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Registration Number: 3415375

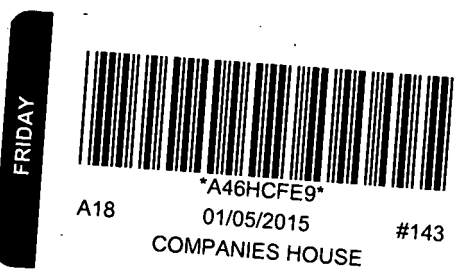
**Solution 7 Limited**

**Directors' Report and Financial Statements**

**for the year ended**

**31st August 2014**

WENN TOWNSEND



## **Solution 7 Limited**

### **Company Information**

Directors	Simon Miles Lorraine Lockhart FCCA
Secretary	Lorraine Lockhart FCCA
Business Address	Oxford Science Park Oxford OX4 4GA
Registered Number	3415375
Auditors	Wenn Townsend 30 St Giles Oxford OX1 3LE
Solicitors	NorthwoodReid Oxford Centre for Innovation New street Oxford OX1 1BY

## **Solution 7 Limited**

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## **Solution 7 Limited**

### **Directors' Report for the year ended 31st August 2014**

The directors present their report and the financial statements for the year ended 31st August 2014.

#### **Directors**

The directors who served during the year are as stated below:

Simon Miles  
Lorraine Lockhart FCCA

#### **Directors' Responsibilities**

The directors are responsible for preparing the Directors' 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 the profit and loss of the company for that period.

In preparing the financial statements, the directors are required to:

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and to 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.

#### **Statement of disclosure of information to auditors**

The directors of the company who held office at the date of approval of these Financial Statements as set out above each confirm, so far as they are aware, that:

- there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This report is prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

This report was approved by the Board on .....<sup>24</sup> April 2015 and signed on its behalf by

  
**Lorraine Lockhart FCCA**  
**Company Secretary**

## **Solution 7 Limited**

### **Independent auditor's report to the shareholders of Solution 7 Limited**

We have audited the financial statements of Solution 7 Limited for the year ended 31st August 2014 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 opinion we have formed.

#### **Respective responsibilities of directors and auditor**

As explained more fully in the Directors' Responsibilities Statement set out on page 1, 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 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 (APB's) Ethical Standards for Auditors.

#### **Scope of the audit**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31<sup>st</sup> August 2014, and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006

#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

## Solution 7 Limited

### Independent auditor's report to the shareholders of Solution 7 Limited (continued)

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

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

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of directors' remuneration specified by law are not made; or
- We have not received all of the information and explanations we require for our audit; or
- The directors were not entitled to prepare the financial statements and the directors' report in accordance with the smaller companies' regime and take advantage of the small companies' exemption from the requirement to prepare a strategic report or in preparing the directors' report.



**Mr Anthony Haines FCA (Senior Statutory Auditor)**  
**Wenn Townsend Chartered Accountants, Statutory Auditor**  
**Oxford**

28<sup>th</sup> April 2015

**Solution 7 Limited**

**Profit and Loss Account  
for the year ended 31st August 2014**

**2013**

	<b>Notes</b>		
<b>Turnover</b>	<b>2</b>		
Bespoke programming and consultancy		464,999	486,722
Cost of sales		(29,189)	(26,497)
<b>Gross profit</b>		<u>435,810</u>	<u>460,225</u>
Administrative expenses		(317,852)	(318,349)
<b>Operating profit</b>	<b>3</b>	<u>117,958</u>	<u>141,876</u>
Interest receivable and similar income		11,067	8,320
<b>Profit on ordinary activities before taxation</b>		<u>129,025</u>	<u>150,196</u>
Tax on profit on ordinary activities	<b>4</b>	5,673	(15,153)
<b>Profit for the year</b>	<b>9</b>	<u><u>£ 134,698</u></u>	<u><u>£ 135,043</u></u>

The notes on pages 6 to 9 form an integral part of these financial statements.

# Solution 7 Limited

## Balance Sheet 31st August 2014

	Notes		2013
<b>Fixed Assets</b>			
Tangible assets	5	451	1,010
<b>Current Assets</b>			
Debtors	6	159,607	36,377
Cash at bank and in hand		632,320	623,812
		<u>791,927</u>	<u>660,189</u>
<b>Creditors: amounts falling due within one year</b>	7	<u>(145,966)</u>	<u>(111,485)</u>
<b>Net Current assets</b>		<u>645,961</u>	<u>548,704</u>
<b>Total Assets less Current Liabilities</b>		<u>£ 646,412</u>	<u>£ 549,714</u>
<b>Capital and Reserves</b>			
Called up share capital	8	4	4
Capital Redemption Reserve		2	2
<b>Profit and loss account</b>	9	<u>646,406</u>	<u>549,708</u>
<b>Shareholders' Funds</b>		<u>£ 646,412</u>	<u>£ 549,714</u>

The financial statements are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

  
**Simon Miles**  
Director

 April 2015

Company number: 3415375

The notes on pages 6 to 9 form an integral part of these financial statements



## Solution 7 Limited

### Notes to the Financial Statements for the year ended 31st August 2014

#### 1. Accounting Policies

##### 1.1. Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

##### 1.2. Turnover

Turnover represents the total value, excluding value added tax, of sales made during the year.

##### 1.3. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Computer equipment	-	12 months
Office equipment	-	3 years
Fixtures and fittings	-	3 years
Vehicles	-	4 years

##### 1.4. Pension schemes

The company operates a Stakeholder scheme and an Executive Pension scheme for its employees. Contributions are determined according to HMRC rules and charged to the profit and loss account as the liability for payment is incurred.

	2014	2013
Total pension contributions payable	£27,423	£24,468

	No	No
Directors to whom retirement benefits accruing	2	2

##### 1.5. Leased or Contract Hire Assets

Rentals payable under operating leases are charged to the profit and loss as incurred.

##### 1.6. Deferred taxation

Provision is made for deferred taxation using the liability method to take account of timing differences between the incidence of income and expenditure for taxation and accounting purposes except to the extent that the directors consider that a liability to taxation is unlikely to materialise.

#### 2. Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the UK. Sales to customers in the USA represented 6% of the turnover value.

# Solution 7 Limited

## Notes to the Financial Statements for the year ended 31st August 2014

..... continued

### 3. Operating profit

	£	2013 £
Operating profit is stated after charging:		
Depreciation and other amounts written off tangible assets	1,236	1,016
Auditor's remuneration – audit fees	2,053	1,848
Rent of premises	37,240	37,240
Directors' remuneration	23,118	24,169
Directors' pension costs	25,425	22,500
Loss/(profit) on disposal of fixed assets	103	(5,365)
	<u>          </u>	<u>          </u>

### 4. Taxation

		2013
<b>UK current year taxation</b>		
UK Corporation Tax	13,500	15,153
Adjustment in respect of prior years	(19,173)	-
	<u>          </u>	<u>          </u>
	(5,673)	15,153
	<u>          </u>	<u>          </u>

### 5. Tangible fixed assets

	Fixtures & Fittings	Office Equipment	Computer Equipment	Total
<b>Cost</b>				
At 1st September 2013	5,117	2,834	80,924	88,875
Additions	-	-	677	677
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
At 31st August 2014	£ 5,117	£ 2,834	£ 81,601	£ 89,552
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
At 1st September 2013	5,117	2,523	80,225	87,865
Charge for the year	-	311	925	1,236
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
At 31st August 2014	£ 5,117	£ 2,834	£ 81,150	£ 89,101
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Net book values</b>				
At 31st August 2014	£ -	£ -	£ 451	£ 451
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
At 31st August 2013	£ -	£ 311	£ 669	£ 1,010
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

# Solution 7 Limited

## Notes to the Financial Statements for the year ended 31st August 2014

..... continued

### 6. Debtors

2013

Trade debtors	130,479	26,790
Prepayments and accrued income	29,128	9,587
	<u>£ 159,607</u>	<u>£ 36,377</u>

### 7. Creditors: amounts falling due within one year

2013

Trade creditors	5,895	2,624
Deferred income	95,869	67,911
Corporation tax	13,500	15,153
Other taxes and social security costs	27,702	24,097
Accruals and deferred income	3,000	1,700
	<u>£ 145,966</u>	<u>£ 111,485</u>

### 8. Share capital

2014

2013

#### Authorised

Number	Class	Nominal Value:		
10,000	Ordinary shares	10p	<u>£ 1,000</u>	<u>£ 1,000</u>

#### Allotted, issues and fully paid

Number	Class	Nominal Value:		
40	Ordinary shares	10p	<u>£ 4</u>	<u>£ 4</u>

### 9. Reserves

#### Profit and Loss

At 1st September 2013	549,708
Profit for the year	134,698
Dividends paid	(38,000)
	<u>£ 646,406</u>

**Solution 7 Limited**

**Notes to the Financial Statements  
for the year ended 31st August 2013**

..... continued

**10. Related party transactions**

During the year dividends of £19,000 each were paid to the two directors (2013: £29,000 each).

No amounts were due to/from the directors at the year end (2013: £nil).