

**APROSE SOLUTIONS LIMITED (FORMERLY APROSE  
SOLUTION LIMITED)**

**Annual Report and Financial Statements**

**For the 6 month period from incorporation 28  
October 2014 to 30 April 2015**

WEDNESDAY



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**APROSE SOLUTIONS LIMITED  
(FORMERLY APROSE SOLUTION LIMITED)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS 2015**

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**APROSE SOLUTIONS LIMITED  
(FORMERLY APROSE SOLUTION LIMITED)**

**OFFICERS AND PROFESSIONAL ADVISERS**

**DIRECTOR**

S R Powell (appointed at the date of incorporation)

**REGISTERED OFFICE**

73a Clifton Street  
Lytham  
Lancashire  
FY8 5ER

**BANKERS**

National Westminster Bank plc  
Leeds City Office  
PO Box 154  
8 Park Row  
Leeds  
LS1 1QS

**AUDITOR**

Deloitte LLP  
Chartered Accountants and Statutory Auditor  
2 Hardman Street  
Manchester  
M3 3HF  
United Kingdom

**APROSE SOLUTIONS LIMITED  
(FORMERLY APROSE SOLUTION LIMITED)**

**DIRECTOR'S REPORT**

The director presents his annual report and the audited financial statements for the period from incorporation 28 October 2014 to 30 April 2015. The director's report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption. The company has taken the exemption to not prepare a strategic report in accordance with the special provisions relating to small companies under section 414(B) of the Companies Act 2006.

**COMPANY BACKGROUND**

The company was incorporated on 28 October 2014 as Apose Solution Limited and changed its name to Apose Solutions Limited on 3 December 2014. Apose Limited initially owned 70% of the shares in the company. 800 shares were further allotted on 2 December 2014 in which Apose Limited's shareholding increased to 83.3%.

**PRINCIPAL ACTIVITIES**

The company has been set-up as a traditional management and information systems consultancy. In particular, it has been founded to develop software products for the energy industry, specifically in relation to the integration components required to support the implementation of energy smart meters across the UK, as dictated by European and UK requirements. The product is still in its development stage and is subject to the implementation timeline of the wider smart metering scheme. The company aims to increase focus on selling its services to a wider range of varied market sectors.

**FINANCIAL REVIEW, RESULTS AND TRANSFERS TO RESERVES**

The results for the period are set out in detail on page 7. The director considers the key performance indicators to be turnover, gross profit, total net assets and the current ratio. The company did not have any turnover as this was its first period of operation. The balance sheet on page 8 shows the company's financial position as at 30 April 2015. Total net assets in the period are in a net liabilities position of £415,340. The current ratio of the company is 0.3, due to the company incurring set-up costs and not generating any revenue. The loss of £415,342 has been transferred from reserves.

**DIVIDENDS**

No dividend has been paid during the period.

**GOING CONCERN**

The director has adopted the going concern basis of accounting in preparing these financial statements. Further details regarding this are as disclosed in note 1.

**DIRECTOR**

The director who served during the period and to the date of this report is as detailed on page 1.

**APROSE SOLUTIONS LIMITED  
(FORMERLY APROSE SOLUTION LIMITED)**

**DIRECTOR'S REPORT (continued)**

**AUDITOR**


The director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This information is given and should be interpreted in accordance with the provision of s418 of the Companies Act 2006.

Deloitte LLP were appointed as auditor and have expressed their willingness to continue in office as auditor and a resolution to re-appoint them will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors on 14 December 2015  
and signed on behalf of the Board:



S R Powell

Director

**APROSE SOLUTIONS LIMITED**  
**(FORMERLY APROSE SOLUTION LIMITED)**

**DIRECTOR'S RESPONSIBILITIES STATEMENT**

The director is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial period. Under that law the director has 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 director must not approve the financial statements unless he is 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 director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF APROSE SOLUTIONS LIMITED (FORMERLY APROSE SOLUTION LIMITED)**

We have audited the financial statements of Apose Solutions Limited for the period from incorporation 28 October 2014 to 30 April 2015 which comprise the profit and loss account, the statement of total recognised gains and losses, the balance sheet and the related notes 1 to 13. 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).

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 director and auditor**

As explained more fully in the Director's Responsibilities Statement, the director is 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 Ethical Standards for Auditors.

### **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 director; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual 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 financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 April 2015 and of its loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 the information given in the Director's Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

# **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF APROSE SOLUTIONS LIMITED (FORMERLY APROSE SOLUTION LIMITED) (continued)**

## **Matters on which we are required to report by exception**

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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the director was not entitled to take advantage of the small companies exemption from preparing a Strategic Report or in preparing the Director's Report.



Heather J Crosby BSc ACA (Senior Statutory Auditor)  
for and on behalf of Deloitte LLP  
Chartered Accountants and Statutory Auditor  
Manchester, United Kingdom

*15 December* 2015



**APROSE SOLUTIONS LIMITED**  
**(FORMERLY APROSE SOLUTION LIMITED)**

**PROFIT & LOSS**

**6 month period ended 30 April 2015**

	Note	Period ended 30 April 2015 £
<b>TURNOVER</b>	2	-
Cost of sales		-
<b>GROSS PROFIT</b>		-
Administrative expenses		(489,544)
<b>OPERATING LOSS</b>	4	(489,544)
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		(489,544)
Tax on loss on ordinary activities	5	74,202
<b>LOSS FOR THE FINANCIAL PERIOD</b>	10,11	(415,342)

All activities derive from continuing operations.

The company has no recognised gains or losses other than the loss for the current financial period shown above. Accordingly a separate statement of total recognised gains and losses has not been presented.

**APROSE SOLUTIONS LIMITED**  
**(FORMERLY APROSE SOLUTION LIMITED)**

**BALANCE SHEET**  
**As at 30 April 2015**

	Note	30 April 2015 £
<b>FIXED ASSETS</b>		
Tangible assets	6	28,933
<b>CURRENT ASSETS</b>		
Debtors	7	177,499
Cash at bank and in hand		6,181
		<u>183,680</u>
<b>CREDITORS: amounts falling due within one year</b>	8	<u>(627,953)</u>
<b>NET CURRENT LIABILITIES</b>		<u>(444,273)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>(415,340)</u>
<b>NET LIABILITIES</b>		<u><u>(415,340)</u></u>
<b>CAPITAL AND RESERVES</b>		
Called up share capital	9	2
Profit and loss account	10	(415,342)
<b>TOTAL SHAREHOLDERS' DEFICIT</b>	11	<u><u>(415,340)</u></u>

The financial statements of Aproz Solutions Limited, registered number 09283538, were approved by the Board of Directors on 14 December 2015.

Signed on behalf of the Board of Directors



S R Powell

Director

**APROSE SOLUTIONS LIMITED  
(FORMERLY APROSE SOLUTION LIMITED)**

**NOTES TO THE FINANCIAL STATEMENTS  
6 month period ended 30 April 2015**

**1. ACCOUNTING POLICIES**

The principal accounting policies are summarised below. They have all been applied consistently throughout the current period.

**Basis of accounting**

The financial statements are prepared under the historical cost convention and in accordance with applicable United Kingdom law and accounting standards.

The company's principal activities, are set out in the Director's Report. The company will meet its working capital requirements through reliance on related parties until it begins to generate its own revenue in order to manage business risks, given the current challenging economic environment.

**Going concern**

The entity is a new start-up company and has not yet received any revenue. In view of the net liabilities recognised at 30 April 2015 and based on the strong relationship between the company and its parent company Apose Limited, the director has sought and received an expression of Apose Limited's intention to provide such support as may be necessary for the foreseeable future.

After making enquiries, the director has formed a judgement, at the time of approving the financial statements, that there is a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus, the director continues to adopt the going concern basis of accounting in preparing the annual financial statements.

**Related party disclosures**

The company has taken advantage of the exemption of Financial Reporting Standard No.8 "Related Party Disclosures" and has not disclosed details of transactions with fellow group undertakings whereby 100% of whose voting rights are controlled within the Apose Limited group of companies, as consolidated financial statements in which the company is included are publicly available.

**Cash flow statement**

Under FRS 1, the company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the company in its own published consolidated financial statements which include a consolidated cash flow statement.

**Tangible fixed assets**

Tangible fixed assets are stated at cost less depreciation.

Depreciation is provided on cost in annual instalments over the estimated useful lives of the assets. The rates of depreciation are as follows:

Computers and office equipment	33% per annum on a straight line basis
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**APROSE SOLUTIONS LIMITED**  
**(FORMERLY APROSE SOLUTION LIMITED)**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**6 month period ended 30 April 2015**

**1. ACCOUNTING POLICIES (continued)**

**Taxation**

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

**Pension costs**

The group operates a group personal pension scheme for the employees. The pension costs are charged directly to the profit and loss in the period in which they occur.

The assets of the scheme are held separately from those of the group in an independently administered fund. Differences between contributions payable in the period and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

**2. TURNOVER**

Turnover represents amounts derived from the provision of goods and services which fall within the company's ordinary activities after deduction of trade discounts and Value Added Tax. The turnover and pre-tax loss, all of which arises in the United Kingdom, is attributable to the company's principal activity.

Turnover from the supply of services represents the value of services provided under contracts to the extent that there is a right to consideration and is recorded at the value of the consideration due.

Turnover is calculated by reference to the value of work performed to date as a proportion of the total contract value.

**APROSE SOLUTIONS LIMITED**  
**(FORMERLY APROSE SOLUTION LIMITED)**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**6 month period ended 30 April 2015**

**3. INFORMATION REGARDING DIRECTORS AND EMPLOYEES**

Director's remuneration was borne by another group company, ASE Consulting Limited. There are no employees.

**4. OPERATING LOSS**

	Period ended 30 April 2015 £
Operating loss is stated after charging:	
Management charges	372,652
Depreciation – computer equipment	2,602
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The analysis of auditor's remuneration is as follows:

	Period ended 30 April 2015 £
Fees payable to the company's auditor for the audit of the company's annual financial statements	2,000
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Fees payable to the company's auditor for other services to the company - tax services	2,950
	<hr/> <hr/>
<b>Total non-audit fees</b>	<b>2,950</b>

**APROSE SOLUTIONS LIMITED**  
**(FORMERLY APROSE SOLUTION LIMITED)**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**6 month period ended 30 April 2015**

**5. TAX ON ORDINARY ACTIVITIES**

**Analysis of tax charge on ordinary activities**

	<b>Period ended 30 April 2015 £</b>
<b>Corporation tax</b>	
United Kingdom corporation tax at 21%	74,202

**Factors affecting tax charge for the period**

The tax assessed for the period is resulting from applying the standard rate of corporation tax in the UK of 21%.

The differences are explained below:

	<b>Period ended 30 April 2015 £</b>
Loss on ordinary activities before tax	(489,544)
Tax at 21% thereon	(102,804)
Factors affecting charge for the period:	
Capital allowances less than depreciation	546
Increase in tax losses	54,496
R&D tax credit uplift	(59,703)
R&D relief at 14.5% not 21%	33,263
Total actual amount of current tax credit	(74,202)

Finance Act 2013, which was substantively enacted in July 2013, included provisions to reduce the rate of corporation tax to 20% with effect from 1 April 2015. Accordingly, deferred tax balances have recorded at the lower rate of 20% in these financial statements. The budget in July 2015 announced further reductions to the rate of corporation tax to 19% from 1 April 2017 and to 18% from 1 April 2020.

The company has tax losses carried forward of £518,477. The deferred tax liability of £5,787 in respect of fixed assets timing differences and deferred tax asset of £103,695 in respect of tax losses are not provided in the financial statements as the crystallisation of the net asset is not certain.

**APROSE SOLUTIONS LIMITED**  
**(FORMERLY APROSE SOLUTION LIMITED)**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**6 month period ended 30 April 2015**

**6. TANGIBLE FIXED ASSETS**

	<b>Computers and office equipment £</b>
<b>Cost</b>	
On incorporation	-
Additions	31,535
At 30 April 2015	<u>31,535</u>
<b>Accumulated depreciation</b>	
On incorporation	-
Charge for the period	2,602
At 30 April 2015	<u>2,602</u>
<b>Net book value</b>	
At 30 April 2015	<u>28,933</u>
At 28 October 2014	<u>-</u>

**7. DEBTORS**

	<b>30 April 2015 £</b>
Amounts owed from a related party (note 12)	2
Corporation tax debtor	74,202
VAT recoverable	103,295
	<u>177,499</u>

**8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>30 April 2015 £</b>
Amount owed to a related party (note 12)	582,183
Trade creditors	43,770
Accruals and deferred income	2,000
	<u>627,953</u>

**APROSE SOLUTIONS LIMITED**  
**(FORMERLY APROSE SOLUTION LIMITED)**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**6 month period ended 30 April 2015**

**9. CALLED UP SHARE CAPITAL**

	30 April 2015 £
<b>Called up and Allocated</b>	
1,800 Ordinary Shares of £0.001 each	2
	<u>2</u>

Each share has full rights in the company with respect to voting, dividends and distributions.

**10. RESERVES**

	Share capital £	Profit and loss account £	Total £
At 28 October 2014	-	-	-
Share issue	2	-	2
Loss for the financial period	-	(415,342)	(415,342)
	<u>2</u>	<u>(415,342)</u>	<u>(415,340)</u>
At 30 April 2015	2	(415,342)	(415,340)

**11. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' DEFICIT**

	2015 £
Loss for the financial period	(415,342)
Share issue	2
	<u>(415,340)</u>
Net decrease in shareholders' deficit	(415,340)
Opening shareholders' deficit	-
	<u>(415,340)</u>
Closing shareholders' deficit	<u>(415,340)</u>



**APROSE SOLUTIONS LIMITED**  
**(FORMERLY APROSE SOLUTION LIMITED)**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**6 month period ended 30 April 2015**

**12. RELATED PARTY TRANSACTIONS**

The following company is deemed to be a related party by virtue of being the parent company of Aprose Solutions Limited. Aprose Limited has influence over their day to day operations, financial and operating policies of the company.

Amounts owed from related party in note 7 comprise the following:

	2015
	£
Aprose Limited	2
	<u>2</u>

The following company is deemed to be a related party by virtue of common control by Aprose Limited as it is a fellow subsidiary.

Amounts owed to a related party in note 8 comprise the following:

	2015
	£
ASE Consulting Limited	582,183
	<u>582,183</u>

**13. ULTIMATE CONTROLLING PARTY**

The ultimate holding company is Aprose Limited, a company incorporated in England and Wales. Aprose Limited is the largest and smallest group of which the company is a member and for which group financial statements are prepared. Copies of the financial statements can be obtained from the registered office detailed on page 1. In the view of the director, there is no ultimate controlling party.