

Atego Group Limited

DIRECTORS REPORT AND UNAUDITED FINANCIAL
STATEMENTS

For the year ended 31 December 2016

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Registered number: 07082000

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Atego Group Limited

Company Information

Director	Charles Dunn
Company secretary	Charles Dunn
Company number	07082000
Registered office	Abbey House 282 Farnborough Road Farnborough Hampshire GU14 7NA

Directors' report

For the year ended 31 December 2016

The Directors present their report and the unaudited financial statements for the year ended 31 December 2016.

The directors' report has been prepared in accordance with provisions applicable to the small companies exemption.

Principal activities

Atego Group Limited (the company) is the UK holding company of the Atego Group with the principal activity of software sale and marketing. Atego™ was the leading independent supplier of industrial-grade, collaborative development tools and runtime environments for engineering complex, mission-critical and safety-critical architectures, systems, software and hardware. Atego Group Limited was acquired by Parametric Technology Europe BV, a wholly owned subsidiary of PTC Inc. on 30 June 2015.

Results and dividends

There was a loss for the year after taxation amounting to £163,355 (2015: £2,903,233). The Directors do not recommend the payment of a dividend (2015: £nil).

Break up basis

The company sold all of their Intellectual Property with an effective date of 31 December 2016 and plan to liquidate during the coming year.

Directors

The Director who served during the year was:

C Dunn

Statement of Directors' responsibilities

The Directors are responsible for preparing the Directors' 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 such as FRS 102). 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 judgments and 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.

Directors' report (continued)

For the year ended 31 December 2016

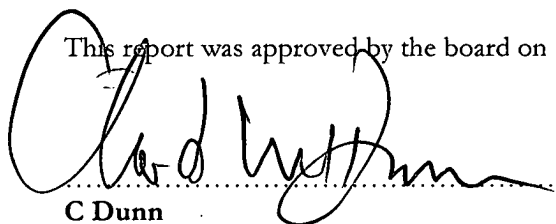
Statement of Directors' responsibilities (continued)

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.

Audit

Atego Group Limited will be liquidated prior to the filing date of 30 September 2016, therefore no audit will be carried out for the year ended 31 December 2016.

This report was approved by the board on 30 August 2017 and signed on its behalf.

A handwritten signature in black ink, appearing to read 'C Dunn', is written over a horizontal dotted line.

C Dunn
Director

Company registration no: 07082000

Profit and loss account

For the year ended 31 December 2016

	Note	2016 £	2015 £
Administrative expenses		(49,927)	(4,613)
Other operating (expense)/income	2	(113,528)	444,296
Operating (loss)/profit		(163,455)	439,683
Exceptional items	4	100	(3,298,350)
Loss on ordinary activities before taxation	3	(163,355)	(2,858,667)
Tax credit/(expense) on loss on ordinary activities	5	-	(46,157)
Loss for the financial year		(163,355)	(2,904,824)
Total comprehensive loss		(163,355)	(2,904,824)

All amounts relate to continuing operations.

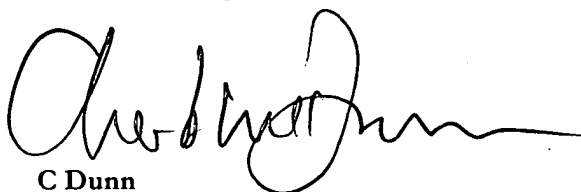
The notes on pages 7 to 13 form part of these financial statements and include the accounting policies.

Balance sheet

As at 31 December 2016

	Note	2016 £	2015 £
Fixed assets			
Investments	6	<u>1,557,190</u>	<u>1,557,190</u>
		<u>1,557,190</u>	<u>1,557,190</u>
Current assets			
Cash at bank		113,960	-
Debtors	7	<u>11,522</u>	<u>796,571</u>
		125,482	796,571
Creditors: amounts falling due within one year	8	<u>(381,954)</u>	<u>(889,688)</u>
Net current assets		<u>(256,472)</u>	<u>(93,117)</u>
Total assets less current liabilities		1,300,718	1,464,073
Net assets		<u>1,300,718</u>	<u>1,464,073</u>
Capital and reserves			
Called up share capital	9	5,351	5,351
Share premium account		5,816,620	5,816,620
Profit and loss account		<u>(4,521,253)</u>	<u>(4,357,898)</u>
Shareholders' funds		<u>1,300,718</u>	<u>1,464,073</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 30 August 2017.



C Dunn
Director

The notes on pages 7 to 13 form part of these financial statements and include the accounting policies.

Statement of changes in equity

As at 31 December 2016

	Called-up share capital	Share premium account	Profit and loss account	Total
	£	£	£	£
At 1 January 2015	5,351	5,816,620	(1,453,074)	4,368,897
Profit and total comprehensive income for the year	-	-	(2,904,824)	(2,904,824)
At 31 December 2015	5,351	5,816,620	(4,357,898)	1,464,073
Profit and total comprehensive income for the year	-	-	(163,355)	(163,355)
At 31 December 2016	5,351	5,816,620	(4,521,253)	1,300,718

The notes on pages 7 to 13 form part of these financial statements and also include significant account policies.

Notes to the financial statement

For the year ended 31 December 2016

1. Principal accounting policies

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 – 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' (FRS 102), and with the Companies Act 2006.

The financial statements have been prepared on the break-up basis, with assets stated at their recoverable amounts and liabilities stated at their payable amounts, and are in accordance with applicable accounting standards.

The directors intend to wind up the company within 12 months from the date of signing of these financial statements, and therefore do not consider it to be a going concern. Accordingly, the financial statements have been prepared on a break up basis. There has been no impairment of the company's assets as a result of a break up basis of valuation.

The financial statements are presented in Sterling (£).

Break-up basis

The company sold all of their Intellectual Property with an effective date of 31 December 2016 and plan to liquidate during the coming year.

Significant judgements and estimates

The intangibles were sold to PTC Inc. during the year.

Investment in subsidiaries

Investments in subsidiaries are accounted for at cost less impairment in the individual financial statements.

Impairment of assets

At each reporting date fixed assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in the profit and loss account.

If an impairment loss subsequently reverses, the carry amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

Notes to the financial statement (continued)

For the year ended 31 December 2016

1. Principal accounting policies (continued)

Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Creditors

Short term trade creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Provisions for liabilities

Provisions are recognised when the group has a present obligation (legal or constructive) as a result of a past event, it is probable that the group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value using a pre-tax discount rate. The unwinding of the discount is recognised as a finance cost in the profit and loss account in the period it arises.

Taxation

Current tax is recognised for the amount of income tax payable in respect of the taxable profit for the current or past reporting periods using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date, except as otherwise indicated.

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

If and when all conditions for retaining tax allowances for the cost of a fixed asset have been met, the deferred tax is reversed.

Deferred tax is recognised when income or expenses from a subsidiary or associate have been recognised, and will be assessed for tax in a future period, except where:

- the group is able to control the reversal of the timing difference; and
- it is probable that the timing difference will not reverse in the foreseeable future.

Notes to the financial statement (continued)

For the year ended 31 December 2016

1. Principal accounting policies (continued)

A deferred tax liability or asset is recognised for the additional tax that will be paid or avoided in respect of assets and liabilities that are recognised in a business combination. The amount attributed to goodwill is adjusted by the amount of deferred tax recognised.

Deferred tax is calculated using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

With the exception of changes arising on the initial recognition of a business combination, the tax expense (income) is presented either in the profit and loss account, other comprehensive income or equity depending on the transaction that resulted in the tax expense (income).

Deferred tax liabilities are presented within provisions for liabilities and deferred tax assets within debtors. Deferred tax assets and deferred tax liabilities are offset only if:

- the group has a legally enforceable right to set off current tax assets against current tax liabilities, and
- the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously.

Foreign currency translation

In preparing the financial statements of the individual entities, transactions in currencies other than the functional currency of the individual entities (foreign currencies) are recognised at the spot rate at the dates of the transactions, or at an average rate where this rate approximates the actual rate at the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences are recognised in the profit and loss account in the period in which they arise. However, in the consolidated financial statements exchange differences arising on monetary items that form part of the net investment in a foreign operation are recognised in other comprehensive income and are not reclassified to profit or loss.

Notes to the financial statement (continued)

For the year ended 31 December 2016

1. Principal accounting policies (continued)

Exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with, including notification of, and no objection to, the use of exemptions by the company's shareholders.

The company has taken advantage of the following exemptions:

(i) from preparing a statement of cash flows, on the basis that it is a qualifying entity and the consolidated statement of cash flows, included in these financial statements, includes the company's cash flows;

(iii) from disclosing share based payment arrangements, required under FRS 102 paragraphs 26.18(c), 26.19 to 26.21 and 26.23, concerning its own equity instruments. The company financial statements are presented with the consolidated financial statements and the relevant disclosures are included therein;

(iv) from disclosing the company key management personnel compensation, as required by FRS 102 paragraph 33.7.

2. Other operating (expense)/income

	2016 £	2015 £
(Losses)/Gains on foreign exchange	(113,528)	392,939
Other income	-	51,357
	<u>(113,528)</u>	<u>444,296</u>

3. Loss on ordinary activities before taxation

The operating loss is stated after charging (crediting):

	2016 £	2015 £
Auditor's remuneration	26,684	19,684
Difference on foreign exchange	<u>113,528</u>	<u>(392,939)</u>

Notes to the financial statement (continued)

For the year ended 31 December 2016

4. Exceptional items

Exceptional items for the year relate to:

	2016 £	2015 £
Sale of subsidiaries	-	(3,298,350)
Sale of Intangibles	(100)	-
	<u>(100)</u>	<u>(3,298,350)</u>

5. Taxation

	2016 £	2015 £
Analysis of tax (credit)/charge for the year		
UK corporation tax credit at 20% (PY 20.25%)	-	46157
Tax on loss on ordinary activities	-	46,157

Factors affecting the tax charge for the year

The tax assessed for the year based on the standard rate of corporation tax rate of 20% (2015: 20.25%) is set out below:

	2016 £	2015 £
Loss on ordinary activities before tax	<u>(163,355)</u>	<u>(2,858,667)</u>
Tax on Loss on ordinary activities at standard CT rate of 20% (PY 20.25%)	(32,671)	(578,782)
Effects of:		
Expenses not deductible for tax purposes	-	668,137
Group relief surrendered/(claimed)	32,671	-
Adjustments to tax charge in respect of previous periods - deferred tax	-	2,590
Adjust opening deferred tax to average rate of 20.25%	-	(526)
Deferred tax not recognised	-	(45,262)
Tax charge/(credit) for the period	<u>-</u>	<u>46,157</u>

Factors affecting the tax charge for the year

The Company has estimated excess management expenses of £nil (2015: £0.7m) available for carry forward against future trading profits.

Notes to the financial statement (continued)

For the year ended 31 December 2016

6. Investments

Company	31.12.2015	Capitalisation	Sale of subsidiaries	Gain/Loss on Sale	31.12.2016
	Carrying value				Carrying value
	£	£	£	£	£
Atego Systems Ltd	147,492				147,492
Atego SAS	1,409,699				1,409,699
	1,557,190	-	-	-	1,557,190

The subsidiary undertakings at 31 December 2016 are listed below:

Name	Location	% ownership	
		2016	2015
Atego Systems Ltd	Cheltenham, UK	100%	100%
Atego SAS	Issy-les-Moulineaux, France	100%	100%

7. Debtors

	2016	2015
	£	£
Other debtors	11,422	-
Amounts due from subsidiary undertakings	100	796,571
	<u>11,522</u>	<u>796,571</u>

All intercompany amounts are repayable on demand and have been repaid post year end.

8. Trade and other creditors

	2016	2015
	£	£
Amounts owed to Group undertakings	369,454	823,846
Accruals	12,500	19,685
Other taxation and social security	-	46,157
	<u>381,954</u>	<u>889,688</u>

Notes to the financial statement (continued)

For the year ended 31 December 2016

9. Share capital

The share capital of Atego Group Limited consists of fully paid and authorised shares. All shares are equally eligible to receive dividends and the repayment of capital and represent one vote at the shareholder's meeting of Atego Group Limited.

	2016	2015
	£	£
Issued and fully paid		
535,125 (2015: 535,125) ordinary shares of 1p each	<u>5,351</u>	<u>5,351</u>

During the year, nil (2015: nil) ordinary shares were issued at par.

10. Ultimate parent undertaking and controlling party

The immediate parent company is Parametric Technology Europe BV, a company incorporated in the Netherlands. The ultimate parent company is PTC Inc., a company incorporated in the United States of America. PTC Inc. heads the largest and smallest group in which the results of the company are consolidated, and is the ultimate controlling party.