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**TECH NATION GROUP LIMITED (FORMERLY TECH CITY GROUP LIMITED)**  
(A Company Limited by Guarantee)

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**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2018**



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**TECH NATION GROUP LIMITED (FORMERLY TECH CITY GROUP LIMITED)**  
**(A Company Limited by Guarantee)**

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**COMPANY INFORMATION**

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<b>Directors</b>	E Burbidge L Eccles (appointed 1 January 2019) G A Grech A C Hale (appointed 29 March 2018) E L Jones (appointed 29 March 2018) T F Luke D J Richards (appointed 29 March 2018) W T White (appointed 28 June 2018) S F Wood (appointed 29 March 2018) R M Klein (resigned 15 June 2018) Y H Kim (resigned 13 March 2018) W T White (resigned 13 March 2018)
<b>Company secretary</b>	F Hemingway
<b>Registered number</b>	08843778
<b>Registered office</b>	20-22 Wenlock Road London N1 7GU
<b>Independent auditor</b>	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor 30 Finsbury Square London EC2A 1AG

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**TECH NATION GROUP LIMITED (FORMERLY TECH CITY GROUP LIMITED)**  
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**CONTENTS**

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	Page
<b>Directors' Report</b>	1 - 3
<b>Independent Auditor's Report</b>	4 - 7
<b>Statement of Income and Retained Earnings</b>	8
<b>Statement of Financial Position</b>	9
<b>Notes to the Financial Statements</b>	10 - 20

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**TECH NATION GROUP LIMITED (FORMERLY TECH CITY GROUP LIMITED)**  
**(A Company Limited by Guarantee)**

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**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2018**

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The directors present their report and the financial statements for the year ended 31 March 2018.

**Results and dividends**

The profit for the year, after taxation, amounted to £183,118 (2017 as restated: £314,017).

**Principal activity**

The company's mission is to create the optimum conditions to encourage entrepreneurship and promote the formation and growth of digital technology businesses across the UK, principally achieved by running commercial programmes bringing entrepreneurs and corporate companies together. Income is generated through sponsorship, research and services relating to visa application. Additionally, the company also receives grant funding from the UK Government.

**Change of name**

The company passed a special resolution on 24 April 2018 changing its name from Tech City (UK) Limited to Tech City Group Limited. It passed a further special resolution on 25 April 2018 changing its name to Tech Nation Group Limited.

**Directors**

The directors who served during the year were:

E Burbidge  
G A Grech  
A C Hale (appointed 29 March 2018)  
E L Jones (appointed 29 March 2018)  
T F Luke  
D J Richards (appointed 29 March 2018)  
S F Wood (appointed 29 March 2018)  
R M Klein (resigned 15 June 2018)  
Y H Kim (resigned 13 March 2018)  
W T White (resigned 13 March 2018)

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**TECH NATION GROUP LIMITED (FORMERLY TECH CITY GROUP LIMITED)**  
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**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2018**

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**Directors' responsibilities statement**

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, including FRS 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 and 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

**Disclosure of information to auditor**

The directors confirm that:

- so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

**Auditor**

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006. Grant Thornton UK LLP were appointed as auditor on 20 September 2018.

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TECH NATION GROUP LIMITED (FORMERLY TECH CITY GROUP LIMITED)  
(A Company Limited by Guarantee)

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DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2018

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**Small companies note**

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 29 April 2019 and signed on its behalf.



**G A Grech**  
Director

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(A Company Limited by Guarantee)

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TECH NATION GROUP LIMITED  
(FORMERLY TECH CITY GROUP LIMITED)**

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**Opinion**

We have audited the financial statements of Tech Nation Group Limited (formerly Tech City Group Limited) (the 'company') for the year ended 31 March 2018, which comprise the Statement of Income and Retained Earnings, the Statement of Financial Position 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 March 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.

**Other Matters**

The Company's financial statements for the year ended 31 March 2017 were not required to have a statutory audit as it was entitled to audit exemption under the provisions of section 477 of the Companies Act 2006 and no member or members had requested an audit pursuant to section 476 of the Act. Accordingly corresponding figures for the year ended 31 March 2017 are unaudited.



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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TECH NATION GROUP LIMITED  
(FORMERLY TECH CITY GROUP LIMITED) (CONTINUED)**

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**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 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 the 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.





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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TECH NATION GROUP LIMITED  
(FORMERLY TECH CITY GROUP LIMITED) (CONTINUED)**

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**Matter on which we are required to report under the Companies Act 2006**

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.

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

We have nothing to report in respect of the following matters in relation to which 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' exemptions in preparing the Directors' Report and from the requirement to prepare a strategic report.

**Responsibilities of directors for the financial statements**

As explained more fully in the Directors' Responsibilities Statement on page 2, 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: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditor's Report.



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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TECH NATION GROUP LIMITED  
(FORMERLY TECH CITY GROUP LIMITED) (CONTINUED)**

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**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.

A handwritten signature in black ink that reads "Grant Thornton UK LLP".

Steven Leith ACCA  
Senior Statutory Auditor  
for and on behalf of Grant Thornton UK LLP  
Senior Auditor, Chartered Accountants  
London Finsbury  
Date: 29 April 2019

**TECH NATION GROUP LIMITED (FORMERLY TECH CITY GROUP LIMITED)**  
**(A Company Limited by Guarantee)**

**STATEMENT OF INCOME AND RETAINED EARNINGS**  
**FOR THE YEAR ENDED 31 MARCH 2018**

	Note	2018 £	<i>Unaudited As restated 2017 £</i>
Turnover	4	5,185,453	4,587,211
Cost of sales		(1,476,414)	(1,353,822)
<b>Gross profit</b>		<b>3,709,039</b>	<b>3,233,389</b>
Administrative expenses		(3,476,453)	(2,830,159)
<b>Operating profit</b>	5	<b>232,586</b>	<b>403,230</b>
Tax on profit	8	(49,468)	(89,213)
<b>Profit after tax</b>		<b>183,118</b>	<b>314,017</b>
<b>Retained Earnings</b>			
- as previously stated			-
- correction of a prior period error		-	129,332
<b>Opening retained earnings</b>		<b>443,349</b>	<b>129,332</b>
Profit for the year		183,118	314,017
<b>Retained earnings at the end of the year</b>		<b>626,467</b>	<b>443,349</b>

The notes on pages 10 to 20 form part of these financial statements.

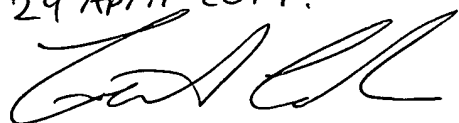
**TECH NATION GROUP LIMITED (FORMERLY TECH CITY GROUP LIMITED)**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER:08843778**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2018**

	Note	2018 £	2017 £
<b>Fixed assets</b>			
Tangible assets	9	33,534	25,711
		<u>33,534</u>	<u>25,711</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	10	745,469	746,146
Cash at bank and in hand	11	773,749	284,737
		<u>1,519,218</u>	<u>1,030,883</u>
Creditors: amounts falling due within one year	12	(926,285)	(613,243)
<b>Net current assets</b>		<u>592,933</u>	<u>417,640</u>
<b>Total assets less current liabilities</b>		<u>626,467</u>	<u>443,351</u>
<b>Net assets</b>		<u><u>626,467</u></u>	<u><u>443,351</u></u>
<b>Capital and reserves</b>			
Profit and loss account		626,467	443,351
		<u><u>626,467</u></u>	<u><u>443,351</u></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 were approved and authorised for issue by the board and were signed on its behalf on 29 April 2019.



**G A Grech**  
Director

The notes on pages 10 to 20 form part of these financial statements.

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**TECH NATION GROUP LIMITED (FORMERLY TECH CITY GROUP LIMITED)**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2018**

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**1. General information**

Tech Nation Group Limited is a private company, limited by guarantee, 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**

**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 preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (see note 3).

The following principal accounting policies have been applied:

**2.2 Going concern**

The financial statements have been prepared on the going concern basis. The company has a steady source of income, makes a small profit annually and the directors are confident that the company has sufficient reserves to support itself for the foreseeable future. The directors are therefore of the opinion that they should continue to adopt the going concern basis of accounting in preparing the financial statements.

**2.3 Foreign currency translation**

**Functional and presentation currency**

The company's functional and presentational currency is GBP.

**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 Statement of Income and Retained Earnings except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Income and Retained Earnings within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of Income and Retained Earnings within 'other operating income'.

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**TECH NATION GROUP LIMITED (FORMERLY TECH CITY GROUP LIMITED)**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2018**

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**2. Accounting policies (continued)**

**2.4 Revenue**

Turnover represents grant income and commercial revenue. Both are recognised in line with delivery, where grants are accrued and claimed in arrears.

**2.5 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.

**2.6 Taxation**

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.

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**TECH NATION GROUP LIMITED (FORMERLY TECH CITY GROUP LIMITED)**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2018**

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**2. Accounting policies (continued)**

**2.7 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.

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:

Fixtures and fittings	-	33% on straight line
Computer equipment	-	25% on straight line

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.

**2.8 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.

**2.9 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

**2.10 Creditors**

Short term 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.

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**TECH NATION GROUP LIMITED (FORMERLY TECH CITY GROUP LIMITED)**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2018**

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**2. Accounting policies (continued)**

**2.11 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.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Income and Retained Earnings.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position 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 the liability simultaneously.



**TECH NATION GROUP LIMITED (FORMERLY TECH CITY GROUP LIMITED)**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2018**

**3. Judgements in applying accounting policies and key sources of estimation uncertainty**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. It is in the opinion of the Directors that there are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, other than the following:

A contingent liability has been identified in respect of an amount potentially repayable to a third party pending resolution of a dispute. In the view of the directors, and having taken full legal advice including obtaining a QC opinion, there is sufficient uncertainty over the likelihood of this repayment crystallising and it is therefore their judgement that it does not meet the definition of a provision.

**4. Turnover**

An analysis of turnover by class of business is as follows:

	2018	<i>Unaudited</i> As restated 2017
	£	£
Turnover	<b>5,185,453</b>	<b>4,587,211</b>

All turnover arose within the United Kingdom.

**5. Operating profit**

The operating profit is stated after charging:

	2018	<i>Unaudited</i> 2017
	£	£
Exchange differences	<b>516</b>	1,572
Accounting and bookkeeping services	<b>27,600</b>	20,400
<b>Auditors remuneration</b>		
Fees payable to the company's auditor for the audit of the company's annual accounts	<b>27,500</b>	-
<b>Fees payable to the company's auditor and its associates for other services:</b>		
Taxation compliance services	<b>7,500</b>	-
Accountants preparation services	<b>1,000</b>	-
	<b>-</b>	-

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**TECH NATION GROUP LIMITED (FORMERLY TECH CITY GROUP LIMITED)**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2018**

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**6. Employees**

The average monthly number of employees, including directors, during the year was 41 (2017: 30).

**7. Directors' remuneration**

	<b>2018</b>	<i>Unaudited</i> <b>2017</b>
	<b>£</b>	<b>£</b>
Directors' emoluments	<b>232,952</b>	<i>146,927</i>
Company contributions to defined contribution pension schemes	<b>4,889</b>	<i>2,936</i>
	<hr/> <b>237,841</b> <hr/>	<hr/> <i>149,863</i> <hr/>

The highest paid director received remuneration of £163,926 (*Unaudited 2017: £146,927*).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £4,889 (*Unaudited 2017: £2936*).

**TECH NATION GROUP LIMITED (FORMERLY TECH CITY GROUP LIMITED)**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

**8. Taxation**

	2018 £	<i>Unaudited As restated 2017 £</i>
<b>Corporation tax</b>		
Current tax on profits for the year	49,468	-
Adjustments in respect of previous periods	-	89,213
	<u>49,468</u>	<u>89,213</u>
<b>Total current tax</b>	<u>49,468</u>	<u>89,213</u>

**Factors affecting tax charge for the year**

The tax assessed for the year is higher than (2017: *higher than*) the standard rate of corporation tax in the UK of 19% (2017: 20%). The differences are explained below:

	2018 £	<i>Unaudited As restated 2017 £</i>
Profit on ordinary activities before tax	<u>232,586</u>	<u>403,230</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2017: 20%)	44,191	80,646
<b>Effects of:</b>		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	6,764	9,316
Adjust closing deferred tax to average rate of 19.00%	(671)	(771)
Adjust opening deferred tax to average rate of 19.00%	514	439
Deferred tax not recognised	(1,330)	(417)
<b>Total tax charge for the year</b>	<u>49,468</u>	<u>89,213</u>

**TECH NATION GROUP LIMITED (FORMERLY TECH CITY GROUP LIMITED)**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

**9. Tangible fixed assets**

	Fixtures and fittings £	Computer equipment £	Total £
<b>Cost or valuation</b>			
At 1 April 2017	-	40,900	40,900
Additions	621	19,392	20,013
At 31 March 2018	<u>621</u>	<u>60,292</u>	<u>60,913</u>
<b>Depreciation</b>			
At 1 April 2017	-	15,189	15,189
Charge for the year on owned assets	76	12,114	12,190
At 31 March 2018	<u>76</u>	<u>27,303</u>	<u>27,379</u>
<b>Net book value</b>			
At 31 March 2018	<u>545</u>	<u>32,989</u>	<u>33,534</u>
At 31 March 2017	<u>-</u>	<u>25,711</u>	<u>25,711</u>

**10. Debtors**

	2018 £	Unaudited As restated 2017 £
Trade debtors	137,840	171,554
Other debtors	147,225	328,192
Prepayments and accrued income	460,404	246,400
	<u>745,469</u>	<u>746,146</u>

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**TECH NATION GROUP LIMITED (FORMERLY TECH CITY GROUP LIMITED)**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

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**11. Cash and cash equivalents**

	<b>2018</b>	<i>Unaudited</i> <b>2017</b>
	<b>£</b>	<b>£</b>
Cash at bank and in hand	<b>773,749</b>	<b>284,737</b>

**12. Creditors: Amounts falling due within one year**

	<b>2018</b>	<i>Unaudited</i> <i>As restated</i> <b>2017</b>
	<b>£</b>	<b>£</b>
Trade creditors	<b>302,741</b>	<b>62,841</b>
Corporation tax	<b>216,653</b>	<b>166,935</b>
Other taxation and social security	<b>76,794</b>	<b>64,520</b>
Other creditors	<b>40,528</b>	<b>7,142</b>
Accruals and deferred income	<b>289,569</b>	<b>311,805</b>
	<b>926,285</b>	<b>613,243</b>

**13. Company status**

The company is a private company limited by guarantee. Under the terms of the Articles of Association every member is liable to contribute a sum not exceeding one pound in the event of the company being wound up during the time that he or she is a member, or within one year of him or her ceasing to be a member. There is no ultimate controlling party.

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

**14. Prior period adjustment**

Reconciliation of changes in equity

**31 March  
2017  
£**

Equity as previously reported

-

**Adjustment to prior period**

Restatement of creditors - notes 1 & 3

**196,949**

Restatement of debtors - note 2

**246,400**

**Equity as adjusted**

**443,349**

**Reconciliation of changes in profit for the previous financial period**

Profit as previously stated

-

Restatement of turnover - deferred surpluses - note 1

**374,391**

Restatement of turnover - revenue recognition error - note 2

**188,400**

Restatement of corporation tax liability - note 3

**(89,213)**

Restatement of administrative expenses - note 3

**(30,229)**

**443,349**

**Notes to reconciliation**

1. A prior period adjustment was made to creditors in order to recognise surpluses incorrectly deferred to creditors and to recognise the resultant tax liability (along with connected estimated penalties and charges). This has led to a net decrease in creditors of £196,949 (which includes adjustments relating to both the year ended 31 March 2017 and 31 March 2016; and an increase in profit of £374,391.

2. A prior period adjustment was made to accrued income in order to recognise certain revenues on an accruals basis, instead of on a cash received basis. This has led to an increase in debtors of £246,400, which includes adjustments relating to both the year ended 31 March 2017 and 31 March 2016; and an increase in profit of £188,400.

3. A prior period adjustment was made to recognise the corporation tax charge associated with the increase in taxable profit for the year resulting from the correction of errors noted above. Penalties and interest associated with the corporation tax charge have been included through administrative expenses. This led to a combined decrease in profit of £119,442.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2018**

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**15. Contingent liabilities**

Tech Nation are in discussions with a third party about historic claims against the company. A legal conclusion will likely be reached by late 2019. A decision has been made to recognise the potential liability as a contingent liability. Professional advice received does not indicate that a payment is probable.

**16. Related party transactions**

There are no related party transactions (2017: none).