive income.

Trade payables

Trade payables are not interest-bearing and are initially stated at their fair value net of direct issue costs and thereafter are recognised at amortised cost using the effective interest method.

Post retirement benefits

The Group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The amount charged to the consolidated statement of comprehensive income represents the contributions payable to the scheme in respect of the accounting period.

Research and development costs

Expenditure on research (or the research phase of an internal project) is recognised as an expense in the period in which it is incurred.

Development costs incurred on specific projects are capitalised when all the following conditions are satisfied:

- completion of the intangible asset is technically feasible so that it will be available for use or sale
- the Group intends to complete the intangible asset and use or sell it
- the Group has the ability to use or sell the intangible asset
- the intangible asset will generate probable future economic benefits. Among other things, this requires that there is a market for the output from the intangible asset or for the intangible asset itself, or, if it is to be used internally, the asset will be used in generating such benefits
- there are adequate technical, financial and other resources to complete the development and to use or sell the intangible asset, and
- the expenditure attributable to the intangible asset during its development can be measured reliably

Development costs not meeting the criteria for capitalisation are expensed as incurred.

The cost of an internally generated intangible asset comprises all directly attributable costs necessary to create, produce, and prepare the asset to be capable of operating in the manner intended by management.

Careful judgement by the directors is applied when deciding whether the recognition requirements for development costs have been met. This is necessary as the economic success of any product development is uncertain and may be subject to future technical problems at the time of recognition. Judgements are based on the information available at each balance sheet date. In addition, all internal activities related to the research and development of new software products are continuously monitored by the Directors.

1 **Accounting policies (continued)**

Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Current tax is recognised in comprehensive income except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in previous years.

Deferred tax is provided using the balance sheet liability method (using rates enacted at the balance sheet date), providing for temporary differences between carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which an asset can be utilised. However, deferred tax is not provided on the initial recognition of goodwill, nor on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit. Deferred tax on temporary differences associated with shares in subsidiaries and joint ventures is not provided if reversal of these temporary differences can be controlled by the group and it is probable that reversal will not occur in the foreseeable future. In addition, tax losses available to be carried forward as well as other income tax credits to the group are assessed for recognition as deferred tax assets.

Changes in deferred tax assets or liabilities are recognised as a component of tax expense in comprehensive income, except where they relate to items that are charged or credited directly to equity in which case the related deferred tax is also charged or credited directly to equity.

Leases

Leases where the lessee does not receive substantially all of the risks and rewards of ownership are classified as operating leases. Payments made under operating leases are charged to the consolidated statement of comprehensive income on a straight line basis over the term of the lease.

Equity settled share based payments

All share based payment arrangements granted after 7 November 2002 that had not vested prior to 1 January 2006 are recognised in the financial statements.

The fair value of awards to employees that take the form of shares or rights to shares is recognised as an employee expense with a corresponding increase in equity. The fair value is measured at grant date using an option pricing model. If vesting periods or other non-market vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest. Estimates are subsequently revised if there is any indication that the number of share options expected to vest differs from previous estimates. Any cumulative adjustment prior to vesting is recognised in the current period. No adjustment is made to any expense recognised in prior periods if share options ultimately exercised are different to that estimated on vesting.

Upon exercise of share options the proceeds received net of attributable transaction costs are credited to share capital, and where appropriate share premium.

1 Accounting policies (continued)

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.
- "Merger reserve" represents the excess over nominal value of the fair value of consideration attributed to equity shares issued in part settlement for subsidiary company shares acquired.
- "Retained earnings" represents retained profits.
- "Capital Redemption reserves" represents the nominal value of shares purchased by the company.

2 Segment analysis

Operating segments

There is considered to be only one operating segment of the Group based on the information provided to the Chief Operating Decision Maker (considered to be the board of Directors).

The split of revenue by type is as follows:

	2009 £000	2008 £000
Sale of goods		
Licence sales	**202**	557
Sale of services		
Support sales	**668**	766
Service sales	**426**	853
On Demand – (Software as a Service)	**54**	–
	1,350	2,176

The Group derived 3% (2008: 2%) of its revenue from customers outside the UK.

No non-current assets are located outside the UK.

During the year ended 31 December 2009 the Group derived 17% of its total turnover from one client in the pharmaceutical industry and 17% from one client in the service industry (no such concentration existed in 2008).

3 Expenses and auditor's remuneration

Included in loss for the year are the following:

	2009 £000	2008 £000
Depreciation of owned plant and equipment	**10**	14
Operating leases rentals – buildings	**43**	43
Research and development expenditure	**403**	386

Auditor's remuneration:

	2009 £000	2008 £000
Group		
Audit	**5**	4
Fees paid to auditor in relation to taxation	**4**	3
Other services – audit of subsidiary	**6**	6
Company		
Audit	**4**	4

4 Staff numbers and costs

The average number of persons employed by the group (including directors) during the year, analysed by category, was as follows:

	Number of employees	
	2009	2008
Development	**10**	10
Sales and marketing	**10**	10
Human resources	**–**	1
Administration	**3**	4
	23	25

The aggregate payroll costs of these persons were as follows:

	2009 £000	2008 £000
Wages and salaries	**879**	1,020
Social security costs	**94**	111
Pension costs	**35**	35
	1,008	1,166

5 Remuneration of Directors

	2009 £000	2008 £000
Directors emoluments	**176**	182
Company contributions to money purchase pension schemes	**13**	13
Amounts paid to third parties in respect of directors' services	**20**	20
	209	215

During the year three (2008: three) directors accrued benefits under defined contribution pension schemes.

The aggregate of emoluments of the highest paid director was £83,000 (2008:£87,000) and Company pension contributions of £7,700 (2008:£7,500) were made to a personal pension scheme on his behalf.

6 Finance income

Recognised in the consolidated statement of comprehensive income

	2009 £000	2008 £000
Interest income on bank deposits	**16**	97

7 Income tax expense

Recognised in the consolidated statement of comprehensive income

	2009 £000	2008 £000
Current tax expense		
Current year	**–**	28
Adjustments for prior years	**43**	–
	43	28
Deferred tax expense		
Origination and reversal of temporary differences	**–**	53
Adjustments for prior years (note 13)	**(43)**	–
	(43)	53
Total tax in the consolidated statement of total income	**–**	81

Reconciliation of tax expense to the profit for the year

	2009 £000	2008 £000
(Loss)/profit before tax for the period	**(130)**	401
Tax using the UK corporation tax rate of 28% *(2008: 28%)*	**(36)**	112
Tax losses not utilised	**36**	–
Tax rates	**–**	(31)
Total tax expense	**–**	81

8 Earnings per share

Basic earnings per share

The calculation of basic earnings per share at 31 December 2009 was based on the (loss)/profit attributable to ordinary shareholders of (£130,000) (2008: £320,000) and a weighted average number of ordinary shares outstanding of 22,664,024 (2008: 22,862,692).

Diluted earnings per share

There were no potentially dilutive options in issue in 2009 or 2008 and consequently there is no difference between basic and diluted earnings per share.

9 Dividends

Details of the dividend payments made during the year are set out below

	2009 £000	2008 £000
Dividend paid 15 May 2009 of 0.4p per share (2008: 0.3p per share)	**91**	68
Dividend of nil p per share (2008: 0.25p per share)	**–**	57
	91	125

10 Investments

The Company's principal subsidiary undertakings, each of which is wholly owned are as follows:

Subsidiary undertaking	Principal activity	Country of registration	Registered number
Atlantic EC Limited	Software development and sales	England and Wales	4157160
Actualdetail Limited	Dormant	England and Wales	2780307
Atlantic Global Inc	Dormant	USA	

11 Intangible assets

	Goodwill £000
Cost	
Balance at 1 January 2008	2,792
Balance at 31 December 2008	2,792
Balance at 31 December 2009	2,792
Amortisation and impairment	
Balance at 1 January 2008	–
Balance at 31 December 2008	–
Balance at 31 December 2009	–
Net book value	
At 1 January 2008	2,792
At 31 December 2008	2,792
At 31 December 2009	**2,792**

11 Intangible assets (continued)

The Group tests goodwill annually for impairment, or more frequently if an event occurs to warrant a review. The goodwill is considered to relate to the entire operations of Atlantic EC Limited and so this is treated as a single cash generating unit (CGU). The recoverable amounts attributed are based on value in use calculations. The key assumptions made in undertaking the value in use calculations are set out below.

Budgeted profit and cash flow forecasts for the financial year ending 31 December 2010 were extrapolated using sector growth assumptions and used as the basis of the calculations. The key assumption included within these is a return to profitability in the future. The directors do not believe that any reasonably possible change in this view of long term profitability would cause the carrying amount of goodwill to exceed its recoverable amount.

Sector growth rate assumptions; 2% based on independent estimates of industry specific growth rates, where available.

Discount rate assumptions; 10% based on management's view of risks specific to the Group.

As a result of these calculations, no impairment provisions are considered necessary.

12 Property, plant and equipment

	Short leasehold premises and improvements £000	Computer and office equipment £000	Total £000
Cost			
Balance at 1 January 2008	3	189	192
Additions	–	10	10
Balance at 31 December 2008	3	199	202
Balance at 1 January 2009	3	199	202
Additions	–	8	8
Balance at 31 December 2009	3	207	210
Depreciation and impairment			
Balance at 1 January 2008	2	171	173
Depreciation charge for the year	1	13	14
Balance at 31 December 2008	3	184	187
Balance at 1 January 2009	3	184	187
Depreciation charge for the year	–	10	10
Balance at 31 December 2009	3	194	197
Net book value			
At 1 January 2008	1	18	19
At 31 December 2008	–	15	15
At 31 December 2009	–	13	13

13 Deferred tax assets

Recognised deferred tax assets

Deferred tax assets and liabilities are attributable to the following:

	Trading losses £000	Total £000
Recognised asset		
At 1 January 2008	62	62
Charged to consolidated statement of total income	(53)	(53)
At 1 January 2009	9	9
Credited to consolidated statement of total income (note 7)	43	43
At 31 December 2009	**52**	**52**

The recoverability of the deferred tax asset is dependant on future taxable profits in excess of those arising from the reversal of deferred tax liabilities. The recognition of the deferred tax asset is based upon profit forecasts for the year ending 31 December 2010.

14 Trade and other receivables

	2009 £000	2008 £000
Trade receivables	**443**	879
Prepayments and accrued income	**64**	57
	507	936

15 Cash and cash equivalents

	2009 £000	2008 £000
Cash and cash equivalents	**2,032**	2,159
Cash and cash equivalents per cash flow statement	**2,032**	2,159

16 Trade and other payables

	31 Dec 2009 £000	31 Dec 2008 £000
Trade payables	**26**	30
Social security and other taxes	**79**	136
Accruals and deferred income	**374**	515
	479	681

17 Employee benefits

Defined contribution plans

The Group operates a number of defined contribution pension plans.

The total expense relating to these plans in the current year was £35,000 (2008: £35,000)

Share-based payments

As at 31 December 2009 the following options had been granted and were still outstanding under the Company's Share Option Schemes.

	Date granted	No. of shares	Exercise price	Exercise dates From	To
Director	4 June 2001	509,328	25.0	4 June 2004	3 June 2011
Director	7 December 2001	20,000	25.0	7 December 2004	6 December 2011
Director	19 March 2002	38,108	27.0	19 March 2005	18 March 2012
Employee	4 June 2001	553,936	25.0	4 June 2004	3 June 2011
Employee	5 September 2001	60,000	25.0	5 September 2004	4 September 2011
Employee	7 December 2001	40,000	25.0	7 December 2004	6 December 2011
Employee	19 March 2002	34,662	27.0	19 March 2005	18 March 2012
Employee	31 October 2002	10,909	27.5	31 October 2005	30 October 2012
Ex Director	4 June 2001	206,464	25.0	4 June 2004	3 June 2011
Ex Director	19 March 2002	20,270	27.0	19 March 2005	18 March 2012
Ex Employee	31 October 2002	54,545	27.5	31 October 2005	30 October 2012
Employee	22 December 2009	400,000	15.5	22 December 2010	22 December 2019
Total		**1,948,222**			

The number and weighted average exercise prices of share options are as follows:

	2009		2008	
Date granted	**Weighted Average Exercise price (pence)**	**Number of options**	Weighted Average Exercise price (pence)	Number of options
Outstanding at 1 January 2009	24.9	1,598,222	25.7	2,375,345
Granted during the year	15.5	400,000	15.1	100,000
Lapsed during the year	16.0	(50,000)	26.0	(877,123)
Outstanding at 31 December 2009	23.2	1,948,222	24.9	1,598,222
Exercisable at 31 December 2009	25.2	1,548,222	25.2	1,548,222

The options outstanding at the end of the year have an exercise price in the range of 15.5 pence to 27.5 pence, and a weighted average contractual life of 3.3 years. The Black Scholes model has been used to measure the estimate of the fair value of the services received in return for share options granted.

Share options have been granted under the Atlantic Global Plc Enterprise Management Incentive Plan and the (approved by the Inland Revenue) and under the Atlantic Global Plc Unapproved share option plan. All options have been granted at the market value of Atlantic Global Plc ordinary shares at the date of the grant.

No charge has been recognised in the financial statements for the share options issued in the year as the charge is not considered material.

18 Share capital

	2009 £000	2008 £000
Authorised		
75,000,000 Ordinary shares of 5p each	**3,750**	3,750
Allotted, called up and fully paid		
22,471,350 (2008: 22,784,350) Ordinary shares of 5p each	**1,123**	1,139

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

The movement in shares in the year relates to the purchase of 313,000 ordinary shares of 5p by the company.

19 Financial instruments

Overview

The Group has exposure to the following risks from its use of financial instruments:

- credit risk
- interest rate risk

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital. There have been no changes in these areas from the previous period. Further quantitative disclosures are included throughout these consolidated financial statements.

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investment securities.

Trade and other receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the Group's customer base, including the default risk of the industry and country, in which customers operate, has less of an influence on credit risk.

19 Financial instruments (continued)

The Group establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments. The main components of this allowance are a specific loss component that relates to individually significant exposures, and a collective loss component established for groups of similar assets in respect of losses that have been incurred but not yet identified. The collective loss allowance is determined based on historical data of payment statistics for similar financial assets.

Capital management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitors both the demographic spread of shareholders, as well as the return on capital and the level of dividends to ordinary shareholders.

There were no changes in the Group's approach to capital management during the year.

Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

Financial assets and liabilities

The Group's activities are principally financed by cash at bank.

Summary of financial assets and liabilities by category

Loans and other receivables

	2009 £000	2008 £000
Cash and cash equivalents	**2,032**	2,159
Trade and other receivables excluding prepayments	**443**	879
	2,475	3,038
Current liabilities		
Trade payables: financial liabilities measured at amortised cost	**26**	30
Other short term financial liabilities measured at amortised cost	**453**	515
	479	545

Credit risk

Exposure to credit

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	Carrying amount	
	2009 £000	2008 £000
Cash and cash equivalents	**2,032**	2,159
Trade and other receivables excluding prepayments	**443**	879
	2,475	3,038

19 Financial instruments (continued)

Credit risk (continued)

The maximum exposure to credit risk for trade receivables at the reporting date by geographic region was:

	Carrying amount	
	2009 £000	2008 £000
United Kingdom	**423**	778
Europe	**20**	101
	443	879

All other the Group's trade and other receivables have been reviewed for indicators of impairment. An impairment provision of £nil (2008: £30k) has been made against specific balances. No impairment charge was made or released in the year.

In addition, some of the unimpaired trade receivables are past due as at the reporting date. The age of the trade receivables past due but not impaired are as follows:

	2009 £000	2008 £000
Not past due	**392**	563
Past due 0-30 days	**4**	155
Past due 31-120 days	**10**	32
Past due 120 days +	**37**	129
	443	879

Of the 31-120 days + balance, 92% of the £47,000 has been paid since year end.

Liquidity risk

The following are the contractual maturities of financial liabilities, including interest payments and excluding the impact of netting agreements:

31 December 2009

	Carrying amount £000	Contractual cash flows £000	6 mths or less £000	6-12 mths £000
Non-derivative financial liabilities				
Trade and other payables	**479**	479	359	120

31 December 2008

	Carrying amount £000	Contractual cash flows £000	6 mths or less £000	6-12 mths £000
Non-derivative financial liabilities				
Trade and other payables	**545**	545	405	140

Liquidity needs are managed by regular review of the timing of expected receivables and the maintenance of cash on deposit.

19 Financial instruments (continued)

Liquidity risk (continued)

Interest rate risk

There are no borrowings within the Group. The Group has significant levels of cash deposits and the interest rate is monitored on an ongoing basis to ensure a reasonable return is received in line with the Group's working capital requirements.

Currency risk

The Group has no foreign currency risk.

Interest rate and currency profile

The Group's financial assets comprise cash at bank and short-term investments. At 31 December 2009 the average interest rate earned on the temporary closing balances was 0.94% *(2008: 1.25%).*

Fair values versus carrying amounts

There is no material difference between fair values and carrying amounts of financial assets and liabilities.

20 Operating leases

Non-cancellable operating lease rentals are payable as follows:

	2009 Land and buildings £000	2008 Land and buildings £000
Within one year	**43**	43
Between one and five years	**86**	129
	129	172

21 Capital commitments

There were no capital commitments existing at 31 December 2009 or 31 December 2008.

22 Related parties

There have been no related party transactions during the year.

Independent Auditor's Report to the Members of Atlantic Global plc

We have audited the parent company financial statements of Atlantic Global plc for the year ended 31 December 2009 which comprise the parent company balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 explained more fully in the Statement of Directors' Responsibilities in respect of the Directors' Report and the Financial Statements set out on page 12, the directors are responsible for the preparation of the parent company financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the parent company 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 financial statements

In our opinion the parent company financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2009;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 parent company financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept 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.

Other matter

We have reported separately on the group financial statements of Atlantic Global plc for the year ended 31 December 2009.

Andrew Wood
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Leeds

Company Balance Sheet
at 31 December 2009

	Note	2009 £000	2009 £000	2008 £000	2008 £000
Fixed assets					
Investments	28		**4,127**		4,127
Current assets					
Debtors: amounts falling due after more than one year	29	**1,219**		1,328	
		1,219		1,328	
Net current assets			**1,219**		1,328
Net assets			**5,346**		5,455
Capital and reserves					
Called up share capital	30		**1,123**		1,139
Share premium account	31		**1,578**		1,578
Merger reserve	31		**2,538**		2,538
Profit and loss account	31		**85**		194
Capital redemption reserve	31		**22**		6
Equity shareholders' funds	32		**5,346**		5,455

These financial statements were approved by the board of directors on 23 March 2010 and were signed on its behalf by:

EA Blaine
Managing Director
Company no: 4168028

RG Hutton
Finance Director and Company Secretary

23 Company accounting policies

Basis of preparation

As used in the financial statements and related notes, the term 'Company' refers to Atlantic Global Plc. The separate financial statements of the Company are presented as required by the Companies Act 2006. As permitted by the Act, the separate financial statements have been prepared in accordance with UK Generally Accepted Accounting Principles (UK GAAP).

These accounts have been prepared in accordance with applicable accounting standards and under the historical cost convention.

A separate profit and loss account dealing with the results of the Company only has not been presented, as permitted by section 408 of the Companies Act 2006.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's financial statements.

Investments

Fixed asset investments are stated a cost less provision for impairment where appropriate. The Directors consider annually whether a provision against the value of investments on an individual basis is required. Such provisions are charged in the profit and loss account in the year.

Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in previous years.

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 have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exception:

- deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is recognised on an undiscounted basis.

Share based payments

The fair value of awards to employees that take the form of shares or rights to shares is recognised as an employee expense with a corresponding increase in equity. The fair value is measured at grant date and spread evenly over the period during which the employees become unconditionally entitled to the options. The fair value of the options granted is measured using an option valuation model, taking into account the terms and conditions upon which the options were granted. The amount recognised as an expense is adjusted to reflect the actual number of share options that vest.

24 Expenses and auditors' remuneration

The audit fee for the Company was £4,000 *(2008: £4,000).*

25 Staff numbers and costs

The average number of persons employed by the group (including directors) during the year, analysed by category, was as follows:

	Number of employees	
	2009	2008
Directors	**4**	4

The aggregate payroll costs of these persons were as follows:

	2009 £000	2008 £000
Wages and salaries	**192**	198
Social security costs	**22**	25
Other pension costs	**13**	13
	227	236

	2009 £000	2008 £000
Directors emoluments	**176**	182
Company contributions to money purchase pension schemes	**13**	13
Amounts paid to third parties in respect of directors' services	**20**	20
	209	215

During the year three (2008: three) directors accrued benefits under defined contribution pension schemes.

The aggregate of emoluments of the highest paid director was £83,000 (2008: £87,000) and Company pension contributions of £7,700 (2008: £7,500) were made to a personal pension scheme on his behalf.

26 Dividends

Details of the dividend payments made during the year are set out below

	2009 £000	2008 £000
Dividend paid 15 May 2009 of 0.4p per share (2008:0.3p per share)	**91**	68
Dividend of nil p per share (2008:0.25p per share)	**–**	57
	91	125

The aggregate amount of dividends proposed and not recognised as liabilities as at the year end is nil p per share *(2008: 0.4p)*.

27 Profit for the financial year

The profit dealt with in the accounts of the company is £34,000 (2008:£200,000).

28 Fixed asset investments

	Shares in group undertakings £000
Cost and net book value	
At start and end of year	4,127

The Company's principal subsidiary undertakings, each of whom are all wholly owned, are registered in England and Wales, and the United States as specified, are as follows:

	Principal activity	**Country of registration**	**Registered number**
Atlantic EC Limited	Software development and sale	England & Wales	4157160
Actualdetail Limited	Dormant	England & Wales	2780307
Atlantic Global Inc	Dormant	USA	–

29 Debtors

	2009 £000	2008 £000
Amounts owed by group undertakings	**1,219**	1,328

Amounts owed by the Group's undertakings are due in more than one year.

30 Called up share capital

	2009 £000	2008 £000
Authorised		
75,000,000 ordinary shares of 5p each	**3,750**	3,750
Allotted, called up and fully paid		
22,471,350 (2008: 22,784,350) ordinary shares of 5p each	**1,123**	1,139

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

The movement in shares in the year relates to the purchase of 313,000 ordinary shares of 5p each by the Company.

31 Share premium and reserves

	Capital Redemption reserve £000	Share premium account £000	Company merger reserve £000	Profit and loss account £000
At beginning of year	6	1,578	2,538	194
Profit for the year	–	–	–	34
Share Buy back	16	–	–	(52)
Dividend paid	–	–	–	(91)
At end of year	**22**	**1,578**	**2,538**	**85**

32 Reconciliation of movement in shareholders' funds

	2009 £000	2008 £000
Profit for the financial year	**34**	200
Dividends paid	**(91)**	(125)
Share Buy back	**(52)**	(20)
Reduction in share capital	**(16)**	(6)
Capital redemption	**16**	6
Net (reduction)/additions to shareholders' funds	**(109)**	55
Opening shareholders' funds	**5,455**	5,400
At end of year	**5,346**	5,455

33 Pension scheme

Defined contribution pension scheme

The Group operates a defined contribution pension scheme as well as making contributions to the Personal Pension Schemes of a certain employee. The pension cost charge for the period represents contributions payable by the Company and amounted to £13,000 *(2008: £13,000)*.

There were outstanding contributions to be paid over at the year end of £nil *(2008: £nil)*.

34 Employee share schemes

Share-based payments

See note 17 for details of share based payments.

Five Year Financial Summary

Year ending 31 December	2009 £000	2008 £000	2007 £000	2006 £000	2005 £000
Profit and Loss					
Turnover	**1,350**	2,176	2,303	1,961	2,137
Gross Profit	**423**	990	864	657	335
Admin expenses	**(569)**	(686)	(659)	(770)	(865)
Interest receivable	**16**	97	81	62	55
Profit/(loss) before taxation	**(130)**	401	286	(51)	(475)
Taxation	**–**	81	(53)	103	21
Profit/(loss) after taxation	**(130)**	320	233	52	(454)
Declared Dividends	**–**	(148)	(68)	–	–
Cash					
Net available cash	**2,032**	2,159	1,546	1,600	1,539
Statistics					
(Loss)/earnings per share (p)	**(0.57)p**	1.40p	1.02p	0.23p	(1.98)p
Dividend per share – Full year (p)	**–**	0.40p	0.30p	–	–
Dividend per share – Half year (p)	**–**	0.25p	–	–	–
Research & Development Expenditure (£000)	**403**	386	336	329	274
Number of Employees (No.)	**23**	25	27	26	30
Market information					
Share price at year end	**16.5p**	17.5p	13.5p	13.5p	21.5p
Market capitalisation (£m)	**£3.7m**	£4.0m	£3.1m	£3.1m	£4.9m

The cost and profit numbers listed above exclude Goodwill

Investor Relations

Atlantic Global recognises the importance of a good communication flow between the Group and its Shareholders. The information given within this Annual Report and Accounts is seen as a prime source of this flow and we will continue to develop the content as the opportunity arises. Our website allows us to update the flow of information and the website address is given below, alongside the email address for the Company Secretary.

We believe that our Annual General Meeting offers an excellent opportunity for the Company to meet the Shareholders and we would hope that the presentations planned for the meeting and individual discussions between Shareholders and Directors/Senior Executives thereafter, will help all in attendance to gain a fuller understanding of the Group's business and culture. Further details are provided in the Notice to the Meeting below.

The Directors are also very happy to be contacted by our Shareholders at any time during the year and hope that this will assist in the ongoing relationships that each wishes to develop.

We have shown below further general information that may be of use.

1 Registrar details and Shareholder queries

All enquiries relating to individual shareholder matters should be made to the Registrar at:

Capita Registrars
Shareholder Services Department
The Registry
34 Beckenham Road
Beckenham
Kent
BR3 4TU

Tel: 0870 162 3100
Fax: 020 8639 2342

E-mail: ssd@capitaregistrars.com

The Registrars will help with queries regarding personal holdings including:

- Change of name or address
- Lost certificates
- Transfer of shares
- Bereavement

All correspondence should be marked "Atlantic Global Plc" and please quote the full name and address in which the shares are registered.

Shareholder information is also available at the Registrar's website: www.capitaregistrars.com

2 Shareholder enquiries

- To Atlantic Global – Please contact Rupert Hutton, our Finance Director & Company Secretary:
  Tel: 01274 863300
  E-mail: rupert.hutton@atlantic-global.com
- Website address: www.atlantic-global.com

The website includes details about the Group's range of software for business solutions, further company news and investor sections.

3 Dealing references

The ordinary shares of Atlantic Global Plc are listed on the Alternative Investment Market of the London Stock Exchange (AIM). Our dealing codes and reference numbers are as follows:

- TIDM code: ATL.L
- SEDOL number: 3041954
- ISIN number: GB0030419542

4 Market makers & normal market size

Atlantic Global Plc has one Market Makers who deal in our ordinary shares:

- Winter flood Securities Limited

The normal market size in which our ordinary shares are dealt is 1,000.

5 Investor Internet addresses

Shareholders may be interested in the further information regarding the Group shown on the following websites, amongst others:

- The London Stock Exchange: www.londonstockexchange.com
- Hemscott Group Limited: www.hemscott.net
- Plus Markets Group: www.plusmarketsgroup.com

6 Share price listings

Atlantic Global Plc share price is listed in the following newspapers:

- Yorkshire Post

7 Unsolicited mail

The Company is legally obliged to make details of its share register available to other organisations. Therefore, some shareholders may receive unsolicited mail. Shareholders who wish to limit the receipt of such mail should contact:

The Mailing Preference Service
Freepost 22
London
W1E 7EZ
Website address: http://www.mpsonline.org.uk/mpsr/

8 Copies of Atlantic Global Report and Accounts

Further copies of the interim and annual reports of the Company are available from:

Mr R Hutton, Finance Director & Company Secretary, Atlantic Global Plc, Maple House, Woodland Park, Bradford Road, Chain Bar, Cleckheaton, West Yorkshire, BD19 6BW

- Website address: www.atlantic-global.com
- Email: info@atlantic-global.com

9 Financial calendar

Annual General Meeting:	6 May 2010
Announcement and issue of half-year results to 30 June 2010:	September 2010
Preliminary announcement for the annual results to 31 December 2010:	March 2011
Posting of the annual report and accounts to 31 December 2010:	March 2011

Notice is hereby given that the eighth Annual General Meeting of the Company will be held at the Company's registered office at, Park House, Woodland Park, Bradford Road, Chain Bar, Cleckheaton, West Yorkshire, BD19 6BW on 6 May 2010 at 14.30 for the following purposes:

Ordinary Business

1. To receive and adopt the Company's accounts and reports of the directors and auditors for the period ended 31 December 2009.
2. To re-appoint Messrs Grant Thornton UK LLP as auditors of the Company, to hold office until the conclusion of the next general meeting at which the accounts are laid before the Company and to authorise the Directors to fix their remuneration.
3. To receive Adrian Bradshaw's retirement as Director of the Company and to re-elect him to the Board of Directors of the Company.
4. To receive Paul Gleghorn's retirement as Director of the Company and to re-elect him to the Board of Directors of the Company.

Special Business

To consider and if thought fit, pass the following resolutions as ordinary resolutions.

5. (i) "THAT the Directors be generally and unconditionally authorised in accordance with section 551 of the Companies Act 2006 (the "Act") (in substitution for any existing authority to allot relevant securities) to exercise all the powers of the Company to allot relevant securities (within the meaning of section 560 of the Act) up to a maximum nominal amount of £400,000, provided that such authority shall expire on 29 July 2011, or such earlier time as this authority shall next be revoked or varied by the Company in general meeting, but so that the Company may before such expiry make an offer or agreement which would or might require relevant securities to be allotted after such expiry, and the Directors may allot relevant securities in pursuance of such offer or agreement as if the authority conferred by this resolution had not expired; and further

   (ii) THAT, the board be and it is hereby generally and unconditionally authorised to exercise all powers of the Company to allot equity securities (within the meaning of section 560 of the said Act) in connection with a rights issue in favour of ordinary shareholders where the equity securities respectively attributable to the interests of all ordinary shareholders are proportionate (as nearly as may be) to the respective numbers of ordinary shares held by them up to an aggregate nominal amount of £379,000 provided that this authority shall expire on the conclusion of the next annual general meeting of the Company after the passing of this resolution save that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the board may allot equity securities in pursuance of such an offer or agreement as if the authority conferred hereby had not expired."

To consider and, if thought fit, pass the following resolutions as special resolutions.

6. "THAT, subject to the passing of resolution 5 as set out in the notice of this meeting, the Directors be empowered pursuant to section 570 of the Companies Act 2006 (the "Act") (in substitution for any existing authority to allot relevant securities) to allot equity securities (as defined in section 560 of the Act) for cash pursuant to the general authority conferred by resolution 5 as set out in the notice of this meeting and be empowered pursuant to section 573 of the Companies Act 2006 to sell ordinary shares (as defined in section 560 of the Act) held by the Company as treasury shares (as defined in section 724 of the Companies Act 2006) as if section 561(1) of the Act did not apply to such allotment or sale, provided that this power shall be limited to allotments of equity securities and the sale of treasury shares:

   a. in connection with or pursuant to an offer by way of rights, open offer or other pre-emptive offer to the holders of shares in the Company and other persons entitled to participate therein in proportion (as nearly as practicable) to their respective holdings, subject to such exclusions or other arrangements as the Directors may consider necessary or expedient to deal with fractional entitlements or legal or practical problems under the laws of any territory or the regulations or requirements of any regulatory authority or any stock exchange in any territory;

b. in connection with the Company's existing employee share schemes; and

c. otherwise than pursuant to sub-paragraphs (a) and (b) above, up to an aggregate nominal amount of £57,250;

and such power shall expire at the conclusion of the next annual general meeting of the Company to be held after the passing of this resolution or such earlier time as this authority shall next be revoked or varied by the Company in general meeting, but so that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of such offer or agreement as if the power conferred by this resolution had not expired."

7. "THAT the Company be generally and unconditionally authorised pursuant to section 701 of the Companies Act 2006 to make market purchases (within the meaning of section 693 of the Companies Act 2006) of ordinary shares of 5p each in the capital of the Company (ordinary shares) provided that:

   (a) the maximum number of ordinary shares hereby authorised to be purchased is 2,247,135 (representing 10% of the Company's issued ordinary share capital at 22 March 2010);

   (b) the minimum price, exclusive of any expenses, which may be paid for an ordinary share is 5p;

   (c) the maximum price, exclusive of any expenses, which may be paid for any such share is an amount equal to 105% of the average of the middle market quotations for an ordinary share taken from the London Stock Exchange Daily Official List for the five business days immediately preceding the date on which such share is contracted to be purchased;

   (d) the authority hereby conferred shall expire on the earlier of 4 November 2011 or at the close of the annual general meeting of the Company to be held in 2011;

   (e) the Company may make a contract for the purchase of ordinary shares under this authority before the expiry of this authority which would or might be executed wholly or partly after the expiry of such authority, and may make purchases of ordinary shares in pursuance of such a contract as if such authority had not expired.

8. THAT, the Company be authorised to send all documents, notices and information by electronic means (as such term is defined in the Financial Services Authority's Disclosure and Transparency Rules) including by means of a website and in all electronic forms

9. THAT the Articles of Association of the Company are amended by deleting all the provisions of the Company's Memorandum of Association which, by virtue of section 28 Companies Act 2006, are to be treated as provisions of the Company's Articles of Association and the Articles of Association set out in the document produced to this meeting and signed by the Chairman of the meeting for the purposes of identification be and are hereby approved and adopted as the Articles of Association of the Company in substitution for and to the exclusion of all existing Articles of Association of the Company.

By order of the Board of Directors

R Hutton
Company Secretary

Dated this day 23 March 2010

Notes

1. Any member of the Company entitled to attend, speak and vote at the above mentioned meeting may appoint one or more proxies to attend, speak and, on a poll, vote instead of that member. A proxy may demand, or join in demanding, a poll. A proxy need not be a member of the Company. Completion and return of a form of proxy will not preclude a member from attending and voting at the meeting in person should he/she subsequently decide to do so.

2. To be valid the instrument appointing a proxy and any authority under which it is executed (or a copy of the same certified notarially) must be deposited at the registered office of the Company not less than 48 hours (excluding any part of a day which is not a working day) before the time of the meeting.

3. As permitted by Regulation 41 of the Uncertificated Securities Regulations 2001, shareholders who hold shares in uncertificated form must be entered on the Company's register at not less than 48 hours before the time scheduled for the AGM in order to be entitled to attend and vote at the Annual General Meeting. Such shareholders may only cast votes in respect of shares held at such time. Changes to entries on the relevant register after that time shall be disregarded in determining the rights of any person to attend or vote at the meeting.

4. A copy of the balance sheet and every document required by law to be annexed to it, which are to be laid before the above mentioned meeting, are enclosed. The statutory registers are available for inspection during normal business hours without charge at Maple House, Woodland Park, Bradford Road, Chain Bar, Cleckheaton, West Yorkshire, BD19 6BW.

5. A copy of the Directors' service contracts referred to in section 228 of the Companies Act 2006 will be available for inspection by any member at the registered office of the Company during normal business hours on each business day from the date of the notice convening the Annual General Meeting up to the close of the meeting.

Explanation of Special Business:

6. The Companies Act 2006 provides that Directors shall only allot unissued shares with the authority of shareholders in general meeting. Resolution 5 will be proposed as an Ordinary Resolution for the renewal of the Directors' general authority to issue relevant securities up to an aggregate nominal amount of £400,000, representing approximately one third of the current issued share capital of the Company. Resolution 5(ii) follows ABI guidelines which recommend that a company can issue a further third of its issued share capital provided that this is done on a pre-emptive basis. The Directors have no present intention of exercising this authority. The directors may also allot shares pursuant to the Company's existing employee share schemes.

7. The Companies Act 2006 also provides that any allotment of new shares for cash must be made pro rata to individual shareholders' holdings, unless such provisions are disapplied under section 570 of the Companies Act 2006. Resolution 6 will be proposed as a Special Resolution for the renewal of the Directors' authority to allot equity securities for cash, without first offering them to shareholders pro rata to their holdings. This authority facilitates issues made by way of rights to shareholders which are not strictly in accordance with section 561 of the Companies Act 2006, authorises the issue of shares pursuant to the Company's existing employee share schemes and further authorises other allotments of up to a maximum aggregate nominal amount of £57,250 of shares, representing approximately 5 per cent of the current issued ordinary share capital of the Company. The Directors have no present intention of exercising this authority, other than in operation of the Company's existing employee share schemes.

8. Resolution 7, proposed as a special resolution, asks shareholders to grant until the earlier of 4 November 2011 or the next annual general meeting, the board authority to buy the Company's own shares subject to the constraints set out in resolution 7. The board would exercise this power only if satisfied that it was in the interests of the shareholders as a whole to do so and that it was likely to result in an increase in earnings per share.

9. The Companies (Acquisition of Own Shares) (Treasury Shares) Regulations 2003 (the Regulations) were laid before Parliament on 15 April 2003 and came into effect on 1 December 2003. The Regulations enable companies to retain any of their own shares they have purchased as treasury stock with a view to possible re-issue at a future date, rather than cancelling them as was previously required. The Company would consider holding any of its own shares that it purchases pursuant to the authority conferred by this resolution as treasury stock provided that the number so held did not at anytime exceed 10% of the Company's issued share capital. This would give the Company the ability to re-issue treasury shares quickly and cost-effectively, and would provide the Company with additional flexibility in the management of its capital base.

10. Resolution 8 enables the Company to take advantages in the Companies Act 2006 to allow it to communicate with its shareholders by electronic means and by way of a website.

11. Resolution 9 relates to the adoption of new articles of association as the articles have been amended to reflect the provisions of the Companies Act 2006.

Directors and Advisers

Directors and Advisers

Executive Directors
EA Blaine, *Managing Director*
RG Hutton, FCCA, MBA, *Finance Director & Company Secretary*
P Gleghorn, *Technical Director*

Non-Executive Directors
AE Bradshaw, *Non-Executive Director*

Composition of Board Committees

Audit Committee AE Bradshaw (*Chairman*)

Remuneration Committee – AE Bradshaw (*Chairman*), EA Blaine and RG Hutton

Finance Director and Company Secretary – RG Hutton, FCCA, MBA

Auditors
Grant Thornton UK LLP
No.1 Whitehall Riverside
Leeds
LS1 4BN

Solicitors
Eversheds LLP
Central Square South
Orchard Street
Newcastle-upon-Tyne
NE1 3XX

Brokers and Nominated Advisers
Daniel Stewart
Beckett House
Old Jewry
London
EC2R 8DD

Registrars
Capita Registrars
Northern House
Woodsome Park
Fenay Bridge
Huddersfield
HD8 0GA

Bankers
Barclays Bank Plc
PO Box 285
10 Market Street
Bradford
West Yorkshire
BD1 1XW

Financial Public Relations
Abchurch Communications Limited
100 Cannon Street
London
EC4N 6EU

Registered Office
Maple House
Woodland Park
Chain Bar
Bradford Road
Cleckheaton
West Yorkshire
BD19 6BW

Tel: 01274 863300
Fax: 01274 865966
E-mail: info@atlantic-global.com
Website: www.atlantic-global.com

Registered in England and Wales: 4168028

Form of Proxy

For use at the eight Annual General Meeting of Atlantic Global Plc to be held on 6 May 2010 at 2.30pm at Maple House, Woodland Park, Bradford Road, Chain Bar, Cleckheaton, West Yorkshire, BD19 6BW, and at any adjourned meeting thereof.

I/We ....

of ....

(Please insert full name(s) and address(es) in block letters – see Note 1 below)

being (a) member(s)/a person nominated by (a) member(s) of the above-named Company hereby appoint the Chairman of the meeting

or ....

(Name of Proxy Number of Shares (See Note 2 below) as my/our proxy or proxies to vote for me/us and on my/our behalf at the general meeting of the Company to be held on 6 May 2010 and at any adjournment of that meeting and to vote at that meeting as indicated below. Please indicate how you wish your proxy or proxies to vote by inserting "X" in the box below. Where no "X" is inserted, and on any other resolutions proposed at the meeting, your proxy will vote or abstain from voting as he/she thinks fit.

☐ Please tick here if this proxy appointment is one of multiple proxies being made (and refer to note 2 below).

Enter the number of shares in relation to which your proxy is authorised in the box provided or leave blank to authorise your proxy to act in relation to your full voting entitlement.

RESOLUTIONS

Ordinary Business	**For**	**Against**	**Withheld**	**Discretionary**
1. To receive and adopt the Company's accounts and the reports of the Directors and auditors for the period ended 31 December 2009.				
2. To re-appoint Messrs Grant Thornton UK LLP as auditors of the Company to hold office until the conclusion of the next general meeting at which the accounts are laid before the Company and to authorise the Directors to fix their remuneration.				
3. To receive Adrian Bradshaw's retirement as a Director of the Company and re-elect him to the Board of Directors of the Company.				
4. To receive Paul Gleghorn's retirement as a Director of the Company and re-elect him to the Board of Directors of the Company.				

Special Business	**For**	**Against**	**Withheld**	**Discretionary**
5. To authorise the Directors to allot relevant securities pursuant to s.551 Companies Act 2006.				
6. To authorise the Directors to allot equity securities pursuant to s.570 Companies Act 2006.				
7. To authorise the Company to make market purchases within the meaning of s.701 Companies Act 2006.				
8. To authorise the Company to communicate with its shareholders by electronic means and by means of a website.				
9. To adopt new articles of association.				

Signature(s) of Person(s) attending ....

or Common Seal ....

NOTES:

1. All members are entitled to attend and vote at the meeting, whether or not they have returned a form of proxy.
2. If any other proxy is preferred, delete the words "the Chairman of the Meeting or;" insert the full name of the proxy or proxies you wish to appoint and initial the alteration. If you are appointing more than one proxy you must indicate the number of shares in respect of which you are making this appointment, using the box provided for additional proxy form(s) you may photocopy this form. Please return all the forms together in the same envelope and tick the box to indicate each form is one of multiple instructions being given. Please take care when completing the number of shares; if the total number of shares exceeds the total held by the member, all appointments may be invalid.
3. A proxy need not be a member of the Company but must attend the meeting in person.
4. In the case of a corporation this form of proxy must be executed under its common seal or under the hand of an officer or attorney duly authorised in writing. In the case of an individual, the form of proxy must be signed by the individual or his attorney.
5. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other joint holders and for this purpose seniority shall be determined by the offer in which the names stand in the register of members.
6. If you want your proxy to vote in a certain way on the resolutions, please insert "X" in the relevant box.
7. The "withheld" option is provided to enable you to abstain on any particular resolution. However, it should be noted that a "withheld" is not a vote in law and will not be counted in the calculation of the proportion of votes "For" and "Against" a resolution.
8. If you select 'discretionary' or fail to select any of the options, your proxy can vote as he or she chooses or can decide not to vote. Your proxy can also do this on any other resolution that is put to the meeting.
9. If this form of proxy is returned duly signed but without any indication as to how the person appointed proxy shall vote, he will exercise his discretion as to how he votes and whether or not he abstains from voting.
10. Any alterations made in this form of proxy should be initialled.
11. Appointment of a proxy will not preclude a member from attending and voting in person should he subsequently decide to do so.
12. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, only those shareholders registered in the register of members of the Company at 2.30pm on 4th May 2010 or, if the meeting is adjourned, shareholders on the Company's register of members not later than 48 hours before the time fixed for the adjourned meeting, shall be entitled to attend and vote at the meeting (excluding any part of a day which is a non-working day).
13. The right to appoint a proxy does not apply to persons whose shares are held on their behalf by another person and who have been nominated to receive communications from the company in accordance with section 146 of the Companies Act 2006 ("nominated persons"). Nominated persons may have a right under an agreement with the registered shareholder who holds the shares on their behalf to be appointed (or to have someone else appointed) as a proxy. Alternatively, if nominated persons do not have such a right, or do not wish to exercise it, they may have a right under such an agreement to give instructions to the person holding the shares as to the exercise of voting rights.
14. If two or more valid forms of proxy are delivered in respect of the same share, the one which is valid will be the one which was delivered last (regardless of its date or the date of its execution).
15. In order to facilitate voting by corporate representatives at the meeting, arrangements will be put in place at the meeting so that (i) if a corporate shareholder has appointed the Chairman of the meeting as its corporate representative with instructions to vote on a poll in accordance with the directions of all of the other corporate representatives for that shareholder at the meeting, then on a poll those corporate representatives will give voting directions to the Chairman and the Chairman will vote (or withhold a vote) as corporate representative in accordance with those directions; and (ii) if more than one corporate representative for the same corporate shareholder attends the meeting but the corporate shareholder has not appointed the Chairman of the meeting as its corporate representative, a designated corporate representative will be nominated, from those corporate representatives who attend, who will vote on a poll and the other corporate representatives will give voting directions to that designated corporate representative. Corporate shareholders are referred to the guidance issued by the Institute of Chartered Secretaries and Administrators on proxies and corporate representatives – www.icsa.org.uk – for further details of this procedure. The guidance includes a sample form of representation letter if the Chairman is being appointed as described in (i) above. A letter in this form would be acceptable to the Company and its Registrars.

Second Fold

BUSINESS REPLY
Licence Number RSBH-UXKS-LRBC

1

PXS
34 Beckenham Road
Beckenham
BR3 4TU

First Fold

Third Fold

Atlantic Global

TRADED ON AIM LONDON STOCK EXCHANGE

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