

The App Accounting Group Limited

trading as Boox

Annual Report and Unaudited Abridged Financial Statements
for the Year Ended 31 January 2017

Boox
2nd Floor The Port House
Port Solent
PO6 4TH

The App Accounting Group Limited
trading as Boox

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The App Accounting Group Limited
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Company Information

Director	Mr Christopher Clark
Registered office	2nd Floor The Port House Port Solent PO6 4TH

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Director's Report for the Year Ended 31 January 2017

The director presents his report and the abridged financial statements for the year ended 31 January 2017.

Directors of the company

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

Mr Phillip Venn (resigned 14 September 2016)

Mr Christopher Clark

Principal activity

The principal activity of the company is the provision of accounting, payroll, book-keeping and taxation services.

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 11 July 2017 and signed on its behalf by:

.....
Mr Christopher Clark
Director

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Abridged Profit and Loss Account for the Year Ended 31 January 2017

	Note	Total 31 January 2017 £	Total 31 January 2016 £
Gross profit		2,665,394	2,265,113
Administrative expenses		(2,342,860)	(2,066,528)
Other interest receivable and similar income		604	-
Interest payable and similar expenses		<u>(17,272)</u>	<u>(37,210)</u>
Profit before tax	<u>4</u>	305,866	161,375
Taxation		<u>(79,813)</u>	<u>75,772</u>
Profit for the financial year		<u><u>226,053</u></u>	<u><u>237,147</u></u>

The above results were derived from continuing operations.

The company has no recognised gains or losses for the year other than the results above.

The notes on pages 8 to 15 form an integral part of these abridged financial statements.

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Statement of Comprehensive Income for the Year Ended 31 January 2017

	Note	2017 £	2016 £
Profit for the year		226,053	237,147
Total comprehensive income for the year		226,053	237,147

The notes on pages 8 to 15 form an integral part of these abridged financial statements.
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(Registration number: 07483229)

Abridged Balance Sheet as at 31 January 2017

	Note	2017 £	2016 £
Fixed assets			
Intangible assets	<u>5</u>	404,135	556,150
Tangible assets	<u>6</u>	<u>16,568</u>	<u>21,963</u>
		<u>420,703</u>	<u>578,113</u>
Current assets			
Debtors		39,436	179,121
Cash at bank and in hand		<u>494,127</u>	<u>368,621</u>
		533,563	547,742
Prepayments and accrued income		(8,289)	46,751
Creditors: Amounts falling due within one year		<u>(479,131)</u>	<u>(599,774)</u>
Net current assets/(liabilities)		<u>46,143</u>	<u>(5,281)</u>
Total assets less current liabilities		466,846	572,832
Creditors: Amounts falling due after more than one year		(150,000)	(574,456)
Accruals and deferred income		<u>(253,238)</u>	<u>(160,821)</u>
Net assets/(liabilities)		<u><u>63,608</u></u>	<u><u>(162,445)</u></u>
Capital and reserves			
Called up share capital		105	105
Profit and loss account		<u>63,503</u>	<u>(162,550)</u>
Total equity		<u><u>63,608</u></u>	<u><u>(162,445)</u></u>

For the financial year ending 31 January 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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.

All of the company's members have consented to the preparation of an Abridged Profit and Loss Account and an Abridged Balance Sheet in accordance with Section 444(2A) of the Companies Act 2006.

The notes on pages 8 to 15 form an integral part of these abridged financial statements.

The App Accounting Group Limited
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(Registration number: 07483229)

Abridged Balance Sheet as at 31 January 2017

Approved and authorised by the director on 11 July 2017

.....

Mr Christopher Clark

Director

The notes on pages 8 to 15 form an integral part of these abridged financial statements.
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Statement of Changes in Equity for the Year Ended 31 January 2017

	Share capital £	Profit and loss account £	Total £
At 1 February 2016	105	(162,550)	(162,445)
Profit for the year	-	226,053	226,053
Total comprehensive income	-	226,053	226,053
At 31 January 2017	105	63,503	63,608

	Share capital £	Profit and loss account £	Total £
At 1 February 2015	105	(399,697)	(399,592)
Profit for the year	-	237,147	237,147
Total comprehensive income	-	237,147	237,147
At 31 January 2016	105	(162,550)	(162,445)

The notes on pages 8 to 15 form an integral part of these abridged financial statements.

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Notes to the Abridged Financial Statements for the Year Ended 31 January 2017

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:

2nd Floor The Port House

Port Solent

PO6 4TH

United Kingdom

The principal place of business is:

2nd Floor, The Port House

Marina Keep

Portsmouth

Hampshire

PO6 4TH

England

These financial statements were authorised for issue by the director on 11 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 abridged financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Basis of preparation

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

Reclassification of comparative amounts

No reclassification of comparative amounts was required when converting from FRSSE to FRS 102.

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.

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.

Tax

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

comprehensive income.

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Notes to the Abridged Financial Statements for the Year Ended 31 January 2017

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.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

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
Fixtures and fittings	25% straight line
Leasehold improvements	Straight line over the period of the lease
Office equipment	25% straight line

Goodwill

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date. Goodwill is amortised over its useful life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

Intangible assets

Research and development expenditure incurred on an individual project is carried forward when its future recoverability can reasonably be regarded as assured. Any expenditure carried forward is amortised in line with the expected future sales from the related project.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Goodwill	33.33% straight line
Development costs	16.66% straight line

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Notes to the Abridged Financial Statements for the Year Ended 31 January 2017

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 services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. 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 receivables.

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 subsequently measured at amortised cost using the effective interest method.

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.

Provisions

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amounts of the obligation can be estimated reliably.

In particular:

accruals include an amount for annual leave accrued by employees as a result of services rendered in the current period, and which employees are entitled to carry forward and use within the next 12 months. This is measured at the salary cost payable for the period of absence.

Provision is not made for future operating leases/payments.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

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Notes to the Abridged Financial Statements for the Year Ended 31 January 2017

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.

Financial instruments

Classification

The company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

Recognition and measurement

Basic financial assets, including trade and other receivables and cash and bank balances, are initially recognised at transaction price, 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.

Such assets are subsequently carried at amortised cost using the effective interest method.

Other financial assets are initially measured at fair value, which is normally the transaction price.

Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss.

Basic financial liabilities, including trade and other payables, and bank loans 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 receipts discounted at a market rate of interest.

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

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 or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Impairment

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is decrease in the impairment loss arising from an event occurring after the impairment was recognised the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

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Notes to the Abridged Financial Statements for the Year Ended 31 January 2017

Derivative financial instruments and hedging

Derivatives

Derivatives are not basic financial instruments.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate.

Hedging

The company does not currently utilise any interest rate derivatives and hence is not required to account for such.

3 Staff numbers

The average number of persons employed by the company (including the director) during the year, was 48 (2016 - 44).

4 Profit before tax

Arrived at after charging/(crediting)

	2017	2016
	£	£
Depreciation expense	10,573	10,004
Amortisation expense	172,554	145,163
	<u>172,554</u>	<u>145,163</u>

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Notes to the Abridged Financial Statements for the Year Ended 31 January 2017

5 Intangible assets

	Total £
Cost or valuation	
At 1 February 2016	919,976
Additions acquired separately	21,591
Disposals	<u>(48,079)</u>
At 31 January 2017	<u>893,488</u>
Amortisation	
At 1 February 2016	363,826
Amortisation charge	172,554
Amortisation eliminated on disposals	<u>(47,027)</u>
At 31 January 2017	<u>489,353</u>
Carrying amount	
At 31 January 2017	<u><u>404,135</u></u>
At 31 January 2016	<u><u>556,150</u></u>

The aggregate amount of research and development expenditure recognised as an expense during the period is £136,068 (2016 - £ Nil).

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Notes to the Abridged Financial Statements for the Year Ended 31 January 2017

6 Tangible assets

	Total £
Cost or valuation	
At 1 February 2016	41,297
Additions	5,179
Disposals	(3,662)
	<hr/>
At 31 January 2017	42,814
	<hr/>
Depreciation	
At 1 February 2016	19,334
Charge for the year	10,574
Eliminated on disposal	(3,662)
	<hr/>
At 31 January 2017	26,246
	<hr/>
Carrying amount	
At 31 January 2017	16,568
	<hr/> <hr/>
At 31 January 2016	21,963
	<hr/> <hr/>

Included within the net book value of land and buildings above is £Nil (2016 - £Nil) in respect of short leasehold land and buildings.

7 Dividends

The director is proposing a final dividend of £Nil (2016 - £Nil) per share totalling £Nil (2016 - £Nil). This dividend has not been accrued in the Balance Sheet.

8 Related party transactions

Summary of transactions with other related parties

Liquid Friday Limited is considered a related party due to some common management.

Loans from related parties

	Other related parties £
2017	
At start of period	974,456
Repaid	(641,728)

Interest transactions	<u>17,272</u>
At end of period	<u><u>350,000</u></u>

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Notes to the Abridged Financial Statements for the Year Ended 31 January 2017

	Other related parties £
2016	
At start of period	1,009,246
Repaid	(60,000)
Interest transactions	<u>25,210</u>
At end of period	<u><u>974,456</u></u>

Terms of loans from related parties

The loan from Liquid Friday Limited is interest bearing and repayable within 2 years by quarterly instalments.

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