

Futuremost Limited

Annual Report and Unaudited Financial Statements

for the Year Ended 31 December 2017

MMO Limited
Wellesley House
204 London Road
Waterlooville
Hampshire
PO7 7AN

**Chartered Accountants' Report to the Board of Directors on the Preparation of the Unaudited
Statutory Accounts of
Futuremost Limited
for the Year Ended 31 December 2017**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of Futuremost Limited for the year ended 31 December 2017 as set out on pages [2](#) to [10](#) from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance/>.

This report is made solely to the Board of Directors of Futuremost Limited, as a body, in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the accounts of Futuremost Limited and state those matters that we have agreed to state to the Board of Directors of Futuremost Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Futuremost Limited and its Board of Directors as a body for our work or for this report.

It is your duty to ensure that Futuremost Limited has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and profit of Futuremost Limited. You consider that Futuremost Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the accounts of Futuremost Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.

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MMO Limited
Wellesley House
204 London Road
Waterlooville
Hampshire
PO7 7AN

25 September 2018

Futuremost Limited

(Registration number: 02207885)
Balance Sheet as at 31 December 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	5	147,062	141,370
Current assets			
Stocks	6	41,000	42,200
Debtors	7	1,569,634	626,679
Cash at bank and in hand		1,160,782	1,685,977
		<u>2,771,416</u>	<u>2,354,856</u>
Creditors: Amounts falling due within one year	9	<u>(690,272)</u>	<u>(418,024)</u>
Net current assets		<u>2,081,144</u>	<u>1,936,832</u>
Total assets less current liabilities		2,228,206	2,078,202
Provisions for liabilities		<u>(1,106,317)</u>	<u>(1,104,770)</u>
Net assets		<u>1,121,889</u>	<u>973,432</u>
Capital and reserves			
Called up share capital	8	1,000	1,000
Profit and loss account		1,120,889	972,432
Total equity		<u>1,121,889</u>	<u>973,432</u>

For the financial year ending 31 December 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

The notes on pages [4](#) to [10](#) form an integral part of these financial statements.

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Futuremost Limited

(Registration number: 02207885)

Balance Sheet as at 31 December 2017

Approved and authorised by the Board on 25 September 2018 and signed on its behalf by:

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Mr Gary Charles Sheath
Director

The notes on pages [4](#) to [10](#) form an integral part of these financial statements.
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Futuremost Limited

Notes to the Financial Statements for the Year Ended 31 December 2017

1 General information

The company is a private company limited by share capital, incorporated in England.

The address of its registered office is:

Wellesley House
204 London Road
Waterlooville
Hampshire
PO7 7AN
England

The principal place of business is:

The Pyramid Centre
Airport Service Road
Portsmouth
PO3 5SH
England

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;
it is probable that future economic benefits will flow to the entity;
and specific criteria have been met for each of the company's activities.

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Futuremost Limited**Notes to the Financial Statements for the Year Ended 31 December 2017**

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

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

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Plant and equipment	15% reducing balance
Fixtures and fittings	15% reducing balance and 30% straight line
Motor vehicles	25% reducing balance

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Patents	3 years straight line
Franchise	5 years straight line

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Futuremost Limited

Notes to the Financial Statements for the Year Ended 31 December 2017

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Provisions

Provisions are recognised when the company has an obligation at the reporting date as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Futuremost Limited**Notes to the Financial Statements for the Year Ended 31 December 2017****Defined benefit pension obligation**

Typically defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognised in the Balance Sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the reporting date minus the fair value of plan assets. The defined benefit obligation is measured using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future payments by reference to market yields at the reporting date on high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability.

Actuarial gains and losses are charged or credited to other comprehensive income in the period in which they arise.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, analysed by category was as follows:

	2017 No.	2016 No.
Administration and support	45	43

4 Intangible assets

	Trademarks, patents and licenses £	Internally generated software development costs £	Total £
Cost or valuation			
At 1 January 2017	141,073	25,625	166,698
At 31 December 2017	141,073	25,625	166,698
Amortisation			
At 1 January 2017	141,073	25,625	166,698
At 31 December 2017	141,073	25,625	166,698
Carrying amount			
At 31 December 2017	-	-	-

The aggregate amount of research and development expenditure recognised as an expense during the period is £Nil (2016 - £Nil).

Futuremost Limited**Notes to the Financial Statements for the Year Ended 31 December 2017****5 Tangible assets**

	Furniture, fittings and equipment £	Motor vehicles £	Other tangible assets £	Total £
Cost or valuation				
At 1 January 2017	24,462	15,410	152,719	192,591
Additions	6,398	31,143	4,320	41,861
At 31 December 2017	<u>30,860</u>	<u>46,553</u>	<u>157,039</u>	<u>234,452</u>
Depreciation				
At 1 January 2017	12,991	6,742	31,488	51,221
Charge for the year	7,383	9,953	18,833	36,169
At 31 December 2017	<u>20,374</u>	<u>16,695</u>	<u>50,321</u>	<u>87,390</u>
Carrying amount				
At 31 December 2017	<u>10,486</u>	<u>29,858</u>	<u>106,718</u>	<u>147,062</u>
At 31 December 2016	<u>11,471</u>	<u>8,668</u>	<u>121,231</u>	<u>141,370</u>

Included within the net book value of land and buildings above is £Nil (2016 - £Nil) in respect of freehold land and buildings.

6 Stocks

	2017 £	2016 £
Other inventories	<u>41,000</u>	<u>42,200</u>

7 Debtors

	2017 £	2016 £
Trade debtors	482,584	191,962
Other debtors	<u>1,087,050</u>	<u>434,717</u>
	<u>1,569,634</u>	<u>626,679</u>

8 Share capital**Allotted, called up and fully paid shares**

	2017		2016	
	No.	£	No.	£
Ord of £1 each	1,000	1,000	1,000	1,000

Futuremost Limited**Notes to the Financial Statements for the Year Ended 31 December 2017****9 Creditors****Creditors: amounts falling due within one year**

	Note	2017 £	2016 £
Due within one year			
Trade creditors		187,252	103,877
Amounts owed to group undertakings and undertakings in which the company has a participating interest	11	313,258	192,394
Taxation and social security		89,753	57,562
Accruals and deferred income		18,296	11,797
Other creditors		81,713	52,394
		<u>690,272</u>	<u>418,024</u>

10 Dividends

	2017 £	2016 £
Interim dividend of £200.00 (2016 - £237.00) per ordinary share	200,000	237,000

11 Related party transactions**Transactions with directors**

	At 1 January 2017 £	Advances to directors £	At 31 December 2017 £
2017			
Mr Gary Charles Sheath			
Directors loan account	344,732	(259,732)	85,000
<hr/>			
Mr David Barrett			
Directors loan account	85,000	-	85,000
<hr/>			
Mrs Lorraine Sheath			
Directors loan account	-	915,000	915,000
<hr/>			

Futuremost Limited**Notes to the Financial Statements for the Year Ended 31 December 2017**

	At 1 January 2016 £	Advances to directors £	At 31 December 2016 £
2016			
Mr Gary Charles Sheath			
Directors loan account	187,078	157,654	344,732
Mr David Barrett			
Directors loan account	-	85,000	85,000

Other transactions with directors

The directors loan accounts are unsecured, undated, interest free and have no fixed date for repayment.

Summary of transactions with parent

Futuremost Group Limited

The company operates a loan with Futuremost Group Limited. In addition a management charge of £0 was paid during the year (2016 - £7,000).

Loans from related parties

	Parent £
2017	
At start of period	192,393
Repaid	<u>120,865</u>
At end of period	<u><u>313,258</u></u>
2016	
At start of period	562,112
Repaid	<u>(369,719)</u>
At end of period	<u><u>192,393</u></u>

Terms of loans from related parties

The loan is repayable on demand.

12 Parent and ultimate parent undertaking

The company's immediate parent is Futuremost Group Limited, incorporated in England.

The ultimate controlling party is Mr G Sheath.