

Company Registration No. 06200740 (England and Wales)

ARTIFICIAL SOLUTIONS UK LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

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ARTIFICIAL SOLUTIONS UK LIMITED

COMPANY INFORMATION

Directors C D Bushnell
L B Flynn

Company number 06200740

Registered office 3 Riverside House
Mill Lane
Newbury
Berkshire
RG14 5QS

Auditor Grant Thornton UK LLP
3140 Rowan Place
John Smith Drive
Oxford Business Park South
Oxford
OX4 2WB

Bankers Svenska Handelsbanken AB
Newbury Branch
St Anthony's House
Oxford Square
Oxford Street
Newbury
RG14 1JQ

ARTIFICIAL SOLUTIONS UK LIMITED

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ARTIFICIAL SOLUTIONS UK LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2017

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

Principal activities

The principal activity of the company during the year continued to be the provision of enterprise and software solutions exclusively based upon the Teneo Platform to external customers and management resource to other group companies.

Going concern

The company is reliant for its working capital on funds provided to it by its ultimate parent company, Artificial Solutions Holding ASH AB. The parent has indicated that this support will be provided for at least 12 months from the date of approval of these financial statements although as described further in note 1.2 to the accounts there is a level of uncertainty regarding this ongoing support.

Directors

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

C D Bushnell
L B Flynn

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), 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 and then apply them consistently;
- make judgements 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 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.

Disclosure of information to auditor

The directors confirm that so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware and, the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Auditor

Under section 487(2) of the Companies Act 2006 Grant Thornton UK LLP will have been deemed to have been reappointed as auditor 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

ARTIFICIAL SOLUTIONS UK LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

Small companies note

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemptions provided by section 415A of the Companies Act 2006.

On behalf of the board



.....
C. D. Bushnell
Director

.....
19/9/2018

ARTIFICIAL SOLUTIONS UK LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ARTIFICIAL SOLUTIONS UK LIMITED

Opinion

We have audited the financial statements of Artificial Solutions UK Limited (the 'company') for the year ended 31 December 2017 which comprise the Profit And Loss Account, the Balance Sheet and 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 Financial Reporting Standard 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 2017 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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.

Material uncertainty related to going concern

We draw attention to note 1.2 in the financial statements, which indicates that the company incurred a net loss of £1,206,463 during the year ended 31 December 2017 and, as of that date, the company had net liabilities of £6,242,933. The continued operation of the company is dependent on funds provided to it by its ultimate parent company, Artificial Solutions Holding ASH AB.

The ultimate parent company has indicated that this funding will be provided for at least 12 months from the date of approval of these financial statements although as described further in note 1.2 there is a level of uncertainty regarding the ability of the ultimate parent company to do this as it depends on either the raising of additional funding by the group or the substantial achievement of the group's budgets and forecasts.

These conditions, along with the other matters explained in note 1.2 to the financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Who we are reporting to

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.

ARTIFICIAL SOLUTIONS UK LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF ARTIFICIAL SOLUTIONS UK LIMITED

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

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 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.

Matter on which we are required to report under the Companies Act 2006

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.

Matters on which we are required to report by exception

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; 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 in preparing the Directors' Report and take advantage of the small companies exemption from the requirement to prepare a Strategic Report.

Responsibilities of directors for the financial statements

As explained more fully in the Statement of directors' responsibilities, 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 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.

ARTIFICIAL SOLUTIONS UK LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF ARTIFICIAL SOLUTIONS UK LIMITED

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.

Grant Thornton UK LLP

Pinkesh Patel
(Senior Statutory Auditor)
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Oxford

19/9/2018

ARTIFICIAL SOLUTIONS UK LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2017

	Notes	2017 £	2016 £
Turnover		3,538,090	2,941,078
Cost of sales		(715,662)	(297,601)
Gross profit		<u>2,822,428</u>	<u>2,643,477</u>
Administrative expenses		(3,873,500)	(3,672,928)
Operating loss	2	<u>(1,051,072)</u>	<u>(1,029,451)</u>
Interest receivable and similar income		6,097	24,304
Interest payable and similar expenses	5	(161,488)	(112,715)
Loss before taxation		<u>(1,206,463)</u>	<u>(1,117,862)</u>
Tax on loss		-	(539)
Loss for the financial year		<u><u>(1,206,463)</u></u>	<u><u>(1,118,401)</u></u>

The notes on pages 8 to 14 form part of the financial statements.

ARTIFICIAL SOLUTIONS UK LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2017

	Notes	2017		2016	
		£	£	£	£
Fixed assets					
Tangible assets	6		40,330		31,045
Current assets					
Debtors falling due within one year	7	520,183		314,152	
Cash at bank and in hand		117,818		58,573	
		<u>638,001</u>		<u>372,725</u>	
Creditors: amounts falling due within one year	8	<u>(880,709)</u>		<u>(876,628)</u>	
Net current liabilities			(242,708)		(503,903)
Debtors falling due after one year	7		2,450,578		2,547,652
Total assets less current liabilities			<u>2,248,200</u>		<u>2,074,794</u>
Creditors: amounts falling due after more than one year	9		(8,491,133)		(7,111,263)
Net liabilities			<u>(6,242,933)</u>		<u>(5,036,469)</u>
Capital and reserves					
Called up share capital	10		100		100
Profit and loss reserves			(6,243,033)		(5,036,569)
Total equity			<u>(6,242,933)</u>		<u>(5,036,469)</u>

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

The financial statements were approved by the board of directors and authorised for issue on 19/9/2018 and are signed on its behalf by:


C D Bushnell
Director

Company Registration No. 06200740

The notes on pages 8 to 14 form part of these financial statements.

ARTIFICIAL SOLUTIONS UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

1 Accounting policies

Company information

Artificial Solutions UK Limited is a private company limited by shares incorporated in England and Wales. The registered office is 3 Riverside House, Mill Lane, Newbury, Berkshire, RG14 5QS. Registered Number: 06200740

1.1 Basis of preparation of financial statements

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland for smaller entities' ("FRS 102 1A"), and with 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 unless otherwise specified within these accounting policies. The principal accounting policies adopted are set out below.

1.2 Going concern

The financial statements are prepared on a going concern basis, notwithstanding the company having made a loss for the year of £1,206,463 and reporting net liabilities of £6,242,933 at the balance sheet date. In considering the appropriateness of the going concern basis management have considered budgets and forecasts that are prepared for the group as a whole. No company level budgets are prepared as the activities of the various group companies are considered to be so inter-related that individual company-level budgets are not reflective of the operations of the group. Funding for the group is obtained on a global basis, and the continued operation of the company is dependent on funds provided by Artificial Solutions Holding ASH AB, the ultimate parent company (see note 12).

In considering the appropriateness of the basis of preparation of these financial statements the directors have noted that Artificial Solutions Holding ASH AB has indicated that for a period of at least twelve months from the signing of these financial statements it will continue to make available such funds as are needed by the company in order to support its continued operations and it will not seek repayment of the amounts due from the company.

The ability of the directors of the ultimate parent to make such funding available to the company as required is dependent upon either the raising of additional funding by the group or the substantial achievement of the groups budgets and forecasts, including the completion of certain sales agreements with customers, which are expected to be very substantial but the forecasting of which as to both the quantum and timing remains difficult to predict with certainty. Were additional funding to be required by the Group to support longer than predicted sales cycles such funds are expected to be available as needed. Artificial Solutions Holding ASH AB has raised additional financing during 2018 amounting to €8.3m and it is in the process of negotiating further additional financing.

As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that the support from Artificial Solutions Holding ASH AB will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

The directors have concluded that the combination of these circumstances represent a material uncertainty that casts significant doubt upon the company's ability to continue as a going concern and therefore, that it may be unable to realise its assets and discharge its liabilities in the ordinary course of business. Nevertheless after making enquiries and considering the uncertainties described above, the directors have a reasonable expectation that the company has adequate resources to continue its operational existence for the foreseeable future. For these reasons, they continue to adopt the going concern basis in preparing the annual report and accounts.

ARTIFICIAL SOLUTIONS UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

1 Accounting policies (Continued)

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. Revenue is recognised upon delivery of services or goods.

1.4 Tangible fixed assets

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

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:

Leasehold improvements	Straight line based on the length of the office lease
Fixtures, fittings & equipment	20%-25% straight line method
Office equipment	25% straight line method

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 credited or charged to profit or loss.

1.5 Impairment of fixed assets

At each reporting period end date, the company 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). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Cash and cash equivalents

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

ARTIFICIAL SOLUTIONS UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

1 Accounting policies

(Continued)

1.7 Financial instruments

The company 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 company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.8 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.9 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 company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

ARTIFICIAL SOLUTIONS UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

1 Accounting policies

(Continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. 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. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.10 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.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

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 relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

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.

1.14 Development expenditure

Development expenditure is expensed as it is incurred.

2 Operating loss

	2017	2016
	£	£
Operating loss for the year is stated after charging/(crediting):		
Fees payable to the company's auditor for the audit of the company's financial statements	13,350	16,246
Depreciation-owned assets	13,883	12,489
Operating lease rentals	19,604	14,409
Foreign exchanges losses/(gains)	213,009	854,604

ARTIFICIAL SOLUTIONS UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

2 Operating loss (Continued)

The audit fees for the Company are borne by the ultimate parent company, Artificial Solutions Holding ASH AB, a company incorporated in Sweden.

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was 27 (2016 - 23).

4 Directors' remuneration

	2017	2016
	£	£
Remuneration paid to directors	382,123	304,890
	<u> </u>	<u> </u>

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

5 Interest payable and similar expenses

	2017	2016
	£	£
Interest payable and similar expenses includes the following:		
Interest payable to group undertakings	161,488	112,715
	<u> </u>	<u> </u>

6 Tangible fixed assets

	Leasehold improvements	Fixtures, fittings & computer equipment	Office equipment	Total
	£	£	£	£
Cost				
At 1 January 2017	8,581	57,336	25,660	91,577
Additions	-	13,811	9,357	23,168
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 December 2017	8,581	71,147	35,017	114,745
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Depreciation and impairment				
At 1 January 2017	6,581	37,819	16,132	60,532
Depreciation charged in the year	261	8,522	5,100	13,883
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 December 2017	6,842	46,341	21,232	74,415
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Carrying amount				
At 31 December 2017	1,739	24,806	13,785	40,330
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 December 2016	2,000	19,517	9,528	31,045
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

ARTIFICIAL SOLUTIONS UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

7 Debtors

	2017	2016
	£	£
Amounts falling due within one year:		
Trade debtors	23,740	22,156
Amounts due from related parties	283,039	252,431
Other debtors	213,404	39,565
	<u>520,183</u>	<u>314,152</u>

Amounts due from related parties relate to a loan to NLISIP Limited, see note 11 for further details

Amounts falling due after more than one year:

Amount due from group undertakings	2,450,578	2,547,652
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An agreement is in place for amounts due from group undertakings to be offset against balances due to Artificial Solutions Holding ASH AB, the ultimate parent undertaking, see note 9.

8 Creditors: amounts falling due within one year

	2017	2016
	£	£
Trade creditors	63,886	15,423
Other taxation and social security	118,989	81,549
Other creditors	697,834	779,656
	<u>880,709</u>	<u>876,628</u>

9 Creditors: amounts falling due after more than one year

	2017	2016
	£	£
Amounts due to group undertakings	<u>8,491,133</u>	<u>7,111,263</u>

Amounts due to group undertakings are due to Artificial Solutions Holding ASH AB, the ultimate parent undertaking and bears interest at a rate of 0.5% plus the Sveriges Riksbank Repo rate.

10 Called up share capital

	2017	2016
	£	£
Ordinary share capital		
Issued and fully paid		
100 Ordinary shares of £1 each	100	100
	<u>100</u>	<u>100</u>

ARTIFICIAL SOLUTIONS UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

11 Related party transactions

The company has utilised the exemption allowing non-disclosure of transactions with the ultimate parent company or any wholly owned subsidiary undertaking of the group.

The following amounts were outstanding at the reporting end date:

	2017 Balance £
Amounts owed by related parties	
Amounts due from NLISIP Limited	283,039
	<u> </u>
	<u> </u>
	2016 Balance £
Amounts owed in previous period	
Amounts due from NLISIP Limited	252,431
	<u> </u>
	<u> </u>

The company has a loan to NLISIP Limited, a company with common directors. NLISIP Limited was established to provide an employee stock incentive programme for Artificial Solutions Group employees. During the year the loan increased by £30,608, £5,512 relates to interest charged for the year, £12,797 relates to an increase in the loan capital, and £12,299 relates to foreign exchange as the loan is in euros. The balance bears interest at a rate of 1% above the base rate of Svenska Handelsbanken AB. This loan is disclosed under receivables as due within one year as the loan is repayable on demand.

No guarantees have been given or received.

12 Ultimate controlling party

The company is wholly owned by Artificial Solutions BV, a company incorporated in Holland. The ultimate parent company is Artificial Solutions Holding ASH AB, a company incorporated in Sweden. Copies of the consolidated accounts may be obtained from the ultimate parent company at C/Calabria 169 5 08015 Barcelona, Spain.

13 Operating lease commitments

Lessee

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

	2017 £	2016 £
Not later than 1 year	4,422	3,463
	<u> </u>	<u> </u>