

# Aprose Solutions Limited

## Annual Report and Financial Statements

Registered number 09283538

Year ended 31 December 2019



**Directors**

M C Hirst  
S Gosling

**Secretary**

Brodies Secretarial Services Limited

**Independent Auditors**

RSM UK Audit LLP  
Bluebell House  
Brian Johnson Way  
Preston  
PR2 5PE

**Registered Office**

Utilihouse  
East Terrace  
Euxton Lane  
Chorley  
Lancashire  
PR7 6TE  
Registered number 09283538

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## Contents

## Page No.

Directors' report	1
Statement of directors' responsibilities	2
Independent auditors' report	3
Profit and loss account and other comprehensive income	6
Balance sheet	7
Notes to the financial statements	8

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## Directors' report

### Principal activities and business review

The Company was purchased by ESG-Utiligroup Bidco Limited and all assets were hived up into a related undertaking from the 1<sup>st</sup> July 2018.

The Company ceased to trade on the date of the hive up, therefore the prior year's statement of profit and loss is for the 3 months of trading between 1<sup>st</sup> April 2018 and 30<sup>th</sup> June 2018.

The Company re-commenced trading in 2019 to provide a smart meter DCC adaptor service for other user capabilities, generating £29,200 revenue (*December 2018: 483,450*). Resulting in a nil profit of loss for the year (*period ended December 2018: £1,965,221 loss*).

### Dividends

No dividends have been paid during the year (*December 2018: £nil*).

### Directors

The following directors have held office during the year and up to the date of signature of the financial statements: S R Powell (resigned 31 December 2019)

M C Hirst

S Gosling

### Going Concern

The directors believe that preparing the financial statements on a going concern basis is appropriate due to the continued financial support of the parent company ESG-Utiligroup Holdings LLC. The directors have received confirmation that the company intends to continue its support for at least one year after these financial statements are signed. The directors have considered new external risks in the year, namely the Covid-19 virus, and are taking the necessary actions to insulate the business. The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

### Reporting Period

The financial statements in the prior year were presented for a period shorter than one year to bring the company's accounting reference date in line with that of the other group companies. As such the financial statements (included this related notes) are not entirely comparable due to current and comparative periods being presented for different lengths of time; one comparative period is for 9 months and the current period is for 12 months.

### Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirms that, so far as they are each aware, there is no relevant audit information of which the company's auditors are unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

### Auditor

Pursuant to Section 485 of the Companies Act 2006, new auditors have been appointed and RSM UK Audit LLP has now taken office.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board



S Gosling

Director

16 April 2020

## Statement of directors' responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law). 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- 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 also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006.

## ***Independent auditors' report to the members of Aprose Solutions Limited***

### **Opinion**

We have audited the financial statements of Aprose Solutions Limited (the 'company') for the year ended 31 December 2019 which comprise the profit and loss account and other comprehensive income, the balance sheet and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

## ***Independent auditors report to the members of Aprose Solutions Limited (continued)***

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a strategic report or in preparing the directors report.

### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

## ***Independent auditors report to the members of Aprose Solutions Limited (continued)***

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

### **Use of our report**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

*RSM UK Audit LLP*

Alastair John Richard Nuttall ACA (Senior Statutory Auditor)

For and on behalf of RSM UK Audit LLP, Statutory Auditor

Chartered Accountants

Bluebell House

Brian Johnson Way

Preston

Lancashire,

PR2 5PE

16 April 2020



## Profit and loss account and other comprehensive income

for the year ended 31 December 2019

	<i>Year ended</i> <b>31 December</b> 2019	<i>Period ended</i> <b>31 December</b> 2018
	£	£
<b>Turnover</b>	<b>29,200</b>	483,450
Cost of sales	-	(31,197)
<b>Gross profit</b>	<b>29,200</b>	452,253
Administrative expenses	<b>(29,200)</b>	(2,417,438)
<b>Operating profit/ (loss)</b>	-	(1,965,185)
Interest payable and similar expenses	-	(36)
<b>Profit/ (loss) before taxation</b>	-	(1,965,221)
Tax on profit/ (loss)	3	-
<b>Loss/ Profit for the financial year / period</b>	-	<b>(1,965,221)</b>

There was no other comprehensive income in the year/ period.

## Balance sheet

as at 31 December 2019

		<i>As at</i> <b>31 December</b> 2019	<i>As at</i> <b>31 December</b> 2018
	<i>Note</i>	£	£
<b>Fixed assets</b>			
Investments	4	529,213	529,213
		-	-
<b>Creditors</b>	5	<u>(4,027,094)</u>	<u>(4,027,094)</u>
<b>Net current liabilities</b>		<u>(4,027,094)</u>	<u>(4,027,094)</u>
<b>Net liabilities</b>		<u>(3,497,881)</u>	<u>(3,497,881)</u>
<b>Capital and reserves</b>			
Called up share capital	6	20	20
Profit and loss account		<u>(3,497,901)</u>	<u>(3,497,901)</u>
<b>Total Shareholders' deficit</b>		<u>(3,497,881)</u>	<u>(3,497,881)</u>

The financial statements on pages 6 to 12 were approved by the Board of Directors on 16 April 2020 and are signed on their behalf by:

The financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.



S Gosling  
Director  
Registered number 09283538

## Notes to the financial statements

for the year ended 31 December 2019

Aprose Solutions Limited (Company number 09283538) is a private company limited by shares registered, incorporated and domiciled in England and Wales. The registered office and principal place of business is Utilihouse, East Terrace, Euxton Lane, Chorley, Lancashire, England, PR7 6TE.

### 1. Accounting policies

These financial statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard* applicable in the UK and Republic of Ireland ("*FRS 102*") including the provisions of section 1A "Small Entities" and in accordance with Companies Act 2006. The accounting policies have been applied consistently. The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

#### **Going Concern**

The directors believe that preparing the financial statements on a going concern basis is appropriate due to the continued financial support of the ultimate parent company ESG-Utiligroup Holdings LLC. The directors have received confirmation that the company intends to continue its support for at least one year after these financial statements are signed. The directors have considered new external risks in the year, namely the Covid-19 virus, and are taking the necessary actions to insulate the business. The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

#### **Revenue**

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts and other sales related taxes.

The supply of managed services are invoiced and the income is recognised when the contractual terms are met.

#### **Investments**

Investments relate to interests in subsidiaries. Investments are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

The carrying values of investments are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operation policies of the entity as to obtain benefits from its activities.

#### **Taxation**

Tax on the profit or loss for the period comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

## Notes to the financial statements (continued)

for the year ended 31 December 2019

### 1. Accounting Policies (continued)

#### *Taxation (continued)*

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met; and differences relating to investments in subsidiaries, to the extent that it is not probable that they will reverse in the foreseeable future and the reporting entity is able to control the reversal of the timing difference. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

#### *Basic financial instruments*

##### *Trade and other debtors / creditors*

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

#### *Cash and cash equivalents*

Cash and cash equivalents include cash in hand, deposits held at call with banks and bank overdrafts.

### 2. Director's Remuneration and employees

For the period 01<sup>st</sup> April to 30<sup>th</sup> June 2018, the company had 3 directors and the remuneration was as follows:

	<i>Year ended 31 December 2019</i>	<i>Period ended 31 December 2018</i>
	£	£
Directors' emoluments	-	57,315
Company pension contributions	-	1,458
	<u>-</u>	<u>58,773</u>

As of the 1<sup>st</sup> of July 2018 the directors' remuneration is in relation to their services to the Utiligroup Group as a whole. These costs were borne by Utilisoft, a fellow group undertaking, and no recharge was made. The directors of the company are also directors of the holding company and fellow subsidiaries. The directors do not believe that it is practicable to apportion this amount between their services as directors of the company and their services as directors of the holding and fellow subsidiary companies.

The average monthly number of employees employed by the company during the year was nil (2018: 10).

## Notes to the financial statements (continued)

for the year ended 31 December 2019

### 3. Tax on profit/(loss)

a) Total tax expense recognised in the profit and loss account

	Year ended December 2019	Period ended December 2018
	£	£
<i>Current tax</i>		
Current tax on income for the period	-	-
Adjustments in respect of prior periods	-	-
	<u>-</u>	<u>-</u>
Total current tax	-	-
	<u>-</u>	<u>-</u>
Total tax	-	-
	<u>-</u>	<u>-</u>

b) Factors affecting current tax charge for the period

The tax assessed for year ended 31 December 2019 is lower (December 2018: Lower) than the standard rate of corporation tax in the UK for the year ending 31 December 2019 of 19% (December 2018: 19%) the differences are explained below:

	Year ended 31 December 2019	Period ended 31 December 2018
	£	£
Profit for the financial period/year	-	(1,965,221)
(Loss) before taxation	<u>-</u>	<u>(1,965,221)</u>
Loss before taxation of the UK tax rate of 19% (31 December 2018: 19%)	-	(373,392)
Unrecognised deferred tax	-	(38,072)
Expenses not deductible for tax purposes	-	390,246
Other tax adjustments, reliefs and transfers	-	25,697
Impact of changes in rates	-	(4,479)
	<u>-</u>	<u>-</u>
Tax credit for the year	-	-
	<u>-</u>	<u>-</u>

## Notes to the financial statements (continued)

for the year ended 31 December 2019

### 4. Investments

				£
At 1 January 2019 and 31 December 2019				529,213
	<i>Country of incorporation</i>	<i>Holding</i>	<i>Ownership</i>	<i>Principal Activity</i>
Accelero Digital Solutions Limited*	England	Ordinary shares	100%	Software Holding company
KWR Technologies Limited	England	Ordinary shares	100%	Software Holding company
* Denotes held through a subsidiary				

All subsidiaries are registered at Utilihouse, East Terrace, Euxton Lane, Chorley, Lancashire PR7 6TE.

### 5. Creditors

	<i>As at 31 December 2019 £</i>	<i>As at 31 December 2018 £</i>
Amount owed to group undertakings	4,027,094	4,027,094
	<u>4,027,094</u>	<u>4,027,094</u>

### 6. Called up share capital

	<i>As at 31 December 2019 £</i>	<i>As at 31 December 2018 £</i>
<i>Called up and allocated:</i>		
2,000 (31 December 2018: 2,000) Ordinary shares of £0.01	<u>20</u>	<u>20</u>

Each share has full rights in the company with respect to voting, dividends and distributions.

## **Notes to the financial statements (continued)**

for the year ended 31 December 2019

### **7. Related party transactions**

The company has taken advantage of the exemption available under FRS 102 not to disclose transactions with other group companies which meet the criteria that all subsidiary undertakings which are party to the transactions are wholly owned by the ultimate controlling parent.

### **8. Ultimate parent undertaking**

The company is a wholly owned subsidiary of ESG-Utiligroup Bidco Limited a company incorporated in England & Wales. The Ultimate parent company is Accel-KKR by virtue of its controlling holding in ESG-Holdings LLC. ESG-Utiligroup Holdings LLC is both the smallest and largest group for which group financial statement are prepared and in which the company is included. The consolidated financial statements of ESG-Utiligroup Holdings LLC are available to the public and may be obtained from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.