

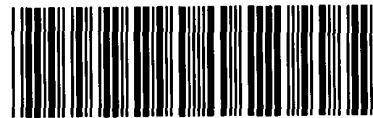
Registered number: 5726453

AMELCO UK LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

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COMPANIES HOUSE

AMELCO UK LIMITED

COMPANY INFORMATION

DIRECTORS	D Walton N Walton
COMPANY SECRETARY	Auker Hutton Secretaries Limited
REGISTERED NUMBER	5726453
REGISTERED OFFICE	The Stables Little Coldharbour Farm Tong Lane, Lamberhurst Tunbridge Wells Kent TN3 8AD
TRADING ADDRESS	The Rex Building 62 Queen Street London EC4R 1EB
INDEPENDENT AUDITORS	Foot Davson Limited Chartered Accountants & Statutory Auditors 17 Church Road Tunbridge Wells Kent TN1 1LG
ACCOUNTANTS	Auker Hutton Accountancy Ltd The Stables Little Coldharbour Farm Tong Lane, Lamberhurst Tunbridge Wells Kent TN3 8AD

AMELCO UK LIMITED

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AMELCO UK LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2017

The company has chosen in accordance with s.414C(11) Companies Act 2006 to set out in the company's Strategic report information required by Schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 to be contained in the Directors' report. It has done so in respect of future developments and research & development.

BUSINESS REVIEW

Amelco UK Limited is a software and technical services company creating leading high-end technology trading platforms within the sports betting and financial markets sectors.

Having enjoyed continued success for the year ended 31 March 2017, Amelco UK Limited can report that net-new clients and the expansion of business from existing clients is up on previous years. Our Enterprise software architecture and in particular our Sportsbook, Pricing, Algo Engine and Trading solutions continue to lead our growth with little sign of a slowdown.

FINANCIAL KEY PERFORMANCE INDICATORS

KPI	AIM	2017	2016
Operating margins	Maintain & strengthen margins	32.17%	44.71%
Free cash flow	Maintain strong cash flow	£26,052,084	£9,717,437
Economic profit	Achieve steadily increasing profit	£4,949,565	£5,949,822

Operating Profits have decreased by 16.82%, with revenue growth up 15.59% leaving 168.10% growth on operating cash.

Amelco UK Limited's quality and client satisfaction remain strong contributors to our success. This further demonstrates our company's commitment to quality, our staff and the environment.

FUTURE REVIEW

As we look forward to this fiscal year, Amelco UK Limited will continue to benefit from a recent signing of significant new contracts on a global basis. Our modular software architecture allows customers to have a bespoke and customised software solution, Amelco UK Limited's financial strength and commercial independence will enable us to take full advantage where our competitors struggle and place Amelco UK Limited in a strong position to capture new opportunities at cost effective prices.

We will continue to invest in our software, expand our software suite and invest in our quality driven business model placing the customer at the centre of the delivery program. Maintaining our flexible approach and a forward investment in our staff and our strategic partnerships. This all contributes to winning net-new customers whilst growing the current.

Being a well-positioned, strong, cash positive company with leading edge technology and skills Amelco UK Limited feels confident about FY18.

RESEARCH AND DEVELOPMENT

The company is currently undertaking research and development to deliver cutting edge sportsbook solutions.

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

N Walton
Director



Date: 21/02/2018

AMELCO UK LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2017

The directors present their report and the financial statements for the year ended 31 March 2017.

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Strategic report, 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 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 of the profit or loss of the Company for that period.

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

- select suitable accounting policies for the Company'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 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 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £5,303,173 (2016 - £5,734,865).

Dividends paid to directors during the year amounted to £1,369,750.

DIRECTORS

The directors who served during the year were:

D Walton
N Walton

FUTURE DEVELOPMENTS

Future developments are detailed within the future review section of the strategic report.

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'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's auditors are aware of that information.

AMELCO UK LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2017**

POST BALANCE SHEET EVENTS

There have been no significant events affecting the Company since the year end.

AUDITORS

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

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

N Walton
Director



Date:

21/02/2018

AMELCO UK LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF AMELCO UK LIMITED

We have audited the financial statements of Amelco UK Limited for the year ended 31 March 2017, set out on pages 6 to 21. The relevant financial reporting framework that has been applied in their preparation is applicable law and the 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'.

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.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

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. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Strategic report and the Directors' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2017 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.

OPINION ON OTHER MATTER 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 Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with those financial statements and such reports have been prepared in accordance with applicable legal requirements.

AMELCO UK LIMITED

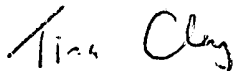
**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF AMELCO UK LIMITED
(CONTINUED)**

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report and the Directors' report.

We have nothing to report in respect of the following matters where 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.



Tina Clay BA FCA (Senior statutory auditor)

for and on behalf of
Foot Davson Limited

Chartered Accountants
Statutory Auditors

17 Church Road
Tunbridge Wells
Kent

TN1 1LG

Date: 22 February 2018

AMELCO UK LIMITED

**STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED 31 MARCH 2017**

	Note	2017 £	2016 £
Turnover	4	15,358,288	13,286,681
Cost of sales		(4,179,083)	(2,632,768)
GROSS PROFIT		11,179,205	10,653,913
Administrative expenses		(6,238,149)	(4,718,014)
Other operating income	5	140	4,392
OPERATING PROFIT	6	4,941,196	5,940,291
Interest receivable and similar income	10	9,852	9,565
Interest payable and expenses	11	(1,483)	(34)
PROFIT BEFORE TAX		4,949,565	5,949,822
Tax on profit	12	353,608	(214,957)
PROFIT AFTER TAX		5,303,173	5,734,865
Retained earnings at the beginning of the year		11,340,831	6,258,941
Profit for the year		5,303,173	5,734,865
Dividends declared and paid		(1,477,998)	(652,975)
RETAINED EARNINGS AT THE END OF THE YEAR		15,166,006	11,340,831

There were no recognised gains and losses for 2017 or 2016 other than those included in the statement of income and retained earnings.

The notes on pages 10 to 21 form part of these financial statements.

AMELCO UK LIMITED
REGISTERED NUMBER: 5726453

BALANCE SHEET
AS AT 31 MARCH 2017

	Note	2017 £	2016 £
FIXED ASSETS			
Tangible assets	14	590,119	445,262
CURRENT ASSETS			
Debtors	15	2,876,399	1,975,809
Cash at bank	16	26,052,084	9,717,437
		<u>28,928,483</u>	<u>11,693,246</u>
Creditors: amounts falling due within one year	17	(1,983,357)	(736,990)
NET CURRENT ASSETS		<u>26,945,126</u>	<u>10,956,256</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>27,535,245</u>	<u>11,401,518</u>
Creditors: amounts falling due after more than one year		(12,368,889)	-
PROVISIONS FOR LIABILITIES			
Deferred tax	20	-	(60,337)
		<u>-</u>	<u>(60,337)</u>
NET ASSETS		<u><u>15,166,356</u></u>	<u><u>11,341,181</u></u>
CAPITAL AND RESERVES			
Called up share capital	21	350	350
Profit and loss account	22	15,166,006	11,340,831
		<u>15,166,356</u>	<u>11,341,181</u>

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

N Walton
 Director 

Date: 21/02/2018

The notes on pages 10 to 21 form part of these financial statements.

AMELCO UK LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2017**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 April 2016	350	11,340,831	11,341,181
COMPREHENSIVE INCOME FOR THE YEAR			
Profit for the year	-	5,303,173	5,303,173
Dividends: Equity capital	-	(1,477,998)	(1,477,998)
AT 31 MARCH 2017	350	15,166,006	15,166,356

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2016**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 April 2015	350	6,258,941	6,259,291
COMPREHENSIVE INCOME FOR THE YEAR			
Profit for the year	-	5,734,865	5,734,865
Dividends: Equity capital	-	(652,975)	(652,975)
AT 31 MARCH 2016	350	11,340,831	11,341,181

The notes on pages 10 to 21 form part of these financial statements.

AMELCO UK LIMITED

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2017**

	2017	2016
	£	£
CASH FLOWS FROM OPERATING ACTIVITIES		
	5,303,172	5,734,864
ADJUSTMENTS FOR:		
Depreciation of tangible assets	435,747	269,590
Impairments of fixed assets	-	75,716
Interest paid	1,483	34
Interest received	(9,852)	(9,565)
Taxation charge	(353,608)	214,957
(Increase) in debtors	(643,576)	(1,024,689)
Increase in creditors	13,826,534	66,533
Corporation tax (paid)	(211,274)	(118)
Overseas tax (paid)	(117,000)	-
Prior period taxation charge	153,256	-
NET CASH GENERATED FROM OPERATING ACTIVITIES	18,384,882	5,327,322
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of tangible fixed assets	(592,331)	(337,163)
Sale of tangible fixed assets	11,725	-
Interest received	9,852	9,565
NET CASH FROM INVESTING ACTIVITIES	(570,754)	(327,598)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid	(1,477,998)	(652,975)
Interest paid	(1,483)	(34)
NET CASH USED IN FINANCING ACTIVITIES	(1,479,481)	(653,009)
INCREASE IN CASH AND CASH EQUIVALENTS	16,334,647	4,346,715
Cash and cash equivalents at beginning of year	9,717,437	5,370,722
CASH AND CASH EQUIVALENTS AT THE END OF YEAR	26,052,084	9,717,437
CASH AND CASH EQUIVALENTS AT THE END OF YEAR COMPRISE:		
Cash at bank and in hand	26,052,084	9,717,437
	26,052,084	9,717,437

The notes on pages 10 to 21 form part of these financial statements.

AMELCO UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

1. ACCOUNTING POLICIES

1.1 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 Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

Values are presented rounded to the nearest whole pound.

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

The following principal accounting policies have been applied:

1.2 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover 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 turnover is recognised:

Sale of goods

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

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of turnover can be measured reliably;
- it is probable that the Company 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

Turnover 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 turnover can be measured reliably;
- it is probable that the Company 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.

AMELCO UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

1. ACCOUNTING POLICIES (CONTINUED)

1.3 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, on the following basis.

Motor vehicles	-	25% reducing balance
Fixtures and fittings	-	25% reducing balance
Office equipment	-	33% straight line
Other fixed assets	-	25% reducing balance

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.

1.4 Impairment of fixed assets and goodwill

Assets that are subject to depreciation or amortisation are assessed at each balance sheet date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each balance sheet date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

1.5 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.

1.6 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.

In the Statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Company's cash management.

AMELCO UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

1. ACCOUNTING POLICIES (CONTINUED)

1.7 Financial instruments

The Company 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.

1.8 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.

1.9 Finance costs

Finance costs are charged to the Statement of income and retained earnings 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.

1.10 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

1.11 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 Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

1.12 Interest income

Interest income is recognised in the Statement of income and retained earnings using the effective interest method.

1.13 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company 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 Statement of income and retained earnings in the year that the Company 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.

AMELCO UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

1. ACCOUNTING POLICIES (CONTINUED)

1.14 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. 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 balance sheet 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 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; 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 balance sheet date.

2. GENERAL INFORMATION

Amelco UK Limited is a limited company incorporated in England and Wales. The Company's principal place of business is The Rex Building, 62 Queen Street, London, EC4R 1EB.

The principal activity of the Company is disclosed within the strategic report.

3. JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, which are described in note 1, management is required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

AMELCO UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

4. TURNOVER

The whole of the turnover is attributable to software consultancy and the supply of spreadbetting software.

All turnover arose within the United Kingdom.

5. OTHER OPERATING INCOME

	2017	2016
	£	£
Other operating income	140	4,392
	<u>140</u>	<u>4,392</u>

6. OPERATING PROFIT

The operating profit is stated after charging:

	2017	2016
	£	£
Depreciation of tangible fixed assets	435,747	269,590
Impairment of tangible fixed assets	-	(75,716)
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	7,530	7,000
Defined contribution pension cost	36,230	-
	<u>36,230</u>	<u>-</u>

7. AUDITORS' REMUNERATION

	2017	2016
	£	£
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	7,530	7,000
	<u>7,530</u>	<u>7,000</u>

AMELCO UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

8. EMPLOYEES

Staff costs, including directors' remuneration, were as follows:

	2017	2016
	£	£
Wages and salaries	3,761,330	2,841,296
Social security costs	408,490	312,858
Cost of defined contribution scheme	36,230	-
	4,206,050	3,154,154
	4,206,050	3,154,154

The average monthly number of employees, including the directors, during the year was as follows:

	2017	2016
	No.	No.
Directors	2	2
Project management	10	7
Development	29	21
Engineering and testing	29	21
Other specialist	5	4
Sports trading	9	7
Administration	9	7
	93	69
	93	69

9. DIRECTORS' REMUNERATION

	2017	2016
	£	£
Directors' emoluments	16,104	16,104
	16,104	16,104

10. INTEREST RECEIVABLE

	2017	2016
	£	£
Other interest receivable	9,852	9,565
	9,852	9,565

11. INTEREST PAYABLE AND SIMILAR CHARGES

	2017	2016
	£	£
Other interest payable	1,483	34
	1,483	34

AMELCO UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

12. TAXATION

	2017 £	2016 £
CORPORATION TAX		
Current tax on profits for the year	-	213,450
Adjustments in respect of previous periods	(354,930)	-
Foreign tax on income for the year	117,000	-
DEFERRED TAX		
Origination and reversal of timing differences	(115,678)	1,507
	<u>(353,608)</u>	<u>214,957</u>
TAXATION ON (LOSS)/PROFIT ON ORDINARY ACTIVITIES	(353,608)	214,957

FACTORS AFFECTING TAX CHARGE FOR THE YEAR

The tax assessed for the year is lower than (2016 - lower than) the standard rate of corporation tax in the UK of 20% (2016 - 20%). The differences are explained below:

	2017 £	2016 £
Profit on ordinary activities before tax	<u>4,949,565</u>	<u>5,949,822</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2016 - 20%)	989,913	1,189,964
EFFECTS OF:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	38,670	46,639
Capital allowances for year in excess of depreciation	(35,428)	(4,905)
Utilisation of tax losses	-	(144,697)
Higher rate taxes on overseas earnings	117,000	-
Other timing differences leading to an increase (decrease) in taxation	47,205	1,507
Adjustment in research and development tax credit leading to an increase (decrease) in the tax charge	(1,510,968)	(873,551)
TOTAL TAX CHARGE FOR THE YEAR	(353,608)	214,957

FACTORS THAT MAY AFFECT FUTURE TAX CHARGES

Research and development is expected to continue for the foreseeable future.

AMELCO UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

13. DIVIDENDS

	2017 £	2016 £
Equity dividends declared and paid on ordinary shares during the year	<u>1,477,998</u>	<u>652,975</u>

14. TANGIBLE FIXED ASSETS

	Motor vehicles £	Fixtures and fittings £	Office equipment £	Other fixed assets £	Total £
COST OR VALUATION					
At 1 April 2016	29,000	180,305	680,640	126,948	1,016,893
Additions	-	-	592,331	-	592,331
Disposals	(29,000)	-	(48,501)	(126,165)	(203,666)
At 31 March 2017	<u>-</u>	<u>180,305</u>	<u>1,224,470</u>	<u>783</u>	<u>1,405,558</u>
DEPRECIATION					
At 1 April 2016	17,275	70,148	357,509	126,700	571,632
Charge for the year on owned assets	-	27,539	408,146	62	435,747
Disposals	(17,275)	-	(48,501)	(126,165)	(191,941)
At 31 March 2017	<u>-</u>	<u>97,687</u>	<u>717,154</u>	<u>597</u>	<u>815,438</u>
NET BOOK VALUE					
At 31 March 2017	<u>-</u>	<u>82,618</u>	<u>507,316</u>	<u>186</u>	<u>590,120</u>
At 31 March 2016	<u>11,725</u>	<u>110,157</u>	<u>323,132</u>	<u>248</u>	<u>445,262</u>

AMELCO UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

15. DEBTORS

	2017 £	2016 £
Trade debtors	1,865,385	1,410,921
VAT repayable	144,907	85,139
Corporation tax recoverable	201,673	-
Other debtors	423,833	328,401
Prepayments and accrued income	99,958	69,248
S455 Tax recoverable	85,302	82,100
Deferred taxation	55,341	-
	<u>2,876,399</u>	<u>1,975,809</u>

Included within other debtors due within one year is a loan to N Walton, a director, amounting to £338,253 (2016 - £328,401). There were no repayments made during the year. The main conditions were as follows:

Interest has been charged at 3% per annum.

16. CASH AND CASH EQUIVALENTS

	2017 £	2016 £
Cash at bank and in hand	<u>26,052,084</u>	<u>9,717,437</u>

17. CREDITORS: Amounts falling due within one year

	2017 £	2016 £
Trade creditors	281,265	117,030
Corporation tax	4,567	215,841
Taxation and social security	110,971	90,343
Directors' current account	155	421
Other creditors	18,960	141,480
Accruals and deferred income	1,567,439	171,875
	<u>1,983,357</u>	<u>736,990</u>

AMELCO UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

18. CREDITORS: Amounts falling due after more than one year

	2017 £	2016 £
Deferred income	<u>12,368,889</u>	<u>-</u>

Analysis of the deferred income is given below:

	2017 £	2016 £
1-2 years	1,346,667	-
2-5 years	4,040,000	-
> 5 years	6,982,222	-
	<u>12,368,889</u>	<u>-</u>

19. FINANCIAL INSTRUMENTS

	2017 £	2016 £
FINANCIAL ASSETS		
Financial assets measured at fair value through profit or loss	26,052,084	9,717,437
Financial assets that are debt instruments measured at amortised cost	2,635,799	1,824,461
	<u>28,687,883</u>	<u>11,541,898</u>
FINANCIAL LIABILITIES		
Financial liabilities measured at amortised cost	<u>(1,867,664)</u>	<u>(430,385)</u>

Financial assets measured at fair value through profit or loss comprise cash held.

Financial assets measured at amortised cost comprise trade debtors, other debtors, VAT repayable and corporation tax repayable.

Financial liabilities measured at amortised cost comprise trade creditors, other creditors, accruals and deferred income.

AMELCO UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

20. DEFERRED TAXATION

	2017 £
At beginning of year	(60,337)
Charged to profit or loss	115,678
AT END OF YEAR	55,341

The deferred taxation balance is made up as follows:

	2017 £
Accelerated capital allowances	(107,542)
Tax losses carried forward	162,883
	55,341

21. SHARE CAPITAL

	2017 £	2016 £
Shares classified as equity		
Allotted, called up and fully paid		
100 Ordinary shares of £1 each	100	100
50 A Ordinary shares of £1 each	50	50
50 B Ordinary shares of £1 each	50	50
50 C Ordinary shares of £1 each	50	50
50 D Ordinary shares of £1 each	50	50
50 E Ordinary shares of £1 each	50	50
	350	350

22. RESERVES

Profit and loss account

Includes all current and prior period retained profits and losses.

23. PENSION COMMITMENTS

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £36,230 (2016 - £nil). Contributions totalling £18,638 (2016 - £nil) were payable to the fund at the balance sheet date and are included in creditors.

AMELCO UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

24. COMMITMENTS UNDER OPERATING LEASES

At 31 March 2017 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2017 £	2016 £
Not later than 1 year	186,300	186,300
Later than 1 year and not later than 5 years	139,725	326,025
	<u>326,025</u>	<u>512,325</u>

25. RELATED PARTY TRANSACTIONS

	2017 £	2016 £
Loans made to a director, N Walton, on which interest at the rate of 3.00% per annum has been charged by the company.	338,253	328,401
Dividends paid to directors	1,369,750	600,250
Dividends paid to other related parties	108,248	52,725
	<u>1,816,251</u>	<u>981,376</u>