

**PROFILE SOFTWARE (UK) LTD**

**UNAUDITED**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2018**

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**PROFILE SOFTWARE (UK) LTD**

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**COMPANY INFORMATION**

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<b>Directors</b>	A Iliopoulos K Orfanidis C Stasinopoulos
<b>Registered number</b>	09931929
<b>Registered office</b>	21/22 Great Castle Street London W1G 0HZ
<b>Accountants</b>	Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG

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**PROFILE SOFTWARE (UK) LTD**

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## PROFILE SOFTWARE (UK) LTD

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### DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2018

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

#### **Directors' responsibilities statement**

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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the Company's financial statements and then apply them consistently;
- make judgments 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.

#### **Directors**

The directors who served during the year were:

A Iliopoulos  
K Orfanidis  
C Stasinopoulos

#### **Small companies note**

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 22 March 2019 and signed on its behalf.

**K Orfanidis**  
**Director**

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**PROFILE SOFTWARE (UK) LTD**

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**CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF PROFILE SOFTWARE (UK) LTD FOR THE YEAR ENDED 31 DECEMBER 2018**

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In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Profile Software (UK) Ltd for the year ended 31 December 2018 which comprise the Statement of Comprehensive Income, the Statement of Financial Position and the related notes 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 Profile Software (UK) Ltd, as a body, in accordance with the terms of our engagement letter dated 11 November 2015. Our work has been undertaken solely to prepare for your approval the financial statements of Profile Software (UK) Ltd and state those matters that we have agreed to state to the Board of Directors of Profile Software (UK) Ltd, as a body, in this report in accordance with ICAEW Technical Release TECH07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Profile Software (UK) Ltd and its Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that Profile Software (UK) Ltd has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Profile Software (UK) Ltd. You consider that Profile Software (UK) Ltd is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or review of the financial statements of Profile Software (UK) Ltd. 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 financial statements.

**Haysmacintyre LLP**

10 Queen Street Place  
London  
EC4R 1AG  
22 March 2019

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**PROFILE SOFTWARE (UK) LTD**

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**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2018**

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	Note	2018 £	2017 £
Turnover	4	1,384,541	557,500
Cost of sales		(712,946)	(371,346)
<b>Gross profit</b>		<u>671,595</u>	<u>186,154</u>
Administrative expenses		(369,760)	(126,275)
<b>Operating profit</b>	5	<u>301,835</u>	<u>59,879</u>
Interest receivable and similar income		1,131	-
<b>Profit before tax</b>		<u>302,966</u>	<u>59,879</u>
Tax on profit	8	(58,108)	(10,197)
<b>Profit for the financial year</b>		<u><u>244,858</u></u>	<u><u>49,682</u></u>

There was no other comprehensive income for 2018 (2017:£NIL).

The notes on pages 5 to 12 form part of these financial statements.

STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2018

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	Note	2018 £	2017 £
<b>Fixed assets</b>			
Investments		619	-
		<u>619</u>	<u>-</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	10	336,525	24,598
Cash at bank and in hand	11	1,208,721	532,609
		<u>1,545,246</u>	<u>557,207</u>
Creditors: amounts falling due within one year	12	(958,283)	(214,483)
<b>Net current assets</b>		586,963	342,724
<b>Net assets</b>		<u>587,582</u>	<u>342,724</u>
<b>Capital and reserves</b>			
Called up share capital	13	300,000	300,000
Profit and loss account	14	287,582	42,724
		<u>587,582</u>	<u>342,724</u>

The directors consider that the Company is entitled to exemption from audit under section 479A of the Companies Act 2006.

The 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 were approved and authorised for issue by the board and were signed on its behalf on 22 March 2019.

**K Orfanidis**  
Director

The notes on pages 5 to 12 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018**

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**1. General information**

Profile Software (UK) Ltd is a private limited company registered in England and Wales. The principal activity is the provision of integrated business software.

Its registered office and principal place of business is:  
21/22 Great Castle Street  
London  
W1G 0HZ

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

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

**2.2 Financial reporting standard 102 - reduced disclosure exemptions**

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d).

This information is included in the consolidated financial statements of Profile Systems & Software SA as at 31 December 2018 and these financial statements may be obtained from Companies House.

**2.3 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.



NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018

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2. Accounting policies (continued)

2.4 Revenue

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

**Rendering of services**

Revenue 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 revenue 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.

2.5 Interest income

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

2.6 Taxation

Tax is recognised in the Statement of Comprehensive Income, 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 reporting date in the countries where the Company operates and generates income.

2.7 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.8 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.

2.9 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.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018

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2. Accounting policies (continued)

2.10 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.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

In the process of applying its accounting policies, the Company is required to make certain estimates, judgments and assumptions that it believes are reasonable based on the information available. These judgments, estimates and assumptions affect the amounts of revenues and expenses recognised during the reporting periods presented.

On an ongoing basis, the company evaluates its estimates using historical experience, consultation with experts and other methods considered reasonable in the particular circumstances. Actual results may differ significantly from the estimates, the effect of which is recognised in the period in which the facts that give rise to the revision become known.

Revenue recognition

The company recognises revenue generally at the time of delivery and when collection of the resulting receivable is reasonably assured. Payments received in advance of revenue recognition are recorded as deferred income.

4. Turnover

An analysis of turnover by class of business is as follows:

	2018 £	2017 £
Software licenses	334,554	300,000
Software maintenance	104,416	20,000
Implementation services	920,708	237,500
R&D services	24,864	-
	<u>1,384,542</u>	<u>557,500</u>

All turnover arose within the United Kingdom.

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PROFILE SOFTWARE (UK) LTD

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018

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**5. Operating profit**

The operating profit is stated after charging:

	2018 £	2017 £
Exchange differences	2,265	2,348
Defined contribution pension cost	1,816	65
	<u>(449)</u>	<u>(2,283)</u>

**6. Employees**

The average monthly number of employees, including the directors, during the year was as follows:

	2018 No.	2017 No.
Directors	3	3
Staff	3	-
	<u>6</u>	<u>3</u>

**7. Directors' remuneration**

	2018 £	2017 £
Directors' emoluments	<u>222,771</u>	<u>35,000</u>

**8. Taxation**

	2018 £	2017 £
<b>Corporation tax</b>		
Current tax on profits for the year	32,486	10,197
<b>Foreign tax</b>		
Foreign tax on income for the year	<u>25,622</u>	<u>-</u>
<b>Total current tax</b>	<u>58,108</u>	<u>10,197</u>

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**PROFILE SOFTWARE (UK) LTD**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018**

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**8. Taxation (continued)**

**Factors affecting tax charge for the year**

The tax assessed for the year is higher than (2017 - lower than) the standard rate of corporation tax in the UK of 19% (2017 - 19.25%). The differences are explained below:

	2018 £	2017 £
Profit on ordinary activities before tax	302,966	59,879
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2017 - 19.25%)	57,564	11,525
<b>Effects of:</b>		
Expenses not deductible for tax purposes	544	-
Deferred tax not recognised	-	(1,328)
<b>Total tax charge for the year</b>	<b>58,108</b>	<b>10,197</b>

**Factors that may affect future tax charges**

There were no factors that may affect future tax charges.

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PROFILE SOFTWARE (UK) LTD

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018

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9. Fixed asset investments

	Investments in subsidiary companies £
<b>Cost or valuation</b>	
Additions	619
At 31 December 2018	<u>619</u>

10. Debtors

	2018 £	2017 £
Trade debtors	297,015	-
Other debtors	5,324	7,505
Prepayments and accrued income	34,186	17,093
	<u>336,525</u>	<u>24,598</u>

11. Cash and cash equivalents

	2018 £	2017 £
Cash at bank and in hand	<u>1,208,721</u>	<u>532,609</u>

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**PROFILE SOFTWARE (UK) LTD**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018**

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**12. Creditors: Amounts falling due within one year**

	2018 £	2017 £
Trade creditors	469,617	154,370
Amounts owed to group undertakings	1,366	1,428
Corporation tax	32,486	10,197
Other taxation and social security	78,712	3,223
Other creditors	14,257	5,265
Accruals and deferred income	361,845	40,000
	<u>958,283</u>	<u>214,483</u>

**13. Share capital**

	2018 £	2017 £
<b>Allotted, called up and fully paid</b>		
300,000 (2017 - 300,000) Ordinary shares of £1.00 each	<u>300,000</u>	<u>300,000</u>

**14. Reserves****Profit and loss account**

Profit and loss account includes all current and prior period retained profits and losses.

**15. Pension commitments**

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £1,816 (2017 - £65). Contributions totalling £444 (2017 - £59) were payable to the fund at the reporting date and are included in creditors.

**16. Related party transactions**

As permitted by FRS102 paragraphs 1.12e and 33.1a, the company has taken advantage of the exemption from disclosing the transactions between two or more members of a group as all subsidiary undertakings are wholly-owned by a member of that group.

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**PROFILE SOFTWARE (UK) LTD**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018**

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**17. Controlling party**

The immediate parent undertaking is Profile Systems and Software (Cyprus) Limited, a company incorporated in Cyprus. The ultimate parent undertaking is Profile Systems & Software SA, a company incorporated in Greece.

Profile Systems & Software SA is the only company to prepare consolidated financial statements into which this company's results are consolidated.

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PROFILE SOFTWARE (UK) LTD

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**DETAILED PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 2018**

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	2018 £	2017 £
Turnover	1,384,541	557,500
Cost of sales	(712,946)	(371,346)
<b>Gross profit</b>	<u>671,595</u>	<u>186,154</u>
<b>Less: overheads</b>		
Administration expenses	(369,759)	(126,275)
<b>Operating profit</b>	<u>301,836</u>	<u>59,879</u>
Interest receivable	1,131	-
<b>Profit for the year</b>	<u><u>302,967</u></u>	<u><u>59,879</u></u>



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**PROFILE SOFTWARE (UK) LTD**

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**SCHEDULE TO THE DETAILED ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 2018**

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	2018 £	2017 £
<b>Turnover</b>		
Software licenses	250,822	300,000
Software maintenance	104,416	20,000
Implementation services	920,708	237,500
R&D services	24,864	-
Travel expenses reimbursed	83,731	-
	<u>1,384,541</u>	<u>557,500</u>
	2018 £	2017 £
<b>Administration expenses</b>		
Directors salaries	222,771	35,000
Staff national insurance	23,885	3,489
Staff pension costs	1,816	65
Staff training	9,613	850
Entertainment	2,904	-
Hotels, travel and subsistence	31,015	5,343
Consultancy	-	22,103
Telephone and fax	2,365	1,048
Computer costs	9,157	4,113
Advertising and promotion	3,000	5,405
Legal and professional	16,600	10,500
Accountancy fees	4,400	4,966
Bank charges	1,067	279
Difference on foreign exchange	2,265	2,348
Sundry expenses	1,620	-
Rent	35,534	29,238
Repairs and maintenance	-	260
Room hire	1,747	1,268
	<u>369,759</u>	<u>126,275</u>
	2018 £	2017 £
<b>Interest receivable</b>		
Bank interest receivable	<u>1,131</u>	<u>-</u>