

REGISTERED NUMBER: 06013169 (England and Wales)

UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

FOR

PURENET SOLUTIONS LIMITED

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for the year ended 31 December 2016

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PURENET SOLUTIONS LIMITED

COMPANY INFORMATION

for the year ended 31 December 2016

DIRECTORS:

Dr P M Gibson
I R Lawton
J S Morgan
D Warren
P M Doherty

SECRETARY:

Dr P M Gibson

REGISTERED OFFICE:

Great North Way
York Business Park
York
YO26 6RB

REGISTERED NUMBER:

06013169 (England and Wales)

STATEMENT OF FINANCIAL POSITION
31 December 2016

	Notes	2016 £	£	2015 £	£
FIXED ASSETS					
Intangible assets	4		319,537		251,919
Property, plant and equipment	5		61,471		45,565
Investments	6		<u>104</u>		<u>104</u>
			381,112		297,588
CURRENT ASSETS					
Debtors	7	461,577		407,220	
Cash at bank		<u>103,179</u>		<u>61,154</u>	
		564,756		468,374	
CREDITORS					
Amounts falling due within one year	8	<u>629,032</u>		<u>555,765</u>	
NET CURRENT LIABILITIES			<u>(64,276)</u>		<u>(87,391)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			316,836		210,197
CREDITORS					
Amounts falling due after more than one year	9		(239,948)		(126,007)
PROVISIONS FOR LIABILITIES			<u>(69,430)</u>		<u>(55,335)</u>
NET ASSETS			<u>7,458</u>		<u>28,855</u>
CAPITAL AND RESERVES					
Called up share capital			2,011		2,011
Share premium			891		891
Retained earnings			<u>4,556</u>		<u>25,953</u>
SHAREHOLDERS' FUNDS			<u>7,458</u>		<u>28,855</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2016.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2016 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and
- (b) which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

STATEMENT OF FINANCIAL POSITION - continued
31 December 2016

The financial statements have been prepared and delivered in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors on 14 September 2017 and were signed on its behalf by:

Dr P M Gibson - Director

PureNet Solutions Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

Basis of preparing the financial statements

Preparation of consolidated financial statements

Significant judgements and estimates

Critical judgements in applying the company's policies

Critical accounting estimates and assumptions

1. Amortisation of intangible assets

The annual amortisation charge for intangible assets is sensitive to changes in the estimated useful economic lives and future revenues generated relating to development costs capitalised. The assumptions used regarding useful economic lives are assessed annually. They are amended when necessary to reflect current estimates based on market conditions. Forecasted future revenues are reviewed annually to ensure they are in excess of development costs together with related production, selling and administrative costs.

2. Provisions

The management have assessed the necessary level of provisions required against bad debts and intercompany loans made based on previous experience and all available knowledge and information.

The directors do not consider that any other estimates and assumptions used in the preparation of these financial statements have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Turnover

Turnover represents goods and services supplied, excluding value added tax. Revenue is recognised to the extent that the company has obtained the right to consideration through its performance and is measured at the fair value of the right to consideration.

Goodwill and other intangible fixed assets

Acquired goodwill and other intangible fixed assets excluding development costs are written off in equal annual instalments over an estimated useful economic life of 10 years.

Development costs

Development costs relate to clearly defined software products and are capitalised where it is reasonably expected that future related revenues will exceed development costs together with related production, selling and administrative costs.

Completed development costs are amortised over the period expected to benefit from future revenues, which is critically reviewed at each accounting date. For the purposes of section 844 of the Companies Act 2006 the amount of development costs capitalised are not treated as a realised loss for the purposes of making distributions.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings - 25% on reducing balance and 10% on cost

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 December 2016

2. ACCOUNTING POLICIES - continued

Investments in subsidiaries

Investment in subsidiary undertakings are recognised at cost less impairment

Financial instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities such as trade, other accounts receivable and payable and loans to related parties.

Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received.

Debt instruments such as loans and other accounts receivable and payable are initially measured at present value of the future payments and subsequently at amortised costs using the effective interest method.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Operating leases

Operating lease rentals are charged against profits of the period to which they relate.

Pension costs and other post-retirement benefits

Payments to defined contribution pension schemes are charged as an expense in the period to which they relate.

Going concern

The company has a net asset position and the directors are satisfied that sufficient resources will be available to continue operating for the foreseeable future despite the net current liabilities shown in these accounts. Thus the directors continue to adopt the going concern basis of accounting in preparing the annual financial statements.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 56 .

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 December 2016

4. INTANGIBLE FIXED ASSETS

	Goodwill £	Other intangible assets £	Totals £
COST			
At 1 January 2016	12,265	267,611	279,876
Additions	-	96,404	96,404
At 31 December 2016	<u>12,265</u>	<u>364,015</u>	<u>376,280</u>
AMORTISATION			
At 1 January 2016	5,345	22,612	27,957
Charge for year	893	27,893	28,786
At 31 December 2016	<u>6,238</u>	<u>50,505</u>	<u>56,743</u>
NET BOOK VALUE			
At 31 December 2016	<u>6,027</u>	<u>313,510</u>	<u>319,537</u>
At 31 December 2015	<u>6,920</u>	<u>244,999</u>	<u>251,919</u>

5. PROPERTY, PLANT AND EQUIPMENT

	Fixtures and fittings £
COST	
At 1 January 2016	108,436
Additions	29,509
At 31 December 2016	<u>137,945</u>
DEPRECIATION	
At 1 January 2016	62,871
Charge for year	13,603
At 31 December 2016	<u>76,474</u>
NET BOOK VALUE	
At 31 December 2016	<u>61,471</u>
At 31 December 2015	<u>45,565</u>

6. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
COST	
At 1 January 2016 and 31 December 2016	<u>104</u>
NET BOOK VALUE	
At 31 December 2016	<u>104</u>
At 31 December 2015	<u>104</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 December 2016

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016	2015
	£	£
Trade debtors	337,934	333,230
Amounts owed by group undertakings	1	1
Other debtors	123,642	73,989
	<u>461,577</u>	<u>407,220</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016	2015
	£	£
Trade creditors	1,736	8,264
Amounts owed to group undertakings	29,381	8,228
Taxation and social security	121,452	168,513
Other creditors	476,463	370,760
	<u>629,032</u>	<u>555,765</u>

9. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2016	2015
	£	£
Other creditors	<u>239,948</u>	<u>126,007</u>

10. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2016	2015
	£	£
Within one year	42,066	20,803
Between one and five years	41,228	838
In more than five years	92,763	-
	<u>176,057</u>	<u>21,641</u>

11. SECURED DEBTS

The following secured debts are included within creditors:

	2016	2015
	£	£
Other loans	<u>350,302</u>	<u>192,009</u>

The loans are secured by means of a directors joint and several personal guarantee of £284,980 and a fixed and floating charge over all property or undertaking of the company.

12. RELATED PARTY DISCLOSURES

Directors and their close family received dividends of £250,960 (2015 -£280,840) during the period.

Turnover includes £438,044 (2015 - £222,974) of management charges to related companies which are either subsidiaries or otherwise owned and controlled by director and shareholders of this company. Balances due from these companies at the year end included in debtors are £210,970 (2015 - £5,910).

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 December 2016

13. **FIRST YEAR ADOPTION**

Transitional relief

On transition to FRS 102, the company has taken advantage of the following transitional relief:

- to measure investment in subsidiaries at cost determined in accordance with Section 9 Consolidated and Separate Financial Statements.

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.