

**ACORAH SOFTWARE PRODUCTS LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

Acorah Software Products Limited
Unaudited Financial Statements
For The Year Ended 31 March 2018

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Acorah Software Products Limited
Balance Sheet
As at 31 March 2018

Registered number: 03948264

| | | 2018 | | 2017 | |
|--|--------------|---------------------|------------------|---------------------|-------------------|
| | Notes | £ | £ | £ | £ |
| FIXED ASSETS | | | | | |
| Intangible Assets | 8 | | 188,332 | | 60,373 |
| Tangible Assets | 9 | | 107,883 | | 87,497 |
| | | | <u>296,215</u> | | <u>147,870</u> |
| CURRENT ASSETS | | | | | |
| Debtors | 10 | 1,516,964 | | 897,650 | |
| Cash at bank and in hand | | <u>487,714</u> | | <u>829,234</u> | |
| | | 2,004,678 | | 1,726,884 | |
| Creditors: Amounts Falling Due Within One Year | 11 | <u>(1,555,298)</u> | | <u>(1,233,471)</u> | |
| NET CURRENT ASSETS (LIABILITIES) | | | <u>449,380</u> | | <u>493,413</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | <u>745,595</u> | | <u>641,283</u> |
| Creditors: Amounts Falling Due After More Than One Year | 12 | | <u>(39,290)</u> | | <u>(105,044)</u> |
| PROVISIONS FOR LIABILITIES | | | | | |
| Deferred Taxation | 15 | | <u>(53,388)</u> | | <u>(25,637)</u> |
| NET ASSETS | | | <u>652,917</u> | | <u>510,602</u> |
| CAPITAL AND RESERVES | | | | | |
| Called up share capital | 16 | | 2 | | 2 |
| Profit and Loss Account | | | <u>652,915</u> | | <u>510,600</u> |
| SHAREHOLDERS' FUNDS | | | <u>652,917</u> | | <u>510,602</u> |

Acorah Software Products Limited
Balance Sheet (continued)
As at 31 March 2018

For the year ending 31 March 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.
- These accounts have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.
- The company has taken advantage of section 444(1) of the Companies Act 2006 and opted not to deliver to the registrar a copy of the company's Profit and Loss Account.

On behalf of the board

Mrs Tracy Ebdon-Poole

30/11/2018

The notes on pages 3 to 8 form part of these financial statements.

Acorah Software Products Limited
Notes to the Financial Statements
For The Year Ended 31 March 2018

1. Accounting Policies

1.1. Basis of Preparation of Financial Statements

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard 102 Section 1A - The Financial Reporting Standard applicable in the UK and Republic of Ireland and the Companies Act 2006.

1.2. Going Concern Disclosure

The directors have not identified any material uncertainties related to events or conditions that may cast significant doubt about the company's ability to continue as a going concern.

1.3. Turnover

Turnover comprises the revenue recognised in the period net of Value Added Tax and trade discount.

Product sales are composed of a licence element and future product support element. The licence element is recognised at the point of sale and the product support element is deferred over the length of the licence.

Turnover from all other product sales are recognised at the point of delivery and any prepaid amount is held on the balance sheet.

1.4. Intangible Fixed Assets and Amortisation - Goodwill

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the separable net assets. It is amortised to profit and loss account over its estimated economic life of 10 years.

1.5. Research and Development

Expenditure on research and development is written off in the year it is incurred unless it meets the criteria to allow it to be capitalised. Where development costs are recognised as an asset, they are amortised over the period expected to benefit from them. Amortisation begins once the developed product comes into use.

1.6. Intangible Fixed Assets and Amortisation - Intellectual Property

Intellectual property assets are IT development costs. They are amortised to the profit and loss account over their estimated economic life of three years.

1.7. Tangible Fixed Assets and Depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of the fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

| | |
|---------------------|---|
| Leasehold | Straight line over the life of the lease. |
| Motor Vehicles | 25% |
| Fixtures & Fittings | 33% |
| Computer Equipment | 33% |

Acorah Software Products Limited
Notes to the Financial Statements (continued)
For The Year Ended 31 March 2018

1.8. Leasing and Hire Purchase Contracts

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired under finance leases are depreciated over the shorter of the lease term and their useful lives. Assets acquired under hire purchase contracts are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in the creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to profit and loss account as incurred.

1.9. Foreign Currencies

Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

1.10. Taxation

The charge for taxation takes into account taxation deferred as a result of timing differences between the treatment of certain items for taxation and accounting purposes. In general, deferred taxation is recognised in respect of timing differences that have originated but not reversed at the balance sheet date. However, deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. Deferred taxation is measured on a non-discounted basis at the tax rates that are expected to apply in periods in which the timing differences reverse, based on tax rates and the law enacted or substantively enacted at the balance sheet date.

1.11. Pensions

The company operates a defined pension contribution scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

4. Average Number of Employees

Average number of employees, including directors, during the year was as follows:

| | 2018 | 2017 |
|---------------------------|-------------|-------------|
| Office and administration | 68 | 49 |
| | <u>68</u> | <u>49</u> |

Acorah Software Products Limited
Notes to the Financial Statements (continued)
For The Year Ended 31 March 2018

8. Intangible Assets

| | Intellectual Property | Development Costs | Total |
|----------------------------|----------------------------------|------------------------------|--------------|
| | £ | £ | £ |
| Cost | | | |
| As at 1 April 2017 | 178,000 | 150,586 | 328,586 |
| Additions | - | 127,959 | 127,959 |
| As at 31 March 2018 | 178,000 | 278,545 | 456,545 |
| Amortisation | | | |
| As at 1 April 2017 | 178,000 | 90,213 | 268,213 |
| Provided during the period | - | - | - |
| As at 31 March 2018 | 178,000 | 90,213 | 268,213 |
| Net Book Value | | | |
| As at 31 March 2018 | - | 188,332 | 188,332 |
| As at 1 April 2017 | - | 60,373 | 60,373 |

9. Tangible Assets

| | Land & Property | | | | |
|----------------------------|--------------------------------|---------------------------|------------------------------------|-------------------------------|--------------|
| | Leasehold | Motor Vehicles | Fixtures & Fittings | Computer Equipment | Total |
| | £ | £ | £ | £ | £ |
| Cost | | | | | |
| As at 1 April 2017 | 137,328 | 30,296 | 53,978 | 385,519 | 607,121 |
| Additions | - | - | 26,287 | 67,253 | 93,540 |
| Disposals | (98,438) | (24,001) | (7,360) | (285,627) | (415,426) |
| As at 31 March 2018 | 38,890 | 6,295 | 72,905 | 167,145 | 285,235 |
| Depreciation | | | | | |
| As at 1 April 2017 | 137,328 | 17,243 | 26,733 | 338,320 | 519,624 |
| Provided during the period | - | 2,472 | 21,019 | 42,098 | 65,589 |
| Disposals | (98,438) | (16,436) | (7,360) | (285,627) | (407,861) |
| As at 31 March 2018 | 38,890 | 3,279 | 40,392 | 94,791 | 177,352 |
| Net Book Value | | | | | |
| As at 31 March 2018 | - | 3,016 | 32,513 | 72,354 | 107,883 |
| As at 1 April 2017 | - | 13,053 | 27,245 | 47,199 | 87,497 |

Included above are assets held under finance leases or hire purchase contracts with a net book value as follows:

Acorah Software Products Limited
Notes to the Financial Statements (continued)
For The Year Ended 31 March 2018

| | 2018 | 2017 |
|---------------------|---------------|---------------|
| | £ | £ |
| Plant & Machinery | - | 23,624 |
| Fixtures & Fittings | 2,369 | - |
| Motor Vehicles | - | 8,462 |
| Computer Equipment | 17,426 | 1,234 |
| | <u>19,795</u> | <u>33,320</u> |

10. Debtors

| | 2018 | 2017 |
|------------------------------------|------------------|----------------|
| | £ | £ |
| Due within one year | | |
| Trade debtors | 393,341 | 253,575 |
| Prepayments and accrued income | 16,978 | 33,731 |
| Other debtors | 333,005 | 208,953 |
| Corporation tax recoverable assets | 292,315 | - |
| Amounts owed by group undertakings | 481,325 | 401,391 |
| | <u>1,516,964</u> | <u>897,650</u> |

11. Creditors: Amounts Falling Due Within One Year

| | 2018 | 2017 |
|---|------------------|------------------|
| | £ | £ |
| Net obligations under finance lease and hire purchase contracts | 34,024 | 20,069 |
| Trade creditors | 273,242 | 171,981 |
| Corporation tax | - | 31,158 |
| Other taxes and social security | 125,995 | 91,477 |
| VAT | 335,384 | 266,945 |
| Other creditors | - | 396 |
| Accruals and deferred income | 786,653 | 651,445 |
| | <u>1,555,298</u> | <u>1,233,471</u> |

12. Creditors: Amounts Falling Due After More Than One Year

| | 2018 | 2017 |
|---|---------------|----------------|
| | £ | £ |
| Net obligations under finance lease and hire purchase contracts | 39,290 | 3,720 |
| Accruals and deferred income | - | 101,324 |
| | <u>39,290</u> | <u>105,044</u> |

Acorah Software Products Limited
Notes to the Financial Statements (continued)
For The Year Ended 31 March 2018

13. Secured Creditors

Of the creditors falling due within and after more than one year the following amounts are secured on the underlying assets:-

| | 2018 | 2017 |
|---|-------------|-------------|
| | £ | £ |
| Net obligations under finance lease and hire purchase contracts | 3,634 | 23,789 |

14. Obligations Under Finance Leases and Hire Purchase

| | 2018 | 2017 |
|--|---------------|---------------|
| | £ | £ |
| The maturity of these amounts is as follows: | | |
| Amounts Payable: | | |
| Within one year | 34,024 | 20,069 |
| Between one and five years | 39,290 | 3,720 |
| | <u>73,314</u> | <u>23,789</u> |
| | <u>73,314</u> | <u>23,789</u> |

15. Deferred Taxation

The provision for deferred taxation is made up of accelerated capital allowances.

| | 2018 | 2017 |
|--------------|---------------|---------------|
| | £ | £ |
| Deferred tax | 53,388 | 25,637 |
| | <u>53,388</u> | <u>25,637</u> |

16. Share Capital

| | 2018 | 2017 |
|------------------------------------|-------------|-------------|
| Allotted, Called up and fully paid | 2 | 2 |

17. Other Commitments

At the end of the period the company had commitments under non-cancellable operating leases as follows:

| | Land and buildings | | Other | |
|-----------------------|---------------------------|----------------|----------------|---------------|
| | 2018 | 2017 | 2018 | 2017 |
| | £ | £ | £ | £ |
| Within 1 year | 54,166 | - | 3,719 | 8,826 |
| Between 1 and 5 years | - | 65,000 | 126,999 | 13,257 |
| After 5 years | 141,103 | 92,225 | - | - |
| | <u>195,269</u> | <u>157,225</u> | <u>130,718</u> | <u>22,083</u> |

Acorah Software Products Limited
Notes to the Financial Statements (continued)
For The Year Ended 31 March 2018

18. Pension Commitments

The company operates a defined contribution pension scheme for its employees.

The charge for the year is £66,931 (2017 - £38,484).

The assets of the scheme are held separately from those of the company in an independently administered fund. At the balance sheet date, there were no unpaid contributions.

19. Dividends

| | 2018 | 2017 |
|--------------------------|----------------|----------------|
| | £ | £ |
| On equity shares: | | |
| Final dividend paid | 175,009 | 164,443 |
| | <u>175,009</u> | <u>164,443</u> |

20. Related Party Transactions

The company is a wholly owned subsidiary of Acorah Newco Ltd. At the balance sheet date, £480,845 (2017 - £ 401,354) was due from Acorah Newco Ltd in the form of a non-trading loan.

21. Exceptional Items

The Exceptional charge in the profit and loss account in the prior year relates to the provision against an onerous lease for a property. The business moved head office during the year to support the additional space required due to accelerated business growth and subsequent recruitment.

22. General Information

Acorah Software Products Limited Registered number 03948264 is a limited by shares company incorporated in England & Wales. The Registered Office is Rubra One, Mulberry Business Park, Fishponds Road, Wokingham, Berkshire, RG41 2GY.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.