

**REGISTERED NUMBER: 09247528 (England and Wales)**

**REPORT OF THE DIRECTORS AND  
CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD 1 JULY 2015 TO 31 DECEMBER 2016  
FOR  
VIRTUAL POWER SOLUTIONS LIMITED**

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for the Period 1 July 2015 to 31 December 2016**

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**VIRTUAL POWER SOLUTIONS LIMITED**

**COMPANY INFORMATION**  
**for the Period 1 July 2015 to 31 December 2016**

**DIRECTORS:**

T M Brown  
J S Napier  
J B P Salgado  
L F Coelho Da Silva

**REGISTERED OFFICE:**

C/o. Unit 19,  
10 Acklam Road,  
Notting Hill,  
W10 5QZ

**REGISTERED NUMBER:**

09247528 (England and Wales)

**ACCOUNTANTS:**

Oury Clark Chartered Accountants  
Herschel House  
58 Herschel Street  
Slough  
Berkshire  
SL1 1PG

**REPORT OF THE DIRECTORS  
for the Period 1 July 2015 to 31 December 2016**

The directors present their report with the financial statements of the company and the group for the period 1 July 2015 to 31 December 2016.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 July 2015 to the date of this report.

J S Napier  
J B P Salgado  
L F Coelho Da Silva

Other changes in directors holding office are as follows:

B D A C Empis Meira - resigned 30 April 2016  
M Woodhall - resigned 31 October 2015  
T M Brown - appointed 10 November 2015

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

**ON BEHALF OF THE BOARD:**

J S Napier - Director

4 October 2017

**CONSOLIDATED INCOME STATEMENT**  
for the Period 1 July 2015 to 31 December 2016

	Notes	Period 1.7.15 to 31.12.16 £	Period 3.10.14 to 30.6.15 £
<b>TURNOVER</b>		1,666,747	371,706
Cost of sales		<u>357,541</u>	<u>119,575</u>
<b>GROSS PROFIT</b>		1,309,206	252,131
Administrative expenses		<u>2,815,869</u> (1,506,663)	<u>1,171,297</u> (919,166)
Other operating income		<u>916,789</u>	<u>157,847</u>
<b>OPERATING LOSS</b>	5	<u>(589,874)</u>	<u>(761,319)</u>
Amounts written off investments		<u>-</u> (589,874)	<u>160,146</u> (921,465)
Interest payable and similar expenses		<u>162,831</u>	<u>22,469</u>
<b>LOSS BEFORE TAXATION</b>		<u>(752,705)</u>	<u>(943,934)</u>
Tax on loss		<u>(257,580)</u>	<u>3,213</u>
<b>LOSS FOR THE FINANCIAL PERIOD</b>		<u><u>(495,125)</u></u>	<u><u>(947,147)</u></u>

The notes form part of these financial statements

**CONSOLIDATED BALANCE SHEET**  
**31 December 2016**

	Notes	31.12.16 £	£	30.6.15 £	£
<b>FIXED ASSETS</b>					
Intangible assets	7		3,384,348		1,868,691
Tangible assets	8		45,232		54,134
Investments	9		36,489		36,489
			<u>3,466,069</u>		<u>1,959,314</u>
<b>CURRENT ASSETS</b>					
Stocks		411,527		353,750	
Debtors	10	1,756,893		1,426,911	
Investments	11	-		34,207	
Cash at bank		25,145		51,997	
		<u>2,193,565</u>		<u>1,866,865</u>	
<b>CREDITORS</b>					
Amounts falling due within one year	12	<u>2,045,418</u>		<u>1,519,411</u>	
<b>NET CURRENT ASSETS</b>			<u>148,147</u>		<u>347,454</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			3,614,216		2,306,768
<b>CREDITORS</b>					
Amounts falling due after more than one year	13		(1,164,644)		(831,563)
<b>PROVISIONS FOR LIABILITIES</b>			-		(63,712)
<b>NET ASSETS</b>			<u>2,449,572</u>		<u>1,411,493</u>

The notes form part of these financial statements

CONSOLIDATED BALANCE SHEET - continued  
31 December 2016

	Notes	31.12.16 £	£	30.6.15 £	£
<b>CAPITAL AND RESERVES</b>					
Called up share capital			46,315		4,197
Share premium			3,656,058		2,149,953
Other reserves			101,462		-
Retained earnings			<u>(1,393,298)</u>		<u>(922,643)</u>
			2,410,537		1,231,507
<b>NON-CONTROLLING INTERESTS</b>					
	14		<u>39,035</u>		<u>179,986</u>
<b>TOTAL EQUITY</b>			<u>2,449,572</u>		<u>1,411,493</u>

The company and the group are entitled to exemption from audit under Section 477 of the Companies Act 2006 for the period ended 31 December 2016.

The members have not required the company and the group to obtain an audit of its financial statements for the period ended 31 December 2016 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the group keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and preparing financial statements which give a true and fair view of the state of affairs of the company and the group as at the end of each financial year and of the group's profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company and the group.
- (b)

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Directors on 4 October 2017 and were signed on its behalf by:

J S Napier - Director

**COMPANY BALANCE SHEET**  
**31 December 2016**

	Notes	31.12.16 £	£	30.6.15 £	£
<b>FIXED ASSETS</b>					
Intangible assets	7		-		-
Tangible assets	8		-		-
Investments	9		<u>3,190,928</u>		<u>1,959,795</u>
			3,190,928		1,959,795
<b>CURRENT ASSETS</b>					
Debtors	10	16,137		-	
Investments	11		-	34,207	
Cash at bank		<u>7,984</u>		<u>-</u>	
		24,121		34,207	
<b>CREDITORS</b>					
Amounts falling due within one year	12	<u>436,737</u>		<u>76,085</u>	
<b>NET CURRENT LIABILITIES</b>			<u>(412,616)</u>		<u>(41,878)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>2,778,312</u>		<u>1,917,917</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital			46,315		4,197
Share premium			3,656,056		2,149,951
Retained earnings			<u>(924,059)</u>		<u>(236,231)</u>
			<u>2,778,312</u>		<u>1,917,917</u>
Company's loss for the financial year			<u>(687,828)</u>		<u>(236,231)</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the period ended 31 December 2016.

The members have not required the company to obtain an audit of its financial statements for the period ended 31 December 2016 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.
- (b)



**VIRTUAL POWER SOLUTIONS LIMITED (REGISTERED NUMBER: 09247528)**

**COMPANY BALANCE SHEET - continued**  
**31 December 2016**

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Directors on 4 October 2017 and were signed on its behalf by:

J S Napier - Director

The notes form part of these financial statements

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
for the Period 1 July 2015 to 31 December 2016**

**1. VIRTUAL POWER SOLUTIONS LIMITED GROUP OF COMPANIES**

Virtual Power Solutions Limited was incorporated in England and Wales on 3rd October 2014, registered number 09247528.

On 25th February 2015 the company signed contracts to acquire the following companies in a share for share exchange.

Stor Generation Limited: A private limited company registered in England & Wales; 100% owned: Provision of customised energy management services to businesses.

Virtual Power Solutions, S.A. (formerly named ISA Energy Efficiency S.A.): A private limited company registered in Portugal; 68% owned: Provision of customised energy management services to businesses. On 1st July 2015 the company signed contracts to acquire an additional 22.5% shares within ISA Energy Efficiency S.A. As at 1 July 2016 the company owned 90.5%.

The accounts of Stor Generation Limited, Virtual Power Solutions, S.A. and Virtual Power Solutions Limited are included within this consolidation.

In addition in the previous year it acquired two further companies which were sold in the the period to 31 December 2016, Self Energy Limited (registered in England & Wales) and Key Energy LSA (registered in Portugal), as these did not fit the company's present proposals.

The accounts of Self Energy Limited and Key Energy LSA were not included within the consolidation for the previous year but were held in Virtual Power Solution Limited's individual balance sheet as current asset investments as at 30th June 2015.

In addition Virtual Power Solutions Limited has, through Virtual Power Solutions, S.A., a beneficial interest of 5% in Intelligent Sensing Healthcare LDA: A private company registered in Portugal: Provision of customised energy management services to businesses.

**2. STATUTORY INFORMATION**

Virtual Power Solutions Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the General Information page.

**3. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

**Basis of consolidation**

The consolidated accounts show the combined assets, liabilities, profits and losses of Virtual Power Solutions Limited, Stor Generation Limited and of Virtual Power Solutions, S.A.. Profits and losses for Stor Generation Limited and Virtual Power Solutions, S.A. are shown for the for the period 1 July 2015 to 31st December 2016. Inter group transactions and balances have been eliminated.

The excess of the agreed consideration over the assets acquired is shown as goodwill. A share premium is shown to reflect the agreed value of the assets acquired and therefore the premium on the shares issued.

The 9.5% (2015:32%) interest in Virtual Power Solutions, S.A. held by minority shareholder appears as a separate item on the Balance Sheet and 9.5% of the loss of that company in the period post acquisition has been set against this interest.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
for the Period 1 July 2015 to 31 December 2016

3. ACCOUNTING POLICIES - continued

**Intangible assets**

Intangible assets, being the cost of projects under development, are amortised over the life of the project unless it is determined that the project has no or limited value when an impairment provision is made to reduce the cost of the project to its net realisable value.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery etc - Between 2 and 10 years

**Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

**Investments**

Investments are shown at cost to the investing company, less a provision for impairment where the value of investments is considered to have fallen below the value at which they are stated. The directors do not believe that an impairment to the investment in subsidiaries is required due to the expectation of these subsidiaries to generate future profits.

**Turnover**

Turnover represents net invoiced sales of goods and services, excluding VAT.

**Financial instruments**

Basic financial instruments, as covered by Section 11 of FRS 102, are measured at amortised cost. The company does not have any Other Financial Instruments, as covered by Section 12 of FRS 102.

4. EMPLOYEES AND DIRECTORS

The average number of employees during the period was 37 .

The average number of employees by undertakings that are proportionately consolidated during the period was 37 .

5. OPERATING LOSS

The operating loss is stated after charging:

	Period 1.7.15 to 31.12.16 £	Period 3.10.14 to 30.6.15 £
Depreciation - owned assets	32,388	12,716
Goodwill amortisation	292,762	37,496
Development costs amortisation	<u>330,145</u>	<u>109,820</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
for the Period 1 July 2015 to 31 December 2016

6. INDIVIDUAL INCOME STATEMENT

As permitted by Section 408 of the Companies Act 2006, the Income Statement of the parent company is not presented as part of these financial statements.

The parent company's loss for the period ending 31st December 2016 is £687,828.

7. INTANGIBLE FIXED ASSETS

Group

	Goodwill £	Other intangible assets £	Totals £
<b>COST</b>			
At 1 July 2015	1,499,847	516,160	2,016,007
Additions	<u>1,355,698</u>	<u>782,866</u>	<u>2,138,564</u>
At 31 December 2016	<u>2,855,545</u>	<u>1,299,026</u>	<u>4,154,571</u>
<b>AMORTISATION</b>			
At 1 July 2015	37,496	109,820	147,316
Charge for period	<u>292,762</u>	<u>330,145</u>	<u>622,907</u>
At 31 December 2016	<u>330,258</u>	<u>439,965</u>	<u>770,223</u>
<b>NET BOOK VALUE</b>			
At 31 December 2016	<u>2,525,287</u>	<u>859,061</u>	<u>3,384,348</u>
At 30 June 2015	<u>1,462,351</u>	<u>406,340</u>	<u>1,868,691</u>

The goodwill is the excess of the agreed value of the two group companies purchased over the net assets acquired. Of the total of £2,855,545, £172,479 is the excess over net assets acquired of Stor Generation Limited, and £2,683,066 the surplus over net assets acquired of ISA Energy Efficiency S.A.

Other intangible assets relate to project development costs and are capitalised when the company demonstrates ability to complete its development and initiate its commercialisation or use for which the asset was created and will generate future economic benefits. Development expenses that do not meet these criteria are recorded as expenditure in the period in which they are incurred.

Intangible assets with a definite useful life are amortised on a systematic basis from the date on which they are available for use, over their estimated useful life maintaining the legal fees of depreciation and useful life periods, between 3 and 5 years.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
for the Period 1 July 2015 to 31 December 2016

8. TANGIBLE FIXED ASSETS

Group

	Plant and machinery etc £
<b>COST</b>	
At 1 July 2015	66,850
Additions	<u>23,486</u>
At 31 December 2016	<u>90,336</u>
<b>DEPRECIATION</b>	
At 1 July 2015	12,716
Charge for period	<u>32,388</u>
At 31 December 2016	<u>45,104</u>
<b>NET BOOK VALUE</b>	
At 31 December 2016	<u>45,232</u>
At 30 June 2015	<u>54,134</u>

9. FIXED ASSET INVESTMENTS

Group

	Other investments £
<b>COST</b>	
At 1 July 2015 and 31 December 2016	<u>36,489</u>
<b>NET BOOK VALUE</b>	
At 31 December 2016	<u>36,489</u>
At 30 June 2015	<u>36,489</u>
<b>Company</b>	
	Shares in group undertakings £
<b>COST</b>	
At 1 July 2015	1,959,795
Additions	1,506,105
Impairments	<u>(274,972)</u>
At 31 December 2016	<u>3,190,928</u>
<b>NET BOOK VALUE</b>	
At 31 December 2016	<u>3,190,928</u>
At 30 June 2015	<u>1,959,795</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
for the Period 1 July 2015 to 31 December 2016

9. **FIXED ASSET INVESTMENTS - continued**

During the year the Company purchased further shares in one subsidiary. The aggregate carrying value of the fixed asset investments is £3,465,900 (2015:£1,959,795) while the net assets of the subsidiaries relating to this value is £586,679 (2015:673,250).

10. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>Group</b>		<b>Company</b>	
	31.12.16	30.6.15	31.12.16	30.6.15
	£	£	£	£
Trade debtors	817,953	366,104	16,137	-
Other debtors	938,940	1,060,807	-	-
	<u>1,756,893</u>	<u>1,426,911</u>	<u>16,137</u>	<u>-</u>

11. **CURRENT ASSET INVESTMENTS**

	<b>Group</b>		<b>Company</b>	
	31.12.16	30.6.15	31.12.16	30.6.15
	£	£	£	£
Unlisted investments	<u>-</u>	<u>34,207</u>	<u>-</u>	<u>34,207</u>

During the year the company sold all Unlisted investments, which were fully impaired.

12. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>Group</b>		<b>Company</b>	
	31.12.16	30.6.15	31.12.16	30.6.15
	£	£	£	£
Bank loans and overdrafts	798,032	499,738	-	-
Trade creditors	540,771	376,350	416,737	-
Taxation and social security	190,748	26,177	-	-
Other creditors & accruals	515,867	617,146	20,000	76,085
	<u>2,045,418</u>	<u>1,519,411</u>	<u>436,737</u>	<u>76,085</u>

13. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	<b>Group</b>	
	31.12.16	30.6.15
	£	£
Bank loans	1,087,086	742,911
Other creditors	77,558	88,652
	<u>1,164,644</u>	<u>831,563</u>

14. **NON-CONTROLLING INTERESTS**

The minority shareholder interest is represented by 9.5% (2015: 32%) of Virtual Power Solutions, S.A., a company registered in Portugal.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**  
**for the Period 1 July 2015 to 31 December 2016**

**15. RELATED PARTY DISCLOSURES**

During the previous period consultancy services were provided to Virtual Power Solutions Limited and Stor Generation Limited to the amount of £191,854. These services were provided in part by James Napier and Bernardo Meira, directors of Virtual Power Solutions Limited and Stor Generation Limited, and Horacio Carvalho.

These services were accrued last period but given the company's reduced activity in the UK until 31 December 2016, such services were not considered due and will not be paid for by mutual agreement, and the previously accrued values have therefore been annulled.

There were no other related party transactions in the current period to 31 December 2016.

**16. ULTIMATE CONTROLLING PARTY**

There is no ultimate controlling party.

**17. FIRST YEAR ADOPTION**

The company adopted FRS 102 Section 1A for the accounting period ended 31 December 2016. There were no adjustments arising at the transition date or at the end of the comparative period, therefore there is no difference between equity under the previous financial reporting framework and equity under FRS 102 Section 1A.

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.