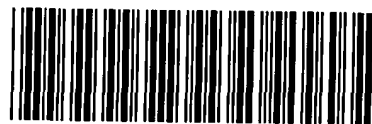


Company Registration No. 02853595 (England and Wales)

**APOGEE CORPORATION LIMITED**  
**REPORT AND FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED**  
**31 OCTOBER 2018**

WEDNESDAY



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24/07/2019  
COMPANIES HOUSE

# APOGEE CORPORATION LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	R J Stanton-Gleaves G A Downey J A Clark
<b>Secretary</b>	J A Clark
<b>Company number</b>	02853595
<b>Registered office</b>	Nimbus House Liphook Way 20/20 Business Park Maidstone Kent United Kingdom ME16 0FZ
<b>Auditor</b>	RSM UK Audit LLP Chartered Accountants 3rd Floor Portland 25 High Street Crawley West Sussex RH10 1BG

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# **APOGEE CORPORATION LIMITED**

## **STRATEGIC REPORT**

### **FOR THE PERIOD ENDED 31 OCTOBER 2018**

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The directors present the strategic report for the 10 month period ended 31 October 2018.

The group, of which this company belongs, was acquired by Hewlett Packard Inc, a company registered in the USA on 2nd November 2018, subsequent to the year end.

#### **Business review**

The company's main activity is the supply and maintenance of multi-functional devices to a range of customers, from sole traders to local boroughs and multi-national corporations. In the year under review the company's activities have continued to expand within the UK.

This was a good year for the company, which saw the business grow. Turnover grew by 9.9% to £189.9 million, with EBITDA falling by 16.9% to £25.5 million. After amortisation and interest costs the group recorded a profit after tax of £12.3 million.

The performance was achieved through both organic sales growth and a continued focus on cost control.

The Board is continuing its approach to expansion, investing in organic growth by recruiting high quality personnel, increasing sales activities and acquiring businesses which will assist the company in achieving its strategic aims.

The company continues to differentiate its offering by providing its customers with a solution which goes much further than a basic equipment sale, by encompassing their wider print strategy and value added service requirements, offering substantial cost savings.

#### **Principal risks and uncertainties**

The market for retail and service of photocopiers remains highly competitive. The company seeks to manage the risk of losing customers by promptly dealing with service requirements, and by maintaining strong relationships with key customers. The strong contracted service revenue base provides a degree of risk mitigation for the company. With the increased business in Continental Europe there is a foreign exchange risk, which is minimised by ensuring that both the revenues and costs associated with these contracts are denominated in euros.

#### **Financial risk management**

The main financial risk arising from the company's activities is credit risk. This risk is limited as hardware sales to customers are normally financed by leasing companies. The credit risk in respect of service revenue is monitored by the Board of Directors and is not considered to be significant at the balance sheet date.

#### **Liquidity risk**

The company monitors cash flow as part of its day to day control procedures. The Board considers cash flow projections on a monthly basis and ensures that appropriate funds are available to be drawn upon as necessary in order to finance the company's operations.

#### **Product risk**

The company operates in an ever changing market place due to the constant changes in technology. By supplying equipment from a variety of manufacturers and keeping up to date with their latest innovations it continues to ensure that it is best able to supply and service its customer's requirements.

#### **Interest rate risk**

The group is exposed to interest rate risk from parent company borrowings at variable rates.

# APOGEE CORPORATION LIMITED

## STRATEGIC REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 OCTOBER 2018

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### Key performance indicators

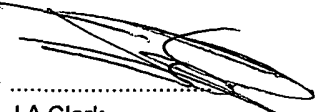
The directors review and monitor all aspects of the business but consider that turnover, gross margins, adjusted EBITDA, operating margins and headcount are the key performance indicators for the business. The key indicators can be summarised as follows;

	2018	2017	Change
Turnover	£189.9m	£172.8m	9.9%
Gross margin	22.6%	30.1%	(7.5%)
Adjusted EBITDA	£25.5m	£30.7m	(16.9%)
EBITDA margin	13.4%	17.7%	(4.3%)
Staff numbers	1,033	824	209

### Environmental responsibilities

One of the key selling messages has been to reduce the cost of a customer's office printing and by reducing unwanted prints, companies are able to achieve substantial savings both in energy costs and wasted resources, which help benefit the environment. Many of the contracts the company enters into require disposal of unwanted or redundant equipment and the company is committed to ensuring that the minimum possible is land filled. Much of the equipment is either recycled or refurbished to be sold abroad.

On behalf of the board



J A Clark  
Director

Date: 5 July 2019

# APOGEE CORPORATION LIMITED

## DIRECTORS' REPORT

### FOR THE PERIOD ENDED 31 OCTOBER 2018

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The directors present their annual report and financial statements for the 10 month period ended 31 October 2018.

#### Principal activities

The principal activity of the company continued to be that of the supply and maintenance of multi-functional devices to a range of customers, from sole traders to local boroughs and multi-national corporations.

#### Directors

The directors who held office during the period and up to the date of signature of the financial statements were as follows:

J P Collins	(Resigned 25 April 2019)
R J Stanton-Gleaves	
M K Randall	(Resigned 15 March 2019)
G Thomas	(Resigned 30 April 2019)
G A Downey	
J A Clark	(Appointed 1 November 2018)

#### Results and dividends

The results for the period are set out on page 8.

Ordinary dividends were paid amounting to £12,867,000.00. The directors do not recommend payment of a final dividend.

#### Disabled persons

The company is committed to a policy of recruitment and promotion on the basis of aptitude and ability without discrimination of any kind. Management actively pursues both the employment of disabled persons whenever a suitable vacancy arises and the continued employment and retraining of employees who become disabled whilst employed by the company. Particular attention is given to training, career development and promotion of disabled employees with a view to encouraging them to play an active role in the development of the company.

#### Employee involvement

The flow of information to staff has been maintained by our staff email bulletins and staff conferences. Members of the management team regularly visit branches and discuss matters of current interest and concern to the business with members of staff.

#### Future developments

The Board is continuing its approach to expansion, investing in organic growth by recruiting high quality personnel, increasing sales activities and acquiring businesses which will assist the company in achieving its strategic aims.

#### Auditor

In accordance with the company's articles, a resolution proposing that RSM UK Audit LLP be reappointed as auditor of the company will be put at a General Meeting.

#### Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, each director has taken all the necessary steps that they ought to have taken as a director in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

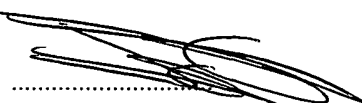
# APOGEE CORPORATION LIMITED

## DIRECTORS' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 OCTOBER 2018

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On behalf of the board



J A Clark

Director

Date: 5 July 2019

# **APOGEE CORPORATION LIMITED**

## **DIRECTORS' RESPONSIBILITIES STATEMENT**

### **FOR THE PERIOD ENDED 31 OCTOBER 2018**

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The directors are responsible for preparing the Strategic Report and the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF APOGEE CORPORATION LIMITED**

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## **Opinion**

We have audited the financial statements of Apogee Corporation Limited (the 'company') for the period ended 31 October 2018 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 October 2018 and of its profit for the period then ended;
- 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.

## **Basis for opinion**

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

## **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

## **Other information**

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

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

We have nothing to report in this regard.

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

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

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



## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF APOGEE CORPORATION LIMITED (CONTINUED)

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

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### Auditor's responsibilities for the audit of the financial statements

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

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

### Use of our report

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



Geoff Wightwick BA FCA (Senior Statutory Auditor)  
For and on behalf of RSM UK Audit LLP, Statutory Auditor  
Chartered Accountants

3rd Floor  
Portland  
25 High Street  
Crawley  
West Sussex, RH10 1BG

9 July 2019

# APOGEE CORPORATION LIMITED


## STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 OCTOBER 2018

		Period ended 31 October 2018 £'000	Year ended 31 December 2017 £'000
	Notes		
Turnover	3	189,891	172,830
Cost of sales		(146,939)	(120,739)
<b>Gross profit</b>		<b>42,952</b>	<b>52,091</b>
Administrative expenses		(28,713)	(32,833)
Exceptional items	4	(1,600)	(6,668)
<b>Operating profit</b>	7	<b>12,639</b>	<b>12,590</b>
Other income	9	-	55,000
Interest receivable and similar income	9	3,072	-
Interest payable and similar expenses	10	(288)	(96)
Amounts written off investments		-	(55,000)
<b>Profit before taxation</b>		<b>15,423</b>	<b>12,494</b>
Tax on profit	11	(3,151)	1,065
<b>Profit for the financial period</b>		<b>12,272</b>	<b>13,559</b>

**APOGEE CORPORATION LIMITED****STATEMENT OF FINANCIAL POSITION****AS AT 31 OCTOBER 2018**

		2018	2017
	Notes	£'000	£'000
<b>Fixed assets</b>			
Goodwill	13	57,376	65,767
Other intangible assets	13	13,610	15,225
Total intangible assets		70,986	80,992
Tangible assets	14	1,675	2,891
Investments	15	4,633	1,516
		77,294	85,399
<b>Current assets</b>			
Stocks	17	20,775	30,856
Debtors	18	69,235	77,973
Cash at bank and in hand		11,791	8,267
		101,801	117,096
<b>Creditors: amounts falling due within one year</b>	19	(84,679)	(109,498)
<b>Net current assets</b>		17,122	7,598
<b>Total assets less current liabilities</b>		94,416	92,997
<b>Creditors: amounts falling due after more than one year</b>	20	(245)	(9,153)
<b>Provisions for liabilities</b>	23	(4,653)	(7,255)
<b>Net assets</b>		89,518	76,589
<b>Capital and reserves</b>			
Called up share capital	26	54,054	40,530
Profit and loss reserves		35,464	36,059
<b>Total equity</b>		89,518	76,589

The financial statements were approved by the board of directors and authorised for issue on 5 July 2019 and are signed on its behalf by:

  
 J A Clark  
 Director

# APOGEE CORPORATION LIMITED

## STATEMENT OF CHANGES IN EQUITY

### FOR THE PERIOD ENDED 31 OCTOBER 2018

		Share capital	Profit and loss reserves	Total
	Notes	£'000	£'000	£'000
<b>Balance at 1 January 2017</b>		-	22,500	22,500
<b>Period ended 31 December 2017:</b>				
Profit and total comprehensive income for the period		-	13,559	13,559
Issue of share capital	26	40,530	-	40,530
<b>Balance at 31 December 2017</b>		40,530	36,059	76,589
<b>Period ended 31 October 2018:</b>				
Profit and total comprehensive income for the period		-	12,272	12,272
Issue of share capital	26	13,524	-	13,524
Dividends	12	-	(12,867)	(12,867)
<b>Balance at 31 October 2018</b>		54,054	35,464	89,518

# APOGEE CORPORATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 OCTOBER 2018

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### 1 Accounting policies

#### Company information

Apogee Corporation Limited is a private company limited by shares and is registered and incorporated in England and Wales. The registered office is Nimbus House, Liphook Way, 20/20 Business Park, Maidstone, Kent, United Kingdom, ME16 0FZ.

The company's principal activities and nature of its operations are disclosed in the Directors' Report.

#### Accounting convention

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

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £'000.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### Reduced disclosures

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of Manzana Bidco Limited. These consolidated financial statements are available from its registered office, Nimbus House, Liphook Way, 20/20 Business Park, Maidstone, Kent, England, ME16 0FZ.

The company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the company as an individual entity and not about its group.

# APOGEE CORPORATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE PERIOD ENDED 31 OCTOBER 2018

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#### 1 Accounting policies (Continued)

##### **Going concern**

The company's business activities, together with the factors likely to affect its future development, performance and position, and the company's policies for financial risk management are set out in the Strategic Report on pages 1 and 2.

The company has a base of long-term contracts with a large number of customers and suppliers across different geographic areas and industries and the directors believe the company is well placed to manage its business risks successfully.

For these reasons the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and thus have adopted the going concern basis in the preparation of the financial statements.

##### **Reporting period**

The accounts for the current period cover a period from 1 January 2018 to 31 October 2018. The reporting period has been shortened to align the company's year end with that of its group, following the purchase of the group of which the company is a wholly owned subsidiary subsequent to the year end. See note 29 for further details. Therefore, the comparative amounts presented in the financial statements, including related notes, are not entirely comparable with the amounts presented in the current period to 31 October 2018.

##### **Turnover**

Turnover represents sales to external customers at invoiced amounts less value added tax. Turnover for goods is recognised when the risks and rewards of ownership have passed to the customer, which is normally when the goods are delivered, and is recognised at the fair value of the consideration receivable. Service income is recognised over the length of the contract.

##### **Intangible fixed assets - goodwill**

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is between 5 and 10 years.

##### **Intangible fixed assets other than goodwill**

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably.

Amortisation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Customer relationships

Straight line basis over 10 years

##### **Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

# APOGEE CORPORATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE PERIOD ENDED 31 OCTOBER 2018

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#### 1 Accounting policies (Continued)

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	Over the length of the lease
Fixtures, fittings and office equipment	15% - 33% per annum on cost
Motor vehicles	25% per annum on cost
Equipment leased to customers	20% per annum on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

#### Fixed asset investments

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

#### Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

#### Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

At each reporting date, an assessment is made for the impairment of any obsolete or slow moving items. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

#### Cash and cash equivalents

Cash and cash equivalents are basic financial instruments and include cash in hand and other short-term liquid investments with original maturities of three months or less.

# APOGEE CORPORATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 OCTOBER 2018

---

### 1 Accounting policies (Continued)

#### **Financial instruments**

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### **Basic financial assets**

Basic financial assets, which include trade and other debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method.

#### **Impairment of financial assets**

Financial assets are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

#### **Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

#### **Classification of financial liabilities**

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

#### **Basic financial liabilities**

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

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

#### **Derecognition of financial liabilities**

Financial liabilities are derecognised when, and only when, the company's contractual obligations are discharged, cancelled, or they expire.



# APOGEE CORPORATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE PERIOD ENDED 31 OCTOBER 2018

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#### 1 Accounting policies (Continued)

##### **Equity instruments**

Equity instruments issued by the company are recorded at the fair value of proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

##### **Taxation**

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

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

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

##### **Provisions**

Provisions are recognised when the company has a legal or constructive present obligation as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

##### **Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

##### **Retirement benefits**

For defined contribution schemes the amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

# APOGEE CORPORATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE PERIOD ENDED 31 OCTOBER 2018

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#### 1 Accounting policies (Continued)

##### **Leases**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the statement of financial position as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the income statement so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

##### **Foreign exchange**

Transactions in currencies other than the functional currency (foreign currency) are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction, or, if the asset or liability is measured at fair value, the rate when that fair value was determined.

All translation differences are taken to profit or loss, except to the extent that they relate to gains or losses on non-monetary items recognised in other comprehensive income, when the related translation gain or loss is also recognised in other comprehensive income.

#### 2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

##### **Critical judgements**

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

##### ***Impairment of fixed assets***

Determine whether there are indicators of impairment of the company's intangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.

# APOGEE CORPORATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE PERIOD ENDED 31 OCTOBER 2018

#### 4 Exceptional costs

	2018 £'000	2017 £'000
Onerous property lease provision	244	2,863
Dilapidations provision	-	218
Employee severance costs	169	2,367
Reorganisation and integration costs	799	473
Legal and professional fees	388	747
	<u>1,600</u>	<u>6,668</u>

Certain of the exceptional legal and professional costs incurred in the year relate to the acquisition of the company by Hewlett-Packard Holdings Limited subsequent to the year end.

The remaining exceptional costs in the year relate to the acquisition, reorganisation and integration of The Danwood Group Limited during the prior year. Following the acquisition there was a significant reduction in headcount, a rationalisation of the property portfolio and an integration of financial and commercial IT systems.

#### 5 Employees

The average monthly number of persons (including directors) employed by the company during the period was:

	2018 Number	2017 Number
Sales and distribution	879	660
Administration	154	164
	<u>1,033</u>	<u>824</u>

Their aggregate remuneration comprised:

	2018 £'000	2017 £'000
Wages and salaries	34,194	38,428
Social security costs	2,728	2,850
Pension costs	458	280
	<u>37,380</u>	<u>41,558</u>

# APOGEE CORPORATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE PERIOD ENDED 31 OCTOBER 2018

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#### 2 Judgements and key sources of estimation uncertainty (Continued)

##### Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

##### *Intangible fixed assets*

Intangible fixed assets are amortised over their estimated useful economic life. Estimates of the useful economic life of goodwill and other intangible assets acquired in a business combination are based on a variety of factors such as the expected use of the acquired business, the expected useful life of the cash generating units to which the goodwill is attributed, any legal, regulatory or contractual provisions that can limit the useful life of the intangibles and assumptions that market participants would consider in respect of similar businesses.

##### *Stock in field*

Stock in field is the value of unutilised toner which has been supplied to customers and residing at customer sites, either in machines or in storage, to be used in future periods. Toner is valued based on an estimate of the number of complete toner sets per customer machine. At 31 October 2018, this was estimated at 0.92 sets per machine (2017: 1.00).

#### 3 Turnover and other revenue

	2018 £'000	2017 £'000
<b>Turnover analysed by class of business</b>		
Goods	117,947	105,322
Services	71,944	67,508
	<u>189,891</u>	<u>172,830</u>
	<u><u>189,891</u></u>	<u><u>172,830</u></u>
	2018 £'000	2017 £'000
<b>Turnover analysed by geographical market</b>		
United Kingdom	180,389	168,490
Rest of Europe	8,634	4,108
Rest of the World	868	232
	<u>189,891</u>	<u>172,830</u>
	<u><u>189,891</u></u>	<u><u>172,830</u></u>

# APOGEE CORPORATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 OCTOBER 2018

### 6 Directors' remuneration

	2018 £'000	2017 £'000
Remuneration for qualifying services	965	1,173
Company pension contributions to defined contribution schemes	6	1
	<u>971</u>	<u>1,174</u>

Remuneration disclosed above include the following amounts paid to the highest paid director:

	2018 £'000	2017 £'000
Remuneration for qualifying services	<u>291</u>	<u>350</u>

### 7 Operating profit

	2018 £'000	2017 £'000
Operating profit for the period is stated after charging/(crediting):		
Exchange losses	109	59
Fees payable to the company's auditor for the audit of the company's financial statements	97	91
Depreciation of owned tangible fixed assets	1,234	2,003
Profit on disposal of tangible fixed assets	(7)	(121)
Amortisation of intangible assets	10,006	9,416
Cost of stocks recognised as an expense	114,523	86,938
Operating lease charges	<u>1,574</u>	<u>3,036</u>

### 8 Auditor's remuneration

	2018 £'000	2017 £'000
Fees payable to the company's auditor and its associates:		
<b>For audit services</b>		
Audit of the financial statements of the company	<u>97</u>	<u>91</u>

# APOGEE CORPORATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 OCTOBER 2018

### 9 Interest receivable and similar income

	2018 £'000	2017 £'000
<b>Interest income</b>		
Interest on bank deposits	15	-
Interest receivable from group companies	6	-
Total interest revenue	21	-
<b>Income from fixed asset investments</b>		
Income from shares in group undertakings	3,051	-
Other income	-	55,000
Total income	3,072	55,000

### 10 Interest payable and similar expenses

	2018 £'000	2017 £'000
Interest on bank loans	280	90
Interest payable to group undertakings	3	-
Interest on finance leases and hire purchase contracts	5	6
	288	96

### 11 Taxation

	2018 £'000	2017 £'000
<b>Current tax</b>		
UK corporation tax on profits for the current period	2,398	1,781
Adjustments in respect of prior periods	(412)	(245)
Total current tax	1,986	1,536
<b>Deferred tax</b>		
Origination and reversal of timing differences	1,148	(2,601)
Adjustment in respect of prior periods	17	-
Total deferred tax	1,165	(2,601)
Total tax charge/(credit)	3,151	(1,065)

# APOGEE CORPORATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE PERIOD ENDED 31 OCTOBER 2018

#### 11 Taxation (Continued)

The total tax charge/(credit) for the period included in the income statement can be reconciled to the profit before tax multiplied by the standard rate of tax as follows:

	2018 £'000	2017 £'000
Profit before taxation	15,423	12,494
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2017: 19.25%)	2,930	2,405
Tax effect of expenses that are not deductible in determining taxable profit	2,389	1,473
Adjustments in respect of prior years	(412)	(245)
Group relief	(1,641)	(2,249)
Deferred tax not previously recognised	17	(2,572)
Changes in tax rates	(135)	123
Chargeable gains	3	-
Taxation charge/(credit) for the period	3,151	(1,065)

#### 12 Dividends

	2018 £'000	2017 £'000
Interim paid	12,867	-

#### 13 Intangible fixed assets

	Goodwill £'000	Customer relationships £'000	Total £'000
<b>Cost</b>			
At 1 January 2018 and 31 October 2018	97,229	19,376	116,605
<b>Amortisation</b>			
At 1 January 2018	31,462	4,151	35,613
Amortisation charged for the period	8,391	1,615	10,006
At 31 October 2018	39,853	5,766	45,619
<b>Carrying amount</b>			
At 31 October 2018	57,376	13,610	70,986
At 31 December 2017	65,767	15,225	80,992

# APOGEE CORPORATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 OCTOBER 2018

### 14 Tangible fixed assets

	Leasehold improvements	Fixtures, fittings and office equipment	Motor vehicles	Equipment leased to customers	Total
	£'000	£'000	£'000	£'000	£'000
<b>Cost</b>					
At 1 January 2018	1,484	3,922	216	1,331	6,953
Additions	25	1	-	-	26
Disposals	(11)	(56)	-	-	(67)
At 31 October 2018	1,498	3,867	216	1,331	6,912
<b>Depreciation</b>					
At 1 January 2018	887	2,178	171	826	4,062
Depreciation charged in the period	321	695	12	206	1,234
Eliminated in respect of disposals	(7)	(52)	-	-	(59)
At 31 October 2018	1,201	2,821	183	1,032	5,237
<b>Carrying amount</b>					
At 31 October 2018	297	1,046	33	299	1,675
At 31 December 2017	597	1,744	45	505	2,891

### 15 Fixed asset investments

	Notes	2018 £'000	2017 £'000
Investments in subsidiaries	16	4,633	1,516



# APOGEE CORPORATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 OCTOBER 2018

### 15 Fixed asset investments (Continued)

#### Movements in fixed asset investments

	Shares in group undertakings £'000
<b>Cost</b>	
At 1 January 2018	81,208
Additions	3,117
	<hr/>
At 31 October 2018	84,325
	<hr/>
<b>Impairment</b>	
At 1 January 2018 & 31 October 2018	79,692
	<hr/>
<b>Carrying amount</b>	
At 31 October 2018	4,633
	<hr/>
At 31 December 2017	1,516
	<hr/>

### 16 Subsidiaries

Details of the company's subsidiaries at 31 October 2018 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Office Perfection Limited	Nimbus House, Liphook Way, 20/20 Business Park, Maidstone, Kent	Holding company	Ordinary	100.00	
F Smith & Co (Office Equipment) Limited	As above	Holding company	Ordinary	100.00	
The Danwood Group Limited	As above	Holding company	Ordinary	100.00	
Apogee Rentals Limited	As above	Rental and leasing of multi-functional devices	Ordinary		100.00
Phoenix Office Supplies Limited	As above	Supply and maintenance of multi-functional devices	Ordinary		100.00
Printware Limited	As above	Holding company	Ordinary		100.00
City Docs Limited	As above	Dormant	Ordinary	100.00	
City Docs Solutions Limited	As above	Dormant	Ordinary	100.00	
Mask Documents Limited	As above	Dormant	Ordinary	100.00	
Willow Graphics Limited	As above	Dormant	Ordinary	100.00	
Konx Wales Limited	As above	Dormant	Ordinary	100.00	
Xera-Logic Group Limited	As above	Dormant	Ordinary	100.00	
Xact Document Solutions	As above	Dormant	Ordinary		100.00
Digipro Limited	As above	Dormant	Ordinary		100.00
Top 4 Office Limited	As above	Dormant	Ordinary		100.00

# APOGEE CORPORATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 OCTOBER 2018

### 16 Subsidiaries (Continued)

Direct Business Systems (Scotland) Limited	17 Shairps Business Park, Houstoun Road, West Lothian, Scotland	Dormant	Ordinary	100.00
Apogee Corporation (Jersey) Limited	94 Halkett Place, St Helier, Jersey	Supply and maintenance of multi-functional devices	Ordinary	100.00

### 17 Stocks

	2018 £'000	2017 £'000
Finished goods and goods for resale	20,775	30,856

There is no material difference between the replacement cost of stocks and the amounts stated above.

### 18 Debtors

	2018 £'000	2017 £'000
<b>Amounts falling due within one year:</b>		
Trade debtors	50,290	56,845
Corporation tax recoverable	54	-
Amounts owed by group undertakings	5,687	9,074
Other debtors	5,254	1,633
Prepayments and accrued income	4,455	5,761
	65,740	73,313
Deferred tax asset (note 24)	3,495	4,660
	69,235	77,973

# APOGEE CORPORATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 OCTOBER 2018

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

	Notes	2018 £'000	2017 £'000
Other borrowings	21	-	3,394
Obligations under finance leases	22	34	101
Trade creditors		25,654	39,512
Amounts due to group undertakings		6,249	21,135
Corporation tax		-	781
Other taxation and social security		3,373	8,446
Other creditors		25,897	21,108
Accruals and deferred income		23,472	15,021
		<u>84,679</u>	<u>109,498</u>

Other creditors includes £17,250,000 of deferred consideration arising from the acquisition of The Danwood Group in the prior year (2017: £19,350,000).

### 20 Creditors: amounts falling due after more than one year

	Notes	2018 £'000	2017 £'000
Other borrowings	21	-	8,688
Obligations under finance leases	22	-	6
Accruals and deferred income		245	459
		<u>245</u>	<u>9,153</u>

### 21 Borrowings

	2018 £'000	2017 £'000
Other loans	-	12,082
Payable within one year	-	3,394
Payable after one year	-	8,688

Included within other loans are amounts totalling £nil (2017: £7,719,000) which were secured by the way of fixed and floating charges over the group's present and future assets. During the year all of these borrowings were settled.

# APOGEE CORPORATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 OCTOBER 2018

### 22 Finance lease obligations

	2018 £'000	2017 £'000
Future minimum lease payments due under finance leases:		
Less than one year	34	101
Between one and five years	-	6
	<u>34</u>	<u>107</u>

Finance lease payments represent rentals payable by the company for certain items of plant and machinery. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. The average lease term is 1 year. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

### 23 Provisions for liabilities

	Notes	2018 £'000	2017 £'000
Dilapidations		361	1,074
Onerous lease		1,655	2,637
Other provisions		49	956
		<u>2,065</u>	<u>4,667</u>
Deferred tax liabilities	24	2,588	2,588
		<u>4,653</u>	<u>7,255</u>

Movements on provisions apart from retirement benefits and deferred tax liabilities:

	Dilapidations £'000	Onerous lease £'000	Other provisions £'000	Total £'000
At 1 January 2018	1,074	2,637	956	4,667
Additional provisions in the year	-	587	-	587
Utilisation of provision	(713)	(1,569)	(907)	(3,189)
At 31 October 2018	<u>361</u>	<u>1,655</u>	<u>49</u>	<u>2,065</u>

#### Deferred taxation

The company's deferred taxation provision relates entirely to the recognition of intangible assets in respect of business combinations. The provision is being released to the profit and loss account over the life of the underlying intangible asset.

# APOGEE CORPORATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 OCTOBER 2018

### 23 Provisions for liabilities (Continued)

#### *Property provisions*

The company recognises a provision for future dilapidation costs that may be incurred upon exit of leased properties. The dilapidation provision is calculated based on an estimated cost per square foot and apportioned across the life of the lease. It is expected that the provision required will change as the company enters and exits leased properties. At the financial period end the company's property leases extend up to April 2025, over which time the present and any future provisions will be utilised.

The company also maintains a provision for the costs related to onerous property leases. These costs represent the total costs for the leased properties until termination, net of any expected income from sub-letting. The latest date of expected termination occurs in June 2023.

#### *Other provisions*

Following the acquisition of The Danwood Group Limited during the prior year the company acquired provisions totalling £1,643,000 for potential remediation of contracts with former Danwood customers and funders. During the period no further provision was made, while £907,000 of the provisions was utilised. At 31 October 2018 the provisions amounted to £49,000. Due to the complex nature of these disputes the precise timing of resolution is unclear however it is likely that the majority will be resolved within the next year.

### 24 Deferred taxation

The major deferred tax liabilities and assets recognised by the company are:

	Liabilities 2018 £'000	Liabilities 2017 £'000	Assets 2018 £'000	Assets 2017 £'000
<b>Balances:</b>				
Decelerated capital allowances	-	-	3,383	4,660
Losses	-	-	91	-
Short-term timing differences	2,588	2,588	21	-
	<u>2,588</u>	<u>2,588</u>	<u>3,495</u>	<u>4,660</u>
<b>Movements in the period:</b>				<b>2018 £'000</b>
(Asset) at 1 January 2018				(2,072)
Charge to profit or loss				1,165
				<u>(907)</u>
(Asset) at 31 October 2018				

# APOGEE CORPORATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 OCTOBER 2018

### 25 Retirement benefit schemes

	2018 £'000	2017 £'000
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	458	280

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

### 26 Share capital

	2018 £'000	2017 £'000
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
54,054,412 Ordinary shares of £1 each	54,054	40,530
	<u>54,054</u>	<u>40,530</u>

#### Profit and loss reserves

Cumulative profit and loss net of distributions to owners.

#### Reconciliation of movements during the period:

	Ordinary shares Number
At 1 January 2018	40,530,146
Issue of fully paid shares	13,524,266
At 31 October 2018	<u>54,054,412</u>

### 27 Financial commitments, guarantees and contingent liabilities

The company has guaranteed bank borrowings of its parent undertaking. At the year end the liabilities covered by these guarantees totalled £118,500,000 (2017 - £118,500,000).

The company is included in a group registration for VAT purposes and is therefore jointly and severally liable for all other group companies' unpaid debts in this connection. As at 31 October 2018 the group VAT balances amounted to a net creditor of £2,220,905 and this is reflected in the respective companies' balance sheets at the year end (2017: £7,395,000).

In the normal course of business the company receives claims from customers or suppliers or other providers. At the balance sheet date there were claims outstanding which have not been provided for as the directors do not expect any liability to arise.

# APOGEE CORPORATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 OCTOBER 2018

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### 28 Operating lease commitments

#### Lessee

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

	2018 £'000	2017 £'000
Within one year	3,204	4,232
Between one and five years	6,745	9,765
In over five years	2,148	2,868
	<u>12,097</u>	<u>16,865</u>

### 29 Events after the reporting date

Subsequent to the year end, the group, of which this company is a wholly owned subsidiary, was acquired by Hewlett-Packard Holdings Limited, a company incorporated in England and Wales.

# APOGEE CORPORATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 OCTOBER 2018

### 30 Related party transactions

#### Transactions with related parties

During the period the company entered into the following transactions with related parties:

	<b>Purchases</b>	
	<b>2018</b>	<b>2017</b>
	<b>£'000</b>	<b>£'000</b>
Other related parties	67	48
	<u>        </u>	<u>        </u>
	<b>Consultancy fees paid</b>	
	<b>2018</b>	<b>2017</b>
	<b>£'000</b>	<b>£'000</b>
Entities under common control	2	-
	<u>        </u>	<u>        </u>

Other related parties relate to shareholders of the ultimate parent company, Manzana Holdings Limited.

### 31 Controlling party

The company is a subsidiary of Apogee Group Limited which is its immediate parent company, its ultimate parent company at the balance sheet date being Manzana Holdings Limited, registered in Jersey.

The smallest and largest group in which the results of the company are consolidated is that headed by Manzana Bidco Limited, incorporated in England and Wales. The consolidated accounts of Manzana Bidco Limited are available to the public and may be obtained from Companies House.