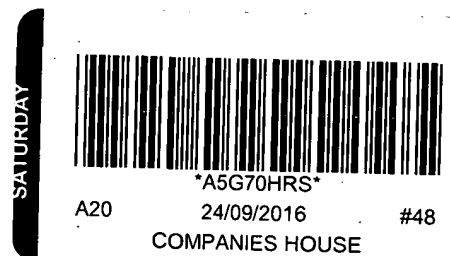


COMPANY REGISTRATION NUMBER 08786229

ITS TECHNOLOGY GROUP LIMITED
ABBREVIATED ACCOUNTS
31 DECEMBER 2015



ABRAMS ASHTON
Chartered Accountants & Statutory Auditor
77 Corporation Street
St Helens
Merseyside
WA10 1SX

ITS TECHNOLOGY GROUP LIMITED

ABBREVIATED ACCOUNTS

PERIOD FROM 1 SEPTEMBER 2015 TO 31 DECEMBER 2015

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ITS TECHNOLOGY GROUP LIMITED
INDEPENDENT AUDITOR'S REPORT TO ITS TECHNOLOGY GROUP
LIMITED

UNDER SECTION 449 OF THE COMPANIES ACT 2006

We have examined the abbreviated accounts which comprise the Balance Sheet and the related notes, together with the financial statements of ITS Technology Group Limited for the period from 1 September 2015 to 31 December 2015 prepared under Section 396 of the Companies Act 2006.

This report is made solely to the company, in accordance with Section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special 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 for our work, for this report, or for the opinions we have formed.

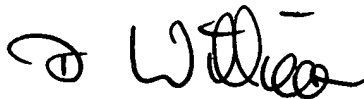
RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

The directors are responsible for preparing the abbreviated accounts in accordance with Section 444 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts are properly prepared.

OPINION

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 444(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the regulations made under that section.

 FCA

MR D WILLIAMS (Senior Statutory Auditor)
For and on behalf of
ABRAMS ASHTON
Chartered Accountants & Statutory Auditor

77 Corporation Street
St Helens
Merseyside
WA10 1SX

25/8/16

ITS TECHNOLOGY GROUP LIMITED

ABBREVIATED BALANCE SHEET

31 DECEMBER 2015

	Note	31 Dec 15		31 Aug 15	
		£	£	£	£
FIXED ASSETS	2				
Intangible assets			709,120		678,289
Tangible assets			1,218,802		1,079,216
Investments			<u>2</u>		<u>2</u>
			1,927,924		1,757,507
CURRENT ASSETS					
Stocks		8,200		8,200	
Debtors		551,860		682,402	
Cash at bank and in hand		<u>13,196</u>		<u>5,670</u>	
		573,256		696,272	
CREDITORS: Amounts falling due within one year	3	(1,393,636)		(1,457,424)	
NET CURRENT LIABILITIES			(820,380)		(761,152)
TOTAL ASSETS LESS CURRENT LIABILITIES			1,107,544		996,355
CREDITORS: Amounts falling due after more than one year			(1,097,521)		(900,345)
			<u>10,023</u>		<u>96,010</u>
CAPITAL AND RESERVES					
Called up equity share capital	4		3,250		3,250
Share premium account			99,675		99,675
Revaluation reserve			1,141,375		1,000,000
Profit and loss account			<u>(1,234,277)</u>		<u>(1,006,915)</u>
SHAREHOLDERS' FUNDS			<u>10,023</u>		<u>96,010</u>

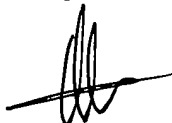
The Balance sheet continues on the following page.
The notes on pages 4 to 7 form part of these abbreviated accounts.

ITS TECHNOLOGY GROUP LIMITED
ABBREVIATED BALANCE SHEET *(continued)*

31 DECEMBER 2015

These abbreviated accounts have been prepared in accordance with the special provisions applicable to companies subject to the small companies regime.

These abbreviated accounts were approved by the directors and authorised for issue on 24 August 2016, and are signed on their behalf by:

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke at the end.

Mr R E Shelton
Director

Company Registration Number: 08786229

The notes on pages 4 to 7 form part of these abbreviated accounts.

ITS TECHNOLOGY GROUP LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS

PERIOD FROM 1 SEPTEMBER 2015 TO 31 DECEMBER 2015

1. ACCOUNTING POLICIES

1.1 Basis of accounting

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

1.2 Consolidation

In the opinion of the directors, the company and its subsidiary undertakings comprise a small group. The company has therefore taken advantage of the exemption provided by Section 398 of the Companies Act 2006 not to prepare group accounts.

1.3 Turnover

Revenue comprises the fair value of the sale of goods and services net of value added tax, rebates and discounts. Sales of goods and services are recognised when the company has delivered the goods and services to the customer.

1.4 Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Goodwill	-	20% Straight Line
Development Costs	-	20% Straight Line

1.5 Fixed assets

All fixed assets are initially recorded at cost.

1.6 Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Plant & Machinery	-	25% Reducing Balance
Fixtures & Fittings	-	25% Reducing Balance
Computer Equipment	-	33% Straight Line

The company's network assets are valued every year by the directors on an continuing use basis. Increases in value are taken to the revaluation reserve.

An amount equal to the excess of the annual depreciation charge on revalued assets over the notional historical cost depreciation charge on those assets is transferred annually from the revaluation reserve to the profit and loss reserve.

1.7 Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

ITS TECHNOLOGY GROUP LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

PERIOD FROM 1 SEPTEMBER 2015 TO 31 DECEMBER 2015

1. ACCOUNTING POLICIES *(continued)*

1.8 Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

1.9 Deferred taxation

Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

1.10 Investments

Fixed asset investments are stated at cost less provision for permanent diminution in value.

As part of the rationalisation of the group, the trade and net assets of a subsidiary undertaking were transferred into the company in the period ended 31 August 2014. The consideration for this was based upon the book values and took no account of the goodwill inherent in the business. This has resulted in an apparent overvaluation of investments held in the company's books, though there has been no loss to the company and group. Schedule 4 to the Companies Act 2006 requires that, where such an overvaluation is expected to be permanent the investments should be written down accordingly. The directors consider that as the substance of the transaction was merely to reorganise the company's and group's operations, such a treatment would fail to give a true and fair view and the value of investments has instead been allocated to goodwill. The effect on the company's balance sheet of this departure has been to recognise goodwill of £315,476 (31 August 2015 - £290,476).

1.11 Going concern

The accounts have been prepared on a going concern basis the validity of which depends upon future profitable trading, the support of the directors and the ability of the company to satisfactorily conclude negotiations with external investors. Should the company be unable to continue trading, adjustments would be necessary to reduce the value of assets to their recoverable amount, to provide for further liabilities which might arise and to reclassify fixed assets as current assets.

ITS TECHNOLOGY GROUP LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS

PERIOD FROM 1 SEPTEMBER 2015 TO 31 DECEMBER 2015

2. FIXED ASSETS

	Intangible Assets £	Tangible Assets £	Investment s £	Total £
COST OR VALUATION				
At 1 September 2015	864,002	1,090,043	2,927	1,956,972
Additions	88,589	5,834	–	94,423
Revaluation	–	141,375	–	141,375
At 31 December 2015	<u>952,591</u>	<u>1,237,252</u>	<u>2,927</u>	<u>2,192,770</u>
DEPRECIATION AND AMOUNTS WRITTEN OFF				
At 1 September 2015	185,713	10,827	2,925	199,465
Charge for period	57,758	7,623	–	65,381
At 31 December 2015	<u>243,471</u>	<u>18,450</u>	<u>2,925</u>	<u>264,846</u>
NET BOOK VALUE				
At 31 December 2015	<u>709,120</u>	<u>1,218,802</u>	<u>2</u>	<u>1,927,924</u>
At 31 August 2015	<u>678,289</u>	<u>1,079,216</u>	<u>2</u>	<u>1,757,507</u>

Development costs were capitalised due the intended long term development of the company as a market leader in the industry.

ITS TECHNOLOGY GROUP LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

PERIOD FROM 1 SEPTEMBER 2015 TO 31 DECEMBER 2015

2. FIXED ASSETS *(continued)*

The company owns 100% of the issued share capital of ITS Hammersmith and Fulham Limited which was incorporated on 28 April 2014. Accounts for the year ended 31 December 2015 show figures below. The trade of the company is that of the provision of technology services.

The company owns 97.5% of the issued share capital of ITS Managed Services Limited which is currently in the process of being liquidated. The trade of the company was that of IT business support.

The company owns 100% of the issued share capital of ITS Telecom Solutions Limited which was incorporated on 21 April 2011. Accounts for period ended 31 December 2015 show figures below. The trade of the company is that of wired telecommunications services.

	31 Dec 15 £	31 Aug 15 £
Aggregate capital and reserves		
ITS Telecom Solutions Limited	(30,936)	(11,916)
ITS Hammersmith and Fulham Limited	(8,853)	—
Profit and (loss) for the year		
ITS Telecom Solutions Limited	(19,020)	(10,204)
ITS Hammersmith and Fulham Limited	(8,854)	—

Under the provision of section 398 of the Companies Act 2006 the company is exempt from preparing consolidated accounts and has not done so, therefore the accounts show information about the company as an individual entity.

3. CREDITORS: Amounts falling due within one year

The following liabilities disclosed under creditors falling due within one year are secured by the company:

	31 Dec 15 £	31 Aug 15 £
Bills of exchange payable	<u>233,527</u>	<u>225,373</u>

The invoice discounting arrangement is secured with Positive Cashflow Finance Limited by way of a fixed and floating charge over the assets of the company.

4. SHARE CAPITAL

Allotted, called up and fully paid:

	31 Dec 15		31 Aug 15	
	No.	£	No.	£
Ordinary shares of £1 each	<u>3,250</u>	<u>3,250</u>	<u>3,250</u>	<u>3,250</u>