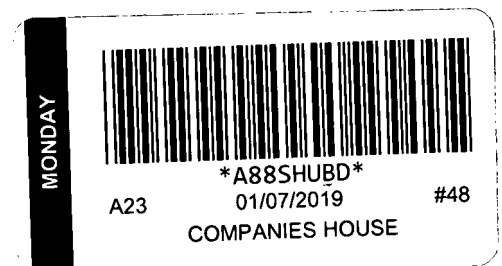


Company Registration No. 07855414 (England and Wales)

KO-SU LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

Jeffreys Henry LLP
Finsgate
5-7 Cranwood Street
London
EC1V 9EE



KO-SU LIMITED

COMPANY INFORMATION

Directors Mr George Robert Boot
Mr John Davies

Company number 07855414

Registered office 1 Charterhouse Mews
London
EC1M 6BB

Auditors Jeffreys Henry LLP
Finsgate,
5-7 Cranwood Street
London
EC1V 9EE

Bankers Santander Bank Plc
4th Floor
100 Ludgate Hill
London
EC4M 7RE

Solicitors DWF Solicitors
20 Fenchurch Street
London
EC3M 3AE

KO-SU LIMITED

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Statement of financial position	7
Statement of changes in equity	8
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KO-SU LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2018

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

Principal activities

The principal activity of the company is the first of its kind – a mass-market mobile learning platform and community network that makes teaching and learning via mobiles accessible to anyone and everyone.

Results and dividends

The results for the year are set out on page 6.

Future developments

The company intends to monetise its technology.

Directors

The following directors have held office during this year:

Mr John Davies
Mr Robert Boot

Financial risk and management of capital

The major balances and financial risks to which the company is exposed, and the controls in place to minimise those risks, are disclosed in Note 4. The principal current assets of the business are cash and its technology know how

A description of how the company manages its capital is disclosed in Note 4.

The Board considers and reviews these risks on a strategic and day-to-day basis in order to minimise any potential exposure.

Financial instruments

The company has not entered into any financial instruments to hedge against interest rate or exchange rate risk.

Dependence on key personnel

Whilst the company intends to enter into contractual arrangements with the aim of securing the services of its executive directors, the retention of their services cannot be guaranteed.

Auditors

Jeffreys Henry LLP were re-appointed auditors to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

KO-SU LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

Company law requires the directors to prepare financial statements for each financial period. Under that law the directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted for use in the European Union. 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;
- state whether the company financial statements have been prepared in accordance with IFRS as adopted by the European Union subject to any material departures disclosed and explained in the Financial Statements.;
- 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. 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.

Statement of disclosure to auditors

Each person who is a Director at the date of approval of this Annual Report confirms that:

- So far as the Directors are aware, there is no relevant audit information of which the Company's auditors are unaware; and
- each Director has taken all the steps that he ought to have taken as Director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

On behalf of the board



Mr George Robert Boot
Director

27th June 2019

KO-SU LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF KO-SU LIMITED

Opinion

We have audited the financial statements of Ko-Su Limited which comprise the statement of financial position as at 31 December 2018, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union and, as regards the Company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

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 the Company's loss for the year then ended;
- the financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements 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 as applied to listed entities, 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 director's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the director has 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.

KO-SU LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF KO-SU LIMITED (CONTINUED)

Opinions on other matters 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 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

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 or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Company financial statements [and the part of the directors' remuneration report to be audited] 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.
- the director was 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 Director's Report and take advantage of the small companies exemption from the requirement to prepare a Strategic Report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 1, 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:

www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report

KO-SU LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF KO-SU LIMITED (CONTINUED)

Use of this 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.



Sanjay Parmar
Senior Statutory Auditor

For and on behalf of
Jeffreys Henry LLP (Statutory Auditors)
Finsgate
5-7 Cranwood Street
London
EC1V 9EE
27 June 2019

KO-SU LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2018

		Year ended 31 December 2018 £	Year ended 31 December 2017 £
	Notes		
Continuing operations			
Revenue		-	-
Gross profit		-	-
Administrative expenses		-	(6,695)
Operating loss	7	-	(6,695)
Finance costs		-	(4,384)
Loss on ordinary activities before taxation		-	(11,079)
Tax expense	5	-	-
Loss for the year		-	(11,079)
Loss per share		-	(11,079p)

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

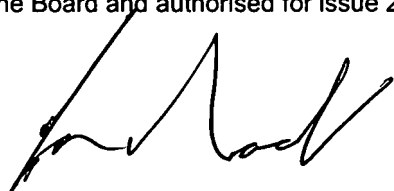
KO-SU LIMITED

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2018

		As at 31 December 2018 £	As at 31 December 2017 £
Assets	Notes		
Current assets			
Trade and other receivables	10	103	103
Cash at Bank	11	18	18
Total assets		121	121
Equity and liabilities			
Equity attributable to owners of the parent			
Ordinary shares	12	100	100
Accumulated losses	13	(757,094)	(757,094)
Total equity		(756,994)	(756,994)
Liabilities			
Non-current liabilities			
Amounts owed to group companies		364,727	-
Current liabilities			
Trade and other payables	14	392,388	757,115
Total liabilities		757,115	757,115
Total equity and liabilities		121	121

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

Approved by the Board and authorised for issue 27th June 2019.



Mr George Robert Boot
Director

Company Registration No. 07855414

KO-SU LIMITED

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

	Share capital	Accumulated losses	Total Equity
	£	£	£
As at 1 January 2017	100	(746,015)	(745,915)
Loss for the year	-	(11,079)	(11,079)
As at 31 December 2017	<u>100</u>	<u>(757,094)</u>	<u>(756,994)</u>
Loss for the year	-	-	-
As at 31 December 2018	<u>100</u>	<u>(757,094)</u>	<u>(756,994)</u>

Share capital is the amount subscribed for shares at nominal value.

Accumulated losses represent the cumulative loss of the company attributable to equity shareholders.

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

KO-SU LIMITED

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2018

		Year ended 31 December 2018	Year ended 31 December 2017
	Notes	£	£
Cash flows from operating activities			
Cash generated from operations	18	-	(11,986)
Finance costs paid		-	(4,384)
Income tax credit received		-	14,128
Net cash generated from operating activities		-	(2,242)
Net increase in cash and cash equivalents		-	(2,242)
Cash and cash equivalents at the beginning of the year		18	2,260
Cash and cash equivalents at the end of the year		18	18

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

KO-SU LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

1 General information

KO-SU Limited is a company incorporated in the United Kingdom. The address of the registered office is disclosed on the company information page at the front of the annual report. The principal activities of the company are described in the Directors' Report.

2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below.

2.1 Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS. IFRS comprises of standards issued by the International Accounting Standards Board (IASB) and the interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) as adopted by the European Union (EU).

Preparation of financial statements

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the company's accounting policies. The current position of the company means there are no areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements.

Going concern

The Company ceased trading during the year and was dormant as at 31 December 2018. The directors believe that the company will remain dormant for the foreseeable future.

New and amended standards adopted by the company

The Company has adopted the following new and amended IFRSs as of 1 January 2018:

- IFRS 9 Financial Instruments
- IFRS 15 Revenue from Contracts with Customers
- Classification and Measurement of Share-based Payment Transactions – Amendments to IFRS 2
- Annual Improvements 2014-2016 cycle
- Interpretation 22 Foreign Currency Transactions and Advance Consideration

Following consideration of the Company's operating model, it has been concluded that there has been no material impact from the adoption of these standards.

IFRS 9 - Financial Instruments

IFRS 9 replaced the classification and measurement models for financial instruments contained in IAS 39 Financial Instruments: Recognition and Measurement and is effective for accounting periods beginning on or after 1 January 2018.

KO-SU LIMITED

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

2 Summary of significant accounting policies (Continued)

2.1 Basis of preparation (Continued)

Impact of IFRS 9 – Classification of financial assets and liabilities

Classification and measurement of debt assets will be driven by the entity's business model for managing the financial assets and the contractual cash flow characteristics of those financial assets.

There are three principal classification categories for financial assets: (i) amortised cost, (ii) fair value through other comprehensive income (FVOCI) and (iii) fair value through profit and loss (FVTPL). IFRS 9 classification is generally based on the business model in which a financial asset is managed and its contractual cash flows. The standard eliminates the previous IAS 39 categories of held-to-maturity, loans and receivables and available-for-sale.

IFRS 9 largely retains the existing requirements in IAS 39 for classification of financial liabilities. However, although under IAS 39 all fair value changes of liabilities designated under the fair value option were recognised in profit or loss, under IFRS 9 fair value changes are generally presented as follows:

- the amount of change in fair value that is attributable to changes in the credit risk of the liability is presented in Other Comprehensive Income ("OCI"); and
- the remaining amount of change in the fair value is presented in profit or loss.

For an explanation of how the Company classifies financial assets and liabilities under IFRS 9, See Note 2.3.

Impact of IFRS 9 – Impairment

IFRS 9 also introduces a new expected credit loss impairment model, as opposed to the incurred credit loss model implemented under IAS 39 in previous years. This requires entities to account for expected credit losses at initial recognition and changes to expected credit losses at each reporting date to reflect changes in credit risk since initial recognition.

In applying IFRS 9 both in the current period and retrospectively in previous periods, there were no reclassifications in the measurement category. As a result, there has been no financial adjustment in transitioning to IFRS 9 with respect to adopting the revised measurement categories.

IFRS 15 – Revenue from Contracts with Customers

IFRS 15 replaces IAS 18. The core principle of the guidance is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for the goods or services. The new guidance establishes a five-step model to achieve that core principle.

There has been no impact on the financial statements due to the adoption of IFRS 15.

KO-SU LIMITED

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

2 Summary of significant accounting policies (Continued)

2.1 Basis of preparation (Continued)

Standards, interpretations and amendments to published standards that are not yet effective

The following new standards, amendments to standards and interpretations have been issued, but are not effective for the financial period beginning 1 January 2017 and have not been early adopted:

Reference	Title	Summary	Application date of standard (Periods commencing on or after)
IFRS 16	Leases	Introduces a single accounting model for leases with no distinction between operating and financing leases	1 January 2019
IFRS 17	Insurance Contracts	Establishes principles for the recognition, measurement, presentation and disclosure of insurance contracts issued.	1 January 2021
Amendments to IFRIC 23	Uncertainty over income tax treatments	Addresses how to reflect uncertainty in accounting for income taxes.	1 January 2019

The Directors anticipate that the adoption of these standard and the interpretations in future period will have no material impact on the financial statements of the Company.

2.2 Financial Instruments

i. Recognition and initial measurement

The Company initially recognises loans and advances, trade and other receivables/payables and borrowings plus or minus transaction costs when and only when the Company becomes a party to the contractual provisions of the instrument.

Financial assets at amortised cost

The Company's financial assets at amortised cost comprise trade and other receivables and loans to customers. These represent debt instruments with fixed or determinable payments that represent principal or interest and where the intention is to hold to collect these contractual cash flows.

They are initially recognised at fair value, included in current and non-current assets, depending on the nature of the transaction, and are subsequently measured at amortised cost using the effective interest method less any provision for impairment.

Financial liabilities at amortised cost

Financial liabilities at amortised cost comprise trade and other payables and debentures. They are classified as current and non-current liabilities depending on the nature of the transaction, are subsequently measured at amortised cost using the effective interest method.

The following table provides reconciliation between line items in the statement of financial position and categories of financial instruments.

KO-SU LIMITED

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

2 Summary of significant accounting policies (Continued)

2.2 Financial Instruments (Continued)

31 December 2018	Amortised cost	Total carrying amount
Cash and cash equivalents	18	18
Loans and advances to customers	-	-
Trade and other receivables	103	103
Total financial assets	1,827	1,827
Borrowings	364,727	364,727
Trade and other payables	392,388	392,388
Total financial liabilities	757,115	757,115

31 December 2017	Amortised cost	Total carrying amount
Cash and cash equivalents	18	18
Loans and advances to customers	-	-
Trade and other receivables	103	103
Total financial assets	121	121
Borrowings:	-	-
Trade and other payables	757,115	757,115
Total financial liabilities	757,115	757,115

The following table shows the original measurement categories in accordance with IAS 39 and the new measurement categories under IFRS 9 for the Company's financial assets and liabilities at 1 January 2017.

1 January 2017	Original classification under IAS 39	New classification under IFRS 9	Original carrying amount under IAS 39	New carrying amount under IFRS 9
Cash and cash equivalents	Loans and receivables	Amortised cost	2,260	2,260
Trade and other receivables	Loans and receivables	Amortised cost	14,231	14,231
Total financial assets			16,491	16,491
Borrowings	Amortised cost	Amortised cost	-	-
Trade and other payables	Amortised cost	Amortised cost	762,406	762,406
Total financial liabilities			762,406	762,406

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

2 Summary of significant accounting policies (Continued)

ii. Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or when it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in OCI is recognised in profit or loss.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

iii. Impairment

The Company has applied the simplified approach to recognise lifetime expected credit losses.

2.3 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-makers. The chief operating decision-makers, who are responsible for allocating resources and assessing performance of the operating segments, have been identified as the steering committee that makes strategic decisions.

KO-SU LIMITED

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

2.4 Cash and cash equivalents

In the statement of cash flows, cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts.

2.5 Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.6 Income tax expense

Current income tax which is payable on taxable profits is recognised as an expense in the period in which the profits arise.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill; deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

3. Critical accounting estimates and judgments

The Company makes certain judgements and estimates which affect the reported amount of assets and liabilities. Critical judgements and the assumptions used in calculating estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

No critical accounting estimates and judgments were used in the preparation of the financial statements for the year.

4 Financial risk management

4.1 Financial risk factors

The company's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the company's financial performance.

a) Cash flow and Interest rate risk

The company does not have any borrowings other than its amounts due to group undertakings. The company does not manage any cash flow interest rate risk.

b) Capital risk

The company takes great care to protect its capital investments. Significant due diligence is undertaken prior to making any investment.

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

c) Market risk

A general economic downturn at a global level, or in one of the world's leading economies, could impact on the company. In addition, terrorism and other hostilities, as well as disturbances in worldwide financial markets, could have a negative effect on the company. Regulatory requirements, taxes, tariffs and other trade barriers, price or exchange controls or other governmental policies could also limit the company's operations. These risks are also applicable to most companies and the risk that company will be more affected than the majority of companies is assessed as small.

d) Price risk

The company's principal activity is an operations servicing body being responsible for the centralisation of all company PR and marketing costs. Therefore, the company does not have a diversified portfolio of services and is at risk.

4.2 Capital risk management

The company's objectives when managing capital are to safeguard the company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure appropriate for its growth plans.

In order to maintain or adjust the capital structure the company may issue new shares or alter debt levels.

5 Income tax expense

Current income tax which is payable on taxable profits is recognised as an expense in the period in which the profits arise.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill; deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

6 Dividends

No dividends were paid or proposed for the year to 31 December 2018.

7 Operating loss

	2018 £	2017 £
Operating loss is stated after charging:		
Audit fees	-	-

Audit fees for the year have been borne by the ultimate parent company, JLG Group Plc (formerly The Just Loans Group Plc).

KO-SU LIMITED

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

8 Employee benefit expense

	2018	2017
	£	£
Employees and Directors	-	-
Wages and salaries	-	-
Social security costs	-	-
	<u>-</u>	<u>-</u>

The average monthly number of employees (including directors) during the year was:

	2018	2017
	Number	Number
Directors	<u>2</u>	<u>2</u>

9 Earnings per share

	2018	2017
Basic loss per share is calculated by dividing the loss attributable to equity shareholders by the weighted average number of ordinary shares in issue during the year:		
Loss after tax attributable to equity holders of the company	-	(11,079)
Weighted average number of ordinary shares	100	100
Basic and diluted loss per share	-	(11,079p)

10 Current assets

Trade and other receivables

	2018	2017
	£	£
Other receivables	103	103
	<u>103</u>	<u>103</u>

11 Cash and cash equivalents

	2018	2017
	£	£
Cash and bank balances	18	18
	<u>18</u>	<u>18</u>

KO-SU LIMITED

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

12 Ordinary share capital

	2018 £	2017 £
Allotted, called up and fully paid		
100 Ordinary shares of £1 each	100	100
	<u>100</u>	<u>100</u>

13 Accumulated losses

	£
At 1 January 2017	(746,015)
Loss for the year	(11,079)
At 31 December 2017	<u>(757,094)</u>
Loss for the year	-
At 31 December 2018	<u>(757,094)</u>

14 Current liabilities

Trade and other payables

	2018 £	2017 £
Trade payables	8,585	8,585
Amounts due to group undertakings	-	364,727
Other payable	383,803	383,803
	<u>392,388</u>	<u>757,115</u>

15 Control

The ultimate parent company is JLG Group Plc (formerly The Just Loans Group Plc), the ultimate parent company has a 70% shareholding in the company.

The company is controlled by John Davies by virtue of his shareholding in JLG Group Plc at the year end.

16 Contingent liabilities

The company has no contingent liabilities in respect of legal claims arising from the ordinary course of business.

17 Capital commitments

There was no capital expenditure contracted for at the end of the reporting period but not yet incurred.

KO-SU LIMITED

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

18 Cash generated from operations

	2018 £	2017 £
Reconciliation to cash generated from operations		
Operating loss	-	(6,695)
Adjustments for:		
Changes in working capital:		
- Increase/(decrease) in trade and other payables	-	(5,291)
	<u>-</u>	<u>(11,986)</u>

19 Related party transactions

At the end of the year the company owed £364,727 (2017 - £364,727) to Just Finance Loans and Investments Plc.

The company has loaned funds to Ko-Su Limited a company of which John Davies is a common director.

A loan facility agreement is in place and the company. The loan is non interest bearing .The agreement is dated 30 June 2014. During the year the full amount of the loan has been provided for due to uncertainty of recoverability.

20 Events after the reporting period

There were no events after the reporting period that required disclosure.