

Ascribe Holdings Limited

Annual report and financial statements

Registered number 05204003

31 December 2017



Contents

Officers and professional advisers	1
Strategic report	2
Directors' report	3
Statement of directors' responsibilities in respect of the Strategic report, the Directors' report and the financial statements	4
Independent auditor's report to the members of Ascribe Holdings Limited	5
Profit and loss account and other comprehensive income	7
Balance sheet	8
Statement of changes in equity	9
Notes	10

Officers and professional advisers

Directors

P J Southby
C M K Spencer – resigned 30 April 2017
D A Barber – appointed 1 May 2017

Secretary

C Benson – appointed 20 October 2017
S Waite – resigned 20 October 2017

Company number

05204003 (England and Wales)

Registered office

Rawdon House
Green Lane
Yeadon
Leeds
LS19 7BY

Auditor

KPMG LLP
1 Sovereign Square
Sovereign Street
Leeds
LS1 4DA

Strategic report

The directors present their Strategic report of Ascribe Holdings Limited for the year ended 31 December 2017.

Business review

The principal activity of the company is an intermediate holding company.

The company is a member of a sub-group headed by Ascribe Group Limited whose activities are the development, supply and support of software solutions for the UK and international health markets. The ultimate parent undertaking is EMIS Group plc.

The company has not traded during the year. The financial position at the year-end was in line with the directors' expectations.

Principal risks and uncertainties

The principal risks include:

Political influence on health spending

Changes to political healthcare initiatives cause uncertainty and potential delays to new orders as the full meaning of the changes is understood by Health IT decision makers. Continuing reductions in public expenditure, despite announced exclusions to healthcare expenditure, has created uncertainty in the Health IT market. This risk is mitigated in a number of ways including close engagement with the NHS at both strategic and tactical levels and development of a clear market and product strategy.

Delivery of new software

Delivery of fully tested software that meets the needs of clinicians is key to the company's success. All proposed development projects are reviewed and prioritised whilst operational management reviews live development and implementation projects to ensure timely delivery and that all project risks are minimised.

Client concentration and the ability to secure new business

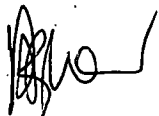
The Ascribe group of companies has a wide market share but recognises the need to widen its customer base to diminish reliance on certain key customers. The client base has widened during the financial period and expects this to continue as new solutions are introduced.

The Directors review, and where possible, mitigate known business risks. The principal risks of the wider group are detailed in the financial statements of the ultimate parent company, EMIS Group Plc.

Key performance indicators

The Directors monitor the business of the Ascribe group of companies based on new capital orders, revenue, earnings before interest, tax, exceptional items and amortisation of intangible assets and on its investment in research and development and capital expenditure. These indicators monitor both the success of continuing operations and underlying operational profitability, and the reinvestment in the business through development which will drive future revenues and growth.

By order of the Board



Dean Barber

Director

Rawdon House, Green Lane, Yeadon, Leeds LS19 7BY.
26 September 2018

Directors' report

The directors present their report and the audited financial statements of Ascribe Holdings Limited for the year ended 31 December 2017.

Principal activities

The principal activity of the company is an intermediate holding company.

The company is a member of a sub-group headed by Ascribe Group Limited whose activities are the development, supply and support of software solutions for the UK and international health markets. The ultimate parent undertaking is EMIS Group PLC.

Both the level of business for the financial year and the financial position at the year-end were in line with the directors' expectations.

Directors

The directors of the company, who, unless otherwise stated, have held office throughout the year and subsequently, are as follows:

P J Southby
C M K Spencer (resigned 30 April 2017)
D A Barber (appointed 1 May 2017)

Dividend

The directors do not recommend the payment of a dividend (2016: £nil).

Directors' indemnities

The company provides an indemnity for its directors, which is a qualifying third party indemnity provision for the purposes of the Companies Act 2006.

Political contributions

The company made no political donations or incurred any political expenditure in the year (2016: £nil).

Disclosure of information to auditor

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

Auditor

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

By order of the Board



Dean Barber
Director

Rawdon House, Green Lane, Yeadon, Leeds LS19 7BY
26 September 2018

Statement of directors' responsibilities in respect of the Strategic report, the Directors' report and the financial statements

The directors are responsible for preparing the Strategic Report, 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 they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 *Reduced Disclosure Framework*.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



KPMG LLP

1 Sovereign Square
Sovereign Street
Leeds
LS1 4DA
United Kingdom

Independent auditor's report to the members of Ascribe Holdings Limited

Opinion

We have audited the financial statements of Ascribe Holdings Limited ("the company") for the year ended 31 December 2017 which comprise the profit and loss account and other comprehensive income, balance sheet, statement of changes in equity and related notes, including the accounting policies in note 1:

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its result for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 *Reduced Disclosure Framework*; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

Strategic report and directors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Independent auditor's report to the members of Ascribe Holdings Limited *(continued)*

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required 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.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 4, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

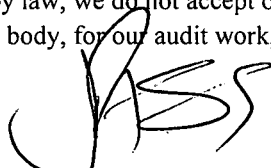
Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.


A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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.



Johnathan Pass (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
1 Sovereign Square
Sovereign Street
Leeds
LS1 4DA

 September 2018

Profit and loss account and other comprehensive income

For the year ended 31 December 2017

	Note	2017	2016
		£	£
Other operating income		-	14,229
Operating profit		-	14,229
Income from shares in group undertakings		-	122,556
Result/profit before taxation		-	136,785
Tax charge	3	-	-
Result/profit for the financial year		-	136,785
Other comprehensive income			
Other comprehensive income for the year, net of income tax		-	-
Total comprehensive income for the year		-	136,785

The result for the year is derived from the company's continuing operations.

The notes on pages 10 to 14 form part of these financial statements.

Balance sheet
At 31 December 2017

	<i>Note</i>	2017 £	2016 £
Fixed assets			
Investments	4	3,268,219	3,268,219
		<u>3,268,219</u>	<u>3,268,219</u>
Current assets			
Debtors	5	39,689,463	39,690,660
		<u>39,689,463</u>	<u>39,690,660</u>
Creditors: amounts falling due within one year	6	(30,582,145)	(30,583,342)
Net current assets		<u>9,107,318</u>	<u>9,107,318</u>
Total assets less current liabilities		<u>12,375,537</u>	<u>12,375,537</u>
Net assets		<u>12,375,537</u>	<u>12,375,537</u>
Capital and reserves			
Called up share capital	7	1,217,172	1,217,172
Share premium account		4,831,476	4,831,476
Merger reserve		6,190,104	6,190,104
Profit and loss account		136,785	136,785
Equity shareholder's funds		<u>12,375,537</u>	<u>12,375,537</u>

The notes on pages 10 to 14 form part of these financial statements.

These financial statements were approved by the board of directors on 26 September 2018 and were signed on its behalf by:



Dean Barber
Director

Statement of changes in equity

For the year ended 31 December 2017

	Called up share capital £	Share premium account £	Merger reserve £	Profit and loss account £	Total Equity £
As at 1 January 2016	1,217,172	4,831,476	6,190,104	-	12,238,752
Profit for the year			-	136,785	136,785
At 1 January 2017	1,217,172	4,831,476	6,190,104	136,785	12,375,537
Result for the year	-	-	-	-	-
At 31 December 2017	1,217,172	4,831,476	6,190,104	136,785	12,375,537

The notes on pages 10 to 14 form part of these financial statements.

Notes

(Forming part of the financial statements)

1 Accounting policies

1.1 Basis of preparation

Ascribe Holdings Limited (the "Company") is a limited company incorporated and domiciled in the UK. The company is exempt by virtue of the Companies Act 2006 from the requirement to prepare Group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

These financial statements have been prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework* ("FRS 101"). The financial statements have also been prepared in accordance with the Companies Act 2006.

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

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

The company's ultimate parent undertaking, EMIS Group Plc, includes the company in its consolidated financial statements, which are prepared in accordance with EU-IFRS, and are available to the public through www.emisgroupplc.com/investors.

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

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

As the consolidated financial statements of EMIS Group Plc include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- IFRS 2 *Share Based Payments* in respect of group settled share based payments
- Certain disclosures required by IAS 36 *Impairment of assets* in respect of the impairment of goodwill and indefinite life intangible assets.

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

1.2 Going concern

After careful enquiry and review of available financial information for at least 12 months following the dates that these accounts were signed the directors believe that the company has adequate resources to continue to operate for the foreseeable future. It is therefore appropriate to continue to adopt the going concern basis of accounting in the preparation of the financial statements of the company.

Notes (continued)

1 Accounting policies (continued)

1.3 Non-derivative financial instruments

Trade receivables

Trade receivables are amounts due from customers for goods sold and services provided in the ordinary course of business. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade receivables is established when the carrying value of the receivable exceeds the present value of future cash flows discounted using the original effective interest rate.

Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year. Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

1.4 Impairment

Financial assets (including trade and other debtors)

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Non-financial assets

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is an indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset is the greater of its value in use and its fair value less costs to sell. 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. An impairment loss is recognised if the carrying amount of an asset exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss.

2 Directors remuneration

Remuneration for three (2016: two) of the directors was borne by another group company.

The amount attributable to services provided to the subsidiary by the directors was immaterial during the year.

Notes (continued)

3 Taxation

	2017 £	2016 £
<i>Corporation tax</i>		
Current tax charge for the period	-	-
Total current tax	-	-
<i>Deferred tax</i>		
Origination and reversal of timing differences	-	-
Total deferred tax	-	-
Tax on profit	-	-
<i>Factors affecting the tax charge for the year</i>		
	2017 £	2016 £
Profit for the year	-	135,785
Total tax expense	-	-
Profit before taxation	-	135,785
Profit multiplied by the averaged standard rate of corporation tax in the UK of 19.25% (2016: 20%)	-	27,357
<i>Effects of:</i>		
Income not taxable	-	(27,357)
Tax charge for the year	-	-

Notes (continued)

4 Fixed asset investments

	2017 £	2016 £
Shares in group undertakings cost and net book value		
At 31 December 2017	3,268,219	3,268,219
At 1 January 2017	3,268,219	3,268,219

Details of the subsidiary undertakings are as follows:

Name and nature of business	Ownership	Country of registration	% of issued ordinary shares held	Class of share
Ascribe Limited - health software Registered Office: Rawdon House, Green Lane, Yeadon, Leeds, LS19 7BY	Direct	England	100	£0.01 ordinary
Indigo 4 Systems Limited – health software Registered Office: Rawdon House, Green Lane, Yeadon, Leeds, LS19 7BY	Indirect	England	100	£1 ordinary
ASC Computer Software PTY Limited – health software Registered Office: Unit 1B 5-7 Compark Circuit, Mulgrave, VIC 3170	Indirect	Australia	100	\$1 ordinary
ASC Computer Software (NZ) Limited – health software Registered Office: Suite 6035, 17b Farnham Street, Parnell, Auckland 1052	Indirect	New Zealand	100	\$1 ordinary
Ascribe Limited (Kenya) – dormant Registered Office: 3 rd Floor, The Citadel, Muthithi Road, Westlands, Nairobi, Kenya	Indirect	Kenya	100	100 Kshs ordinary
Footman Walker Associates Limited – dormant Registered Office: Rawdon House, Green Lane, Yeadon, Leeds, LS19 7BY	Indirect	England	100	£0.10 and £1 ordinary
Protechnic Exeter Limited - dormant Registered Office: Rawdon House, Green Lane, Yeadon, Leeds, LS19 7BY	Indirect	England	100	£0.50 and £0.01 ordinary

Notes (continued)

5 Debtors

	2017 £	2016 £
Amounts owed by group undertakings	<u>39,689,463</u>	<u>39,690,660</u>

6 Creditors: amounts falling due within one year

	2017 £	2016 £
Amounts owed to fellow group companies	<u>30,582,145</u>	<u>30,583,342</u>

Amounts owed to fellow group companies are unsecured, interest free and repayable on demand.

7 Equity share capital

	2017 £	2016 £
<i>Allotted, issued and fully paid:</i> 121,717,161 (2016: 121,717,161) ordinary shares of 1p each	<u>1,217,172</u>	<u>1,217,172</u>

8 Ultimate parent company

The company's immediate parent undertaking is Scroll Bidco Limited, a company incorporated in England and Wales.

The company's ultimate parent company and the parent company of the smallest and largest group to include the company in its consolidated financial statements is EMIS Group plc, a company incorporated in England and Wales. Copies of the Group financial statements can be obtained from The Secretary, EMIS Group plc, Rawdon House, Green Lane, Yeadon, Leeds, LS19 7BY.

9 Related Parties

During the year the Company entered into transactions, in the ordinary course of business, with other wholly owned subsidiaries of EMIS Group plc. The Company has taken advantage of the exemption under paragraph 8(k) of FRS 101 not to disclose transactions with fellow wholly owned subsidiaries.