

FINANCIAL STATEMENTS
FOR THE 7 MONTHS ENDED
31 DECEMBER 2018

360 SOLUTIONS (UK)
LIMITED



MENZIES
BRIGHTER THINKING

360 SOLUTIONS (UK) LIMITED

COMPANY INFORMATION

Directors	P J Gibbons (appointed 7 June 2018) C J Russell (appointed 7 June 2018)
Company secretary	P J Gibbons
Registered number	04629543
Registered office	The Wharf Abbey Mill Business Park Lower Eashing Godalming Surrey GU7 2QN
Trading Address	360 House 1 Faraday Court Burton-on-Trent Staffordshire DE14 2WX

360 SOLUTIONS (UK) LIMITED

CONTENTS

	Page
Statement of financial position	1
Notes to the financial statements	2 - 8

360 SOLUTIONS (UK) LIMITED
REGISTERED NUMBER:04629543

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2018

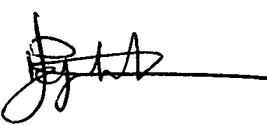
		31 December 2018 £	Unaudited 31 May 2018 £
	Note		
Fixed assets			
Tangible assets	4	17,386	43,380
Investments	5	850	850
		<u>18,236</u>	<u>44,230</u>
Current assets			
Stocks		18,090	16,905
Debtors: amounts falling due within one year	6	2,615,760	2,209,390
Cash at bank and in hand		420,332	254,117
		<u>3,054,182</u>	<u>2,480,412</u>
Creditors: amounts falling due within one year	7	(1,185,527)	(1,245,326)
Net current assets		<u>1,868,655</u>	<u>1,235,086</u>
Total assets less current liabilities		<u>1,886,891</u>	<u>1,279,316</u>
Net assets		<u><u>1,886,891</u></u>	<u><u>1,279,316</u></u>
Capital and reserves			
Called up share capital		100	100
Profit and loss account		1,886,791	1,279,216
		<u>1,886,891</u>	<u>1,279,316</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

The Company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:


P J Gibbons
 Director

Date: 23 MAY 2019

The notes on pages 2 to 8 form part of these financial statements.

360 SOLUTIONS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE 7 MONTHS ENDED 31 DECEMBER 2018

1. General information

360 Solutions (UK) Limited is a private company limited by shares, incorporated in England & Wales under Companies Act 2006. The registered office and principal place of business (trading address) is given on the company information page. The functional and presentational currency is GBP.

The company has changed its accounting period from 31 May 2019 to 31 December 2018 to be in line with the period end of its ultimate parent. The accounts are drawn up for 7 months to 31 December 2018 and the prior period to the 31 May 2018 are also for a 7 month period.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Exemption from preparing consolidated financial statements

The Company, and the Group headed by it, qualify as small as set out in section 383 of the Companies Act 2006 and the parent and Group are considered eligible for the exemption to prepare consolidated accounts.

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.4 Operating leases: the Company as lessor

Rentals income from operating leases is credited to the Statement of income and retained earnings on a straight line basis over the term of the relevant lease.

2.5 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of income and retained earnings on a straight line basis over the lease term.

2.6 Interest income

Interest income is recognised in the Statement of income and retained earnings using the effective interest method.

360 SOLUTIONS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE 7 MONTHS ENDED 31 DECEMBER 2018

2. Accounting policies (continued)

2.7 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of income and retained earnings when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Company in independently administered funds.

2.8 Current and deferred taxation

The tax expense for the 7 months comprises current and deferred tax. Tax is recognised in the Statement of income and retained earnings, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.9 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

360 SOLUTIONS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE 7 MONTHS ENDED 31 DECEMBER 2018

2. Accounting policies (continued)

2.9 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Improvements to property	-	15%	on cost
Motor vehicles	-	25%	on cost
Fixtures and fittings	-	20%	on cost
Office equipment	-	20%	on cost
Computer equipment	-	33%	on cost

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of income and retained earnings.

2.10 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.11 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.12 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of income and retained earnings in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of financial position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

2.13 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

360 SOLUTIONS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE 7 MONTHS ENDED 31 DECEMBER 2018

3. Employees

The average monthly number of employees, including directors, during the 7 months was 19 (2018 -21).

360 SOLUTIONS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE 7 MONTHS ENDED 31 DECEMBER 2018

4. Tangible fixed assets

	Short-term leasehold property £	Motor vehicles £	Fixtures and fittings £	Office equipment £	Computer equipment £	Total £
Cost or valuation						
At 1 June 2018	42,805	34,000	62,837	3,734	76,112	219,488
Additions	-	-	105	675	540	1,320
Disposals	-	(34,000)	-	-	-	(34,000)
At 31 December 2018	42,805	-	62,942	4,409	76,652	186,808
Depreciation						
At 1 June 2018	30,355	19,833	56,866	3,268	65,786	176,108
Charge for the 7 months on owned assets	3,744	1,416	5,600	268	3,535	14,563
Disposals	-	(21,249)	-	-	-	(21,249)
At 31 December 2018	34,099	-	62,466	3,536	69,321	169,422
Net book value						
At 31 December 2018	8,706	-	476	873	7,331	17,386
At 31 May 2018	12,450	14,167	5,971	466	10,326	43,380

360 SOLUTIONS.(UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE 7 MONTHS ENDED 31 DECEMBER 2018

5. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 June 2018	850
At 31 December 2018	<u>850</u>

6. Debtors

	31 December 2018 £	Unaudited 31 May 2018 £
Trade debtors	1,017,903	618,965
Amounts owed by group undertakings	1,196,254	982,435
Other debtors	704	246,007
Prepayments and accrued income	398,650	361,983
Deferred taxation	2,249	-
	<u>2,615,760</u>	<u>2,209,390</u>

7. Creditors: Amounts falling due within one year

	31 December 2018 £	Unaudited 31 May 2018 £
Trade creditors	392,543	311,066
Amounts owed to group undertakings	68,386	72,382
Corporation tax	143,404	-
Other taxation and social security	93,561	308,035
Other creditors	18,513	27,621
Accruals and deferred income	469,120	526,222
	<u>1,185,527</u>	<u>1,245,326</u>

360 SOLUTIONS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE 7 MONTHS ENDED 31 DECEMBER 2018

8. Security over assets

There are fixed and floating charges over the assets of the company, and those of all of the companies in the Arrow Business Communications Holdings Limited group, due to loans held in the intermediate holding companies of Arrow Business Communications Group Limited (£30,845,478) and Arrow Business Communications Limited (£27,766,626).

9. Post balance sheet events

On the 31 January 2019 the trade and assets of the company were hived up into Arrow Business Communications Limited.

10. Controlling party

The parent undertaking of the smallest group in which consolidated financial statements are prepared, which include this company, is Arrow Business Communications Holdings Limited. The company's registered address is The Wharf, Abbey Mills Business Park, Lower Eashing, Godalming, Surrey, GU7 2QN.

11. Auditors' information

The auditors' report on the financial statements for the 7 months ended 31 December 2018 was unqualified.

The audit report was signed by Ralph Mitchison FCA (Senior statutory auditor) on behalf of Menzies LLP.