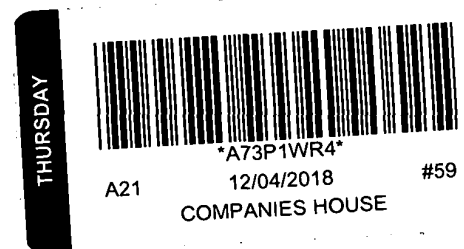


Company Registration No. 04064193 (England and Wales)

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INITIALS	WAA

**BLUESOURCE INFORMATION LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2017**



# **BLUESOURCE INFORMATION LIMITED**

## **COMPANY INFORMATION**

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**Directors**

A McKeeve  
A J Ward  
R M Wirszyycz  
M Edwards

**Secretary**

A M Ward

**Company number**

04064193

**Registered office**

122 Tooley Street  
LONDON  
SE1 2TU

**Auditors**

Harwood Hutton Limited  
22 Wycombe End  
Beaconsfield  
Buckinghamshire  
HP9 1NB

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# **BLUESOURCE INFORMATION LIMITED**

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# BLUESOURCE INFORMATION LIMITED

## STRATEGIC REPORT

**FOR THE YEAR ENDED 30 SEPTEMBER 2017**

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The directors present the strategic report for the year ended 30 September 2017.

### **Fair review of the business**

The Board consider turnover, and in particular recurring turnover, and operating income to be key performance indicators of the group. During the year the group generated turnover of £24,262,720 and group operating profit of £413,807 compared to turnover of £20,997,103 and an operating profit of £579,801 in the previous year.

Group turnover and operating profits are deemed by the Board to be very satisfactory, especially considering the state of the UK and US economies. The group is in a financially robust position at the balance sheet date showing positive net current assets and healthy cash reserves.

The Board expects the group to grow both measures in the future.

The Australian interests were sold to local management during the year as this was deemed non-core to the group.

### **Principal risks and uncertainties**

#### **Technology changes**

The group continually monitors changes in technology to ensure its sales offerings remain relevant to the market.

#### **Liquidity risk**

The group manages its cash in order to maximise interest income, whilst ensuring the group has sufficient liquid resources to meet the operating needs of the group. Investments of cash surpluses are carefully considered by the Board before being approved.

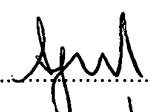
#### **Foreign currency risk**

The group's principal foreign currency exposures arise from trading with overseas companies. The group policy does not demand that these exposures are hedged against and consequently a profit or loss may arise on any particular transaction undertaken by the group.

#### **Credit risk**

All customers who wish to trade on credit terms are subject to credit verification procedures. Trade debtors are monitored on an ongoing basis and provision is made for doubtful debts where necessary.

On behalf of the board

  
A J Ward  
Director  
Date: 21/03/2018

# **BLUESOURCE INFORMATION LIMITED**

## **DIRECTORS' REPORT**

### ***FOR THE YEAR ENDED 30 SEPTEMBER 2017***

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

#### **Principal activities**

The principal activity of the group continued to be that of information technology services.

#### **Directors**

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

A McKeeve  
A J Ward  
R M Wirszyycz  
M Edwards

#### **Results and dividends**

The results for the year are set out on page 6.

Interim ordinary dividends of £300,199 and £150,573 were paid on 1 November 2016 and 6 April 2017 respectively.

#### **Auditor**

The auditor, Harwood Hutton Limited, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

#### **Statement of directors' responsibilities**

The directors are responsible for preparing the Annual 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards 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 group and company, 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 and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# **BLUESOURCE INFORMATION LIMITED**

## **DIRECTORS' REPORT (CONTINUED)**

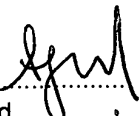
**FOR THE YEAR ENDED 30 SEPTEMBER 2017**

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### **Statement of disclosure to auditor**

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the company is aware of that information.

On behalf of the board



.....  
A J Ward

Director

Date: 21/03/2018

# **BLUESOURCE INFORMATION LIMITED**

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF BLUESOURCE INFORMATION LIMITED**

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#### **Opinion**

We have audited the financial statements of Bluesource Information Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 30 September 2017 set out on pages 6 to 26. 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).

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.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 30 September 2017 and of its 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.

#### **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 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 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.

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.

# BLUESOURCE INFORMATION LIMITED

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS OF BLUESOURCE INFORMATION LIMITED

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

In our opinion, based on the work undertaken in the course of our 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 the financial statements; and
- the Strategic Report and the Directors' Report have 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 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 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.

#### Responsibilities of directors

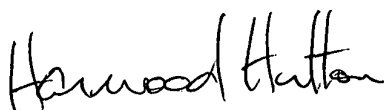
As explained more fully in the Directors' Responsibilities Statement set out on pages 2 - 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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.

#### 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.



David Jones (Senior Statutory Auditor)  
for and on behalf of Harwood Hutton Limited

21 March 2018

Chartered Accountants  
Statutory Auditor

22 Wycombe End  
Beaconsfield  
Buckinghamshire  
HP9 1NB



# BLUESOURCE INFORMATION LIMITED

## GROUP PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30 SEPTEMBER 2017

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	Notes	2017 £	2016 £
Turnover	3	24,262,720	20,997,103
Cost of sales		(14,302,346)	(11,487,150)
<b>Gross profit</b>		<b>9,960,374</b>	<b>9,509,953</b>
Administrative expenses		(9,546,567)	(8,934,780)
Other operating income		-	4,628
<b>Operating profit</b>	4	<b>413,807</b>	<b>579,801</b>
Interest receivable and similar income	8	667	2,947
Interest payable and similar expenses	9	(2,152)	(937)
Amounts written off investments		277,999	-
<b>Profit before taxation</b>		<b>690,321</b>	<b>581,811</b>
Tax on profit	11	(188,404)	(151,685)
<b>Profit for the financial year</b>		<b>501,917</b>	<b>430,126</b>

---

The Profit And Loss Account has been prepared on the basis that all operations are continuing operations.

The accompanying accounting notes and policies form part of these financial statements.

# **BLUESOURCE INFORMATION LIMITED**

## **GROUP STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 SEPTEMBER 2017**

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	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
<b>Profit for the year</b>	501,917	430,126
<b>Other comprehensive income</b>		
Currency translation differences	(60,605)	60,301
<b>Total comprehensive income for the year</b>	<u>441,312</u>	<u>490,427</u>

The accompanying accounting policies and notes form part of these financial statements.

# BLUESOURCE INFORMATION LIMITED

## GROUP BALANCE SHEET

AS AT 30 SEPTEMBER 2017

	Notes	2017 £	£	2016 £	£
<b>Fixed assets</b>					
Tangible assets	13		122,331		199,889
<b>Current assets</b>					
Debtors	17	5,787,334		5,981,938	
Cash at bank and in hand		2,928,348		2,916,155	
		8,715,682		8,898,093	
<b>Creditors: amounts falling due within one year</b>	18	(7,781,589)		(8,029,696)	
<b>Net current assets</b>			934,093		868,397
<b>Total assets less current liabilities</b>			1,056,424		1,068,286
<b>Provisions for liabilities</b>	19		(3,298)		(5,700)
<b>Net assets</b>			1,053,126		1,062,586
<b>Capital and reserves</b>					
Called up share capital	22		947		947
Share premium account			169,811		169,811
Profit and loss reserves			882,368		891,828
<b>Total equity</b>			1,053,126		1,062,586

The accompanying accounting policies and notes form part of these financial statements.

The financial statements were approved by the board of directors and authorised for issue on 21 March 2018 and are signed on its behalf by:

.....  
A J Ward  
Director

# BLUESOURCE INFORMATION LIMITED

## COMPANY BALANCE SHEET

AS AT 30 SEPTEMBER 2017

	Notes	2017 £	£	2016 £	£
<b>Fixed assets</b>					
Tangible assets	13		64,718		91,392
Investments	14		550		577
			<u>65,268</u>		<u>91,969</u>
<b>Current assets</b>					
Debtors	17	4,626,693		4,106,820	
Cash at bank and in hand		2,394,625		2,347,027	
		<u>7,021,318</u>		<u>6,453,847</u>	
<b>Creditors: amounts falling due within one year</b>	18	(6,368,076)		(5,804,850)	
<b>Net current assets</b>			<u>653,242</u>		<u>648,997</u>
<b>Total assets less current liabilities</b>			<u>718,510</u>		<u>740,966</u>
<b>Provisions for liabilities</b>	19		(3,298)		(5,700)
<b>Net assets</b>			<u><u>715,212</u></u>		<u><u>735,266</u></u>
<b>Capital and reserves</b>					
Called up share capital	22		947		947
Share premium account			169,811		169,811
Profit and loss reserves			544,454		564,508
<b>Total equity</b>			<u><u>715,212</u></u>		<u><u>735,266</u></u>

The accompanying accounting policies and notes form part of these financial statements.

The financial statements were approved by the board of directors and authorised for issue on 21 March 2018 and are signed on its behalf by:

.....  
A J Ward  
Director

Company Registration No. 04064193

# **BLUESOURCE INFORMATION LIMITED**

## **GROUP STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 SEPTEMBER 2017**

	Notes	Share capital £	Share premium account £	Profit and loss reserves £	Total £
<b>Balance at 1 October 2015</b>		947	169,811	707,282	878,040
<b>Year ended 30 September 2016:</b>					
Profit for the year		-	-	430,126	430,126
Other comprehensive income:					
Currency translation differences		-	-	60,301	60,301
Total comprehensive income for the year		-	-	490,427	490,427
Dividends	12	-	-	(305,881)	(305,881)
<b>Balance at 30 September 2016</b>		947	169,811	891,828	1,062,586
<b>Year ended 30 September 2017:</b>					
Profit for the year		-	-	501,917	501,917
Other comprehensive income:					
Currency translation differences on overseas subsidiaries		-	-	(60,605)	(60,605)
Total comprehensive income for the year		-	-	441,312	441,312
Dividends	12	-	-	(450,772)	(450,772)
<b>Balance at 30 September 2017</b>		947	169,811	882,368	1,053,126

# **BLUESOURCE INFORMATION LIMITED**

## **COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 SEPTEMBER 2017**

	Notes	Share capital £	Share premium account £	Profit and loss reserves £	Total £
<b>Balance at 1 October 2015</b>		947	169,811	518,317	689,075
<b>Year ended 30 September 2016:</b>					
Profit and total comprehensive income for the year		-	-	352,072	352,072
Dividends	12	-	-	(305,881)	(305,881)
<b>Balance at 30 September 2016</b>		947	169,811	564,508	735,266
<b>Year ended 30 September 2017:</b>					
Profit and total comprehensive income for the year		-	-	430,718	430,718
Dividends	12	-	-	(450,772)	(450,772)
<b>Balance at 30 September 2017</b>		947	169,811	544,454	715,212

# BLUESOURCE INFORMATION LIMITED

## GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 SEPTEMBER 2017

	Notes	2017 £	£	2016 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	26	358,750		1,285,280	
Interest paid		(2,152)		(937)	
Income taxes paid		(96,805)		(110,624)	
<b>Net cash inflow from operating activities</b>		<u>259,793</u>		<u>1,173,719</u>	
<b>Investing activities</b>					
Purchase of tangible fixed assets		(44,428)		(73,384)	
Proceeds on disposal of tangible fixed assets		27,910		-	
Proceeds on disposal of fixed asset investments		277,999		-	
Proceeds from other investments and loans		1,629		-	
Interest received		<u>667</u>		<u>2,947</u>	
<b>Net cash generated from/(used in) investing activities</b>		<u>263,777</u>		<u>(70,437)</u>	
<b>Financing activities</b>					
Proceeds from borrowings		-		(8,800)	
Dividends paid to equity shareholders		<u>(450,772)</u>		<u>(305,881)</u>	
<b>Net cash used in financing activities</b>		<u>(450,772)</u>		<u>(314,681)</u>	
<b>Net increase in cash and cash equivalents</b>		<u>72,798</u>		<u>788,601</u>	
Cash and cash equivalents at beginning of year		2,916,155		2,127,554	
Effect of foreign exchange rates		<u>(60,605)</u>		<u>-</u>	
<b>Cash and cash equivalents at end of year</b>		<u><u>2,928,348</u></u>		<u><u>2,916,155</u></u>	

# BLUESOURCE INFORMATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 30 SEPTEMBER 2017**

---

### **1 Accounting policies**

#### **Company information**

Bluesource Information Limited ("the company"), whose principal activity continued to be that of information technology services, is a private limited company domiciled and incorporated in England and Wales. The registered office is 122 Tooley Street, LONDON, SE1 2TU.

The group consists of Bluesource Information Limited and all of its subsidiaries.

#### **1.1 Accounting convention**

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

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

The financial statements have been prepared under the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

As the parent company of a group who prepares publicly available consolidated financial statements which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group, Bluesource Information Ltd has taken advantage of exemptions from the following disclosure requirements for parent company information presented within the consolidated financial statements:

- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

#### **1.2 Basis of consolidation**

The consolidated financial statements incorporate those of Bluesource Information Limited and all of its subsidiaries.

All intra-group transactions, balances and unrealised gains or losses on transactions between group companies are eliminated on consolidation.

#### **1.3 Turnover**

Revenue is measured at the fair value of the consideration received or receivable for the sale of goods and the rendering of services in the normal course of business, and is shown net of discounts and VAT.

##### ***Sale of goods***

Revenue arises from the sale of information technology hardware. Revenue is recognised when the customer accepts delivery of the goods.

##### ***Rendering of services***

Revenue arises from the provision of information technology services. Revenue is recognised proportionally over the performance of the service contract, by reference to the stage of completion of the transaction at the end of the reporting period.

#### **1.4 Tangible fixed assets**

Tangible fixed assets are initially and subsequently measured at cost, net of depreciation and any impairment losses.



# BLUESOURCE INFORMATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 30 SEPTEMBER 2017**

### 1 Accounting policies

(Continued)

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

Land and buildings leasehold	Straight line over the term of the lease
Plant and machinery	25% reducing balance
Fixtures, fittings & equipment	25% reducing balance and 25% or 33% straight line
Motor vehicles	25% reducing balance

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

#### 1.5 Fixed asset investments

In the parent company financial statements, investments in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

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

#### 1.6 Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

#### 1.7 Financial instruments

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

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

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

Short term debtors are measured at transaction price less any provision for impairment. Loans receivable are measured initially at fair value, net of transaction costs and are subsequently carried at amortised costs using the effective interest method, less any provision for impairment.

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

Short term creditors are measured at transaction price. Other financial liabilities, including bank loans and loans from fellow group companies, are measured initially at fair value, net of transaction costs and are subsequently carried at amortised costs using the effective interest method.

#### 1.8 Taxation

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

##### **Current tax**

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

# BLUESOURCE INFORMATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 30 SEPTEMBER 2017

---

#### 1 Accounting policies

(Continued)

##### **Deferred tax**

Deferred tax liabilities are generally recognised for all timing differences and are not recognised if the timing difference arises from a transaction that affects neither the tax profit nor the accounting profit.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

##### **1.9 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense.

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

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

##### **1.10 Retirement benefits**

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

##### **1.11 Share-based payments**

Equity-settled share-based payments are measured at fair value at the date of grant by reference to the fair value of the share options granted using a capitalisation of earnings method. Expenses, and the corresponding adjustments to equity, are not recognised in the financial statements as the directors do not consider these to be material to the accounts.

##### **1.12 Leases**

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the lease.

##### **1.13 Foreign exchange**

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

#### 2 Judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

# BLUESOURCE INFORMATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2017

### 3 Turnover and other revenue

An analysis of the group's turnover is as follows:

	2017 £	2016 £
<b>Turnover analysed by class of business</b>		
Provision of services	23,512,371	20,299,815
Sale of goods	750,349	697,288
	<u>24,262,720</u>	<u>20,997,103</u>

	2017 £	2016 £
<b>Turnover analysed by geographical market</b>		
UK	13,890,645	12,973,099
EU	526,538	505,983
Rest of world	9,845,537	7,518,021
	<u>24,262,720</u>	<u>20,997,103</u>

### 4 Operating profit

	2017 £	2016 £
Operating profit for the year is stated after charging/(crediting):		
Exchange gains	(21,321)	(101,295)
Depreciation of owned tangible fixed assets	94,076	107,999
Operating lease charges	293,572	203,164
	<u>293,572</u>	<u>203,164</u>

### 5 Auditor's remuneration

	2017 £	2016 £
Fees payable to the company's auditor and associates:		
<b>For audit services</b>		
Audit of the financial statements of the group and company	21,000	21,000
	<u>21,000</u>	<u>21,000</u>

# BLUESOURCE INFORMATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2017

### 6 Employees

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

	Group 2017 Number	2016 Number	Company 2017 Number	2016 Number
Management	12	13	7	7
Sales	21	20	15	14
Administrative	6	6	5	6
Other	65	63	38	37
	<u>104</u>	<u>102</u>	<u>65</u>	<u>64</u>

Their aggregate remuneration comprised:

	Group 2017 £	2016 £	Company 2017 £	2016 £
Wages and salaries	7,444,404	7,641,688	4,707,596	5,255,681
Social security costs	699,214	667,278	580,647	568,084
Pension costs	108,294	103,920	67,644	75,878
	<u>8,251,912</u>	<u>8,412,886</u>	<u>5,355,887</u>	<u>5,899,643</u>

### 7 Directors' remuneration

	2017 £	2016 £
Remuneration for qualifying services	<u>568,266</u>	<u>700,828</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 2 (2016 - 2).

Remuneration disclosed above includes the following amounts paid to the highest paid director:

	2017 £	2016 £
Remuneration for qualifying services	<u>152,511</u>	<u>252,183</u>

# BLUESOURCE INFORMATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2017

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### 8 Interest receivable and similar income

	2017 £	2016 £
<b>Interest income</b>		
Interest on bank deposits	667	2,947
	<u>        </u>	<u>        </u>

### 9 Interest payable and similar expenses

	2017 £	2016 £
<b>Interest on financial liabilities measured at amortised cost:</b>		
Interest on bank overdrafts and loans	2,152	937
	<u>        </u>	<u>        </u>

### 10 Profit for the financial year

As permitted by section 408 Companies Act 2016, the parent company's profit and loss account has not been included in these financial statements.

During the year, the parent company, Bluesource Information Limited, made a profit of £430,718 (2016 - £352,072).

### 11 Taxation

	2017 £	2016 £
<b>Current tax</b>		
UK corporation tax on profits for the current period	15,388	108,988
Foreign current tax on profits for the current period	175,418	49,370
	<u>        </u>	<u>        </u>
Total current tax	190,806	158,358
	<u>        </u>	<u>        </u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	(2,402)	(6,673)
	<u>        </u>	<u>        </u>
 Total tax charge for the year	 188,404	 151,685
	<u>        </u>	<u>        </u>

# BLUESOURCE INFORMATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 30 SEPTEMBER 2017

#### 11 Taxation

(Continued)

The actual charge for the year can be reconciled to the expected charge based on the profit or loss and the standard rate of tax as follows:

	2017 £	2016 £
Profit before taxation	690,321	581,811
Expected tax charge based on the standard rate of corporation tax in the UK of 19.50% (2016: 20.00%)	134,603	116,362
Tax effect of expenses that are not deductible in determining taxable profit	10,683	11,321
Effect of change in corporation tax rate	(229)	-
Permanent capital allowances in excess of depreciation	1,374	8,190
Effect of overseas tax rates	93,676	23,066
Dividend income	(46,797)	-
Other tax adjustments	(4,906)	(7,254)
Taxation charge for the year	188,404	151,685

#### 12 Dividends

	2017 £	2016 £
Interim paid	450,772	305,881

# **BLUESOURCE INFORMATION LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 30 SEPTEMBER 2017**

### **13 Tangible fixed assets**

<b>Group</b>	<b>Land and buildings leasehold</b>	<b>Plant and machinery</b>	<b>Fixtures, fittings &amp; equipment</b>	<b>Motor vehicles</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>					
At 1 October 2016	58,697	8,663	594,895	9,993	672,248
Additions	2,582	-	41,846	-	44,428
Disposals	-	-	(51,216)	-	(51,216)
At 30 September 2017	61,279	8,663	585,525	9,993	665,460
<b>Depreciation and impairment</b>					
At 1 October 2016	42,946	8,380	417,403	3,630	472,359
Depreciation charged in the year	7,368	71	85,046	1,591	94,076
Eliminated in respect of disposals	-	-	(23,306)	-	(23,306)
At 30 September 2017	50,314	8,451	479,143	5,221	543,129
<b>Carrying amount</b>					
At 30 September 2017	10,965	212	106,382	4,772	122,331
At 30 September 2016	15,751	283	177,492	6,363	199,889
<b>Company</b>	<b>Land and buildings leasehold</b>	<b>Plant and machinery</b>	<b>Fixtures, fittings &amp; equipment</b>	<b>Motor vehicles</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>					
At 1 October 2016	58,697	8,663	354,626	9,993	431,979
Additions	2,582	-	24,138	-	26,720
At 30 September 2017	61,279	8,663	378,764	9,993	458,699
<b>Depreciation and impairment</b>					
At 1 October 2016	42,946	8,380	285,631	3,630	340,587
Depreciation charged in the year	7,368	71	44,364	1,591	53,394
At 30 September 2017	50,314	8,451	329,995	5,221	393,981
<b>Carrying amount</b>					
At 30 September 2017	10,965	212	48,769	4,772	64,718
At 30 September 2016	15,751	283	68,995	6,363	91,392

# BLUESOURCE INFORMATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2017

### 14 Fixed asset investments

	Notes	Group 2017 £	2016 £	Company 2017 £	2016 £
Investments in subsidiaries	15	-	-	550	577

#### Movements in fixed asset investments Company

	Shares in group undertakings £
<b>Cost or valuation</b>	
At 1 October 2016	577
Disposals	(27)
At 30 September 2017	550
<b>Carrying amount</b>	
At 30 September 2017	550
At 30 September 2016	577

During the period, the parent company disposed of its 100% subsidiary Bluesource Information Pty (Australia).

### 15 Subsidiaries

Details of the company's subsidiaries at 30 September 2017 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct Indirect
Bluesource Inc	USA	Information technology	Ordinary	100.00

In the opinion of the directors, the aggregate value of the company's investment in subsidiary undertakings is not less than the amount included in the balance sheet.



# **BLUESOURCE INFORMATION LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 30 SEPTEMBER 2017**

### **16 Financial instruments**

	Group 2017 £	2016 £	Company 2017 £	2016 £
<b>Carrying amount of financial assets</b>				
Debt instruments measured at amortised cost	3,828,866	4,140,855	2,694,895	2,296,940
Equity instruments measured at cost less impairment	-	-	550	557
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Carrying amount of financial liabilities</b>				
Measured at amortised cost	7,336,907	7,548,518	6,069,720	5,399,297
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

### **17 Debtors**

	Group 2017 £	2016 £	Company 2017 £	2016 £
<b>Amounts falling due within one year:</b>				
Trade debtors	3,615,623	3,960,699	2,295,833	1,920,194
Corporation tax recoverable	-	89,515	-	89,515
Amounts owed by group undertakings	-	-	-	252,186
Other debtors	213,243	180,156	399,062	124,560
Prepayments and accrued income	1,958,468	1,751,568	1,931,798	1,720,365
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
	5,787,334	5,981,938	4,626,693	4,106,820
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

### **18 Creditors: amounts falling due within one year**

	Group 2017 £	2016 £	Company 2017 £	2016 £
Trade creditors	2,626,347	3,186,709	1,687,941	1,723,903
Amounts due to group undertakings	-	-	173,011	-
Corporation tax payable	131,768	127,282	15,902	116,511
Other taxation and social security	312,914	353,896	282,454	289,042
Other creditors	72,846	92,427	-	(854)
Accruals and deferred income	4,637,714	4,269,382	4,208,768	3,676,248
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
	7,781,589	8,029,696	6,368,076	5,804,850
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

# **BLUESOURCE INFORMATION LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

### **FOR THE YEAR ENDED 30 SEPTEMBER 2017**

#### **19 Deferred taxation**

Deferred tax assets and liabilities are offset where the group or company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	<b>Liabilities 2017 £</b>	<b>Liabilities 2016 £</b>
<b>Group</b>		
Accelerated capital allowances	3,298	5,700
	<u>3,298</u>	<u>5,700</u>
	<b>Liabilities 2017 £</b>	<b>Liabilities 2016 £</b>
<b>Company</b>		
Accelerated capital allowances	3,298	5,700
	<u>3,298</u>	<u>5,700</u>
	<b>Group 2017 £</b>	<b>Company 2017 £</b>
<b>Movements in the year:</b>		
Liability at 1 October 2016	5,700	5,700
Credit to profit or loss	(2,402)	(2,402)
	<u>3,298</u>	<u>3,298</u>
Liability at 30 September 2017	<u>3,298</u>	<u>3,298</u>

#### **20 Retirement benefit schemes**

	<b>2017 £</b>	<b>2016 £</b>
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	120,755	104,587
	<u>120,755</u>	<u>104,587</u>

Defined contribution pension schemes are operated for all qualifying employees. The assets of the schemes are held separately from those of the group in independently administered funds.

# BLUESOURCE INFORMATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 30 SEPTEMBER 2017

#### 21 Share-based payment transactions

The company operates an equity-settled Enterprise Management Incentive (EMI) share option plan under which options have been granted to employees.

The first issue of 197 share options are to be exercised on 31 December 2018, subject to continued employment, or at the point of the sale of the company.

Subsequent issues of share options are to be exercised at any time between 28 September 2017 and 14 December 2025, subject to a minimum employment period. A further 1,084 options may be exercised at the point of the sale of the company, the number of which will depend upon the proceeds received for this sale.

Group and company	Number of share options		Weighted average exercise price	
	2017 Number	2016 Number	2017 £	2016 £
Outstanding at 1 October 2016	6,207	4,185	20.83	20.66
Granted	-	2,022	-	21.17
Forfeited	(3,988)	-	21.17	-
	<u>2,219</u>	<u>6,207</u>	<u>20.21</u>	<u>20.83</u>
Outstanding at 30 September 2017	2,219	6,207	20.21	20.83
	<u>2,219</u>	<u>6,207</u>	<u>20.21</u>	<u>20.83</u>
Exercisable at 30 September 2017	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

The expenses and associated adjustments to equity related to the share option plan are calculated using a capitalisation of earnings method, which is felt to be the most appropriate method of valuing the options of a privately-owned profitable trading company. The directors have excluded the expenses and adjustments to equity from the financial statements on the basis that they are not material.

#### 22 Share capital

	Group and company	
	2017 £	2016 £
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
75,800 "A" Ordinary shares of 1p each	758	758
18,900 "B" Ordinary shares of 1p each	189	189
	<u>947</u>	<u>947</u>
	<u>947</u>	<u>947</u>

# BLUESOURCE INFORMATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2017

### 23 Operating lease commitments

#### Lessee

Operating lease payments represent rentals payable by the company for certain properties and equipment.

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group 2017 £	2016 £	Company 2017 £	2016 £
Within one year	198,474	222,278	156,000	156,000
Between two and five years	641,698	842,149	624,000	780,000
In over five years	588,099	744,099	588,099	744,099
	<u>1,428,271</u>	<u>1,808,526</u>	<u>1,368,099</u>	<u>1,680,099</u>

### 24 Related party transactions

#### Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2017 £	2016 £
Aggregate compensation	<u>674,179</u>	<u>767,577</u>

All subsidiary undertakings are wholly-owned and as such the group has taken advantage of the exemption permitted by Section 33 'Related Party Disclosures', not to provide disclosures of transactions entered into with other wholly-owned members of the group.

### 25 Directors' transactions

Dividends totalling £308,220 (2016 - £209,149) were paid in the year in respect of shares held by the company's directors.

# BLUESOURCE INFORMATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 30 SEPTEMBER 2017

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#### 26 Cash generated from group operations

	2017 £	2016 £
Profit for the year after tax	501,917	430,126
Adjustments for:		
Taxation charged	188,404	151,685
Finance costs	2,152	937
Investment income	(667)	(2,947)
Depreciation and impairment of tangible fixed assets	94,076	107,999
Gain on sale of investments	(277,999)	-
(Decrease) in provisions	-	(17,134)
Movements in working capital:		
Decrease/(increase) in debtors	103,460	(1,157,027)
(Decrease)/increase in creditors	(252,593)	1,771,641
<b>Cash generated from operations</b>	<b>358,750</b>	<b>1,285,280</b>