

Company Registration No. 03280170 (England and Wales)

**DIGITAL PROJECTION HOLDINGS LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

# DIGITAL PROJECTION HOLDINGS LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	M Hao K Ka C C Chang
<b>Secretary</b>	St Pauls Secretaries Limited 1 St. Pauls Square Liverpool L3 9SJ
<b>Company number</b>	03280170
<b>Registered office</b>	Greenside Way Middleton Manchester M24 1XX
<b>Auditor</b>	Booth Ainsworth Audit Services Alpha House 4 Greek Street Stockport Cheshire SK3 8AB
<b>Bankers</b>	Citibank, N.A. Citi Group Centre Canada Square Canary Wharf London E14 5LB
<b>Solicitors</b>	Hill Dickinson LLP 50 Fountain Street Manchester M2 2AS

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# DIGITAL PROJECTION HOLDINGS LIMITED

## CONTENTS

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	<b>Page</b>
Directors' report	1 - 2
Directors' responsibilities statement	3
Independent auditor's report	4 - 5
Balance sheet	6
Statement of changes in equity	7
Notes to the financial statements	8 - 12

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# **DIGITAL PROJECTION HOLDINGS LIMITED**

## **DIRECTORS' REPORT**

**FOR THE YEAR ENDED 31 DECEMBER 2018**

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The directors present their report and the audited financial statements for the year ended 31 December 2018. The directors' report has been prepared in accordance with the special provisions of part 15 of the Companies Act 2006 relating to small companies. The company is exempt from preparing a strategic report.

### **Principal activities**

The principal activity of the company is that of an intermediate holding company whose subsidiaries continue to carry out research, design, manufacture and sale of electronic video projectors based upon DLP™ technology jointly developed with Texas Instruments. The group's sales are made world-wide, with the largest volume being in the USA through its subsidiary Digital Projection Inc.

The company's headquarters are in Middleton, Manchester where its subsidiary Digital Projection Limited develops, manufactures and sells products. Another major subsidiary, Digital Projection Inc. based in Atlanta, Georgia, provides full sales, marketing, and product service support to the North American market. The directors consider the business operation to be satisfactory and will continue to place emphasis substantially on the research activities of the group.

As described in the accounting policies note, the financial statements are prepared on a going concern basis.

### **Directors**

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

M Hao

K Ka

C C Chang (appointed 19/10/18)

J Chang (resigned 19/10/18)

### **Results and dividends**

The company has not traded during the year and made neither a profit nor a loss. The directors are unable to recommend the payment of a dividend (2017: same). The balance sheet shows net current assets of £2,229,000 (2017: £2,229,000).

### **Auditor**

Booth Ainsworth Audit Services were appointed as auditor 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 the General Meeting.

### **Statement of disclosure to auditor**

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

### **Going concern basis**

The Company's ability to continue as a going concern depends on Digital Projection Limited ("DPL") being able to respond to market trends and to capture new business opportunities arising in the projection market. The business continues to evolve in response to customers' needs, in particular applying products and technologies across the different customer base with value added solutions. Nevertheless, the Company continues to meet its financial obligations as they fall due, and the directors have a reasonable expectation that the extended payment terms necessary to continue to trade with related parties, and meet its obligations as they fall due, will continue for the foreseeable future. Accordingly they have prepared the financial statements on a going concern basis.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

**DIGITAL PROJECTION HOLDINGS LIMITED**

**DIRECTORS' REPORT (CONTINUED)**

***FOR THE YEAR ENDED 31 DECEMBER 2018***

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On behalf of the board

M Hao

**Director**

14 June 2019

## **DIGITAL PROJECTION HOLDINGS LIMITED**

### **DIRECTORS' RESPONSIBILITIES STATEMENT**

***FOR THE YEAR ENDED 31 DECEMBER 2018***

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The directors are responsible for preparing the annual report 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). 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.

# DIGITAL PROJECTION HOLDINGS LIMITED

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF DIGITAL PROJECTION HOLDINGS LIMITED

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#### Opinion

We have audited the financial statements of Digital Projection Holdings Limited (the 'company') for the year ended 31 December 2018 which comprise , the statement of comprehensive income, the balance sheet, the 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 FRS 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 year 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 *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, 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.

#### Material uncertainty relating to going concern

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1 the summary of significant accounting policies concerning the Company's ability to continue as a going concern. The Company's ability to continue as a going concern depends on extended payment terms with related parties being made available. These conditions, along with the other matters explained in the summary of significant accounting policies, indicate the existence of a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern. The Company financial statements do not include the adjustments that would result if the Company was unable to continue as a going concern.

#### 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.

#### Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

# DIGITAL PROJECTION HOLDINGS LIMITED

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS OF DIGITAL PROJECTION HOLDINGS LIMITED

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#### **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 directors' report.

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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' 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, 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: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

#### **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 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.

**Don Bancroft (Senior Statutory Auditor)**  
for and on behalf of Booth Ainsworth Audit Services

17 June 2019

**Statutory Auditor**

Alpha House  
4 Greek Street  
Stockport  
Cheshire  
SK3 8AB



# DIGITAL PROJECTION HOLDINGS LIMITED

## BALANCE SHEET

AS AT 31 DECEMBER 2018

		2018		2017	
	Notes	£000	£000	£000	£000
<b>Current assets</b>					
Debtors	5	4,302		4,302	
<b>Creditors: amounts falling due within one year</b>	6	<u>(2,073)</u>		<u>(2,073)</u>	
<b>Net current assets</b>			2,229		2,229
<b>Creditors: amounts falling due after more than one year</b>	7		(177)		(177)
<b>Net assets</b>			<u>2,052</u>		<u>2,052</u>
<b>Capital and reserves</b>					
Called up share capital	10		228		228
Share premium account			23,715		23,715
Profit and loss reserves			<u>(21,891)</u>		<u>(21,891)</u>
<b>Total equity</b>			<u>2,052</u>		<u>2,052</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 14 June 2019 and are signed on its behalf by:

M Hao  
Director

Company Registration No. 03280170

# DIGITAL PROJECTION HOLDINGS LIMITED

## STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2018

	Share capital	Share premium account	Profit and loss reserves	Total
	£000	£000	£000	£000
Balance at 1 January 2017	228	23,715	(21,891)	2,052
Year ended 31 December 2017:				
Profit and total comprehensive income for the year	-	-	-	-
Balance at 31 December 2017	228	23,715	(21,891)	2,052
Year ended 31 December 2018:				
Profit and total comprehensive income for the year	-	-	-	-
Balance at 31 December 2018	228	23,715	(21,891)	2,052

# DIGITAL PROJECTION HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 DECEMBER 2018**

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### **1 Accounting policies**

#### **Company information**

Digital Protection Holdings Limited ('the Company') is a private Company limited by shares and is incorporated and domiciled in the United Kingdom. The address of its registered office is Greenside Way, Middleton, Manchester, M24 1XX. Registered number of the company is 03287264.

The principal activity of the company is that of an intermediate holding company whose subsidiaries continue to carry out research, design, manufacture and sale of electronic video projectors based upon DLP™ technology jointly developed with Texas Instruments. The group's sales are made world-wide, with the largest volume being in the USA through its subsidiary Digital Projection Inc.

#### **1.1 Accounting convention**

These financial statements are prepared on a going concern basis, under the historical cost convention, and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom.

FRS 102 allows a qualifying entity certain disclosure exemptions, if certain conditions, have been complied with, including notification of and no objection to, the use of exemptions by the Company's shareholders. A qualifying entity is defined as a member of a Group that prepares publicly available financial statements, which give a true and fair view, in which that member is consolidated.

As a qualifying entity, the Company has taken advantage of the following exemptions in its standalone financial statements:

- i) from the requirement to prepare a statement of cash flows as required by paragraph 3.17(d) of FRS 102;
- ii) from the requirement to present certain financial instrument disclosures, as required by sections 11 and 12 of FRS 102;
- iii) from the requirement to present a reconciliation of the number of shares outstanding at the beginning and end of the period as required by paragraph 4.12(a)(iv) of FRS 102; and
- iv) from the requirement to disclose the key management personnel compensation in total as required by paragraph 33.7 of FRS 102.

#### **1.2 Going concern**

The Company's ability to continue as a going concern depends on Digital Projection Limited ("DPL") being able to respond to market trends and to capture new business opportunities arising in the projection market. The business continues to evolve in response to customers' needs, in particular applying products and technologies across the different customer base with value added solutions. Nevertheless, the Company continues to meet its financial obligations as they fall due, and the directors have a reasonable expectation that the extended payment terms necessary to continue to trade with related parties, and meet its obligations as they fall due, will continue for the foreseeable future. Accordingly they have prepared the financial statements on a going concern basis

#### **1.3 Profit and loss account**

The company has not traded during the year or the preceding financial period. During this time the company received no income and incurred no expenditure and therefore no Profit and loss account is presented in these financial statements.

#### **1.4 Investments**

Investments in subsidiaries and other investments are recorded at cost plus incidental expenses less any provision for impairment. Impairment reviews are performed by the directors when there has been an indication of potential impairment.

# DIGITAL PROJECTION HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

### 1 Accounting policies

(Continued)

#### 1.5 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.6 Financial instruments

The Company has chosen to adopt the sections 11 and 12 of FRS 102 in respect of financial instruments.

##### *(i) Financial assets*

Basic financial assets, including trade and other trade receivables and cash and bank balances are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

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

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

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

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

##### *(ii) Financial liabilities*

Basic financial liabilities, including trade and other trade payables and loans from fellow Group companies are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

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

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method. Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

The Company does not hold or issue derivatives financial instruments.

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

# DIGITAL PROJECTION HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

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### 1 Accounting policies

(Continued)

#### *(iii) Offsetting*

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle to liability simultaneously.

### 1.7 Foreign currencies

#### *(i) Functional and presentation currency*

The Financial statements are presented in pound sterling and rounded to thousands.

The Company's functional and presentation currency is the pound sterling.

#### *(ii) Transactions and balances*

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Income statement.

### 2 Information regarding directors and employees

Other than the directors, the company did not have any employees during the year (2017: none). The directors did not receive any remuneration from the company (2017: same).

### 3 Operating result

Auditors' remuneration for the current year has been borne by the subsidiary company, Digital Projection Ltd, and has not been recharged (2017: same). There are no non-audit fees payable to the auditors (2017: same).

### 4 Interest in subsidiaries

The investment in subsidiaries' shares amounts to £102 and represents 100% of the issued ordinary share capital of Digital Projection Limited, a company registered in England and Wales. The principal activity of Digital Projection Limited is the design, manufacture and sale of electronic projectors. Its registered office is Greenside Way, Middleton, Manchester, M24 1XX.

The company also owns, through Digital Projection Limited, 100% of the issued ordinary share capital of Digital Projection Inc., a company registered in the United States of America whose principal activity is the sale of electronic video projectors. Its registered office is 55 Chastain Road, Suite 115, Kennesaw, Georgia, GA 30144, USA

Advantage has been taken of the exemption not to produce consolidated financial statements as the company is a wholly owned subsidiary of Digital Projection International Limited, which itself produces consolidated financial statements.

# DIGITAL PROJECTION HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

<b>5 Debtors</b>		
	<b>2018</b>	<b>2017</b>
	<b>£000</b>	<b>£000</b>
Amounts falling due within one year:		
Trade debtors	(1)	-
Amounts owed by group undertakings	4,303	4,302
	<u>4,302</u>	<u>4,302</u>

<b>6 Creditors: amounts falling due within one year</b>		
	<b>2018</b>	<b>2017</b>
	<b>£000</b>	<b>£000</b>
Amounts owed to group undertakings	2,073	2,073
	<u>2,073</u>	<u>2,073</u>

Amounts owed to group undertakings are unsecured, interest-free and repayable on demand.

<b>7 Creditors: amounts falling due after more than one year</b>			
	<b>Notes</b>	<b>2018</b>	<b>2017</b>
		<b>£000</b>	<b>£000</b>
Other borrowings	8	177	177
		<u>177</u>	<u>177</u>

<b>8 Loans and overdrafts</b>		
	<b>2018</b>	<b>2017</b>
	<b>£000</b>	<b>£000</b>
9% cumulative B preference shares	177	177
	<u>177</u>	<u>177</u>
Payable after one year	177	177
	<u>177</u>	<u>177</u>

The holder of the 9% cumulative B preference shares has waived the right to receive dividends

### 9 Deferred taxation

There were no deferred tax movements in the year.

Deferred tax is not recognised in respect of tax losses of £2,392,000 (2017: same) as it is not probable that they will be recovered against the reversal of deferred tax liabilities or future taxable profits.

The amount of trading tax losses has been agreed with HM Revenue & Customs up to the year ended 31 December 2017.

## DIGITAL PROJECTION HOLDINGS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

#### 10 Share capital

	2018	2017
	£000	£000
Ordinary share capital		
Issued and fully paid		
22,776,264 A ordinary shares of 1p each	228	228
	<u>228</u>	<u>228</u>

The 9% cumulative preference shares are presented as a liability and accordingly are excluded from equity share capital in the balance sheet. The B preference shareholders have a right to receive dividends at 9% of the nominal value of the shares, and also have a priority in any distribution on winding up. Otherwise the shares rank pari passu in all other respects. The current and prior year dividends have been waived by the preference shareholder.

#### 11 Related party transactions

As a subsidiary undertaking of Digital Projection International Limited, the company has taken advantage of the exemption in not disclosing transactions with other wholly-owned companies within the group.

There were no other related party transactions.

#### 12 Ultimate controlling party

The immediate parent company is Digital Projection International Limited.

In the opinion of the directors, the company's ultimate parent company and controlling party is Luxeon International Holding Limited, a company incorporated in British Virgin Islands. The parent undertaking of the largest and smallest group, which includes the company for which group financial statements are prepared is Digital Projection International Limited. Copies of the group financial statements of Digital Projection International Limited are available from Companies House, Crown Way, Maindy, Cardiff CF14 3UZ.

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.