

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

30 JUNE 2018

PROACTIVE INVESTORS
LIMITED

MENZIES

PROACTIVE INVESTORS LIMITED

COMPANY INFORMATION

Directors	C Ribton I McLelland I Lyall
Registered number	05639690
Registered office	Unit 6, The Business Centre Wool House 74 Back Church Lane London E1 1AF

PROACTIVE INVESTORS LIMITED
REGISTERED NUMBER:05639690

BALANCE SHEET
AS AT 30 JUNE 2018

	Note	2018 £	Period 2017 restated £
Fixed assets			
Tangible assets	4	89,449	177,905
		<u>89,449</u>	<u>177,905</u>
Current assets			
Debtors: amounts falling due after more than one year	5	56,250	46,875
Debtors: amounts falling due within one year	5	2,415,763	1,777,662
Current asset investments	6	23,550	-
Cash at bank and in hand		181,031	289,483
		<u>2,676,594</u>	<u>2,114,020</u>
Creditors: amounts falling due within one year	7	(2,314,516)	(1,580,380)
Net current assets		<u>362,078</u>	<u>533,640</u>
Total assets less current liabilities		<u>451,527</u>	<u>711,545</u>
Creditors: amounts falling due after more than one year	8	(174,263)	(360,245)
Provisions for liabilities			
Deferred tax		(12,796)	-
		<u>(12,796)</u>	<u>-</u>
Net assets		<u><u>264,468</u></u>	<u><u>351,300</u></u>
Capital and reserves			
Called up share capital		300	300
Other reserves		794,033	-
Profit and loss account		(529,865)	351,000
		<u><u>264,468</u></u>	<u><u>351,300</u></u>

PROACTIVE INVESTORS LIMITED

REGISTERED NUMBER:05639690

BALANCE SHEET (CONTINUED)

AS AT 30 JUNE 2018

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

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

C Ribton

Director

Date: 27 March 2019

The notes on pages 4 to 9 form part of these financial statements.

PROACTIVE INVESTORS LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2018

	Called up share capital	Equity reserves	Profit and loss account	Total equity
	£	£	£	£
At 1 July 2017 (as previously stated)	300	-	808,478	808,778
Prior year adjustment	-	-	(457,478)	(457,478)
At 1 July 2017 (as restated)	300	-	351,000	351,300
Comprehensive income for the year				
Loss for the year	-	-	(788,802)	(788,802)
Credit to equity for equity settled share based payments	-	794,033	-	794,033
Other comprehensive income for the year	-	794,033	-	794,033
Total comprehensive income for the year	-	794,033	(788,802)	5,231
Dividends: Equity capital	-	-	(92,063)	(92,063)
Total transactions with owners	-	-	(92,063)	(92,063)
At 30 June 2018	300	794,033	(529,865)	264,468

The notes on pages 4 to 9 form part of these financial statements.

PROACTIVE INVESTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

1. General information

Proactive Investors Limited is a private company limited by shares, incorporated in England & Wales.

The address of the registered office is disclosed on the company information page.

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 Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The information presented for the prior period is not directly comparable with the information for the current financial year as the duration of the prior period was less than 12 months. The company's financial year end was aligned with that of its fellow group companies.

The following principal accounting policies have been applied:

2.2 Going concern

The directors have considered the going concern position and reviewed the forecasts and anticipated future banking, including shareholder investments. From this the directors consider that there is sufficient support to provide adequate working capital, to allow the company to continue to settle its liabilities as they fall due.

2.3 Foreign currency translation

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Income and Retained Earnings except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Income and Retained Earnings within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of Income and Retained Earnings within 'other operating income'.

2.4 Turnover

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes: for and from the rendering of services. Turnover from the rendering of services is recognised by reference to the stage of completion of the contract. The stage of completion of a contract is measured by comparing the costs incurred for work performed to date to the total estimated contract costs.

PROACTIVE INVESTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

2. Accounting policies (continued)

2.5 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of Income and Retained Earnings on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

The Company has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before the date of transition to the standard 01 July 2016 to continue to be charged over the period to the first market rent review rather than the term of the lease.

2.6 Share based payments

Where share options are awarded to employees, the fair value of the options at the date of grant is charged to the Statement of Income and Retained Earnings over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each Balance Sheet date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Market vesting conditions are factored into the fair value of the options granted. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

The fair value of the award also takes into account non-vesting conditions. These are either factors beyond the control of either party (such as a target based on an index) or factors which are within the control of one or other of the parties (such as the Company keeping the scheme open or the employee maintaining any contributions required by the scheme).

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to Statement of Income and Retained Earnings over the remaining vesting period.

Where equity instruments are granted to persons other than employees, the Statement of Income and Retained Earnings is charged with fair value of goods and services received.

PROACTIVE INVESTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

2. Accounting policies (continued)

2.7 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Income and Retained Earnings, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and

- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.8 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

2.9 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.

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:

Long-term leasehold property	-	over the lease life
Office equipment	-	5 years
Computer equipment	-	3 years

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 Statement of Income and Retained Earnings.

PROACTIVE INVESTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

2. Accounting policies (continued)

2.10 Valuation of investments

Investments in listed company shares are remeasured to market value at each Balance Sheet date. Gains and losses on remeasurement are recognised in profit or loss for the period.

2.11 Financial instruments

The Company 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.

3. Employees

The average monthly number of employees, including directors, during the year was 25 (2017 - 30).

4. Tangible fixed assets

	Long-term leasehold property	Office equipment	Computer equipment	Total
	£	£	£	£
Cost or valuation				
At 1 July 2017	206,326	24,223	188,505	419,054
Additions	16,533	5,257	9,298	31,088
At 30 June 2018	<u>222,859</u>	<u>29,480</u>	<u>197,803</u>	<u>450,142</u>
Depreciation				
At 1 July 2017	91,913	17,676	131,560	241,149
Charge for the year on owned assets	45,850	9,400	64,294	119,544
At 30 June 2018	<u>137,763</u>	<u>27,076</u>	<u>195,854</u>	<u>360,693</u>
Net book value				
At 30 June 2018	<u>85,096</u>	<u>2,404</u>	<u>1,949</u>	<u>89,449</u>
At 30 June 2017	<u>114,413</u>	<u>6,547</u>	<u>56,945</u>	<u>177,905</u>

PROACTIVE INVESTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

5. Debtors

	2018 £	2017 £
Due after more than one year		
Other debtors	56,250	46,875
	<u>56,250</u>	<u>46,875</u>
	2018 £	2017 £
Due within one year		
Trade debtors	561,536	394,159
Amounts owed by group undertakings	1,672,583	1,159,354
Other debtors	68,486	165,254
Prepayments and accrued income	38,973	22,221
Tax recoverable	74,185	-
Deferred taxation	-	36,674
	<u>2,415,763</u>	<u>1,777,662</u>

6. Current asset investments

	2018 £	2017 £
Listed investments	23,550	-
	<u>23,550</u>	<u>-</u>

7. Creditors: Amounts falling due within one year

	2018 £	2017 £
Bank loans	169,145	141,023
Trade creditors	187,564	80,633
Amounts owed to group undertakings	586,293	169,218
Corporation tax	-	103,189
Other taxation and social security	139,913	67,778
Other creditors	12,972	15,169
Accruals and deferred income	1,218,629	1,003,370
	<u>2,314,516</u>	<u>1,580,380</u>

PROACTIVE INVESTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

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

	2018 £	2017 £
Bank loans	174,263	360,245
	<u>174,263</u>	<u>360,245</u>

Secured loans

A fixed and floating charge is held over the assets of CRIM UK in which the directors, Mr C Ribton and Mr I McLelland are also directors.

The aggregate amount of liabilities repayable wholly or in part more than five years after the balance sheet date is:

	2018 £	2017 £
Repayable by instalments	85,286	113,791
Bank loans	<u>85,286</u>	<u>113,791</u>

9. Prior year adjustment

An adjustment has been made to recognise additional deferred income of £487,488 as at 30 June 2017. This adjustment increased other creditors by £487,488 as at 30 June 2017.

An adjustment has been made to recognise a foreign exchange gain of £41,913 as at 30 June 2017. This adjustment increased amounts due by group undertakings by £41,913 as at 30 June 2017.

An adjustment has been made to recognise additional rent costs of £10,120 as at 30 June 2017. This adjustment decreased other debtors by £10,120 as at 30 June 2017.

10. Transactions with directors

Included in other debtors due within one year is an amount of £60,281 due from the directors. Included in other creditors within one year is an interest free balance of £408 owed to directors. Amounts advanced in respect of these balances were £197,443, and amounts of £136,025 were repaid during the year. No interest was charged on these balances.

11. Related party transactions

As at 30 June 2018, the company was owed £165,000 (2017: £175,120) from Fuller Treacy Money Limited, a company in which the directors, Mr C Ribton and Mr I McLelland have beneficial interests. This sum was fully provided for as a doubtful debt in the year to 30 June 2018.

12. Ultimate parent

The parent of the smallest group for which the consolidated financial statements are drawn up is Proactive Group Holdings Inc. The registered office is 505 Morrison Road, Oakville, Ontario L6J 4K6, Canada.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.