

**CPP Assistance Services Limited**  
**Annual Report and Financial Statements**  
**For the year ended 31 December 2018**



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**For the year ended 31 December 2018**

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**CPP Assistance Services Limited**  
**Annual Report and Financial Statements**  
**For the year ended 31 December 2018**

**Company information**

<b>Directors</b>	D Bowling M Whitfield
<b>Company secretary</b>	L Beavis
<b>Auditor</b>	Deloitte LLP Statutory Auditor 1 City Square Leeds LS1 2AL
<b>Registered office</b>	6 East Parade Leeds United Kingdom LS1 2AD
<b>Registered number</b>	03180887

**CPP Assistance Services Limited**  
**Annual Report and Financial Statements**  
**For the year ended 31 December 2018**

**Directors' Report**

The Directors present the Annual Report and Financial Statements for the year ended 31 December 2018.

**Principal activities**

The principal activity of CPP Assistance Services Limited (the Company) during the year was the provision of assistance products and services, namely OwlDetect. The Company is part of the CPPGroup Plc group of companies (the Group). The Group provides assistance products and services.

The Company qualifies as small in accordance with the provisions of section 382 (3) of the Companies Act 2006 and is therefore exempt from the requirement to prepare a strategic report under section 414B. The Company's ultimate parent Company is CPPGroup Plc ("the Group") which is listed on AIM and registered in the UK.

**Review of the business and future developments**

Details of the results for the year are set out on page 7 and show a loss on ordinary activities before taxation of £459,857 (2017: £116,689).

The Company has net liabilities of £811,495 (2017: £439,011).

Administrative expenses of £462,793 (2017: £44,294), reflects the costs incurred in the year on product development and staff resource as the Company identifies new products to launch to market. No new revenues have been generated in the year to December 2018.

No dividends were paid by the Company during the current or preceding year. No dividends have been proposed since the year end.

As the Company's new business development was still in its start-up phase at 31 December 2018, the Directors believe that further key performance indicators for the Company are not currently necessary or appropriate for an understanding of the development, performance or position of the business.

**Going Concern**

The Company, currently in a net liabilities position, is party to a cross guarantee in respect of a Group wide bank account netting arrangement and has inter-company balances due to the wider Group. The bank facility is secured against the assets of the Company. In respect of these factors the Directors have made suitable enquiries including consideration of the liquidity position, borrowing facilities available to the Group and the continued support of the parent company taking into account the current Group cash flow forecast.

Having considered all the information available, the Directors have a reasonable expectation that the Company has adequate resources to continue to operate for the foreseeable future and accordingly the Directors have continued to adopt the going concern basis in preparing the financial statements.

**Directors**

The Directors holding office during the year and up to the date of signing these financial statements are as follows:

J Walsh	Resigned 8 August 2018
O Laird	Resigned 8 August 2018
D Bowling	Appointed 8 August 2018
M Whitfield	Appointed 8 August 2018

**Company secretary**

The Company secretary holding office during the year and up to the date of signing these financial statements is as follows:

L Beavis

**Directors' Report (continued)**

**Statement of Directors' Responsibilities**

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 financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including FRS101 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 accounting estimates that are reasonable and prudent; 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 the Directors to ensure that the financial statements comply with the Companies Act 2006. The Directors 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.

**Auditors**

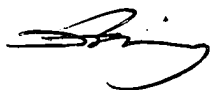
Each of the persons who is a Director at the date of approval of this report confirms that:

- so far as the Director is aware, there is no relevant audit information (as defined in the Companies Act 2006) of which the Company's auditor is unaware; and
- the Director has taken all the steps that he ought to have taken as a Director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

Deloitte LLP have indicated their willingness to be reappointed for another term and appropriate arrangements are being made for them to be deemed reappointed as auditor in the absence of an Annual General Meeting.

Approved by the Board on 9 May 2019 and signed on its behalf by:



D Bowling  
Director

**Independent auditor's report to the members of CPP Assistance Services Limited**

**Report on the audit of the financial statements**

**Opinion**

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2018 and of its loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 101 "Reduced Disclosure Framework" and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of CPP Assistance Services Limited which comprise:

- the income statement
- the balance sheet;
- the statement of changes in equity; and
- the related notes 1 to 13.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

**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 Financial Reporting Council's (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 are required by ISAs (UK) to report in respect of the following matters where:

- the Directors' use of the going concern basis of accounting in 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.

We have nothing to report in respect of these matters.

**Other information**

The Directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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

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 respect of these matters.

### **Responsibilities of Directors**

As explained more fully in the Directors' responsibilities statement, 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 FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### **Report on other legal and regulatory requirements**

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

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

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

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 any material misstatements in the Directors' report.

**Independent auditor's report to the members of CPP Assistance Services Limited (continued)**

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

Under the Companies Act 2006, we are required to report in respect of the following matters if, in our opinion:

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

We have nothing to report in respect of these matters.

**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.



Peter Birch FCA (Senior statutory auditor)

For and on behalf of Deloitte LLP

Statutory Auditor

Leeds, United Kingdom

9 May 2019



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**Income Statement**

	<b>Note</b>	<b>2018</b>	<b>2017</b>
		<b>£</b>	<b>£</b>
Revenue		6,727	5,244
Cost of sales		(174)	(77,639)
Gross profit/(loss)		6,553	(72,395)
Administrative expenses		(462,793)	(44,294)
<b>Operating loss</b>		<b>(456,240)</b>	<b>(116,689)</b>
Interest payable and similar charges	3	(3,617)	-
<b>Loss on ordinary activities before taxation</b>	4	<b>(459,857)</b>	<b>(116,689)</b>
Tax credit on loss on ordinary activities	7	87,373	23,318
<b>Loss on ordinary activities after taxation</b>		<b>(372,484)</b>	<b>(93,371)</b>

All amounts relate to continuing activities.

The Company has no other income other than as stated above, and therefore no Statement of Comprehensive Income has been presented.

The notes on pages 11 to 15 are an integral part of these financial statements.

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**Balance Sheet**  
**at 31 December 2018**

	Note	2018 £	2017 £
<b>Non-current assets</b>			
Intangible assets	8	23,161	-
		<u>23,161</u>	<u>-</u>
<b>Current assets</b>			
Stock	10	11,769	-
Debtors	9	247,429	23,664
		<u>259,198</u>	<u>23,664</u>
<b>Total assets</b>		<u>282,359</u>	<u>23,664</u>
<b>Creditors: amounts falling due within one year</b>	11	(1,093,854)	(462,675)
<b>Net current liabilities</b>		<u>(834,656)</u>	<u>(439,011)</u>
<b>Net liabilities</b>		<u>(811,495)</u>	<u>(439,011)</u>
<b>Capital and reserves</b>			
Share capital	12	1	1
Accumulated losses		(811,496)	(439,012)
<b>Equity shareholder's deficit</b>		<u>(811,495)</u>	<u>(439,011)</u>

Notes on pages 11 to 15 form an integral part of the financial statements.

Approved by the Board on 9 May 2019 and signed on its behalf by:



D Bowling  
Director

Company number: 03180887

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**Statement of changes in equity**

	Share Capital £	Accumulated losses £	Total £
At 1 January 2017	1	(345,641)	(345,640)
Total comprehensive expense	-	(93,371)	(93,371)
<b>At 31 December 2017</b>	<b>1</b>	<b>(439,012)</b>	<b>(439,011)</b>
Total comprehensive expense	-	(372,484)	(372,484)
<b>At 31 December 2018</b>	<b>1</b>	<b>(811,496)</b>	<b>(811,495)</b>

**Notes to the financial statements**

**1. General information**

The Company is a private company limited by shares incorporated in the United Kingdom under the Companies Act 2006 and registered in England and Wales. The address of the registered office is given on page 1. The nature of its operation and its principal activity is set out in the Directors' Report on page 2.

These financial statements have been prepared under the historical cost basis and are presented in pounds sterling because that is the currency of the primary economic environment in which the Company operates.

**2. Accounting policies**

The financial statements have been prepared in accordance with FRS 101 'Reduced Disclosure Framework' as issued by the Financial Reporting Council.

As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to financial instruments, capital management, presentation of comparative information in respect of certain assets, presentation of a cash-flow statement, standards not yet effective, impairment of assets and related party transactions.

As part of this adoption, the following new and revised Standards and Interpretations have been adopted in the current year. The application of these specific Standards and Interpretations has not had a material effect on the Company.

<b>Standard</b>	<b>Subject</b>
IFRS 9	Financial instruments
IFRS 15	Revenue from contracts with customers

The principal accounting policies are summarised below. They have all been applied consistently throughout the current and preceding year.

**Going concern**

The Directors, at the time of approving the financial statements have reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus, the Directors continue to adopt the Going Concern basis of accounting in preparing the financial statements. Further details of the Directors' assessment are set out in the Directors' Report on page 2.

**Revenue recognition**

Revenue representing premiums receivable net of VAT is recognised as those fees are earned. Revenue is categorised as service fees billed direct to customers in relation to online data patrol. Revenue is allocated to underlying performance obligations underpinning products and their features. Revenue is recognised as the obligations are satisfied, and in the case of service revenue is recognised over the period to which the service is performed.

**Key assumptions and sources of estimation uncertainty**

In the application of the Company's accounting policies, as described above, the Directors are required to make judgements, estimates and assumptions about the carrying amounts 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. There are no key assumptions and sources of estimation uncertainty.

**Notes to the financial statements (continued)**

**2. Accounting policies (continued)**

**Intangible assets**

Externally acquired software is measured at purchase cost and is amortised on straight line basis over the estimated useful life of four years. Annual review of impairment indicators is undertaken and should any indicators be identified, assets are tested for impairment through comparison of carrying values to their recoverable amount, being the higher of fair value less costs to sell and value in use. Value in use is based on discounted future cash flow forecasts. Should the carrying value of an asset exceed its recoverable amount, the asset is reduced to its recoverable amount. Any impairment is expensed immediately.

**Intercompany loans**

Intercompany loans are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset. The Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance.

**Stock**

Stock is stated at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**Taxation**

Taxation on the profit or loss for the year comprises both current and deferred tax as well as adjustments in respect of prior years. Taxation is charged or credited to the income statement, except when it relates to items charged or credited directly to equity, in which case the tax is also included within equity. Current tax is the expected tax payable on the taxable income for the year using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is provided in full, using the liability method, on all taxable and deductible temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realised or liability is settled, based on tax rates that have been enacted or substantively enacted at the balance sheet date.

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when they relate to income tax levied by the same taxation authority and the Group/Company intends to settle its current tax assets and liabilities on a net basis.

**3. Interest Payable and Similar Charges**

	2018	2017
	£	£
Interest payable on amounts due to group entities	3,617	--

**Notes to the financial statements (continued)**

**4. Operating loss**

	2018	2017
	£	£
Loss on ordinary activities before tax is stated after charging:		
Fees payable to the Company's auditors for the audit of the Company accounts	3,000	3,000

**5. Payroll and salaries**

The aggregate payroll costs of employees, including Directors, were

	2018 £'000	2017 £'000
Wages & salaries	215	-
Pension	21	-
Social security costs	29	-
Total	265	-

The total emoluments and fees paid by the Company to one of the Directors in the year was £36,000 (2017: nil). The other Directors of the Company performed duties in respect of other group undertakings and were remunerated by those companies. No further amounts have been recharged to the Company in respect of Directors remuneration as the value of their services to the Company is considered immaterial.

There are no Directors accruing benefits under money purchased pension schemes and defined benefit schemes at the year end in either the current or prior year.

**6. Employee information**

The Company had no employees during the current or previous years.

**7. Taxation**

The tax on ordinary activities was as follows:

	2018	2017
	£	£
Current tax credit:		
UK Corporation tax at 19.00% (2017: 19.25%)	87,373	22,463
Adjustments in respect of prior periods	-	855
Total current tax credit	87,373	23,318

**Notes to the financial statements (continued)**

**7. Taxation (continued)**

The current year tax credit is equal to the UK tax rate. The prior year tax credit differed from that resulting from applying the standard rate of UK corporation tax to loss before tax. The difference is explained below:

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Loss on ordinary activities before tax	459,857	116,689
Tax on ordinary activities at standard 19% (2017: 19.25%)	87,373	22,463
Prior period adjustment	-	855
<b>Total current tax credit for the year</b>	<b>87,373</b>	<b>23,318</b>

UK corporation tax is calculated at 19% (2017: 19.25%) of the estimated assessable profit for the year. The UK Finance Act 2016 was enacted on 15 September 2016. It provides for a reduction in the main rate of corporation tax from 19% to 17% from 1 April 2020. These changes will reduce the Company's future tax charges accordingly.

**8. Intangible assets**

	<b>Total</b>
	<b>£</b>
Cost:	
At 1 January 2018	-
Additions	23,161
<b>At 31 December 2018</b>	<b>23,161</b>
Accumulated Depreciation:	
At 1 January 2018	-
Provided during the year	-
<b>At 31 December 2018</b>	<b>-</b>
Carry Value:	
At 31 December 2017	-
<b>At 31 December 2018</b>	<b>23,161</b>

Additions to intangible assets represent capitalised software costs related to the development of an application supporting the Company's key proposition. At 31 December 2018, no amortisation has been charged as the application is not yet completed.

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**Notes to the financial statements (continued)**

**9. Debtors**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Amounts due from Group entities	227,702	23,318
Trade debtors	19,726	161
Other debtors	1	185
	<b>247,429</b>	<b>23,664</b>

Amounts due from Group entities have no fixed dates for repayment and are repayable on demand. Interest has been charged at LIBOR plus 2.5%.

**10. Stock**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Software licenses	11,769	-

**11. Creditors**

	<b>2018</b>	<b>2017</b>
<b>Amounts falling due within one year</b>	<b>£</b>	<b>£</b>
Overdrafts	481,784	458,013
Trade creditors	9,600	1,662
Accruals and deferred income	72,998	3,000
Amounts owed to Group undertakings	529,472	-
	<b>1,093,854</b>	<b>462,675</b>

Refer to note 13 for details of the overdraft netting arrangement.

Amounts owed to Group entities have no fixed dates for repayment and are payable on demand. Interest has been charged at LIBOR plus 2.5%.



**Notes to the financial statements (continued)**

**12. Share capital**

	<b>2018</b>	<b>2018</b>	<b>2017</b>	<b>2017</b>
	<b>Number</b>	<b>£</b>	<b>Number</b>	<b>£</b>
<b>Authorised:</b>				
Ordinary shares of £1 each	1,000	1,000	1,000	1,000
<b>Called up, allotted and fully paid:</b>				
Ordinary shares of £1 each	1	1	1	1

**13. Related parties and ultimate control**

The Company is party to a cross-guarantee in respect of a bank account netting arrangement in which it is a participant alongside certain other Group companies. Creditors; amounts falling due within one year include an overdraft balance of £481,784 (2017: £458,013) which is held in a bank account subject to this arrangement.

The Company is a wholly owned subsidiary of CPP Holdings Limited. The ultimate parent company is CPPGroup Plc. Advantage has been taken of the related party disclosure exemptions in respect of group transactions since consolidated financial statements have been prepared by the ultimate parent company CPPGroup Plc, which is the parent of the largest and smallest groups for which consolidated accounts are prepared and of which the Company is a member. Copies of these accounts may be obtained from the Company's registered office at 6 East Parade, Leeds, LS1 2AD, United Kingdom.