

Company Registration No. 09986974 (England and Wales)

**SMAP ENERGY LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**  
**PAGES FOR FILING WITH REGISTRAR**

# SMAP ENERGY LIMITED

## CONTENTS

---

|                                   | Page  |
|-----------------------------------|-------|
| Balance sheet                     | 1     |
| Statement of changes in equity    |       |
| Notes to the financial statements | 2 - 8 |

---

# SMAP ENERGY LIMITED

## BALANCE SHEET

AS AT 31 DECEMBER 2019

|  |       | 2019           |                         | 2018<br>as restated |                       |
|--|-------|----------------|-------------------------|---------------------|-----------------------|
|  | Notes | £              | £                       | £                   | £                     |
| <b>Fixed assets</b>  |       |                |                         |                     |                       |
| Intangible assets  | 3     |                | 327,956                 |                     | 233,517               |
| Tangible assets  | 4     |                | 29,906                  |                     | 14,308                |
|  |       |                | <u>357,862</u>          |                     | <u>247,825</u>        |
| <b>Current assets</b>  |       |                |                         |                     |                       |
| Debtors  | 5     | 322,823        |                         | 213,201             |                       |
| Cash at bank and in hand                                       |       | 272,279        |                         | 222,196             |                       |
|  |       | <u>595,102</u> |                         | <u>435,397</u>      |                       |
| <b>Creditors: amounts falling due within one year</b>          | 6     | (280,960)      |                         | (411,921)           |                       |
| <b>Net current assets</b>                                      |       |                | <u>314,142</u>          |                     | <u>23,476</u>         |
| <b>Total assets less current liabilities</b>                   |       |                | <u>672,004</u>          |                     | <u>271,301</u>        |
| <b>Creditors: amounts falling due after more than one year</b> | 7     |                | (1,045,442)             |                     | -                     |
| <b>Provisions for liabilities</b>                              |       |                | <u>(2,719)</u>          |                     | <u>(2,719)</u>        |
| <b>Net (liabilities)/assets</b>                                |       |                | <u><u>(376,157)</u></u> |                     | <u><u>268,582</u></u> |
| <b>Capital and reserves</b>                                    |       |                |                         |                     |                       |
| Called up share capital  |       |                | 167                     |                     | 167                   |
| Share premium account  |       |                | 315,433                 |                     | 315,433               |
| Profit and loss reserves                                       |       |                | <u>(691,757)</u>        |                     | <u>(47,018)</u>       |
| <b>Total equity</b>  |       |                | <u><u>(376,157)</u></u> |                     | <u><u>268,582</u></u> |

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

These financial statements have been prepared and delivered 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 27 August 2020 and are signed on its behalf by:

Paul Monroe  
Director

Company Registration No. 09986974

# SMAP ENERGY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 DECEMBER 2019**

---

### **1 Accounting policies**

#### **Company information**

SMAP Energy Limited is a private company limited by shares incorporated in England and Wales. The registered office is 9 Quay Court, Colliers Lane, Stow-cum-Quy, Cambridge, CB25 9AU.

#### **1.1 Accounting convention**

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

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.

#### **1.2 Going concern**

It is noted that the Company is in a net liability position by £376,157 (2018: net assets £268,582) and has made a net loss of £644,739 in the current year (2018: £147,287). The current global COVID-19 pandemic has affected many organisations and continues to create worldwide uncertainty in the foreseeable future. The directors drew up the Company's forecasts and projections, examining the possible impact in the trading performance, which show that the Company should be able to operate within the level of its current financial arrangements. After making an assessment, the directors conclude that the Company has adequate resources to continue in operational existence for the foreseeable future. Also the immediate parent company has pledged to provide financial support to maintain liquidity and working capital where required. The Company therefore continues to adopt the going concern basis in preparing its financial statements.

#### **1.3 Prior period error**

The prior year has been restated due to £30,493 of administrative expenses being adjusted to other debtors in the comparative 2018 year.

#### **1.4 Turnover**

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

# SMAP ENERGY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

---

### 1 Accounting policies

(Continued)

#### 1.5 Research and development expenditure

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated and that its cost can be reliably measured.

#### 1.6 Intangible fixed assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

|                      |  |
|----------------------|--|
| Software             | over 5 years                           |
| Software in progress | Only amortised when software completed |

#### 1.7 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.

|           |                            |
|-----------|----------------------------|
| Computers | straight line over 4 years |
|-----------|----------------------------|

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

#### 1.8 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

# SMAP ENERGY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

### 1 Accounting policies

(Continued)

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### 1.9 Cash and cash equivalents

Cash and cash equivalents 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.

#### 1.10 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method 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. Financial assets classified as receivable within one year are not amortised.

##### **Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, 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 payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts 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 creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

# SMAP ENERGY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

---

### 1 Accounting policies

(Continued)

#### 1.11 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

#### 1.12 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

##### *Current tax*

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

##### *Deferred tax*

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

#### 1.13 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.14 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### 1.15 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

# SMAP ENERGY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

### 2 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

|       | 2019<br>Number | 2018<br>Number |
|-------|----------------|----------------|
| Total | 8              | 6              |

### 3 Intangible fixed assets

|                                    | Software<br>£ | Software in<br>progress<br>£ | Total<br>£ |
|------------------------------------|---------------|------------------------------|------------|
| <b>Cost</b>                        |               |                              |            |
| At 1 January 2019                  | 136,219       | 110,920                      | 247,139    |
| Additions - internally developed   | -             | 425,191                      | 425,191    |
| Transfers                          | 225,280       | (225,280)                    | -          |
| At 31 December 2019                | 361,499       | 310,831                      | 672,330    |
| <b>Amortisation and impairment</b> |               |                              |            |
| At 1 January 2019                  | 13,622        | -                            | 13,622     |
| Amortisation charged for the year  | 44,564        | -                            | 44,564     |
| Impairment losses                  | 12,093        | 274,095                      | 286,188    |
| At 31 December 2019                | 70,279        | 274,095                      | 344,374    |
| <b>Carrying amount</b>             |               |                              |            |
| At 31 December 2019                | 291,220       | 36,736                       | 327,956    |
| At 31 December 2018                | 122,597       | 110,920                      | 233,517    |



# SMAP ENERGY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

### 4 Tangible fixed assets

|                                    | Computers<br>£ |
|------------------------------------|----------------|
| <b>Cost</b>                        |                |
| At 1 January 2019                  | 18,166         |
| Additions                          | 22,939         |
|                                    | <u>41,105</u>  |
| At 31 December 2019                |                |
| <b>Depreciation and impairment</b> |                |
| At 1 January 2019                  | 3,858          |
| Depreciation charged in the year   | 7,341          |
|                                    | <u>11,199</u>  |
| At 31 December 2019                |                |
| <b>Carrying amount</b>             |                |
| At 31 December 2019                | 29,906         |
|                                    | <u>14,308</u>  |
| At 31 December 2018                |                |
|                                    | <u>14,308</u>  |

### 5 Debtors

|   | 2019<br>£      | As restated<br>2018<br>£ |
|---|----------------|--------------------------|
| <b>Amounts falling due within one year:</b> |                |                          |
| Trade debtors                               | 139,925        | 150,429                  |
| Amounts owed by group undertakings          | 7,632          | 7,732                    |
| Other debtors                               | 175,266        | 55,040                   |
|   | <u>322,823</u> | <u>213,201</u>           |

### 6 Creditors: amounts falling due within one year

|                                    | 2019<br>£      | 2018<br>£      |
|------------------------------------|----------------|----------------|
| Trade creditors                    | 99,737         | 54,751         |
| Amounts owed to group undertakings | 73,391         | 63,987         |
| Corporation tax                    | 1,255          | 57,742         |
| Other taxation and social security | 55,986         | 15,918         |
| Other creditors                    | 50,591         | 219,523        |
|                                    | <u>280,960</u> | <u>411,921</u> |

## SMAP ENERGY LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

---

**7 Creditors: amounts falling due after more than one year**

|                  | 2019              | 2018              |
|------------------|-------------------|-------------------|
|                  | £                 | £                 |
| Other borrowings | 1,045,442         | -                 |
|                  | <u>          </u> | <u>          </u> |

The loans with the parent company have an interest rate of 4% and are repayable between June 2021 and November 2021.

**8 Audit report information**

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Yusuke Takanishi.  
The auditor was Greenback Alan LLP.

**9 Events after the reporting date**

Concerns about the effects of the coronavirus (COVID-19) have begun to materialise when the UK government announced a lockdown on 23 March 2020 and when the Japanese government declared a nationwide state of emergency on 7 April 2020. For the financial year ended 31 December 2019, no adjustment is required for the Company to best to the directors' knowledge.

**10 Controlling party**

The parent undertaking is Enechange Co. Ltd, a company registered in Japan.

Registered Office: Nihon Building 3F, 2-6-2 Otemachi, Chiyoda, Tokyo, Japan, 100-0004

The parent of the smallest and largest group accounts are prepared, of which the Company is a member, is Enechange Co., Ltd. The group financial statements can be obtained from its registered office.

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.