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Registered number: 07180463

POD POINT HOLDING LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2017

POD POINT HOLDING LIMITED

COMPANY INFORMATION

Directors	P Hiscocks D E Fairbairn S Cook (appointed 12 April 2017)
Registered number	07180463
Registered office	28-42 Banner Street London EC1Y 8QE
Independent auditors	Wellers Accountants 1 Vincent Square London SW1P 2PN

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DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2017

The directors present their report and the financial statements for the year ended 30 June 2017.

Directors

The directors who served during the year were:

P Hiscocks
D E Fairbairn
S Cook (appointed 12 April 2017)

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company and the Group's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company and the Group's auditors are aware of that information.

Auditors

The auditors, Wellers, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

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 and signed on its behalf.

....
D E Fairbairn
Director

Date: 20/10/17

DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 30 JUNE 2017

The directors are responsible for preparing the Directors' report and the consolidated 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 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 of the Company and the Group and of the profit or loss of the Group for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Group's financial statements and then apply them consistently;
- make judgments 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 Group 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 the Group and to 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF POD POINT HOLDING LIMITED

Opinion
We have audited the financial statements of Pod Point Holding Limited for the year ended 30 June 2017, set out on pages 6 to 28. 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).

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 Auditors' 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.

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent Company's affairs as at 30 June 2017 and of the Group's loss 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.

Other matter
The corresponding figures for the year ended 30 June 2016 are unaudited.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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.

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 Group's or the parent 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 Auditors' report thereon. Our opinion on the financial statements does not cover the 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.

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF POD POINT HOLDING LIMITED (CONTINUED)

Opinion 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.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the Group and the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

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 by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company 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 Group strategic report.

Responsibilities of directors
As explained more fully in the Director's 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 statement that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group's and the parent 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 Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 Auditors' 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. The description forms part of our Auditors' report.

Mr James Tillotson (Senior statutory auditor)
for and on behalf of
Wellers
Accountants
1 Vincent Square
London
SW1P 2PN
Date: 13/11/2017

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2017

	2017 £	2016 £
Turnover	7,207,588	5,059,286
Cost of sales	(5,246,209)	(3,384,554)
Gross profit	1,961,379	1,674,732
Administrative expenses	(6,455,507)	(4,639,957)
Exceptional other operating charges	-	(613,458)
Operating loss	(4,494,128)	(3,578,683)
Interest receivable and similar income	118	50
Interest payable and expenses	(174,518)	(12,508)
Loss before taxation	(4,668,528)	(3,591,141)
Tax on loss	6,622	34,859
Loss for the financial year	(4,661,906)	(3,556,282)
Total comprehensive income/(loss) for the Year	(4,661,906)	(3,556,282)
(Loss) for the year attributable to:		
Owners of the parent Company	(4,661,906)	(3,556,282)
	(4,661,906)	(3,556,282)

CONSOLIDATED BALANCE SHEET
AS AT 30 JUNE 2017

	Note		2017 £		*Re-stated 2016 £*
Fixed assets					
Intangible assets	7		**355,892**		*351,509*
Tangible assets	8		**194,636**		*106,062*
			550,528		*457,571*
Current assets					
Stocks	10	**630,619**		*525,286*	
Debtors: amounts falling due within one year	11	**2,492,246**		*1,269,639*	
Cash at bank and in hand	12	**1,668,437**		*482,498*	
		4,791,302		*2,277,423*	
Creditors: amounts falling due within one year	13	**(3,128,331)**		*(2,227,211)*	
Net current assets			**1,662,971**		*50,212*
Total assets less current liabilities			**2,213,499**		*507,783*
Creditors: amounts falling due after more than one year	14		**(1,373,000)**		*(373,000)*
Provisions for liabilities					
Deferred taxation	17	**(17,020)**		*(23,642)*	
			(17,020)		*(23,642)*
Net assets			**823,479**		*111,141*
Capital and reserves					
Called up share capital			**22,607**		*18,719*
Share premium account			**9,833,208**		*4,471,695*
Other reserves			**373,802**		*364,959*
Profit and loss account			**(9,406,138)**		*(4,744,232)*
			823,479		*111,141*

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.

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 30 JUNE 2017

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

....

D E Fairbairn
Director

Date: 20/10/17.

The notes on pages 9 to 27 form part of these financial statements.

COMPANY BALANCE SHEET
AS AT 30 JUNE 2017

	Note		2017 £		*Re-stated* *2016* *£*
Fixed assets					
Investments	9		**511,700**		*511,700*
			511,700		*511,700*
Current assets					
Debtors: amounts falling due within one year	11	**7,867,852**		*3,909,252*	
Cash at bank and in hand	12	**1,296,794**		*22,763*	
		9,164,646		*3,932,015*	
Creditors: amounts falling due within one year	13	**(12,100)**		*(100)*	
Net current assets			**9,152,546**		*3,931,915*
Total assets less current liabilities			**9,664,246**		*4,443,615*
Net assets excluding pension asset			**9,664,246**		*4,443,615*
Net assets			**9,664,246**		*4,443,615*
Capital and reserves					
Called up share capital			**22,607**		*18,719*
Share premium account			**9,833,208**		*4,471,695*
Other reserves			**373,802**		*364,959*
Profit and loss account carried forward			**(565,371)**		*(411,758)*
			9,664,246		*4,443,615*

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

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

20/10/17

....
D E Fairbairn
Director

1. General information

Pod Point Holding Limited is incorporated in the United Kingdom under the Companies Act. The address of the registered office is given on the Company Information page and this is also the company's principal place of business. The comparatives figures for the year ended 30 June 2016 are unaudited.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Balance sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date control ceases.

In accordance with the transitional exemption available in FRS 102, the group has chosen not to retrospectively apply the standard to business combinations that occurred before the date of transition to FRS 102, being 01 July 2015.

2. Accounting policies (continued)

2.3 Revenue

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

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Group has transferred the significant risks and rewards of ownership to the buyer;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

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

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

In practice where the Group physically installs a charging point this is the date the installation is complete and handed over to the customer. Where the Group simply sells its products to a third party this is the date the products are despatched to the third party.

2. Accounting policies (continued)

2.4 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the Group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Consolidated statement of comprehensive income over its useful economic life.

Other intangible 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.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed three years.

2.5 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:

S/Term Leasehold Property	- Straight line over lease term
Plant & machinery	- 33.3% straight line
Motor vehicles	- 33.3% straight line
Fixtures & fittings	- 33.3% straight line
Computer equipment	- 33.3% 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 Consolidated statement of comprehensive income.

2. Accounting policies (continued)

2.6 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted Group shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Consolidated statement of comprehensive income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

2.7 Stocks

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

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

2.8 Debtors

Short term debtors are measured at transaction price, less any impairment. Trade debtors 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.

Cash credited by customers on to their POD Point mobile application to pay for future vehicle charging is disclosed separately.

2.10 Financial instruments

The Group only enters into basic financial instruments 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 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.

2. Accounting policies (continued)

2.10 Financial instruments (continued)

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 Consolidated statement of comprehensive income.

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 Group would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet 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.

2.11 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.

2. Accounting policies (continued)

2.12 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 Consolidated statement of comprehensive income 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 Consolidated statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Consolidated statement of comprehensive income within 'other operating income'.

On consolidation, the results of overseas operations are translated into Sterling at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

2.13 Finance costs

Finance costs are charged to the Consolidated statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2. Accounting policies (continued)

2.14 Share based payments

Where share options are awarded to employees, the fair value of the options at the date of grant is charged to the Consolidated statement of comprehensive income over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each Balance sheet date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Market vesting conditions are factored into the fair value of the options granted. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

The fair value of the award also takes into account non-vesting conditions. These are either factors beyond the control of either party (such as a target based on an index) or factors which are within the control of one or other of the parties (such as the Group keeping the scheme open or the employee maintaining any contributions required by the scheme).

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to Consolidated statement of comprehensive income over the remaining vesting period.

Where equity instruments are granted to persons other than employees, the Consolidated statement of comprehensive income is charged with fair value of goods and services received.

2.15 Operating leases: the Group as lessee

Rentals paid under operating leases are charged to the Consolidated statement of comprehensive income on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

The Group has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before the date of transition to the standard 01 July 2015 to continue to be charged over the period to the first market rent review rather than the term of the lease.

2.16 Pensions

Defined contribution pension plan

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

The contributions are recognised as an expense in the Consolidated statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Group in independently administered funds.

2. Accounting policies (continued)

2.17 Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the Balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the Balance sheet date.

2.18 Interest income

Interest income is recognised in the Consolidated statement of comprehensive income using the effective interest method.

2.19 Borrowing costs

All borrowing costs are recognised in the Consolidated statement of comprehensive income in the year in which they are incurred.

2.20 Provisions for liabilities

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

Provisions are charged as an expense to the Consolidated statement of comprehensive income in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the Balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

2. Accounting policies (continued)

2.21 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Consolidated statement of comprehensive income, 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 balance sheet date in the countries where the Company and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet 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;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

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 balance sheet date.

2.22 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Group but are presented separately due to their size or incidence.

2.23 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic life of 3 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

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

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities, at the end of the reporting period.

However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the assets or liabilities affected in future periods.

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements include estimation of the useful life of fixed assets and the use of Black Scholes Model for valuation of share-based payments charge each year.

4. Auditors' remuneration

	2017	*2016*
	£	*£*
Fees payable to the Group's auditor and its associates for the audit of the Group's annual financial statements	**22,000**	*-*
Fees payable to the Group's auditor and its associates in respect of:		
All other services	**51,500**	*22,400*
	51,500	*22,400*

5. Employees

The average monthly number of employees, including directors, during the year was 129 *(2016 - 60)*.

6. Exceptional items

	2017	*2016*
	£	*£*
Stock adjustment in respect of prior periods	**-**	*613,458*
	-	*613,458*

7. Intangible assets

Group and Company

	Development £	Goodwill £	Total £
Cost			
At 1 July 2016	413,988	491,600	905,588
Additions	422,765	-	422,765
At 30 June 2017	836,753	491,600	1,328,353
Amortisation			
At 1 July 2016	160,799	393,280	554,079
Charge for the year	320,062	98,320	418,382
At 30 June 2017	480,861	491,600	972,461
Net book value			
At 30 June 2017	355,892	-	355,892

8. Tangible fixed assets

Group

	S/Term Leasehold Property £	Plant & machinery £	Motor vehicles £	Fixtures & fittings £	Computer equipment £	Other fixed assets £	Total £
Cost or valuation							
At 1 July 2016	29,050	108,423	5,995	7,510	30,422	-	181,400
Additions	-	-	-	8,018	123,054	45,791	176,863
Disposals	-	-	(5,995)	-	-	-	(5,995)
At 30 June 2017	29,050	108,423	-	15,528	153,476	45,791	352,268
Depreciation							
At 1 July 2016	7,989	57,559	3,297	2,221	4,271	-	75,337
Charge for the year on owned assets	8,715	48,038	1,319	3,771	21,172	3,896	86,911
Disposals	-	-	(4,616)	-	-	-	(4,616)
At 30 June 2017	16,704	105,597	-	5,992	25,443	3,896	157,632
Net book value							
At 30 June 2017	12,346	2,826	-	9,536	128,033	41,895	194,636

8. Tangible fixed assets (continued)

The net book value of land and buildings may be further analysed as follows:

	2017 £
Short leasehold	12,346
	12,346

9. Fixed asset investments

Company

	Investments in subsidiary companies £
Cost or valuation	
At 1 July 2016	511,700
At 30 June 2017	511,700
Net book value	
At 30 June 2017	511,700

10. Stocks

	Group 2017 £	Group 2016 £	Company 2017 £	Company 2016 £
Finished goods and goods for resale	630,619	525,286	-	-
	630,619	525,286	-	-

11. Debtors

	Group 2017 £	Group 2016 £	Company 2017 £	Company 2016 £
Trade debtors	2,078,378	567,464	-	-
Amounts owed by group undertakings	-	-	7,867,852	3,909,252
Other debtors	121,868	186,436	-	-
Prepayments and accrued income	292,000	515,739	-	-
	2,492,246	1,269,639	7,867,852	3,909,252

12. Cash and cash equivalents

	Group 2017 £	Group 2016 £	Company 2017 £	Company 2016 £
Cash at bank and in hand	1,668,437	482,498	1,296,794	22,763
	1,668,437	482,498	1,296,794	22,763

13. Creditors: Amounts falling due within one year

	Group 2017 £	*Group 2016 £*	**Company 2017 £**	*Company 2016 £*
Trade creditors	**1,117,830**	*1,107,995*	-	-
Amounts owed to group undertakings	-	-	**100**	*100*
Other taxation and social security	**327,596**	*181,626*	-	-
Other creditors	**20,620**	*9,238*	-	-
Accruals and deferred income	**1,662,285**	*928,352*	**12,000**	-
	3,128,331	*2,227,211*	**12,100**	*100*

14. Creditors: Amounts falling due after more than one year

	Group 2017 £	*Group 2016 £*	**Company 2017 £**	*Company 2016 £*
Bank loans	**1,000,000**	-	-	-
Other creditors	**373,000**	*373,000*	-	-
	1,373,000	*373,000*	-	-

15. Loans

	Group 2017 £	*Group 2016 £*	**Company 2017 £**	*Company 2016 £*
Amounts falling due 1-2 years				
Bank loans	**1,000,000**	-	-	-
	1,000,000	-	-	-

The bank loan is secured against fixed and floating charges against all properties of the subsidiary, Pod Point Limited. In addition, the parent company, Pod Point Holding Limited and group member, Open Charge Limited, have also given guarantees for the loan.

16. Financial instruments

	Group 2017 £	Company 2017 £
Financial assets		
Financial assets measured at fair value through profit or loss	1,668,437	1,296,794
	1,668,437	1,296,794

17. Deferred taxation

Group

	2017 £	*2016 £*
At beginning of year	(23,642)	-
Charged to profit or loss	6,622	*(23,642)*
At end of year	(17,020)	*(23,642)*

	Group 2017 £
Accelerated capital allowances	(17,020)
	(17,020)

18. Share based payments

POD Point Limited Holding Limited operates an equity-settled share-based remuneration scheme for employees and directors.

The share options have the following performance conditions:
• Each option granted is based upon the individual performance of the employee and length of service.
• The vesting period for share options granted is typically 9 years.
• The employee is entitled to exercise the share options on the occurrence of an exit event (as detailed in the share option plan).

A total of 1,000,000 share options had vested during the year. The total of vested share options in the pool at 30 June 2017 was 26,566,734.

The Black-Scholes option pricing model was used to value the share-based payment awards as it was considered that this approach would result in materially accurate estimate of the fair value options granted.

The total expense recognised in profit or loss for the year in respect of share-based payments is £8,843 (2016: £364,959).

The total carrying amount at the end of the year for liabilities arising from share-based payment transactions is £373,802 (2016: £364,959).

	Weighted average exercise price (pence) 2017	**Number 2017**	*Weighted average exercise price (pence) 2016*	*Number 2016*
Outstanding at the beginning of the year	**1.20**	**6,680,000**	*1.20*	*6,680,000*
Exercised during the year	**1.05**	**(713,266)**		-
Outstanding at the end of the year	**1.22**	**5,966,734**	*1.20*	*6,680,000*

	2017 (£)	*2016 (£)*
Equity-settled schemes	**8,843**	*364,959*
Total expense on share based-renumeration expense	**8,843**	*364,959*

19. Pension commitments

The Group operates a defined contribution benefit scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund and amounted to £36,395 (2016: nil).

20. Commitments under operating leases

At 30 June 2017 the Group and the Company had future minimum lease payments under non-cancellable operating leases as follows:

	Group 2017 £	*Group 2016 £*
Later than 1 year and not later than 5 years	**348,323**	*577,038*
	348,323	*577,038*

21. Related party transactions

The company has the following two subsidiaries:

1. Pod Point Limited, which is fully owned and is incorporated in the UK.
2. Open Charge Limited, which is fully owned and is incorporated in the UK.

At the balance sheet date, the company was owed £7,867,852 (2016: £3,909,253) from Pod Point Limited. No interest is currently charged and the balance is repayable on demand. The company also paid gross remuneration of £50,272 (2016: £45,162) to D E Fairbairn, the sole director of the company.

22. Post balance sheet events

Subsequent to the balance sheet date the company has drawn down a further £2 million of bank loan finance from its facility.

23. Controlling party

The company does not have a controlling party.

24. First time adoption of FRS 102

The Group and Company transitioned to FRS 102 from previously extant UK GAAP as at 1 July 2015. The impact of the transition to FRS 102 is as follows:

Equity shareholders funds at 1 July 2015 under FRS 102

Reconciliation of equity at 30 June 2016

	Note	Group £	Company £
Equity at 30 June 2016 under previous UK GAAP		111,141	4,443,616
Profit and Loss Reserve effect of transition		(364,959)	(364,959)
Other Reserve effect of transition		364,959	364,959
Equity shareholders funds at 30 June 2016 under FRS 102		**111,141**	**4,443,616**

Reconciliation of profit and loss account for the year ended 30 June 2016

	Group £	Company £
Loss for the year under previous UK GAAP	(3,191,323)	(21,300)
Share based payment effect of transition	(364,959)	(364,959)
Loss for the year ended 30 June 2016 under FRS 102	**(3,556,282)**	**(386,259)**

The following were changes in accounting policies arising from the transition to FRS 102:

1 Recognition of equity settled share options costs and accruals for unused holiday pay.