

Registration number: 06061984

POWEROASIS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

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POWEROASIS LIMITED

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POWEROASIS LIMITED

COMPANY INFORMATION

Directors	P W Bishop
	J P M Craton
	J A P McKenna
	J O'Donohue
	D R Ward
	C E Robinson
	R L Lincoln
Company secretary	Isosceles Finance Limited
Registered office	52 Shrivenham Hundred Business Park Majors Road Watchfield Swindon Wiltshire SN6 8TY
Auditors	Hazlewoods LLP Staverton Court Staverton Cheltenham GL51 0UX

POWEROASIS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2016

The directors present their report and the financial statements for the year ended 31 December 2016.

Directors of the company

The directors who held office during the year were as follows:

P W Bishop

J P M Craton

J A P McKenna

J O'Donohue

D R Ward

C E Robinson

R L Lincoln (appointed 26 January 2016)

Principal activity

The principal activity of the company is that of providing off-grid power solutions for mobile base stations with a unique combination of expertise in energy and mobile telecommunications

Disclosure of information to the auditors

Each director has taken the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

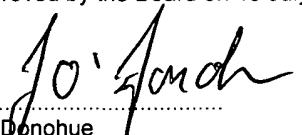
Reappointment of auditors

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of Hazlewoods LLP as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

Small companies provision statement

This report has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved by the Board on 13 July 2017 and signed on its behalf by:



.....
J O'Donohue
Director

POWEROASIS LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors acknowledge their responsibilities 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 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.

POWEROASIS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF POWEROASIS LIMITED

We have audited the financial statements of PowerOasis Limited for the year ended 31 December 2016, set out on pages 6 to 19. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 Section 1A 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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.

Respective responsibilities of directors and auditor

As explained more fully in the Statement of Directors' Responsibilities (set out on page 3), the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors to the financial statements, including "APB Ethical Standard - Provisions Available for Small Entities (Revised)".

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2016 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to smaller entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

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

POWEROASIS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF POWEROASIS LIMITED

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in 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 and from the requirement to prepare a Strategic Report.



Paul Fussell (Senior Statutory Auditor)
For and on behalf of Hazlewoods LLP, Statutory Auditor

Staverton Court
Staverton
Cheltenham
GL51 0UX

13 July 2017

POWEROASIS LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2016

		Year ended 31 December 2016 £	(As restated) 1 February 2015 to 31 December 2015 £
	Note		
Turnover		2,674,745	2,655,426
Cost of sales		<u>(662,207)</u>	<u>(1,430,730)</u>
Gross profit		2,012,538	1,224,696
Administrative expenses		<u>(2,707,204)</u>	<u>(2,252,290)</u>
Operating loss		<u>(694,666)</u>	<u>(1,027,594)</u>
Other interest receivable and similar income		<u>(6,084)</u>	<u>322</u>
		<u>(6,084)</u>	<u>322</u>
Loss before tax	5	(700,750)	(1,027,272)
Taxation		<u>354,366</u>	<u>316,643</u>
Loss for the financial year		<u><u>(346,384)</u></u>	<u><u>(710,629)</u></u>

The above results were derived from continuing operations.

The notes on pages 10 to 19 form an integral part of these financial statements.

POWEROASIS LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2016

	(As restated)	
	2016	2015
	£	£
Loss for the year	<u>(346,384)</u>	<u>(710,629)</u>
Total comprehensive income for the year	<u><u>(346,384)</u></u>	<u><u>(710,629)</u></u>

The notes on pages 10 to 19 form an integral part of these financial statements.

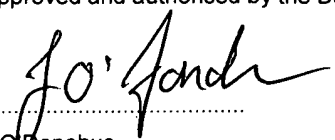
POWEROASIS LIMITED

**(REGISTRATION NUMBER: 06061984)
BALANCE SHEET AS AT 31 DECEMBER 2016**

		31 December 2016 £	(As restated) 31 December 2015 £
	Note		
Fixed assets			
Tangible assets	7	44,710	37,063
Investments		<u>1</u>	<u>1</u>
		<u>44,711</u>	<u>37,064</u>
Current assets			
Stocks		80,283	130,869
Debtors	9	734,526	495,153
Cash at bank and in hand		<u>906,009</u>	<u>771,597</u>
		1,720,818	1,397,619
Creditors: Amounts falling due within one year	10	<u>(1,008,864)</u>	<u>(331,634)</u>
Net current assets		<u>711,954</u>	<u>1,065,985</u>
Net assets		<u>756,665</u>	<u>1,103,049</u>
Capital and reserves			
Called up share capital		1,097	1,097
Share premium reserve		12,336,878	12,336,878
Profit and loss account		<u>(11,581,310)</u>	<u>(11,234,926)</u>
Total equity		<u>756,665</u>	<u>1,103,049</u>

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved and authorised by the Board on 13 July 2017 and signed on its behalf by:


.....
J O'Donohue
Director

The notes on pages 10 to 19 form an integral part of these financial statements.

POWEROASIS LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2016

	Share capital £	Share premium £	Profit and loss account £	Total £
At 1 January 2016	1,097	12,336,878	(11,234,926)	1,103,049
Loss for the year	-	-	(346,384)	(346,384)
At 31 December 2016	<u>1,097</u>	<u>12,336,878</u>	<u>(11,581,310)</u>	<u>756,665</u>

	Share capital £	Share premium £	Profit and loss account £	Total £
At 1 February 2015	1,082	12,179,129	(10,524,297)	1,655,914
Loss for the year	-	-	(710,629)	(710,629)
New share capital subscribed	15	157,749	-	157,764
At 31 December 2015	<u>1,097</u>	<u>12,336,878</u>	<u>(11,234,926)</u>	<u>1,103,049</u>

The notes on pages 10 to 19 form an integral part of these financial statements.

POWEROASIS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

1 General information

The company is a private company limited by share capital incorporated in England and Wales.

The address of its registered office is:
52 Shrivenham Hundred Business Park
Majors Road
Watchfield
Swindon
Wiltshire
SN6 8TY

These financial statements were authorised for issue by the Board on 13 July 2017.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except for, where disclosed in these accounting policies, certain items that are shown at fair value.

The presentational currency of the financial statements is Pound Sterling, being the functional currency of the primary economic environment in which the company operates. Monetary amounts in these financial statements are rounded to the nearest £.

Going concern

After reviewing the company's forecasts and projections, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

The company has a reported loss of £346,384 in the period.

The company is pursuing new financing options and continues to manage its cost base. Whilst the directors acknowledge the uncertainty over funding, they have a reasonable expectation that the company will have adequate resources to continue in operational existence for at least 12 months from approval of these financial statements. The company continues to have the support of its shareholders, who have indicated their intention to support the business. On these grounds, the directors continue to consider it appropriate to prepare the financial statements on a going concern basis.

Prior period errors

During the transition to FRS 102, the directors have identified 2 errors presented in the last financial statements prepared under previous UK GAAP, the details of which are set out in note 15.

Judgements and estimation uncertainty

These financial statements do not contain any significant judgements or estimation uncertainty.

POWEROASIS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts and after eliminating sales within the company.

The company recognises revenue when:
The amount of revenue can be reliably measured;
it is probable that future economic benefits will flow to the entity;
and specific criteria have been met for each of the company's activities.

Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the initial transaction dates.

Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the profit and loss account, except that a charge attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Office equipment	straight line over 3 years

Business combinations

Business combinations are accounted for using the purchase method. The consideration for each acquisition is measured at the aggregate of the fair values at acquisition date of assets given, liabilities incurred or assumed, and equity instruments issued by the group in exchange for control of the acquired, plus any costs directly attributable to the business combination. When a business combination agreement provides for an adjustment to the cost of the combination contingent on future events, the group includes the estimated amount of that adjustment in the cost of the combination at the acquisition date if the adjustment is probable and can be measured reliably.

POWEROASIS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

Investments

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. All trade debtors are repayable within one year and hence are included at the undiscounted cost of cash expected to be received. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the debtors.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

Trade creditors

Trade creditors 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 the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and all are repayable within one year and hence are included at the undiscounted amount of cash expected to be paid.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

POWEROASIS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

POWEROASIS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

Financial instruments

Classification

Financial instruments are classified and accounted for according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability on the balance sheet. The corresponding dividends relating to the liability component are charged as interest expenses in the profit and loss account.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Impairment

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

A non financial asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

The recoverable amount of goodwill is derived from measurement of the present value of the future cash flows of the cash-generating units ('CGUs') of which the goodwill is a part. Any impairment loss in respect of a CGU is allocated first to the goodwill attached to that CGU, and then to other assets within that CGU on a pro-rata basis.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised. Where a reversal of impairment occurs in respect of a CGU, the reversal is applied first to the assets (other than goodwill) of the CGU on a pro-rata basis and then to any goodwill allocated to that CGU.

For financial assets carried at amortised cost, the amount of an impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year was 29 (2015 - 26).

POWEROASIS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

4 Directors' remuneration

The directors' remuneration for the year was as follows:

	Year ended 31 December 2016 £	1 February 2015 to 31 December 2015 £
Remuneration	297,500	252,767
Contributions paid to money purchase schemes	1,699	6,684
	<u>299,199</u>	<u>259,451</u>

5 Profit before tax

Arrived at after charging:

	Year ended 31 December 2016 £	1 February 2015 to 31 December 2015 £
Depreciation expense	22,110	18,978
Auditors remuneration	<u>7,000</u>	<u>7,000</u>

6 Taxation

Tax charged in the profit and loss account

	Year ended 31 December 2016 £	(As restated) 1 February 2015 to 31 December 2015 £
Current taxation		
UK corporation tax	(354,366)	(316,670)
UK corporation tax adjustment to prior periods	<u>-</u>	<u>27</u>
	<u>(354,366)</u>	<u>(316,643)</u>

POWEROASIS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

7 Tangible assets

	Furniture, fittings and equipment £
Cost	
At 1 January 2016	178,414
Additions	29,757
Disposals	<u>(40,931)</u>
At 31 December 2016	<u>167,240</u>
Depreciation	
At 1 January 2016	141,351
Charge for the period	22,110
Eliminated on disposal	<u>(40,931)</u>
At 31 December 2016	<u>122,530</u>
Carrying amount	
At 31 December 2016	<u>44,710</u>
At 31 December 2015	<u>37,063</u>

8 Investments

	2016 £	2015 £
Shares in group undertakings and participating interests	<u>1</u>	<u>1</u>

Shares in group undertakings and participating interests	£
Cost	
At 1 January 2016 and 31 December 2016	<u>1</u>
Carrying amount	
At 31 December 2015 and 31 December 2016	<u>1</u>

POWEROASIS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

Details of undertakings

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Country of Incorporation	Holding	Proportion of voting rights and shares held	
			2016	2015
Subsidiary undertakings				
PowerOasis International Limited	England and Wales	Ordinary	100%	100%

The financial year end of PowerOasis International Limited is 31 December 2016. The loss for the financial year end of PowerOasis International Limited was £12,347 (2015 - profit of £62,845) and the aggregate amount of capital and reserves at the end of the year was (£67,662) (2015 - (£55,315)).

9 Debtors

	Note	31 December 2016	(As restated) 31 December 2015
		£	£
Trade debtors		178,497	44,291
Amounts owed by subsidiary undertakings	13	7,590	29,242
Other debtors		15,338	254
Prepayments		44,880	98,986
Income tax asset		488,221	322,380
Total current trade and other debtors		<u>734,526</u>	<u>495,153</u>

10 Creditors

		31 December 2016 £	31 December 2015 £
	Note		
Due within one year			
Loans and borrowings	11	306,250	-
Trade creditors		111,866	100,241
Social security and other taxes		166,058	61,879
Outstanding defined contribution pension costs		4,658	5,915
Other creditors		3,224	631
Accrued expenses		194,350	162,968
Deferred income		222,458	-
		<u>1,008,864</u>	<u>331,634</u>

POWEROASIS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

11 Loans and borrowings

	2016 £	2015 £
Current loans and borrowings		
Other borrowings	<u>306,250</u>	<u>-</u>

Other borrowings include a loan of £150,000 from J Craton, a director of the company. This loan attracts interest at 5% per annum and is repayable on demand. The balance as at 31 December 2016 includes interest accrued, not yet paid of £3,125.

Other borrowing also include a further loan of £150,000 which attracts interest at 5% per annum and is repayable on demand. The balance as at 31 December 2016 includes interest accrued, not yet paid of £3,125.

12 Financial commitments, guarantees and contingencies

The total amount of financial commitments not included in the balance sheet is £144,250 (2015 - £173,000). The company has entered in to arrangements under non-cancellable operating leases which expire in 2020.

13 Related party transactions

Summary of transactions with other related parties

During the year the company made purchases of £17,101 (2015 - £14,271) from MTI Partners Limited and purchases of £17,665 (2015 - £9,179) from YFM Equity Partners LLP.

At the balance sheet date, amounts owed in respect of the above transactions were £4,500 (2015 - £771) owed to MTI Partners Limited and £4,500 (2015 - £52) owed to YFM Equity Partners LLP.

14 Control

The Company has no immediate or ultimate controlling party.

POWEROASIS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

15 Transition to FRS 102

The company's effective date of transition to FRS 102 was 1 February 2015. The last financial statements presented under previous UK GAAP were for the year ended 31 December 2015. There have been no changes to either the equity as at 1 February 2015, 31 December 2015 or the loss reported for the year ended 31 December 2015. As part of the transition to FRS 102, an error correction has been identified in the financial statements presented under UK GAAP, as disclosed in note 1 below.

Reconciliation of equity:

	Note	At 1 February 2015 £ 000	At 31 December 2015 £ 000
Equity reported under previous UK GAAP		1,655,914	969,194
<i>Adjustments to equity on transition to FRS 102:</i>			
Adjustment to R&D tax credit	1	-	(62,004)
Adjustment to corporation tax	1	-	195,859
Total adjustments to equity on transition to FRS		-	133,855
Equity reported under FRS 102		1,655,914	1,103,049

Reconciliation of profit (loss) for the financial year ended 31 December 2015:

	Note	£
As reported under previous UK GAAP		(844,484)
<i>Error corrections:</i>		
Adjustment to R&D tax credit	1	(62,004)
Adjustment to corporation tax	1	195,859
Total of error corrections		133,855
Loss for the financial year reported under FRS 102		(710,629)

Note 1

The directors have reviewed the accounting for the research and development tax credit during the prior accounting period and consider that the credit should have been accounted for under the small company provisions, reducing the above the line tax credit in the period ended 31 December 2015 by increasing the corporation tax debtor by £195,859, the net effect of which is £133,855. This adjustment has been treated as an error correction as the directors consider there was sufficient information available at the previous year end regarding the accounting treatment of costs relating to the claim.