

Strategic Report, Report of the Directors and
Financial Statements for the Period 12 June 2018 to 31 December 2018
for
Prodware S E Limited

Contents of the Financial Statements
for the Period 12 June 2018 to 31 December 2018

	Page
Company Information	1
Strategic Report	2
Report of the Directors	3
Report of the Independent Auditors	5
Income Statement	7
Other Comprehensive Income	8
Statement of Financial Position	9
Statement of Changes in Equity	10
Notes to the Financial Statements	11

DIRECTORS:

Mr S Conrard
Mr J Golding

SECRETARY:

Mr J Golding

REGISTERED OFFICE:

The Counting House
Watling Lane
Thaxted
Essex
CM6 2QY

REGISTERED NUMBER:

11411122 (England and Wales)

AUDITORS:

Nordens
The Retreat
406 Roding Lane South
Woodford Green
Essex
IG8 8EY

Prodware S E Limited (Registered number: 11411122)

Strategic Report
for the Period 12 June 2018 to 31 December 2018

The directors present their strategic report for the period 12 June 2018 to 31 December 2018.

ON BEHALF OF THE BOARD:

Mr S Conrard - Director

30 October 2019

Report of the Directors
for the Period 12 June 2018 to 31 December 2018

The directors present their report with the financial statements of the company for the period 12 June 2018 to 31 December 2018.

INCORPORATION

The company was incorporated on 12 June 2018 and commenced trading on the same date.

PRINCIPAL ACTIVITY

The principal activity of the company in the period under review was that of services within the digital industry.

DIRECTORS

The directors who have held office during the period from 12 June 2018 to the date of this report are as follows:

Mr S Conrard - appointed 12 June 2018

Mr J Golding - appointed 1 July 2018

Both the directors who are eligible offer themselves for election at the forthcoming first Annual General Meeting.

SMALL COMPANIES REGIME

In preparing this directors' report, the directors have taken advantage of the small companies exemption under section 415A of the Companies Act 2006 for reduced disclosures. The directors have also taken advantage of the small companies exemption under section 414B in relation to preparation of a strategic report.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, the Report of the Directors 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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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;
- 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each 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 auditors are aware of that information.

AUDITORS

The auditors, Nordens, were appointed during the year and will be proposed for re-appointment at the forthcoming Annual General Meeting.

Prodware S E Limited (Registered number: 11411122)

Report of the Directors
for the Period 12 June 2018 to 31 December 2018

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

ON BEHALF OF THE BOARD:

Mr S Conrard - Director

30 October 2019

Opinion

We have audited the financial statements of Prodware S E Limited (the 'company') for the period ended 31 December 2018 which comprise the Income Statement, Other Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

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 its profit 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.

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 Auditors' 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, 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 directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have 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 in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors 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.

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 Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors 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 Report of the Directors.

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 take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page three, 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 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.

Auditors' 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 a Report of the Auditors 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 Report of the Auditors.

Use of our 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 a Report of the Auditors 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.

Lorraine Curtis (Senior Statutory Auditor)
for and on behalf of Nordens
The Retreat
406 Roding Lane South
Woodford Green
Essex
IG8 8EY

31 October 2019

Income Statement

for the Period 12 June 2018 to 31 December 2018

	Notes	£
TURNOVER	3	8,254,492
Cost of sales		<u>8,128,226</u>
GROSS PROFIT		126,266
Administrative expenses		<u>12,562</u>
OPERATING PROFIT and PROFIT BEFORE TAXATION		113,704
Tax on profit	5	<u>21,604</u>
PROFIT FOR THE FINANCIAL PERIOD		<u>92,100</u>

	Notes	£
PROFIT FOR THE PERIOD		92,100
OTHER COMPREHENSIVE INCOME		-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		<u>92,100</u>

Statement of Financial Position

31 December 2018

	Notes	£	£
FIXED ASSETS			
Intangible assets	6		62,653,627
CURRENT ASSETS			
Debtors	7	4,061,936	
Cash at bank		38	
		<u>4,061,974</u>	
CREDITORS			
Amounts falling due within one year	8	<u>6,604,671</u>	
NET CURRENT LIABILITIES			<u>(2,542,697)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			60,110,930
CREDITORS			
Amounts falling due after more than one year	9		<u>60,018,730</u>
NET ASSETS			<u>92,200</u>
CAPITAL AND RESERVES			
Called up share capital	10		100
Retained earnings	11		<u>92,100</u>
SHAREHOLDERS' FUNDS			<u>92,200</u>

The financial statements were approved by the Board of Directors on 30 October 2019 and were signed on its behalf by:

Mr S Conrard - Director

Statement of Changes in Equity
for the Period 12 June 2018 to 31 December 2018

	Called up share capital £	Retained earnings £	Total equity £
Changes in equity			
Issue of share capital	100	-	100
Total comprehensive income	-	92,100	92,100
Balance at 31 December 2018	100	92,100	92,200

1. **STATUTORY INFORMATION**

Prodware S E Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. **ACCOUNTING POLICIES**

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Financial Reporting Standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Development costs

In accordance with section 18 of Financial Reporting Standard 102, only those items where the cost of which can be reliably determined and which are likely to produce future economic benefits for the Group are recognised in fixed assets. When events or changes in the market environment indicate a risk of impairment, the intangible assets concerned are subjected to a detailed review in order to determine whether their recoverable value is higher than their carrying amount. The recoverable value is defined as the higher of the fair value of an asset (less selling costs) and its value in use. The value in use is the net present value of the future cash flows expected to be derived from the use and disposal of the asset. If the recoverable amount is less than the carrying amount, the difference is recognised as an impairment loss. Impairment losses on intangible assets with finite useful lives may be reversed subsequently if the recoverable amount once again becomes higher than the carrying amount (within the limit of the impairment initially recognised).

Computer software

Items recognised in intangible assets are mainly software applications. They are either acquired or internally created. Intangible assets are generally amortised on a straight-line basis over eight years from the time at which the asset begins to generate economic benefits for the company. There are no intangible assets where the useful life of which is considered as indefinite. All intangible assets are amortised over their estimated lives.

These internally created software applications are amortised from the date of the internal "acceptance" of the project over their expected sales life.

Development costs not meeting the criteria laid down by section 18 of Financial Reporting Standard 102 are recognised in current operating expenses as and when incurred. Research costs are recognised in expenses.

Taxation

Taxation for the period comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

Notes to the Financial Statements - continued
for the Period 12 June 2018 to 31 December 2018

2. **ACCOUNTING POLICIES - continued**

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Research and development

Expenditure on research and development is written off in the year in which it is incurred.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the statement of financial position date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

3. **TURNOVER**

The turnover and profit before taxation are attributable to the one principal activity of the company.

An analysis of turnover by geographical market is given below:

	£
United Kingdom	3,130,315
Rest of World	5,124,177
	<u>8,254,492</u>

4. **OPERATING PROFIT**

The operating profit is stated after charging:

	£
Auditors' remuneration	<u>12,500</u>

5. **TAXATION**

Analysis of the tax charge

The tax charge on the profit for the period was as follows:

	£
Current tax:	
UK corporation tax	21,604
Tax on profit	<u>21,604</u>

Notes to the Financial Statements - continued
for the Period 12 June 2018 to 31 December 2018

6. **INTANGIBLE FIXED ASSETS**

	Development costs £	Computer software £	Totals £
COST			
Additions	7,766,076	54,887,551	62,653,627
At 31 December 2018	7,766,076	54,887,551	62,653,627
NET BOOK VALUE			
At 31 December 2018	7,766,076	54,887,551	62,653,627

7. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	£
Trade debtors	4,061,836
Other debtors	100
	<u>4,061,936</u>

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

	£
Trade creditors	1,381,279
Amounts owed to group undertakings	4,886,379
Tax	21,604
VAT	302,909
Accrued expenses	12,500
	<u>6,604,671</u>

9. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	£
Amounts owed to group undertakings	<u>60,018,730</u>

10. **CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:		Nominal value:	£
Number:	Class:		
100	Ordinary	£1	<u>100</u>

11. **RESERVES**

	Retained earnings £
Profit for the period	92,100
At 31 December 2018	<u>92,100</u>

12. RELATED PARTY DISCLOSURES

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Key management personnel includes all persons that have authority and responsibility for planning, directing and controlling the activities of the company. Key management personnel for Prodware S E Limited is deemed to be the Director, Mr S Conrard. No compensation was paid to key management personnel during the period.

13. ULTIMATE CONTROLLING PARTY

On 3 April 2019, 100% of the share capital of the company was transferred from the Director, Mr S Conrard to Prodware SA.

The company's immediate and ultimate parent undertaking is Prodware SA, a company incorporated in France. It has included the company in its group financial statements, copies of which are available from its registered office: 45 Qual De La Seine, Paris, France 75019.

Control of the company is determined according to the voting rights of the shareholders. The shareholders are considered to be the ultimate controlling party.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.