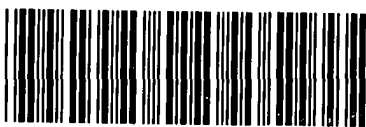


Company Registration No. 05654147 (England and Wales)

**BRIGHT STARR LTD**  
**REPORT AND AUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

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COMPANIES HOUSE

# **BRIGHT STARR LTD**

## **COMPANY INFORMATION**

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<b>Directors</b>	W Saville R Paterson
<b>Secretary</b>	L Saville
<b>Company number</b>	05654147
<b>Registered office</b>	First Floor The Granary Abbey Mill Business Park Lower Eashing Godalming Surrey GU7 2QW
<b>Auditor</b>	Moorgate Chartered Accountants Moorgate House 7b Station Road West Oxted Surrey UK RH8 9EE

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# **BRIGHT STARR LTD**

## **CONTENTS**

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	<b>Page</b>
Strategic report	<b>1</b>
Directors' report	<b>2</b>
Directors' responsibilities statement	<b>3</b>
Independent auditor's report	<b>4 - 6</b>
Profit and loss account	<b>7</b>
Statement of comprehensive income	
Balance sheet	<b>8</b>
Statement of changes in equity	<b>9</b>
Statement of cash flows	<b>10</b>
Notes to the financial statements	<b>11 - 21</b>

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# **BRIGHT STARR LTD**

## **STRATEGIC REPORT**

**FOR THE YEAR ENDED 31 DECEMBER 2018**

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The directors present the strategic report for the year ended 31 December 2018.

### **Fair review of the business**

Over 2018/2019 the Unily brand and product has continued to mature and grow its influence in the digital workplace market. Boasting over 200 clients and more than 2.5 million users the product and organisation have gone from strength to strength. Our continued investment in shaping the digital workplace industry and establishing Unily as a market leader is underpinned by effective marketing of our product, the impact of our global PR strategy, and sharing innovative thought-leadership through events and seminars.

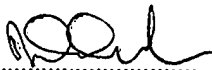
At the start of 2019, and building on Unily's success in the intranet space, the product repositioned from Intranet as a Service to Digital Experience Cloud. This evolution in our product offering enhanced the company's core intranet solution, while also enabling the product to serve new enterprise scenarios such as partner extranets, customer portals and sales enablement platforms among many others.

The product has continued to evolve its capabilities at a rapid rate including the addition of a robust integration framework and the ability to invite external users into the platform which form the core pillars of a DXP. This among a host of other features delivered through our evergreen roadmap has ensured Unily remains on the cutting-edge of digital workplace market. Unily delivers a robust OOTB offering suitable for a broad range of complex enterprise scenarios, while delivering the flexibility required to create bespoke application on-demand, and at low cost to our customers.

We have continued to invest in Unily significantly during 2018, but at the same time, the Operating Profit has increased by 41% compared to last year.

The company looks forward to continued growth of the Unily brand.

On behalf of the board



R Paterson

Director

27/9/19

# **BRIGHT STARR LTD**

## **DIRECTORS' REPORT**

**FOR THE YEAR ENDED 31 DECEMBER 2018**

---

The directors present their annual report and financial statements for the year ended 31 December 2018.

### **Principal activities**

The company's principal activity during the year continued to be software and applications development.

### **Directors**

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

W Saville  
R Paterson

### **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, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board



R Paterson  
Director

Date: 27/9/19

# **BRIGHT STARR LTD**

## **DIRECTORS' RESPONSIBILITIES STATEMENT**

**FOR THE YEAR ENDED 31 DECEMBER 2018**

---

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). 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;
- 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.

# BRIGHT STARR LTD

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BRIGHT STARR LTD

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### Opinion

We have audited the financial statements of Bright Starr Ltd (the 'company') for the year ended 31 December 2018 which comprise the profit and loss account, the statement of comprehensive income, the balance sheet, the statement of changes in equity, the statement of cash flows 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 December 2018 and of its profit for the year 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 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 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 our audit:

- the information given in the strategic report and the directors' report for the financial year 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.
-

# **BRIGHT STARR LTD**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF BRIGHT STARR LTD**

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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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report.

### **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 Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.



# **BRIGHT STARR LTD**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF BRIGHT STARR LTD**

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### **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 Seed ACA (Senior Statutory Auditor)**  
**for and on behalf of Moorgate Chartered Accountants (Statutory Auditor)**

27/9/19

Moorgate House  
7b Station Road West  
Oxted  
Surrey  
UK  
RH8 9EE

# **BRIGHT STARR LTD**

## **PROFIT AND LOSS ACCOUNT**

**FOR THE YEAR ENDED 31 DECEMBER 2018**

		<b>2018</b>	<b>2017</b>
	<b>Notes</b>	<b>£</b>	<b>£</b>
<b>Turnover</b>	<b>4</b>	<b>6,515,666</b>	<b>5,095,038</b>
<b>Cost of sales</b>		<b>(1,394,205)</b>	<b>(1,150,201)</b>
<b>Gross profit</b>		<b>5,121,461</b>	<b>3,944,837</b>
<b>Administrative expenses</b>		<b>(4,021,126)</b>	<b>(3,162,466)</b>
<b>Operating profit</b>	<b>5</b>	<b>1,100,335</b>	<b>782,371</b>
<b>Interest receivable and similar income</b>	<b>7</b>	<b>833</b>	<b>333</b>
<b>Interest payable and similar expenses</b>	<b>8</b>	<b>(32,328)</b>	<b>(32,340)</b>
<b>Profit before taxation</b>		<b>1,068,840</b>	<b>750,364</b>
<b>Tax on profit</b>	<b>9</b>	<b>163,737</b>	<b>(151,319)</b>
<b>Profit for the financial year</b>		<b>1,232,577</b>	<b>599,045</b>

The Profit And Loss Account has been prepared on the basis that all operations are continuing operations.

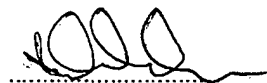
# BRIGHT STARR LTD

## BALANCE SHEET

AS AT 31 DECEMBER 2018

		2018		2017	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	12		87,932		126,005
<b>Current assets</b>					
Debtors	13	4,881,061		2,759,798	
Cash at bank and in hand		906,910		1,320,581	
		<u>5,787,971</u>		<u>4,080,379</u>	
<b>Creditors: amounts falling due within one year</b>	14	<u>(4,611,538)</u>		<u>(3,396,470)</u>	
<b>Net current assets</b>			1,176,433		683,909
<b>Total assets less current liabilities</b>			<u>1,264,365</u>		<u>809,914</u>
<b>Provisions for liabilities</b>	15		(12,295)		(20,421)
<b>Net assets</b>			<u>1,252,070</u>		<u>789,493</u>
<b>Capital and reserves</b>					
Called up share capital	18		1,000		1,000
Profit and loss reserves	19		1,251,070		788,493
<b>Total equity</b>			<u>1,252,070</u>		<u>789,493</u>

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



R Paterson  
Director

Company Registration No. 05654147

# BRIGHT STARR LTD

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2018

	Notes	Share capital £	Profit and loss reserves £	Total £
<b>As restated for the period ended 31 December 2017:</b>				
Balance at 1 January 2017		1,000	722,981	723,981
Effect of change in R&D tax claim		-	66,467	66,467
<b>As restated</b>		<u>1,000</u>	<u>789,448</u>	<u>790,448</u>
<b>Year ended 31 December 2017:</b>				
Profit and total comprehensive income for the year		-	599,045	599,045
Dividends	10	-	(600,000)	(600,000)
<b>Balance at 31 December 2017</b>		<u>1,000</u>	<u>788,493</u>	<u>789,493</u>
<b>Year ended 31 December 2018:</b>				
Profit and total comprehensive income for the year		-	1,232,577	1,232,577
Dividends	10	-	(770,000)	(770,000)
<b>Balance at 31 December 2018</b>		<u>1,000</u>	<u>1,251,070</u>	<u>1,252,070</u>

# BRIGHT STARR LTD

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2018

		2018	2017
	Notes	£	£
<b>Cash flows from operating activities</b>			
Cash generated from operations	20	554,346	475,710
Interest paid		(32,328)	(32,340)
Income taxes paid		(155,611)	(66,467)
<b>Net cash inflow from operating activities</b>		<b>366,407</b>	<b>376,903</b>
<b>Investing activities</b>			
Purchase of tangible fixed assets		(10,911)	(25,302)
Interest received		833	333
<b>Net cash used in investing activities</b>		<b>(10,078)</b>	<b>(24,969)</b>
<b>Financing activities</b>			
Dividends paid		(770,000)	(600,000)
<b>Net cash used in financing activities</b>		<b>(770,000)</b>	<b>(600,000)</b>
<b>Net decrease in cash and cash equivalents</b>		<b>(413,671)</b>	<b>(248,066)</b>
Cash and cash equivalents at beginning of year		1,320,581	1,568,647
<b>Cash and cash equivalents at end of year</b>		<b>906,910</b>	<b>1,320,581</b>

# **BRIGHT STARR LTD**

## **NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2018**

---

### **1 Accounting policies**

#### **Company Information**

Bright Starr Ltd is a private company limited by shares incorporated in England and Wales. The registered office is First Floor, The Granary Abbey Mill Business Park, Lower Eashing, Godalming, Surrey, GU7 2QW.

#### **1.1 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 have been prepared with early application of the FRS 102 Triennial Review 2017 amendments in full.

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 £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

#### **1.2 Going concern**

At the time of approving the financial statements, the directors have a 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.

#### **1.3 Turnover**

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

# BRIGHT STARR LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

### 1 Accounting policies

(Continued)

#### 1.4 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; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

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

Software Development Costs	25% straight line
----------------------------	-------------------

#### 1.5 Tangible fixed assets

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

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

Leasehold land and buildings	16% straight line
Plant and equipment	25% straight line
Fixtures and fittings	25% straight line
Computer equipment	25% straight line

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.

#### 1.6 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.

# BRIGHT STARR LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

### 1 Accounting policies

(Continued)

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### 1.7 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.8 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 in the company's balance sheet 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 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 unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **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 creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, 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. Financial liabilities classified as payable within one year are not amortised.

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.



# BRIGHT STARR LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

### 1 Accounting policies

(Continued)

#### 1.9 Equity instruments

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

#### 1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

##### *Current tax*

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

##### *Deferred tax*

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

#### 1.11 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.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### 1.13 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

# BRIGHT STARR LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

### 2 Change in accounting policy

In the current year, the following new and revised Standards and Interpretations have been adopted by the company and have an effect on the current period or a prior period or may have an effect on future periods:

### 3 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.

### 4 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2018 £	2017 £
Other significant revenue		
Interest income	833	333
	<u>833</u>	<u>333</u>
	2018 £	2017 £
Turnover analysed by geographical market		
UK	3,119,221	3,158,924
Europe	2,586,638	1,783,263
Rest of World	809,807	152,851
	<u>6,515,666</u>	<u>5,095,038</u>

### 5 Operating profit

	2018 £	2017 £
Operating profit for the year is stated after charging:		
Exchange losses	25,009	48,405
Depreciation of owned tangible fixed assets	48,984	52,089
	<u>73,993</u>	<u>100,494</u>

Exchange differences recognised in profit or loss during the year, except for those arising on financial instruments measured at fair value through profit or loss, amounted to £25,009 (2017 - £48,405).

# BRIGHT STARR LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

### 6 Employees

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

2018 Number	2017 Number
23	20

Their aggregate remuneration comprised:

	2018 £	2017 £
Wages and salaries	726,125	292,234
Social security costs	119,322	61,138
Pension costs	26,008	19,094
	<u>871,455</u>	<u>372,466</u>

### 7 Interest receivable and similar income

	2018 £	2017 £
Interest income		
Interest on bank deposits	833	333

Investment income includes the following:

Interest on financial assets not measured at fair value through profit or loss	833	333
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### 8 Interest payable and similar expenses

	2018 £	2017 £
Interest on financial liabilities measured at amortised cost:		
Other interest on financial liabilities	32,328	32,340

### 9 Taxation

	2018 £	2017 £
Current tax		
UK corporation tax on profits for the current period	-	155,611
Adjustments in respect of prior periods	(155,611)	-
Total current tax	<u>(155,611)</u>	<u>155,611</u>

# BRIGHT STARR LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

### 9 Taxation

(Continued)

#### Deferred tax

Origination and reversal of timing differences

(8,126)

(4,292)

Total tax (credit)/charge

(163,737)

151,319

The actual (credit)/charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2018 £	2017 £
Profit before taxation	1,068,840	750,364
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2017: 19.25%)	203,080	144,445
Tax effect of expenses that are not deductible in determining taxable profit	49,972	-
Adjustments in respect of prior years	(155,611)	-
Group relief	(242,222)	-
Permanent capital allowances in excess of depreciation	(10,830)	-
Research and development tax credit	-	155,611
Deferred tax adjustments	(8,126)	(4,292)
	-	(144,445)
Taxation (credit)/charge for the year	(163,737)	151,319

### 10 Dividends

	2018 £	2017 £
Final paid	770,000	600,000

# BRIGHT STARR LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

### 11 Intangible fixed assets

	Software Development Costs £
<b>Cost</b>	
At 1 January 2018 and 31 December 2018	14,007
<b>Amortisation and impairment</b>	
At 1 January 2018 and 31 December 2018	14,007
<b>Carrying amount</b>	
At 31 December 2018	-
At 31 December 2017	-

### 12 Tangible fixed assets

	Leasehold land and buildings £	Plant and equipment £	Fixtures and fittings £	Computer equipment £	Total £
<b>Cost</b>					
At 1 January 2018	95,115	28,190	63,522	177,576	364,403
Additions	925	1,886	3,267	4,833	10,911
At 31 December 2018	96,040	30,076	66,789	182,409	375,314
<b>Depreciation and impairment</b>					
At 1 January 2018	36,223	26,487	42,103	133,585	238,398
Depreciation charged in the year	15,270	1,885	9,955	21,874	48,984
At 31 December 2018	51,493	28,372	52,058	155,459	287,382
<b>Carrying amount</b>					
At 31 December 2018	44,547	1,704	14,731	26,950	87,932
At 31 December 2017	58,892	1,703	21,419	43,991	126,005

### 13 Debtors

	2018 £	2017 £
<b>Amounts falling due within one year:</b>		
Trade debtors	1,071,944	396,174
Corporation tax recoverable	222,078	66,467
Amounts owed by group undertakings	3,272,797	2,019,949
Other debtors	69,299	36,833
Prepayments and accrued income	244,943	240,375
	4,881,061	2,759,798

# BRIGHT STARR LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

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

	2018 £	2017 £
Trade creditors	95,764	96,369
Corporation tax	-	155,611
Other taxation and social security	47,618	21,260
Other creditors	707,627	427,571
Accruals and deferred income	3,760,529	2,695,659
	<u>4,611,538</u>	<u>3,396,470</u>

### 15 Provisions for liabilities

	Notes	2018 £	2017 £
Deferred tax liabilities	16	<u>12,295</u>	<u>20,421</u>

### 16 Deferred taxation

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

	Liabilities 2018 £	Liabilities 2017 £
<b>Balances:</b>		
Accelerated capital allowances	<u>12,295</u>	<u>20,421</u>
<b>Movements in the year:</b>		2018 £
Liability at 1 January 2018		20,421
Credit to profit or loss		(8,126)
Liability at 31 December 2018		<u>12,295</u>

The deferred tax liability set out above is expected to reverse within 12 months and relates to accelerated capital allowances that are expected to mature within the same period.

# BRIGHT STARR LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

### 17 Retirement benefit schemes

	2018	2017
	£	£
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	26,008	19,094

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.

### 18 Share capital

	2018	2017
	£	£
Ordinary share capital Issued and fully paid 1,000 of £1 each	1,000	1,000

### 19 Profit and loss reserves

	2018	2017
	£	£
At the beginning of the year	722,026	722,981
Prior year adjustment	66,467	66,467
As restated	788,493	789,448
Profit for the year	1,232,577	599,045
Dividends declared and paid in the year	(770,000)	(600,000)
At the end of the year	1,251,070	788,493

The prior year adjustment relates to the tax credit in respect of Research & Development expenditure incurred in the prior year..

# BRIGHT STARR LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

### 20 Cash generated from operations

	2018 £	2017 £
Profit for the year after tax	1,232,577	599,045
<b>Adjustments for:</b>		
Taxation (credited)/charged	(163,737)	151,319
Finance costs	32,328	32,340
Investment income	(833)	(333)
Depreciation and impairment of tangible fixed assets	48,984	52,089
<b>Movements in working capital:</b>		
(Increase) in debtors	(1,965,652)	(476,053)
Increase in creditors	1,370,679	117,302
<b>Cash generated from operations</b>	<b>554,346</b>	<b>475,709</b>

### 21 Analysis of changes in net funds

	1 January 2018 £	Cash flows £	31 December 2018 £
Cash at bank and in hand	1,320,581	(413,671)	906,910