

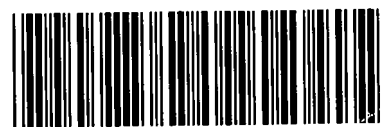
Registered number: 10377444

V4 UK Holdings Limited

Annual report and financial statements

For the period ended 31 March 2017

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23/08/2018
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V4 UK Holdings Limited

Company Information

Director	A Jacobs (appointed 15 September 2016)
Registered number	10377444
Registered office	One, Victoria Square Birmingham B1 1BD
Independent auditor	Crowe U.K. LLP Chartered Accountants & Statutory Auditor St Bride's House 10 Salisbury Square London EC4Y 8EH

V4 UK Holdings Limited

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V4 UK Holdings Limited

Group strategic report
For the period ended 31 March 2017

Introduction

The Group consists of two trading subsidiaries Bloom Procurement Services Limited ("BPS") and V4 Services Limited ("V4"). A controlling stake in both companies was acquired on 18 October 2016.

As part of the Group's long-term strategic plan the Group will seek to develop opportunities to fully leverage the capabilities of each subsidiary while more effectively sharing supporting functions, ensuring more efficient and flexible operations.

Outlined below is a strategic overview of each subsidiary.

Bloom Procurement Services Limited

Bloom Procurement Services Limited ("BPS") provides an eCommerce platform with a tailored service bringing together buyers and suppliers to acquire professional services in the most efficient and effective manner for all parties.

The scope of the BPS offering covers professional services expenditure across 19 categories of expenditure and includes the vast majority of services which any organisation may require, from consultancy, IT services, legal services, construction to more sector specific areas of services such as environmental waste management and social care services.

BPS continues to grow and develop its core services, increasing efficiency and performance. Some key financial strengths reported in the year include:

- 64% increase in buying organisations registered with BPS;
- 84% increase in suppliers registered with BPS;
- 66% increase in projects being managed by BPS;
- 73% increase in turnover.

The customer base continued to diversify, with increasing numbers of customers NHS, Education and Police sectors.

Continued Investment

This year also saw BPS re-brand from Ncpro Ltd to Bloom Procurement Services Ltd ensuring a more recognisable brand within our target market. BPS has invested in a sales and marketing capability which has assisted in the continued growth in revenue.

To support the exceptional growth within BPS there has been continued investment in IT systems, people and refined processes, with a continual focus on delivering more value for customers and suppliers.

Future Developments

BPS is uniquely placed to continue to significantly grow revenues, diversify its customer base, contracting routes and service lines. The Directors forecast another year of significant growth across new and existing customers.

BPS is in the process of building a highly experienced and exceptional executive and management team, while developing its core operational capability. BPS will also look to improve its general operational efficiency as it reaches significant scale in the value and number of projects being managed on behalf of customers.

There will be a specific focus on developing the core IT systems, analytics and business intelligence capability, this will include further investment in IT systems and securing relevant expertise in these specific areas to further improve our capability and delivery.

V4 UK Holdings Limited

Group strategic report (continued)
For the period ended 31 March 2017

V4 Services Limited

V4 provides specialist consultancy services focusing on improving procurement and commercial outcomes for a range of customers. V4 has significant expertise and an exceptional track record of delivery in diverse consultancy areas such as:

- Spend and market analysis;
- Procurement management and transformation;
- Leisure services;
- Adult and children's social care;
- Local government transformation;
- Community regeneration.

Future Developments

V4 has expertise in areas of high demand across the public and private sectors. It has an extensive array of know-how and a track record of delivery in complex and large areas of expenditure across Local Government and NHS combined with multiple contracting routes to these markets.

The management team will look to retain a focus on managing costs and seek to ensure an increased focus on developing future revenue opportunities while reinforcing the V4 service offering.

Principal Risks and Uncertainties

The Group is further developing its approach to corporate governance and has recently strengthened its executive and non-executive teams to support its growth and development.

The Group has actively been looking to diversify its routes to market and has recently been awarded a number of additional contracts, however, at this time the majority of revenue is reliant upon the North East Purchasing Organisations Framework Agreement which will be re-competed during 2019, although existing customers have the ability to extend contracts under the existing Framework Agreement that could extend in excess of 3 years.

The Group business model is such that whilst turnover is growing the cash cycle remains positive. The Group will need to continue to match investment to turnover growth until it establishes sufficient scale and efficiencies to generate increased profitability.

This report was approved by the board on

21/8/2018

and signed on its behalf.

A Jacobs
Director



V4 UK Holdings Limited

Director's report For the period ended 31 March 2017

The director presents his report and the financial statements for the period ended 31 March 2017.

Director's responsibilities statement

The director is responsible for preparing the strategic report, the Director's report and the consolidated financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the director must not approve the financial statements unless he is 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 director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

Results and dividends

The loss for the period, after taxation and minority interests, amounted to £227,492.

The director does not recommend a final dividend be paid.

Director

The director who served during the period was:

A Jacobs (appointed 15 September 2016)

Future developments

The Group will look to make a significant investment in both businesses including the enhanced capabilities of the executive team, improve business processes and policies to make the business more efficient and effective whilst focussing on developing digital technology and IT to drive the business forward to support its future growth plans. Further information is provided in the strategic report.

Disclosure of information to auditor

The director at the time when this Director's report is approved has confirmed that:

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

V4 UK Holdings Limited

Director's report (continued)
For the period ended 31 March 2017

Post balance sheet events

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

Auditor

On 25 June 2018, Crowe Clark Whitehill LLP changed its name to Crowe U.K. LLP.

Crowe U.K. LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 21/8/2018 and signed on its behalf.

A Jacobs
Director

V4 UK Holdings Limited

Independent auditor's report to the shareholders of V4 UK Holdings Limited

Opinion

We have audited the financial statements of V4 UK Holdings Limited (the 'Parent Company') and its subsidiaries (the 'Group') for the period ended 31 March 2017, which comprise the Consolidated Statement of Comprehensive Income, the Consolidated and Parent Company Balance Sheets, the Consolidated Statement of Cash Flows, the Consolidated and Parent Company Statement of Changes in Equity and the related notes, 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 Group's and of the Parent Company's affairs as at 31 March 2017 and of the Group's loss for the period 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 Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to note 3 of the financial statements, which describes the director's judgements in assessing the useful economic lives of goodwill arising on consolidation and the capitalised development costs, together with the carrying value of investments in subsidiaries in the parent company balance sheet. Our opinion is not modified in respect of these matters.

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.

V4 UK Holdings Limited

Independent auditor's report to the shareholders of V4 UK Holdings Limited (continued)

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 director's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the director has 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 director is 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.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Group strategic report and the Director's report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Group strategic report and the Director's report have been prepared in accordance with applicable legal requirements.

V4 UK Holdings Limited

Independent auditor's report to the shareholders of V4 UK Holdings Limited (continued)

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 Group strategic report or the Director's report.

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

- adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of director's 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 Director's responsibilities statement on page 3, the director is 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 director determines 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 director is 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 director either intends 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: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's report.



Leo Malkin (Senior statutory auditor)
for and on behalf of
Crowe U.K. LLP
Chartered Accountants
Statutory Auditor
London
Date: 22 August 2008

V4 UK Holdings Limited

**Consolidated statement of comprehensive income
For the period ended 31 March 2017**

	Note	2017 £
Turnover	4	32,824,318
Cost of sales		<u>(31,088,463)</u>
Gross profit		1,735,855
Administrative expenses		<u>(1,939,054)</u>
Operating loss	5	(203,199)
Interest receivable and similar income	8	34
Interest payable and expenses	9	<u>(18,105)</u>
Loss before taxation		(221,270)
Tax on loss	10	<u>(6,222)</u>
Loss for the financial period		<u><u>(227,492)</u></u>
Total comprehensive income for the period		<u><u>(227,492)</u></u>
Loss and total comprehensive income for the period attributable to:		
Non-controlling interest		33,481
Owners of the parent Company		<u>(260,973)</u>
		<u><u>(227,492)</u></u>

There were no recognised gains and losses other than those included in the consolidated statement of comprehensive income.

The notes on pages 14 to 29 form part of these financial statements.

V4 UK Holdings Limited
Registered number: 10377444

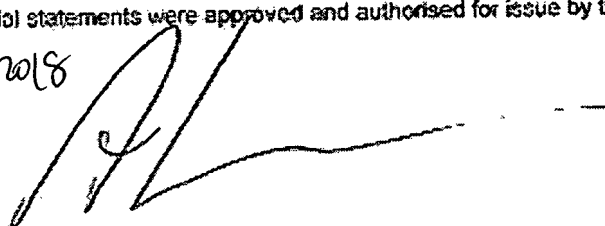
Consolidated balance sheet
As at 31 March 2017

	Note	2017 £
Fixed assets		
Intangible assets	12	2,284,937
Tangible assets	13	25,336
		<u>2,310,273</u>
Current assets		
Debtors: amounts falling due within one year	15	8,433,382
Cash at bank and in hand	16	3,883,256
		<u>12,316,638</u>
Creditors: amounts falling due within one year	17	<u>(13,468,172)</u>
Net current liabilities		<u>(1,151,534)</u>
Total assets less current liabilities		<u>1,158,739</u>
Creditors: amounts falling due after more than one year	18	(166,667)
Provisions for liabilities		
Deferred tax	21	(14,572)
		<u>(14,572)</u>
Net assets		<u><u>977,500</u></u>
Capital and reserves		
Called up share capital	22	75,000
Share premium account	23	1,159,000
Profit and loss account	23	(322,973)
Non-controlling interest		66,473
		<u>977,500</u>

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

21/8/2018

A Jacobs
Director



The notes on pages 14 to 29 form part of these financial statements.

V4 UK Holdings Limited
Registered number: 10377444

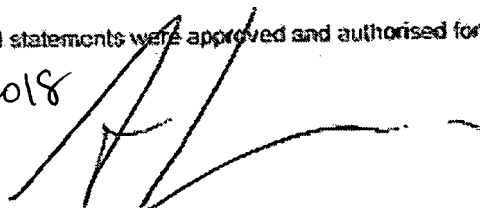
Company balance sheet
As at 31 March 2017

	Note	2017 £
Fixed assets:		
Investments in subsidiaries	14	2,516,931
		<u>2,516,931</u>
Creditors: amounts falling due within one year	17	<u>(1,282,931)</u>
Net current (liabilities)/assets		<u>(1,282,931)</u>
Total assets less current liabilities		<u>1,234,000</u>
Net assets		<u><u>1,234,000</u></u>
Capital and reserves		
Called up share capital	22	75,000
Share premium account	23	1,159,000
Profit for the period		62,000
Dividends		<u>(62,000)</u>
Profit and loss account carried forward		<u><u>1,234,000</u></u>

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

21/8/2018

A Jacobs
 Director



The notes on pages 14 to 29 form part of these financial statements.

V4 UK Holdings Limited

Consolidated statement of changes in equity
For the period ended 31 March 2017

	Called up share capital £	Share premium account £	Profit and loss account £	Equity attributable to owners of parent Company £	Non- controlling interests £	Total equity £
Comprehensive income for the period	-	-	(260,973)	(260,973)	33,481	(227,492)
Loss for the period	-	-	(260,973)	(260,973)	33,481	(227,492)
Total comprehensive income for the period	-	-	(82,000)	(62,000)	-	(62,000)
Dividends: Equity capital	-	-	-	1,234,000	-	1,234,000
Shares issued during the period	75,000	1,169,000	-	-	32,992	32,992
Non-controlling interest on acquisition	-	-	-	-	-	-
Total transactions with owners	75,000	1,169,000	(62,000)	1,172,000	32,992	1,204,992
At 31 March 2017	75,000	1,169,000	(322,973)	811,027	66,473	977,500

The notes on pages 14 to 29 form part of these financial statements.

V4 UK Holdings Limited

**Company statement of changes in equity
For the period ended 31 March 2017**

	Called up share capital £	Share premium account £	Profit and loss account £	Total equity £
Comprehensive income for the period				
Profit for the period	-	-	62,000	62,000
Contributions by and distributions to owners				
Dividends: Equity capital	-	-	(62,000)	(62,000)
Shares issued during the period	75,000	1,159,000	-	1,234,000
At 31 March 2017	75,000	1,159,000	-	1,234,000

The notes on pages 14 to 29 form part of these financial statements.

V4 UK Holdings Limited

Consolidated statement of cash flows
For the period ended 31 March 2017

	Note	2017 £
Cash flows from operating activities		
Loss for the financial period		(227,492)
Adjustments for:		
Amortisation of intangible assets		102,323
Depreciation of tangible assets		8,805
Gain on disposal of tangible assets		(14,661)
Interest paid		18,105
Interest received		(34)
Increase in debtors		(2,210,467)
Increase in creditors		5,726,223
Net cash generated from operating activities		<u>3,402,803</u>
Cash flows from investing activities		
Purchase of intangible fixed assets		(78,082)
Purchase of tangible fixed assets		(14,894)
Sale of tangible fixed assets		15,286
Acquisition of subsidiaries, net of cash acquired	24	(919,171)
Interest received		34
Net cash used in investing activities		<u>(996,827)</u>
Cash flows from financing activities		
Issue of ordinary shares		1,234,000
New secured loans advanced		245,228
Other new loans advanced		200,000
Repayment of loans		(121,843)
Dividends paid		(62,000)
Interest paid		(18,105)
Net cash from financing activities		<u>1,477,280</u>
Net increase in cash and cash equivalents		<u>3,883,256</u>
Cash and cash equivalents at beginning of period		-
Cash and cash equivalents at the end of period		<u><u>3,883,256</u></u>
Cash and cash equivalents at the end of period comprise:		
Cash at bank and in hand		3,883,256
		<u><u>3,883,256</u></u>

The notes on pages 14 to 29 form part of these financial statements.

V4 UK Holdings Limited

Notes to the financial statements For the period ended 31 March 2017

1. General information

V4 UK Holdings Limited (the Company) is a limited company incorporated and domiciled in the United Kingdom. The company is limited by shares and incorporated in England and Wales. The address of its registered office is One, Victoria Square, Birmingham, England, B1 1BD.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

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

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of comprehensive income in these financial statements.

The following principal accounting policies have been applied:

2.2 Basis of consolidation

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

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

2.3 Going concern

The director considers the going concern basis to be appropriate having paid due regard to the Company's projected results during the twelve months from the date the financial statements are approved.

V4 UK Holdings Limited

Notes to the financial statements For the period ended 31 March 2017

2. Accounting policies (continued)

2.4 Revenue

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

Rendering of services

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

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

2.5 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the Group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Consolidated statement of comprehensive income over its useful economic life of 12 years.

Other intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

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

The amortisation of intangible assets is included within Administration expenses in the Statement of Comprehensive Income.

2.6 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

V4 UK Holdings Limited

Notes to the financial statements For the period ended 31 March 2017

2. Accounting policies (continued)

2.6 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Fixtures and fittings	-	33%
Office equipment	-	33%

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Consolidated statement of comprehensive income.

2.7 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.8 Debtors

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

2.9 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

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

2.10 Financial instruments

The Group only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

V4 UK Holdings Limited

Notes to the financial statements For the period ended 31 March 2017

2. Accounting policies (continued)

2.11 Creditors

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

2.12 Dividends

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

2.13 Pensions

Defined contribution pension plan

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

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

2.14 Interest income

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

2.15 Borrowing costs

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

2.16 Provisions for liabilities

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

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

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

Notes to the financial statements
For the period ended 31 March 2017

2. Accounting policies (continued)

2.17 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives, which range from 3 to 6 years.

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

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

In the application of the Group's accounting policies, which are described in Note 2, the director is required to make judgments, estimates and assumptions which affect the reported amounts of assets, liabilities, revenues and expenses. The director bases his judgments, estimates and assumptions on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates under different judgments or assumptions.

The capitalised development expenditure in note 12 relates to IT systems used currently within the NEPO framework agreement that is due for renewal in 2019. As noted in the Strategic Report on page 1, the company is working towards renewing that framework agreement and adding others to the company's portfolio and the director has determined that a useful life of 5 years is appropriate for the amortisation of the capitalised development expenditure.

Goodwill on consolidation in note 12 has arisen on the acquisition of subsidiaries during the period, as further explained in note 24. The director has assessed the useful life of the goodwill at 12 years from the date of acquisition of the subsidiaries, which assumes that the NEPO framework agreement will be renewed and which would expire in 2028, including a 3 year run off period. An assumption has also been made that the group does not obtain any other agreements in the event that the NEPO framework agreement is not renewed.

The carrying value of investments in note 14 has been assessed by the director against the expected future benefits earned by the subsidiaries, on the assumption the NEPO framework agreement is renewed, and no other agreements are obtained.

Should the group not be successful in renewing the NEPO framework agreement, the useful life of the goodwill would be reduced to 6 years and both the carrying value of the goodwill and the investments in subsidiaries may be subject to impairment.

The director does not consider there to be any key other sources of estimation and uncertainty when applying the accounting policies.

V4 UK Holdings Limited

Notes to the financial statements For the period ended 31 March 2017

4. Turnover

An analysis of turnover by class of business is as follows:

	2017 £
Consultancy services	32,824,318
	<u>32,824,318</u>

All turnover arose within the United Kingdom.

5. Operating loss

The operating loss is stated after charging:

	2017 £
Depreciation of tangible fixed assets	8,806
Amortisation of intangible assets, including goodwill	102,323
Fees payable to the Group's auditors for:	
- The audit of the Company's annual financial statements	12,000
- The audit of the Company's subsidiaries	34,000
Defined contribution pension cost	78,540
	<u>127,669</u>

6. Employees

Staff costs, including director's remuneration, were as follows:

	Group 2017 £	Company 2017 £
Wages and salaries	616,503	106,021
Social security costs	117,692	4,302
Cost of defined contribution scheme	78,540	-
	<u>812,735</u>	<u>110,323</u>

The average monthly number of employees, including the director, during the period was as follows:

	2017 No.
Director	1
Employees	37
	<u>38</u>

V4 UK Holdings Limited

**Notes to the financial statements
For the period ended 31 March 2017**

7. Director's remuneration	2017
	£
Director's emoluments	<u>192,899</u>
	<u><u>192,899</u></u>
8. Interest receivable	2017
	£
Other interest receivable	<u>34</u>
	<u><u>34</u></u>
9. Interest payable and similar expenses	2017
	£
Bank interest payable	2,951
Other loan interest payable	14,739
Other interest payable	415
	<u>18,105</u>
	<u><u>18,105</u></u>
10. Taxation	2017
	£
Corporation tax	
Current tax on profits for the year	<u>5,513</u>
	<u>5,513</u>
	<u><u>5,513</u></u>
Total current tax	<u><u>5,513</u></u>
Deferred tax	
Origination and reversal of timing differences	<u>709</u>
	<u>709</u>
Total deferred tax	<u><u>709</u></u>
	<u><u>6,222</u></u>
Taxation on loss on ordinary activities	<u><u>6,222</u></u>

V4 UK Holdings Limited

Notes to the financial statements
For the period ended 31 March 2017

10. Taxation (continued)

Factors affecting tax charge for the period

The tax assessed for the period differs from the standard rate of corporation tax in the UK of 20%. The differences are explained below:

	2017 £
Loss on ordinary activities before tax	<u>(221,270)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 20%	(44,254)
Effects of:	
Non-tax deductible amortisation of goodwill and impairment	16,903
Other differences leading to an increase (decrease) in the tax charge	32,864
Deferred tax	<u>709</u>
Total tax charge for the period	<u><u>6,222</u></u>

11. Dividends

	2017 £
Dividends	<u>62,000</u>
	<u><u>62,000</u></u>

V4 UK Holdings Limited

Notes to the financial statements
For the period ended 31 March 2017

12. Intangible assets

Group and Company

	Development expenditure £	Goodwill £	Total £
Cost			
Additions	78,082	2,212,696	2,290,778
Additions - internal	96,482	-	96,482
At 31 March 2017	<u>174,564</u>	<u>2,212,696</u>	<u>2,387,260</u>
Amortisation			
Charge for the year	17,810	84,513	102,323
At 31 March 2017	<u>17,810</u>	<u>84,513</u>	<u>102,323</u>
Net book value			
At 31 March 2017	<u>156,754</u>	<u>2,128,183</u>	<u>2,284,937</u>

13. Tangible fixed assets

Group

	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation			
Additions	12,231	2,663	14,894
Disposals	(3,303)	-	(3,303)
Acquisition	11,325	8,548	19,873
At 31 March 2017	<u>20,253</u>	<u>11,211</u>	<u>31,464</u>
Depreciation			
Charge for the period on owned assets	6,770	2,036	8,806
Disposals	(2,678)	-	(2,678)
At 31 March 2017	<u>4,092</u>	<u>2,036</u>	<u>6,128</u>
Net book value			
At 31 March 2017	<u>16,161</u>	<u>9,175</u>	<u>25,336</u>

V4 UK Holdings Limited

**Notes to the financial statements
For the period ended 31 March 2017**

14. Investments in subsidiaries

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Class of shares	Holding	Principal activity
Bloom Procurement Services Limited	Ordinary	80%	Consultancy services
V4 Services Limited	Ordinary	100%	Consultancy services

Name	Registered office
Bloom Procurement Services Limited	Rotterdam House, 116 Quayside, Newcastle Upon Tyne, NE1 3DY
V4 Services Limited	One Victoria Square, Birmingham, B1 1BD

The aggregate of the share capital and reserves as at 31 March 2017 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

	Aggregate of share capital and reserves £	Profit £
Bloom Procurement Services Limited	202,443	3,097
V4 Services Limited	228,230	36,857
	<u>430,673</u>	<u>39,954</u>

Company

	Unlisted investments £
Cost or valuation	
Additions	2,516,931
At 31 March 2017	<u>2,516,931</u>
Net book value	
At 31 March 2017	<u>2,516,931</u>

V4 UK Holdings Limited

Notes to the financial statements
For the period ended 31 March 2017

15. Debtors

	Group 2017 £	Company 2017 £
Trade debtors	5,284,697	-
Other debtors	227,090	-
Prepayments and accrued income	2,921,595	-
	<u>8,433,382</u>	<u>-</u>

16. Cash and cash equivalents

	Group 2017 £	Company 2017 £
Cash at bank and in hand	3,883,256	-
	<u>3,883,256</u>	<u>-</u>

17. Creditors: Amounts falling due within one year

	Group 2017 £	Company 2017 £
Debt factoring facility	156,718	-
Trade creditors	12,237,368	-
Amounts owed to group companies	-	477,501
Corporation tax	99,378	5,513
Other taxation and social security	124,101	20,160
Other creditors (incl directors loans)	645,700	779,182
Accruals and deferred income	204,907	575
	<u>13,468,172</u>	<u>1,282,931</u>

A subsidiary has a debt factoring facility in place with ABN AMRO. Funds are available to be drawn down at an advance rate of 85% against the subsidiary's trade debtors that are aged less than 120 days, with the facility capped at £900,000. At 31 March 2017, the outstanding balance on the facility of £156,718 (2016: £Nil) was secured by trade debtors of £224,882 (2016: £319,432). Interest is charged on the drawn down funds at a rate of 2.5% above the base rate.

V4 UK Holdings Limited

Notes to the financial statements
For the period ended 31 March 2017

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

	Group 2017 £	Company 2017 £
Other loans	166,667	-
	<u>166,667</u>	<u>-</u>

Included within Other Loans is a balance due to ABN AMRO Commercial Finance Plc. This amount is due for repayment on 18 October 2018. The loan is secured by way of a personal guarantee.

Interest is charged on this balance at a rate of 4% per annum over the base rate.

19. Loans

	Group 2017 £
Amounts falling due within one year	
Debt factoring facility	156,718
Amounts falling due 1-2 years	
Other loans	166,667
	<u>323,385</u>

20. Financial Instruments:

	Group 2017 £	Company 2017 £
Financial assets		
Financial assets measured at amortised cost	5,511,787	2,516,931
	<u>5,511,787</u>	<u>2,516,931</u>
Financial liabilities		
Financial liabilities measured at amortised cost	(13,109,533)	(1,245,204)
	<u>(13,109,533)</u>	<u>(1,245,204)</u>

V4 UK Holdings Limited

Notes to the financial statements
For the period ended 31 March 2017

21. Deferred taxation

Group

	2017 £
	(709)
Charged to profit or loss	(13,863)
Arising on business combinations	<u>(14,572)</u>
At end of year	<u><u>(14,572)</u></u>

At end of year

The deferred taxation balance is made up as follows:

	Group 2017 £
Accelerated capital allowances	(30,326)
Tax losses carried forward	15,754
	<u><u>(14,572)</u></u>

22. Share capital

	2017 £
Allotted, called up and fully paid 75,000 Ordinary shares of £1 each	<u><u>75,000</u></u>

This represents the nominal value of shares that have been issued by the company.

23. Reserves

Share premium account

This represents the premium that was paid on the shares that have been issued by the company.

Profit and loss account

This reserve comprises all current and prior period retained profits and losses after deducting any distributions made to the company's shareholders.

V4 UK Holdings Limited

**Notes to the financial statements
For the period ended 31 March 2017**

24. Business combinations

Acquisition of Bloom Procurement Services Limited on 18 October 2016

	Book value £	Fair value £
Tangible assets	8,548	8,548
Intangible assets	96,482	96,482
	<u>105,030</u>	<u>105,030</u>
Debtors	5,542,175	5,542,175
Cash at bank and in hand	1,424,311	1,424,311
	<u>7,071,516</u>	<u>7,071,516</u>
Total assets		
Creditors due within one year	(7,223,524)	(7,223,524)
Deferred tax	(12,952)	(12,952)
	<u>(164,960)</u>	<u>(164,960)</u>
Fair value of net assets		

The results of Bloom Procurement Services Limited since its acquisition on 18 October 2016 are as follows:

	Current period since acquisition £
Turnover	32,081,188
	<u>32,081,188</u>
Profit for the period	67,403
	<u>67,403</u>

V4 UK Holdings Limited

Notes to the financial statements
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Acquisition of V4 Services Limited on 18 October 2016

	Book value £	Fair value £
	11,325	11,325
Tangible	11,325	11,325
	680,740	680,740
Debtors	173,449	173,449
Cash at bank and in hand	865,514	865,514
Total assets	(362,416)	(362,416)
Creditors due within one year	(911)	(911)
Deferred tax	502,187	502,187
Fair value of net assets		

The results of V4 Services Limited since its acquisition on 18 October 2016 are as follows:

	Current period since acquisition £
Turnover	933,745
Profit for the period	181,164

Total business combinations

Total consideration paid, including costs
Total fair value of assets purchased
Non-controlling interest at acquisition
Total goodwill

2017
£
2,516,931
(337,227)
32,992
2,212,696

V4 UK Holdings Limited

Notes to the financial statements
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Cash movements on acquisition of subsidiaries

	2017
	£
Total consideration paid	2,516,931
Cash acquired	(1,597,760)
	<u>919,171</u>

25. Pension commitments

A subsidiary company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the subsidiary company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £78,540 (2016: £50,069). No amounts are outstanding in relation to this at the year end.

26. Commitments under operating leases

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

	Group
	2017
	£
Later than 1 year and not later than 5 years	72,072
	<u>72,072</u>

27. Related party transactions

The company owes £440,005 to director Adam Jacobs. Interest was charged on this balance of £13,479 which remained outstanding at the year end.

28. Controlling party

The company is under the control of Mr Adam Jacobs, who owns 100% of the issued share capital.