

REGISTRAR

Registered number: 03623712

AURORA COMPUTER SERVICES LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

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AURORA COMPUTER SERVICES LIMITED

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AURORA COMPUTER SERVICES LIMITED

COMPANY INFORMATION

Directors	H A Carr-Archer P R Usher Ms H Prentice T D Heseltine (appointed 1 April 2016) D L Scorer (appointed 1 April 2016)
Company secretary	D L Scorer
Registered number	03623712
Registered office	The Charles Parker Building Midland Road Higham Ferrers NN10 8DN
Independent auditor	MHA MacIntyre Hudson Chartered Accountants & Statutory Auditors Peterbridge House The Lakes Northampton NN4 7HB
Bankers	The Royal Bank of Scotland Plc 280 Bishopgate London EC2M 2RB

AURORA COMPUTER SERVICES LIMITED
REGISTERED NUMBER:03623712

BALANCE SHEET
AS AT 31 DECEMBER 2016

	Note	2016 £	2015 £
Fixed assets			
Tangible assets	7	6,420	9,175
		<u>6,420</u>	<u>9,175</u>
Current assets			
Stocks	8	55,635	66,758
Debtors: amounts falling due within one year	9	357,275	440,587
Cash at bank and in hand	10	433,504	464,961
		<u>846,414</u>	<u>972,306</u>
Creditors: amounts falling due within one year	11	(306,246)	(320,272)
Net current assets		<u>540,168</u>	<u>652,034</u>
Total assets less current liabilities		<u>546,588</u>	<u>661,209</u>
Net assets		<u><u>546,588</u></u>	<u><u>661,209</u></u>
Capital and reserves			
Called up share capital		318	318
Share premium account		2,167,152	2,167,152
Profit and loss account		(1,620,882)	(1,506,261)
		<u>546,588</u>	<u>661,209</u>

The Board of Directors have agreed not to deliver the company's profit and loss account to the Registrar.

The financial statements have been prepared and delivered 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 comprehensive income 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:

T D Heseltine
Director



Date: 26th APRIL 2017

The notes on pages 4 to 14 form part of these financial statements.

AURORA COMPUTER SERVICES LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2016**

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2016	318	2,167,152	(1,506,261)	661,209
Loss for the year	-	-	(114,621)	(114,621)
At 31 December 2016	318	2,167,152	(1,620,882)	546,588

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2015**

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2015	318	2,167,152	(1,358,154)	809,316
Loss for the year	-	-	(148,107)	(148,107)
At 31 December 2015	318	2,167,152	(1,506,261)	661,209

The notes on pages 4 to 14 form part of these financial statements.

AURORA COMPUTER SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

1. General information

Aurora Computer Services Limited is a limited company by shares incorporated in England. The Company's registered office and principal place of business is The Charles Parker Building, Midland Road, Higham Ferrers, NN10 8DN.

The principal activities of the company continue to be the development and sales of our own computer software programs, and to purchase and sell computer related hardware components.

The financial statements are presented in Sterling, which is also the functional currency of the Company.

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 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 accounting policies.

The following principal accounting policies have been applied:

AURORA COMPUTER SERVICES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

2. Accounting policies (continued)**2.2 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:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

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.

Adjustment is made for annual support and maintenance contracted in advance.

2.3 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.

AURORA COMPUTER SERVICES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

2. Accounting policies (continued)**2.3 Tangible fixed assets (continued)**

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:

Tools & Equipment	- 3 years straight line
Fixtures and fittings	- 5 years straight line
Computer Equipment	- 3 years straight line
Leasehold property improvements	- Over the period of the lease

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 comprehensive income.

2.4 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is 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.

2.5 Debtors

Short term debtors are measured at transaction price, less any impairment.

2.6 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.

2.7 Financial instruments

The Company only enters into basic financial instruments 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 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.

AURORA COMPUTER SERVICES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

2. Accounting policies (continued)**2.8 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.

2.9 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 comprehensive income 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 comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of comprehensive income within 'other operating income'.

2.10 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of comprehensive income on a straight line basis over the lease term.

2.11 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 comprehensive income 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.

2.12 Interest income

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

AURORA COMPUTER SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

2. Accounting policies (continued)

2.13 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 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.

2.14 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

2.15 Share based payments

The company issues share options, now described as "equity-settled share-based payments" to certain employees. Under the Financial Reporting Standard 102 equity-settled share-based payments are not required to be recorded in the accounts and are recognised on a disclosure only basis.

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 comprehensive income over the remaining vesting period.

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

AURORA COMPUTER SERVICES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

3. Auditor's remuneration

Fees payable to the Company's auditor for the audit of the Company's annual financial statements totalled £6,750 (2015 - £6,750).

4. Employees

Staff costs, including directors' remuneration, were as follows:

	2016 £	2015 £
Wages and salaries	789,242	842,263
Social security costs	89,409	95,937
Cost of defined contribution scheme	26,258	25,293
	<u>904,909</u>	<u>963,493</u>

During the year the key management personnel were the directors and their compensation is detailed in the Directors' remuneration note.

The average monthly number of employees, including directors, during the year was 19 (2015 - 19).

5. Directors' remuneration

	2016 £	2015 £
Directors' emoluments	253,506	178,635
Company contributions to defined contribution pension schemes	8,047	6,718
	<u>261,553</u>	<u>185,353</u>

There are two additional Directors remunerated from April 2016.

AURORA COMPUTER SERVICES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

6. Taxation

	2016 £	2015 £
Corporation tax		
R&D Claim relating to the current year	(79,286)	(79,364)
Adjustments in respect of previous periods R&D Claim	-	(36,052)
Total current tax	<u>(79,286)</u>	<u>(115,416)</u>
Deferred tax		
Total deferred tax	<u>-</u>	<u>-</u>
Taxation on loss on ordinary activities	<u><u>(79,286)</u></u>	<u><u>(115,416)</u></u>

Factors affecting tax charge for the year

The unprovided deferred tax asset totals £227,912 (2015 - £235,545), being £228,347 (2015 - £236,372) calculated at 19% (2015 - 20%) of the taxable losses carried forward, and £(434) (2015 - £(827)) calculated at 19% (2015 - 20%) of the timing difference between depreciation charged in the financial statements and the capital allowances claimed in calculating the taxable profits.

AURORA COMPUTER SERVICES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

7. Tangible fixed assets

	Fixtures and fittings £	Computer equipment £	Leasehold property £	Total £
Cost or valuation				
At 1 January 2016	1,760	30,916	2,764	35,440
Additions	-	3,800	-	3,800
At 31 December 2016	1,760	34,716	2,764	39,240
Depreciation				
At 1 January 2016	1,408	22,646	2,211	26,265
Charge for the period on owned assets	352	5,650	553	6,555
At 31 December 2016	1,760	28,296	2,764	32,820
Net book value				
At 31 December 2016	-	6,420	-	6,420
At 31 December 2015	352	8,270	553	9,175

8. Stocks

	2016 £	2015 £
Finished goods and goods for resale	55,635	66,758

Stock recognised in cost of sales during the year as an expense was £398,127 (2015: £415,807).

9. Debtors

	2016 £	2015 £
Trade debtors	222,941	311,428
Other debtors	79,772	80,150
Prepayments and accrued income	54,562	49,009
	357,275	440,587

AURORA COMPUTER SERVICES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

10. Cash and cash equivalents

	2016 £	2015 £
Cash at bank and in hand	<u>433,504</u>	<u>464,961</u>

11. Creditors: Amounts falling due within one year

	2016 £	2015 £
Trade creditors	140,895	130,314
Other taxation and social security	50,246	60,999
Other creditors	<u>115,105</u>	<u>128,959</u>
	<u>306,246</u>	<u>320,272</u>

12. Financial Instruments

All financial assets and liabilities are held at amortised cost.

AURORA COMPUTER SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

13. Share capital

	2016 £	2015 £
Shares classified as equity		
Allotted, called up and fully paid		
26,756 'A' Ordinary shares of £0.01 each	268	268
5,000 'B' Ordinary shares of £0.01 each	50	50
	<hr/>	<hr/>
	318	318
	<hr/>	<hr/>

The profits of the company available for distribution shall be used inter alia to pay off such amounts as the directors may determine and recommend to the members of the company and such dividends should be paid to the holders of 'A' Shares and 'B' Shares (pari passu as if the same constituted one class of share) in proportion to the number of shares held respectively.

On a return of assets on liquidation or capital reduction or otherwise, the assets of the company remaining after payments of its liabilities shall be applied in the following order of priority:-

First in paying to the holders of the 'B' shares the amount of any premium paid on such shares. The balance of such assets shall be distributed amongst the holders of the 'A' Shares and 'B' Shares (pari passu as if the same constituted one class of share).

2,650 share options (equity-settled share based payments) were outstanding, held by seven employees under the company's share option scheme at 31 December 2015 as follows:

Number of 'A' Ordinary shares	1,750	300	600	50	50
Date of Grant:	1 Aug 2009	1 July 2013	8 July 2014	16 Mar 2015	27 Aug 2015
Option Price:	£60	£60	£60	£60	£60

Options under the 2009 share options scheme are exercisable during a period commencing on the second anniversary and ending on the tenth anniversary of the grant. They can be exercised in whole or in part, subject to a minimum of 20 shares per tranche.

Options under the 2013 share options scheme are exercisable during a period commencing on the second anniversary and ending on the tenth anniversary of the grant. They can be exercised in whole or in part, subject to a minimum of 10 shares per tranche.

Options under the 2014 share options scheme are exercisable during a period commencing on the second anniversary and ending on the tenth anniversary of the grant. They can be exercised in whole or in part, subject to a minimum of 10 shares per tranche.

Options under the 2015 share options scheme are exercisable during a period commencing on the second anniversary and ending on the tenth anniversary of the grant. They can be exercised in whole or in part, subject to a minimum of 10 shares per tranche.

14. Pension commitments

The company operates a defined contribution pension scheme. The pension cost charge represents contributions payable by the company to the fund and amounted to £26,258 (2015 - £25,293). Pension contributions outstanding at the year end amounted to £5,387 (2015 - £5,044).

AURORA COMPUTER SERVICES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

15. Commitments under operating leases

At 31 December 2016 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2016 £	2015 £
Property		
Not later than 1 year	19,000	17,401
Later than 1 year and not later than 5 years	76,000	-
	<u>95,000</u>	<u>17,401</u>
	2016 £	2015 £
Motor vehicles		
Not later than 1 year	24,079	24,079
Later than 1 year and not later than 5 years	11,667	35,746
	<u>35,746</u>	<u>59,825</u>

16. Related party transactions

There were no related party transactions during the year.

17. First time adoption of FRS 102

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.

18. Auditor's information

The audit opinion was unqualified and there was no emphasis of matter paragraph. The auditor is MHA MacIntyre Hudson and the Senior Statutory Auditor is Steven Moore BA ACA.