

# **MPSI SYSTEMS LIMITED**

## **Annual report and financial statements**

Registered number 01458176 (England and Wales)

For the year ended 30 June 2017



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## Director's report

The Directors presents their report and financial statements for the year ended 30 June 2017.

### Principal activities

The principal activity of the company continued to be consultancy services and marketing decision support systems.

### Proposed dividend

The directors do not recommend the payment of a dividend.

### Directors

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

G Budoi (resigned 8 September 2017)

A Brown (appointed 8 September 2017)

M Hawtin (appointed 8 September 2017)

### Political contributions

The Company made no political donations or incurred any political expenditure during the year.

### Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and the directors have taken all the steps that he ought to have taken as a directors to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

### Strategic report

The company has met the requirements in the Companies Act 2006 to obtain the exemption provided, based on its size, from the presentation of a strategic report.

### Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the board

  
A Brown

Director

29 March 2018

196 Deansgate  
Manchester  
M3 3WF

## **Statement of Director's responsibilities in respect of the Director's report and financial statements**

The Directors are responsible for preparing the Director's report and financial statements in accordance with applicable law regulations. Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 Reduced Disclosure Framework.

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures discussed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable him to ensure that the financial statements comply with the Companies Act 2006. He has a general responsibility for taking such steps as are reasonably open to him to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



KPMG LLP

One St Peter's Square  
Manchester  
M2 3AE  
United Kingdom

## **Independent auditor's report to the members of MPSI Systems Limited**

We have audited the financial statements of MPSI Systems Limited for the year ended 30 June 2017 set out on pages 5 to 13. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS 101 *Reduced Disclosure Framework*.

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 Director and auditors**

As explained more fully in the Director's responsibilities statement set out on page 2, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements, in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's 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 Financial Reporting Council's web-site at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on other matters prescribed by the Companies Act 2006**

In our opinion the information given in the Director's report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Based solely on the work required to be undertaken in the course of the audit of the financial statements and from reading the Director's report:

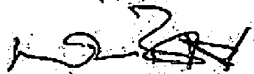
- we have not identified material misstatements in that report; and
- in our opinion, that report has been prepared in accordance with the Companies Act 2006.

## **Independent auditors' report to the members of MPSI Systems Limited (continued)**

### **Matters on which we are required to report by exception**

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.



### **Will Baker (Senior Statutory Auditor)**

for and on behalf of KPMG LLP, Statutory Auditor

*Chartered Accountants*

One St Peter's Square

Manchester

M2 3AE

29 March 2018

**Profit and Loss Account and Other Comprehensive Income**  
for the year ended 30 June 2017

	<i>Note</i>	<b>2017</b> £	<b>2016</b> £
Continuing operations			
<b>Turnover</b>	<b>2</b>	<b>477,311</b>	<b>416,644</b>
Cost of sales		-	-
<b>Gross profit</b>		<b>477,311</b>	<b>416,644</b>
Administrative expenses		<b>(229,257)</b>	<b>(256,166)</b>
<b>Operating profit</b>	<b>3</b>	<b>248,054</b>	<b>160,478</b>
Interest receivable and similar income		-	1
<b>Profit before taxation</b>		<b>248,054</b>	<b>164,790</b>
Tax	<b>6</b>	-	-
<b>Profit for the financial year</b>		<b>248,054</b>	<b>160,479</b>
Other comprehensive income		-	-
<b>Total comprehensive income</b>		<b>248,054</b>	<b>160,479</b>

The notes on pages 8 to 13 form part of these financial statements.

**Balance Sheet  
at 30 June 2017**

	<i>Note</i>	<b>2017 £</b>	<b>2016 £</b>
<b>Fixed assets</b>			
Tangible assets	7	1,046	2,644
<b>Current assets</b>			
Debtors	8	3,269,815	2,940,549
Cash at bank and in hand		2,395	1,272
		<b>3,272,210</b>	<b>2,941,821</b>
<b>Creditors: Amounts falling due within one year</b>	9	<b>(1,153,878)</b>	<b>(1,073,141)</b>
<b>Net current assets</b>		<b>2,118,332</b>	<b>1,868,680</b>
<b>Total assets less current liabilities</b>		<b>2,119,378</b>	<b>1,871,324</b>
<b>Net assets</b>		<b>2,119,378</b>	<b>1,871,324</b>
<b>Capital and reserves</b>			
Called up share capital	10	4,311,973	4,311,973
Profit and loss account		(2,192,595)	(2,440,649)
<b>Shareholders' funds</b>		<b>2,119,378</b>	<b>1,871,324</b>

The notes on pages 8 to 13 form part of these financial statements.

These financial statements were approved by the board of directors on 29 March 2018 and were signed on its behalf by:



**Ashley Brown**  
Director

Company registered number: 01458176



## Statement of Changes in Equity

	Called up share capital £	Profit and loss account £	Total equity £
Balance at 1 July 2015	4,311,973	(2,601,128)	1,710,845
<b>Total comprehensive income for the period</b>			
Profit for the financial year	-	160,479	160,479
<b>Balance at 30 June 2016</b>	<b>4,311,973</b>	<b>(2,440,649)</b>	<b>1,871,324</b>

	Called up share capital £	Profit and loss account £	Total equity £
Balance at 1 July 2016	4,311,973	(2,440,649)	1,871,324
<b>Total comprehensive income for the period</b>			
Profit for the financial year	-	248,054	248,054
<b>Balance at 30 June 2017</b>	<b>4,311,973</b>	<b>(2,192,595)</b>	<b>2,119,378</b>

The notes on pages 8 to 13 form part of these financial statements.

## Notes

*(forming part of the financial statements)*

### 1 Accounting policies

#### *Basis of preparation*

MPSI Systems Limited (the "Company") is a private company incorporated, domiciled and registered in England in the UK. The registered number is 01458176 and the registered address is 196 Deansgate, Manchester, M3 3WF, UK.

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101"). The amendments to FRS 101 (2014/15 Cycle) issued in July 2015 have been applied.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The Company's ultimate parent undertaking, Kalibrate Technologies Limited includes the Company in its consolidated financial statements. The consolidated financial statements of Kalibrate Technologies Limited are prepared in accordance with International Financial Reporting Standards and are available to the public and may be obtained from 196 Deansgate, Manchester, M3 3WF, UK.

In these financial statements, the company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- a Cash Flow Statement and related notes;
- Comparative period reconciliations for share capital, and tangible fixed assets;
- Disclosures in respect of transactions with wholly owned subsidiaries;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs; and
- Disclosures in respect of the compensation of Key Management Personnel.

As the consolidated financial statements of the ultimate parent undertaking include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosure:

- Certain disclosures required by IFRS 13 Fair Value Measurement and the disclosures required by IFRS 7 Financial Instrument Disclosures.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

#### *Measurement convention*

The financial statements are prepared on the historical cost basis.

#### *Going Concern*

These accounts have been prepared on a going concern basis. Based on a review of future forecasts and the financial position of the company, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future.

## **Notes (continued)**

### **1 Accounting policies (continued)**

#### ***Foreign currency***

Transactions in foreign currencies are translated to the Company's functional currencies at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date.

#### ***Non-derivative financial instruments***

Non-derivative financial instruments comprise of trade and other debtors, cash and cash equivalents, and trade and other creditors.

##### ***Trade and other debtors***

Trade and other debtors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

##### ***Cash and cash equivalents***

Cash and cash equivalents comprise cash balances and call deposits.

##### ***Trade and other creditors***

Trade and other creditors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

#### ***Tangible fixed assets and depreciation***

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Where parts of an item of tangible fixed assets have different useful lives, they are accounted for as separate items of tangible fixed assets.

Depreciation is charged to the profit and loss account on a straight-line basis over the estimated useful lives of each part of an item of tangible fixed assets. The estimated useful lives are as follows:

- Fixtures, fittings and equipment 3 years

Depreciation methods, useful lives and residual values are reviewed at each balance sheet date.

#### ***Turnover***

The company perform services on behalf of other group entities. These services relate to survey projects. Revenue is recognised through intercompany accounts when work is performed on behalf of other group entities.

#### ***Taxation***

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

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

Deferred tax assets are only recognised when there is certainty of generating future taxable profits against which the temporary difference can be utilised.

## Notes (continued)

### 2 Turnover

	2017 £	2016 £
Rendering of services	477,311	416,644
Total turnover	477,311	416,644
<hr/>		
	2017 £	2016 £
By activity		
Professional services	477,311	416,644
	477,311	416,644
<hr/>		
By geographical market		
North America	477,311	416,644
	477,311	416,644
<hr/>		

### 3 Operating profit

Included in operating profit are the following:

	2017 £	2016 £
Amounts receivable by the company's auditor in respect of: Audit of the statutory financial statements	5,500	5,500

Amounts receivable by the Company's auditor and its associates in respect of services to the Company and its associates, other than the audit of the Company's financial statements, have not been disclosed as the information is required instead to be disclosed on a consolidated basis in the consolidated financial statements of the Company's parent, Kalibrate Technologies Limited.

### 4 Staff numbers and costs

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

	Number of employees	
	2017	2016
Management	2	1
Professional services	2	2
	4	3

The aggregate payroll costs of these persons were as follows:

	2017 £	2016 £
Wages and salaries	167,386	87,521
Social security costs	4,671	6,197
	172,057	93,718

## Notes (continued)

### 5 Directors' remuneration

	2017 £	2016 £
Directors' remuneration	-	-

Amounts payable in respect of remuneration to the Directors have not been disclosed as the information is required instead to be disclosed on a consolidated basis in the consolidated financial statements of the Company's parent, Kalibrate Technologies Limited.

### 6 Taxation

Analysis of charge in the year:

	2017 £	2016 £
<i>UK corporation tax</i>		
Current tax on income for the period	-	-
Adjustments in respect of prior periods	-	-
Double taxation relief	-	-
<i>Foreign tax</i>		
Current tax on income for the period	-	-
Adjustments in respect of prior periods	-	-
Tax on profit	-	-

### Income tax recognised in other comprehensive income

	2017 £	2016 £
Income tax recognised in other comprehensive income	-	-

### Reconciliation of effective tax rate

	2017 £	2016 £
Profit for the year	248,054	160,479
Total tax expense (including tax on discontinued operations)	-	-
Profit excluding taxation	248,054	160,479
Tax using the UK corporation tax rate of 20% (2016: 20%)	49,611	32,096
Current year losses for which no deferred tax was recognised	(49,367)	(31,825)
Non-deductible expenses and other permanent differences	(244)	(271)
Total tax expense	-	-

The company has estimated losses of £2,461,271 (2016: £2,708,104) available for carry forward against future trading profits.

## Notes (continued)

### 6 Taxation (continued)

The company also has estimated capital losses of £12,488 (2016: £12,488) available for carry forward against future capital gains.

No deferred tax asset has been recognised due to the uncertainty of generating future taxable profits.

Tax losses of £246,833 (2016: £159,123) were utilised in the year.

### 7 Tangible fixed assets

	Fixtures, fittings and equipment £
<b>Cost</b>	
Balance at 30 June 2016 and 30 June 2017	16,974
<b>Depreciation and impairment</b>	
Balance at 30 June 2016	14,330
Depreciation charge for the year	1,598
Balance at 30 June 2017	15,928
<b>Net book value</b>	
At 1 July 2016	2,644
At 30 June 2017	1,046

### 8 Debtors

	2017 £	2016 £
Amounts owed by group undertakings	3,269,815	2,808,276
Other debtors	-	820
Due within one year	3,269,815	2,809,096

### 9 Creditors: amounts falling due within one year

	2017 £	2016 £
Amounts owed to group undertakings	1,134,214	1,061,391
Other creditors	19,664	11,750
	1,153,878	1,073,141

### 10 Capital and reserves

#### Share capital

	Shares	£
On issue at 1 July 2016 and 30 June 2017	4,311,973	4,311,973

## Notes (continued)

### 10 Capital and reserves (continued)

	2017 £	2016 £
Allotted, called up and fully paid		
4,311,973 (2016: 4,311,973) Ordinary shares of £1 each	4,311,973	4,311,973
Shares classified in shareholders' funds	4,311,973	4,311,973

### 11 Post balance sheet events

Subsequent to 30 June 2017 all of the outstanding shares of our ultimate parent company Kalibrate Technologies Limited were acquired by Canterbury Acquisition Limited. Kalibrate Technologies Limited was subsequently delisted and registered as a privately held business under the name Kalibrate Technologies Limited.

### 12 Ultimate parent company and parent company of larger group

Following the acquisition of Kalibrate Technologies Limited as referred to in note 11, the Company is a subsidiary undertaking of Hanover Active Equity Fund LP, which is the ultimate parent company, incorporated in Cayman Islands. Hanover Active Equity Fund LP is the parent company of Canterbury Acquisition Limited.

The largest group in which the results of the Company are consolidated is that headed by Kalibrate Technologies Limited, 196 Deansgate, Manchester, M3 3WF, United Kingdom. The consolidated financial statements of the ultimate controlling party are available to the public and may be obtained from 196 Deansgate, Manchester, M3 3WF, United Kingdom.