

Registered number: 10162761

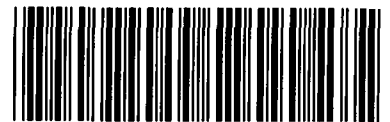
APRIMO MARKETING OPERATIONS UK LTD

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 DECEMBER 2017

THURSDAY



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COMPANIES HOUSE

APRIMO MARKETING OPERATIONS UK LTD
REGISTERED NUMBER: 10162761

BALANCE SHEET
AS AT 31 DECEMBER 2017

	Note	2017 £	2016 £
Fixed assets			
Intangible assets	4	538,536	601,893
Tangible assets	5	193,626	252,341
		<u>732,162</u>	<u>854,234</u>
Current assets			
Debtors	6	25,450,413	3,034,628
Cash at bank and in hand		218,592	560,223
		<u>25,669,005</u>	<u>3,594,851</u>
Creditors: amounts falling due within one year	7	(1,907,730)	(1,787,441)
Net current assets		<u>23,761,275</u>	<u>1,807,410</u>
Total assets less current liabilities		<u>24,493,437</u>	<u>2,661,644</u>
Creditors: amounts falling due after more than one year	8	(25,864,197)	(2,848,600)
Net liabilities		<u>(1,370,760)</u>	<u>(186,956)</u>
Capital and reserves			
Called up share capital	10	1	1
Share premium account		980,233	980,233
Profit and loss account		(2,350,994)	(1,167,190)
		<u>(1,370,760)</u>	<u>(186,956)</u>

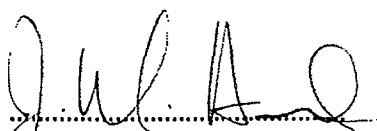
The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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 on

30 OCT 18


J M Herrington
 Director

APRIMO MARKETING OPERATIONS UK LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

1. General information

Aprimo Marketing Operations UK Ltd is a private company limited by shares incorporated in England and Wales, registration number 10162761. The principal place of business is Suite 1, 3rd Floor, 11-12 St. James's Square, London, SW1Y 4LB.

The principal activity of the Company during the year was the licencing and delivery of marketing software and consultancy.

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 following principal accounting policies have been applied:

2.2 Going concern

The Company is part of the MEMO UK Holdings Limited group which as a group is expected to continue to generate positive cash flows on its own account for the foreseeable future.

The directors, having assessed the responses of the directors of Aprimo Marketing Operations UK Limited to their enquiries, have no reason to believe that a material uncertainty exists that may cast significant doubt on the ability of the company to continue as a going concern based on the continued Group support.

2.3 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover 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 turnover is recognised:

Rendering of services

Turnover 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 turnover can be measured reliably;
- it is probable that the Company 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.

A full month of turnover is recognised in the month the contract becomes effective.

APRIMO MARKETING OPERATIONS UK LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

2. Accounting policies (continued)

2.4 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 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 Statement of Income and Retained Earnings over its useful economic life.

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.

2.5 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:

Short-term leasehold property	- Over the term of lease
Office equipment	- 3 years
Computer equipment	- 1 - 4 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.

2.6 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.

APRIMO MARKETING OPERATIONS UK LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

2. Accounting policies (continued)

2.7 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.

2.8 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.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Income and Retained Earnings.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.9 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.

APRIMO MARKETING OPERATIONS UK LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

2. Accounting policies (continued)

2.10 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

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'.

2.11 Finance costs

Finance costs are charged to the Statement of Income and Retained Earnings over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.12 Operating leases: lessee

Rentals paid under operating leases are charged to the profit or loss on a straight line basis over the period of the lease.

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.

APRIMO MARKETING OPERATIONS UK LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

2. Accounting policies (continued)

2.13 Pensions

Defined contribution pension plan

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

The contributions are recognised as an expense in the Statement of Income and Retained Earnings 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 Company in independently administered funds.

2.14 Borrowing costs

All borrowing costs are recognised in the Statement of Income and Retained Earnings in the year in which they are incurred.

2.15 Taxation

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.

2.16 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.

3. Employees

The average monthly number of employees, including directors, during the year was 30 (2016 - 33).

APRIMO MARKETING OPERATIONS UK LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

4. Intangible assets

	Customer relationships £	Goodwill £	Total £
Cost			
At 1 January 2017	539,087	94,485	633,572
At 31 December 2017	539,087	94,485	633,572
Amortisation			
At 1 January 2017	26,955	4,724	31,679
Charge for the year	53,909	9,448	63,357
At 31 December 2017	80,864	14,172	95,036
Net book value			
At 31 December 2017	458,223	80,313	538,536
At 31 December 2016	512,132	89,761	601,893

APRIMO MARKETING OPERATIONS UK LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

5. Tangible fixed assets

	Short-term leasehold property £	Office equipment £	Computer equipment £	Total £
Cost or valuation				
At 1 January 2017	239,794	5,350	19,241	264,385
Additions	11,912	-	20,034	31,946
Revaluations	(36,500)	-	-	(36,500)
At 31 December 2017	<u>215,206</u>	<u>5,350</u>	<u>39,275</u>	<u>259,831</u>
Depreciation				
At 1 January 2017	7,993	149	3,902	12,044
Charge for the year on owned assets	43,958	1,783	9,617	55,358
On revalued assets	(1,197)	-	-	(1,197)
At 31 December 2017	<u>50,754</u>	<u>1,932</u>	<u>13,519</u>	<u>66,205</u>
Net book value				
At 31 December 2017	<u>164,452</u>	<u>3,418</u>	<u>25,756</u>	<u>193,626</u>
At 31 December 2016	<u>231,801</u>	<u>5,201</u>	<u>15,339</u>	<u>252,341</u>

APRIMO MARKETING OPERATIONS UK LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

6. Debtors

	2017 £	2016 £
Due after more than one year		
Amounts owed by group undertakings	24,389,428	1,021,640
Other debtors	114,229	110,674
	<u>24,503,657</u>	<u>1,132,314</u>
Due within one year		
Trade debtors	655,224	1,834,839
Other debtors	10,592	25,008
Prepayments and accrued income	280,940	42,467
	<u>25,450,413</u>	<u>3,034,628</u>

7. Creditors: Amounts falling due within one year

	2017 £	2016 £
Bank loans	166,743	-
Trade creditors	25,553	96,939
Other taxation and social security	2,458	-
Accruals and deferred income	1,712,976	1,690,502
	<u>1,907,730</u>	<u>1,787,441</u>

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

	2017 £	2016 £
Bank loans	15,563,299	-
Amounts owed to group undertakings	10,300,898	2,848,600
	<u>25,864,197</u>	<u>2,848,600</u>

APRIMO MARKETING OPERATIONS UK LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

9. Loans

Analysis of the maturity of loans is given below:

	2017 £	2016 £
Amounts falling due within one year		
Bank loans	166,743	-
	<u>166,743</u>	<u>-</u>
Amounts falling due 1-2 years		
Bank loans	15,563,299	-
	<u>15,563,299</u>	<u>-</u>
	<u>15,730,042</u>	<u>-</u>

PNC Bank, National Association hold a fixed and floating charge over the Company's assets.

10. Share capital

	2017 £	2016 £
Allotted, called up and fully paid		
1 Ordinary share of £1	1	1
	<u>1</u>	<u>1</u>

11. Related party transactions

In accordance with the exemption under Section 33 of Financial Reporting Standard 102, the Company does not disclose transactions with other wholly-owned companies within the MEMO Global Holdings LP group.

12. Controlling party

The company's immediate parent undertaking is MEMO UK Holdings Ltd, a company registered in England and Wales. Copies of the consolidated financial statements are available from Companies House.

The ultimate parent company is MEMO Global Holdings LP, a company registered in the Cayman Islands.

In the opinion of the directors there is no ultimate controlling party.

APRIMO MARKETING OPERATIONS UK LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

13. Auditors' information

The audit report was unqualified and signed by Justin Moss, Senior Statutory Auditor, on behalf of MHA MacIntyre Hudson.