

**NEWABLE TRADE (LONDON) LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2018**



# NEWABLE TRADE (LONDON) LIMITED

## COMPANY INFORMATION

---

**Directors**

J Baker  
M Cohen  
C Manson  
K Moseshvili  
VA Sharp (Appointed 8 January 2018)  
M Walsh

**Secretary**

M Hofman

**Company number**

02233989

**Registered office**

140 Aldersgate Street  
London  
EC1A 4HY

**Auditor**

BDO LLP  
55 Baker Street  
London  
W1U 7EU

---

# **NEWABLE TRADE (LONDON) LIMITED**

## **CONTENTS**

---

	<b>Page</b>
Directors' report	1 - 2
Independent auditor's report	3 - 5
Statement of comprehensive income	6
Statement of financial position	7
Statement of changes in equity	8
Notes to the financial statements	9 - 15

---

# **NEWABLE TRADE (LONDON) LIMITED**

## **DIRECTORS' REPORT**

### **FOR THE YEAR ENDED 31 MARCH 2018**

---

The directors present their annual report and financial statements for the year ended 31 March 2018.

The financial statements have been prepared in accordance with Financial Reporting Standard 100 Application of Financial Reporting Requirements and Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101).

#### **Results and dividends**

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

#### **Directors**

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

J Baker

M Cohen

C Manson

K Moseshvili

VA Sharp

M Walsh

(Appointed 8 January 2018)

#### **Auditor**

In accordance with the company's articles, a resolution proposing that BDO LLP be reappointed as auditor of the company will be put at a General Meeting.

#### **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 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are 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.

# **NEWABLE TRADE (LONDON) LIMITED**

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

### **FOR THE YEAR ENDED 31 MARCH 2018**

---

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

Each director in office at the date of approval of this annual report confirms that:

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

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

On behalf of the board



M Walsh  
**Director**

10 July 2018

# **NEWABLE TRADE (LONDON) LIMITED**

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF NEWABLE TRADE (LONDON) LIMITED**

---

#### **Opinion**

We have audited the financial statements of Newable Trade (London) Limited for the year ended 31 March 2018 which comprise the Statement of Comprehensive Income, the Statement Of Financial Position, the Statement of Changes in Equity 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 (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (IASs (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 IASs (UK) require us to report to you where:

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

# **NEWABLE TRADE (LONDON) LIMITED**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE MEMBERS OF NEWABLE TRADE (LONDON) LIMITED**

---

#### **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.

#### **Opinion on other matter 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.

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

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; and

# **NEWABLE TRADE (LONDON) LIMITED**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE MEMBERS OF NEWABLE TRADE (LONDON) LIMITED**

---

#### **Responsibilities of Directors**

As explained more fully in the Directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

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

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

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

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

#### **Use of our report**

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

*boo up*

**Tim Neathercoat (Senior Statutory Auditor)**  
**for and on behalf of BDO LLP**  
**Statutory Auditor**  
55 Baker Street  
London  
W1U 7EU

10 July 2018

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).



**NEWABLE TRADE (LONDON) LIMITED**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 MARCH 2018**

	Notes	2018 £	2017 £
Revenue	2	6,595,699	6,633,570
Administrative expenses		(6,266,147)	(6,276,977)
<b>Operating profit</b>	<b>3</b>	<b>329,552</b>	<b>356,593</b>
Investment income	5	43	-
Finance costs	7	-	(26)
<b>Profit before taxation</b>		<b>329,595</b>	<b>356,567</b>
Tax on profit	8	7,718	(32,210)
<b>Profit and total comprehensive income for the financial year</b>		<b>337,313</b>	<b>324,357</b>

The statement of comprehensive income has been prepared on the basis that all operations are continuing operations.

The notes on pages 9 - 15 form part of these financial statements.

# NEWABLE TRADE (LONDON) LIMITED

## STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2018

	Notes	2018 £	2017 £
<b>Non-current assets</b>			
Deferred tax asset	11	10,048	4,525
<b>Current assets</b>			
Trade and other receivables	9	3,009,497	2,380,463
Cash at bank and in hand		31,842	5,083
		<u>3,041,339</u>	<u>2,385,546</u>
<b>Current liabilities</b>			
Borrowings		131	27,612
Trade and other payables	10	1,617,332	1,204,590
Taxation and social security		165,666	226,924
		<u>1,783,129</u>	<u>1,459,126</u>
<b>Net current assets</b>		<u>1,258,210</u>	<u>926,420</u>
<b>Total assets less current liabilities</b>		<u>1,268,258</u>	<u>930,945</u>
<b>Net assets</b>		<u>1,268,258</u>	<u>930,945</u>
<b>Equity</b>			
Called up share capital	12	2	2
Retained earnings		1,268,256	930,943
<b>Total equity</b>		<u>1,268,258</u>	<u>930,945</u>

These financial statements were prepared in accordance with the small companies' regime.

The notes on pages 9 - 15 form part of these financial statements.

The financial statements were approved by the board of directors and authorised for issue on 10 July 2018 and are signed on its behalf by:



M Walsh  
Director

Company Registration No. 02233989

# NEWABLE TRADE (LONDON) LIMITED

## STATEMENT OF CHANGES IN EQUITY

**FOR THE YEAR ENDED 31 MARCH 2018**

---

	Share capital £	Retained earnings £	Total £
Balance at 1 April 2016	2	606,586	606,588
Year ended 31 March 2017:			
Profit and total comprehensive income for the year	-	324,357	324,357
Balance at 31 March 2017	2	930,943	930,945
Year ended 31 March 2018:			
Profit and total comprehensive income for the year	-	337,313	337,313
Balance at 31 March 2018	2	1,268,256	1,268,258

---

The notes on pages 9 - 15 form part of these financial statements.

# **NEWABLE TRADE (LONDON) LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED 31 MARCH 2018**

---

#### **1 Accounting policies**

##### **1.1 Accounting convention**

Newable Trade (London) Limited is a private company limited by shares incorporated and domiciled in England and Wales. The address of the registered office is given in note 15. The nature of the company's operations and its principle activities are set out in the directors' report on pages 1 - 2.

The financial statements have been prepared in accordance with Financial Reporting Standard 100 Application of Financial Reporting Requirements and Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101). The principal accounting policies adopted in the preparation of the financial statements are set out below. The policies have been consistently applied throughout the year and preceding year.

The financial statements have been prepared on the historical cost basis. All amounts are rounded to the nearest pound unless otherwise stated. The principal accounting policies adopted are set out below.

In preparing these financial statements the company has taken advantage of all disclosure exemptions conferred by FRS 101. Therefore these financial statements do not include:

- certain comparative information as otherwise required by EU endorsed IFRS;
- certain disclosures regarding the company's capital;
- a statement of cash flows;
- the effect of future accounting standards not yet adopted;
- the disclosure of the remuneration of key management personnel; and
- disclosure of related party transactions with other wholly owned members of the group headed by Newable UK Holdings Limited.

In addition, and in accordance with FRS 101 further disclosure exemptions have been adopted because equivalent disclosures are included in the consolidated financial statements of Newable Limited. These financial statements do not include certain disclosures in respect of:

- Financial instruments (other than certain disclosures required as a result of recording financial instruments at fair value);
- Fair value measurement (other than certain disclosures required as a result of recording financial instruments at fair value);

The consolidated financial statements of Newable Limited are available to the public and can be obtained as described in note 15.

##### **1.2 Revenue**

Revenue represents amounts receivable, excluding VAT, from:

- i) Recovery of costs and performance related income;
- ii) Consultancy income - recovery of operational costs and management time for Innovation services;
- iii) Other income - recovery of operational costs and management time for ERDF and other services.

Revenue is recognised when costs have been incurred and / or the conditions of the contract have been met.

##### **1.3 Cash and cash equivalents**

Cash and cash equivalents 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.

# NEWABLE TRADE (LONDON) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2018

---

#### 1 Accounting policies

##### 1.4 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 income statement 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.

##### *Deferred tax*

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary 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 income statement, 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.

##### 1.5 Employee 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.

##### 1.6 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 income statement for the period.

# NEWABLE TRADE (LONDON) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2018

#### 2 Revenue

An analysis of the company's revenue is as follows:

	2018 £	2017 £
Recovery of costs and performance related income from DIT (formerly UKTI)	4,433,331	4,940,857
Consultancy income	906,143	797,050
Other income	1,256,225	895,663
	<u>6,595,699</u>	<u>6,633,570</u>

All revenue is earned in the United Kingdom.

Revenue is recognised when costs have been incurred and / or the conditions of the funding met.

#### 3 Operating profit

	2018 £	2017 £
Operating profit for the year is stated after charging/(crediting):		
Exchange (gains)/losses	(876)	42,062

#### 4 Employees

	2018 £	2017 £
Wages and salaries	2,785,167	3,369,146
Social security costs	291,375	356,556
Pension costs	185,174	186,124
	<u>3,261,716</u>	<u>3,911,826</u>

There were no employees during the year, however the company was charged costs relating to an average of 52 (2017:77) employees per month. There was no adjustment made to these charges for accrued holiday pay as these charges reside in the company that hold employment contracts.

No emoluments were paid to the directors by the company during the year. The directors who served during the year, some of whom are also directors of the ultimate parent company, are remunerated for their services by the parent company. Full details of the parent company directors' emoluments are disclosed in the financial statements of Newable Limited. It is not possible to make an accurate apportionment of these directors' emoluments in respect of each of the subsidiaries.

# NEWABLE TRADE (LONDON) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

### 5 Investment income

	2018 £	2017 £
<b>Interest income</b>		
Interest on bank deposits	43	-

Total interest income for financial assets that are not held at fair value through profit or loss is £43 (2017 - £-).

### 6 Auditor's remuneration

	2018 £	2017 £
Fees payable to the company's auditor and its associates:		
<b>For audit services</b>		
Audit of the company's financial statements	14,500	8,900

### 7 Finance costs

	2018 £	2017 £
<b>Interest on financial liabilities measured at amortised cost:</b>		
Interest on bank overdrafts and loans	-	26

### 8 Income tax expense

	2018 £	2017 £
<b>Current tax</b>		
Current year taxation	(2,195)	9,677
<b>Deferred tax</b>		
Origination and reversal of temporary differences	(7,389)	16,006
Changes in tax rates	-	5,023
Adjustment in respect of prior periods	1,866	1,504
	(5,523)	22,533
<b>Total tax charge</b>	(7,718)	32,210

# NEWABLE TRADE (LONDON) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2018

#### 8 Income tax expense

The charge for the year can be reconciled to the profit per the income statement as follows:

	2018 £	2017 £
Profit before taxation	329,595	356,567
Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 19.00% (2017 - 20.00%)	62,623	71,313
Expenses not deductible in determining taxable profit	216	38
Adjustment in respect of prior years	(2,195)	-
Group relief	(74,008)	(42,948)
Deferred tax adjustments in respect of prior years	1,866	5,023
Transfer pricing	2,912	433
Change to average tax rate	868	(1,649)
Tax charge for the year	(7,718)	32,210

#### 9 Trade and other receivables

	2018 £	2017 £
Trade receivables	89,192	2,373
Other receivables and accrued income	1,407,094	2,215,658
Amounts due from fellow group undertakings	1,513,211	151,242
Prepayments	-	11,190
	3,009,497	2,380,463

Amounts due from fellow group undertakings are unsecured, have no fixed date of repayment and are repayable on demand.

#### 10 Trade and other payables

	2018 £	2017 £
Trade payables	53,116	215,836
Amounts due to fellow group undertakings	332,003	130,237
Accruals	207,245	322,696
Other payables and deferred income	1,024,968	535,821
	1,617,332	1,204,590

Amounts due to fellow group undertakings are unsecured, have no fixed date of repayment and are repayable on demand.



# NEWABLE TRADE (LONDON) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2018

#### 11 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon during the current and prior reporting period.

	ACAs £	Provisions £	Total £
Deferred tax liability at 1 April 2016	-	-	-
Deferred tax asset at 1 April 2016	-	(27,058)	(27,058)
<b>Deferred tax movements in prior year</b>			
Credit to profit or loss	-	22,533	22,533
Deferred tax asset at 1 April 2017	-	(4,525)	(4,525)
<b>Deferred tax movements in current year</b>			
Charge to profit or loss	(4,400)	(1,123)	(5,523)
Deferred tax asset at 31 March 2018	(4,400)	(5,648)	(10,048)

Deferred tax assets and liabilities are offset where the 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:

	2018 £	2017 £
Deferred tax assets	(10,048)	(4,525)

#### 12 Share capital

	2018 £	2017 £
<b>Ordinary share capital</b>		
<b>Authorised</b>		
1,000 Ordinary shares of £1 each	1,000	1,000
<b>Issued and fully paid</b>		
2 Ordinary shares of £1 each	2	2

#### 13 Retirement benefit schemes

##### Defined contribution schemes

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

The total costs charged to income in respect of defined contribution plans is £185,174 (2017 - £186,124). There was £30,106 owing at the year-end (2017 - £15,644).

# NEWABLE TRADE (LONDON) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2018**

---

### **14 Related party transactions**

The following amounts were outstanding at the reporting end date:

Amounts owed by related parties

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Newable Limited	<u>400,000</u>	<u>13,724</u>

The company has taken advantage of paragraph 8(k) of FRS 101 not to disclose transactions with fellow subsidiaries wholly owned by Newable UK Holdings Limited.

### **15 Controlling party**

The immediate parent company is Newable Contracts Holdings Limited and the ultimate parent undertaking, and the smallest and largest group to consolidate these financial statements, is Newable Limited, a company incorporated in Great Britain and registered in England and Wales. Copies of the consolidated financial statements of Newable Limited can be obtained from 140 Aldersgate Street, London EC1A 4HY.