

Kale Softech, Inc.	2
Zero Octa UK Limited	13

## **Director's Report**

To,  
The Shareholders,

The Board of Directors of Kale Softech, Inc. ("the Company") presents its report in respect of the year ended 30<sup>th</sup> June 2016.

### **Directors**

Philippe Lesueur and Christian Leman have held office during the whole of the period from 1st July 2015 to the date of this report.

Other changes in directors holding office are as follows:

Vipul Jain - resigned 29th September 2015  
John Johnston - appointed 29th September 2015

### **Principal Activity**

The principal activity of the Company during the financial year was marketing software solutions and outsourced services to the travel and transportation industry. No significant change in the nature of business activities occurred during the year.

### **Results**

The revenue of the Company during the year ended June 30, 2016 was USD 13,390,124 as compared to USD 10,673,223 for the year ended June 30, 2015. The Company made a Net Profit of USD 417,701 for the year ended June 30, 2016 as compared to USD 348,679 for the year ended June 30, 2015.

### **Dividends**

The company paid a dividend of USD 300,000 during the year.

### **Review of Operations**

The total numbers of customers in the Americas are twelve.

### **Significant Changes in the State of Affairs**

There were no significant changes in the state of affairs of the Company during the financial year other than those disclosed in this report.

### **Significant Event after Balance Sheet Date**

There are no significant event to report since the book-close and balance sheet date of June 30, 2016.

### **Likely Developments and Future Results**

The Company will continue to focus on pursuing opportunities in the Travel & Transportation industry for software solutions and outsourced services in the local markets.

With the domain expertise and in depth knowledge of the Travel and Transportation industry, the Company is confident that more and more airlines will sign up as their preferred solution provider.

### **Environmental Regulation Performance**

The Company's operations are not subjected to any particular and significant environmental regulation under a law of the US Federal or any State Government. Accordingly, no environmental disclosure is required.

### **Directors' Interests**

Since the end of the previous financial year, no director of the Company has received or become entitled to receive any benefit, other than benefits disclosed in the financial statements as emoluments or the fixed salary of a full-time employee of the Company or a related body corporate by reason of a contract made by the Company or a related body corporate with the director or with a firm of which the director is a member, or with a company in which the director has a substantial interest.

### **Indemnification of Officers**

The Company has not, during or since the end of the financial year, in respect of any person who is or has been an officer or auditor of the Company.

- Indemnified or made any relevant agreement for indemnifying against a liability, including costs and expenses in successfully defending legal proceedings; or
- Paid or agreed to pay a premium in respect of a contract insuring against a liability for the costs or expenses to defend legal proceedings.

### **Directors' Responsibility Statement**

Your Directors confirm that-

- a. In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- b. The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss for that period.
- c. The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies law, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- d. The directors have prepared the annual accounts on a going concern basis.

This report has been made in accordance with a resolution of directors.

For and on behalf of the Board of Directors

Place: New Jersey  
Date: August 3, 2016

Philippe Lesueur  
Director

**PROFESSIONAL ACCOUNTANT ASSOCIATES  
ACCOUNTING & TAX SERVICES**  
22 MERIDIAN ROAD, UNIT 6, EDISON, NJ 08820  
TEL: (732) 603 8220

To,  
The Board of Directors  
Kale Softech Inc.,  
New Jersey

Dear Sirs,

I have reviewed the accompanying balance sheet of Kale Softech, Inc., as of June 30, 2016, and the related statements of income, retained earnings and cash flows, for the financial year then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, I do not express such an opinion.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of financial statements.

My responsibility is to conduct the review in accordance with the Statements on Standard for Accounting and Review services issued by the American Institute of Certified Public Accountants. Those standards require us to perform the procedures to obtain assurance that there are no material modifications that should be made to the financial statements. I believe that the results of my procedures provide a reasonable basis for my report.

Based on my review, I am not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

ANJALI PATEL, CPA  
August 3, 2016

**BALANCE SHEET JUNE 30, 2016**

	<b>30 June 2016</b>	<b>30 June 2015</b>
	<b>\$</b>	<b>\$</b>
<b>Assets</b>		
<b>Current assets:</b>		
Cash at bank	1,505,186	1,226,904
Accounts receivable (net)	2,256,182	1,194,449
Advances	19,213	59,578
Overpaid corp taxes	-	3,846
Deferred tax assets	-	79,378
Prepaid expenses	140,315	133,871
Total current assets	<u>3,920,896</u>	<u>2,698,026</u>
<b>Property and equipment, net</b>	<u>6,616</u>	<u>4,552</u>
<b>Other assets</b>		
Security deposits	<u>12,773</u>	<u>12,773</u>
Total other assets	<u>12,773</u>	<u>12,773</u>
<b>Total assets</b>	<u><u>3,940,285</u></u>	<u><u>2,715,351</u></u>
<b>Liabilities and member's deficit</b>		
<b>Current liabilities:</b>		
Accounts payable & accruals	2,025,251	919,751
Corporate tax payable	21,503	-
Deferred income	65,382	86,997
Total current liabilities	<u>2,112,136</u>	<u>1,006,748</u>
<b>Stockholder's equity</b>		
Common stock- \$0.001Par value;100,000,000 shares authorized; 1,300,000 Shares issued and outstanding	13,000	13,000
Additional paid in capital	1,287,000	1,287,000
Preferred share capital-500,000 shares authorized, 450,000 Shares issued and redeemed	-	-
Retained earnings	<u>528,150</u>	<u>408,603</u>
Total stockholder's equity	<u>1,828,150</u>	<u>1,708,603</u>
Total liabilities and stockholder's equity	<u><u>3,940,285</u></u>	<u><u>2,715,351</u></u>

**SEE ACCOMPANYING NOTES AND ACCOUNTANT'S REVIEW REPORTS**

For Kale Softech, Inc.

Place : New Jersey  
Date : August 3, 2016

Philippe Lesueur  
Director

**STATEMENT OF RETAINED EARNINGS JUNE 30, 2016**

	<b>30 June 2016</b>	<b>30 June 2015</b>
	<b>\$</b>	<b>\$</b>
Retained earnings - beginning	408,603	485,256
Prior year tax charges	1,846	(332)
Add: Profit for the year	417,701	348,679
Less: Dividend	(300,000)	(425,000)
Retained earnings - ending	<u>528,150</u>	<u>408,603</u>

**SEE ACCOMPANYING NOTES AND ACCOUNTANT'S REVIEW REPORTS**

For Kale Softech, Inc.

Place : New Jersey  
Date : August 3, 2016

Philippe Lesueur  
Director

**STATEMENT OF OPERATION JULY 1, 2015 TO JUNE 30, 2016**

	<b>Year ended 30 June 2016 \$</b>	<b>Year ended 30 June 2015 \$</b>
<b>Revenue</b>		
Income	13,390,124	10,673,223
Less: Cost of goods solds (Schedule A)	11,080,500	9,365,138
Gross Revenue	<u>2,309,624</u>	<u>1,308,085</u>
<b>Operating Expenses:</b>		
Salaries & payroll taxes	1,091,852	850,231
General and administrative (Schedule B)	617,788	419,209
Provision for bad debts	-	7,039
Depreciation	2,695	1,866
Total operating expenses	<u>1,712,335</u>	<u>1,278,345</u>
Profit from operations before interest and taxes	<u>597,289</u>	<u>29,740</u>
<b>Other Income/(Expenses)</b>		
Recovered/Reimbursed expenses	103,724	558,268
Gain on currency fluctuation	(2,085)	(2,984)
Total other expenses	<u>101,639</u>	<u>555,284</u>
<b>Profit before taxes and interest</b>	<u>698,928</u>	<u>585,024</u>
Corporate tax	(281,227)	(236,345)
Net profit for the year	<u><u>417,701</u></u>	<u><u>348,679</u></u>

**SEE ACCOMPANYING NOTES AND ACCOUNTANT'S REVIEW REPORTS**

For Kale Softech, Inc.

Place : New Jersey  
Date : August 3, 2016

Philippe Lesueur  
Director

**STATEMENT OF OPERATION JULY 1, 2015 TO JUNE 30, 2016**

	<b>Year ended 30 June 2016 \$</b>	<b>Year ended 30 June 2015 \$</b>
<b>Schedule A</b>		
<b>Cost of Sales</b>		
Consultants and subcontractors expenses	11,080,500	9,365,138
Total cost of sales	<u>11,080,500</u>	<u>9,365,138</u>
<b>Schedule B</b>		
<b>General and administrative expenses</b>		
Bank and credit card charges	1,998	1,862
Dues and subscriptions	38,055	37,655
Employees benefits	92,965	79,410
Entertainment	7,962	1,765
Insurance	7,017	7,065
Legal and professional fees	158,027	26,902
Miscellaneous charges	30,957	117
Office expenses	3,747	1,644
Postage/Shipping	2,689	1,815
Rent and property tax	45,944	33,140
Repairs and maintenance	131	1,046
Recruitment expenses	15,024	28,377
Telecommunication	26,796	19,933
Travel	186,476	178,478
Total general and administrative expenses	<u>617,788</u>	<u>419,209</u>

**SEE ACCOMPANYING NOTES AND ACCOUNTANT'S REVIEW REPORTS**

For Kale Softech, Inc.

 Place : New Jersey  
 Date : August 3, 2016

 Philippe Lesueur  
 Director

**STATEMENT OF CASH FLOWS JULY 1, 2015 TO JUNE 30, 2016**

	<b>Year ended 30 June 2016 \$</b>	<b>Year ended 30 June 2015 \$</b>
<b>Net Profit</b>	417,701	348,679
Adjustment to reconcile net profit to net cash Used in operating activities:		
Prior year tax adjustment	1,846	(332)
Depreciation	2,695	1,866
Accounts receivable	(1,061,733)	840,240
Advances	40,365	(39,492)
Prepaid expenses	(6,444)	(72,085)
Accounts payable and accrued liabilities	1,105,499	(283,524)
Deferred tax assets	79,378	(43,057)
Corporate tax payable	25,348	(35,191)
Deferred income	(21,615)	13,229
Net cash used in operating activities	<u>583,041</u>	<u>730,333</u>
<b>Cash flows from investing activities</b>		
Fixed asset purchased	<u>(4,759)</u>	<u>(2,475)</u>
Net cash used in investing activities	<u>(4,759)</u>	<u>(2,475)</u>
<b>Cash flows from financing activities</b>		
Dividend paid	<u>(300,000)</u>	<u>(425,000)</u>
Net cash used in financing activities	<u>(300,000)</u>	<u>(425,000)</u>
<b>Net increase in cash</b>	278,281	302,858
Cash at the beginning of the period	<u>1,226,904</u>	<u>924,046</u>
Cash at the end of the period	<u><u>1,505,186</u></u>	<u><u>1,226,904</u></u>
Corporation tax paid	259,724	283,182
Dividend paid	300,000	425,000

**SEE ACCOMPANYING NOTES AND ACCOUNTANT'S REVIEW REPORTS**

For Kale Softech, Inc.

Place : New Jersey  
Date : August 3, 2016

Philippe Lesueur  
Director

## NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2016

### 1. Organization and operation

Kale Softech Inc. (KSI) was incorporated on November 16, 1998 in the State of New Jersey. The primary business activity during the financial year was marketing software solutions and outsourced services to travel and transportation industry. The Company began its operation on January 1, 1999. It is a wholly owned subsidiary of Accelya Kale Solutions Limited (formerly known as Kale Consultants Limited) in India which is a leading solution provider to global Airline and Travel Industry. KSI enters into contract with the end customers in the Americas and is responsible for invoicing and collection. KSI outsources the contracts to its parent company in India. All KSI's offering are sourced through the parent company. The customers of KSI are serviced and supported out of the delivery centers of Accelya Kale in India.

### 2. Summary of Significant Accounting Policies

#### Basis of Accounting

Assets, liabilities, revenue and expenses are recognized on accrual basis of accounting for both financial statements and federal income tax purposes. The accounts are prepared on a going concern basis.

### 3. Cash at Bank

Balance in the bank, as on June 30, 2016, was \$ 1,505,187 between two banks. The balance in the banks exceeds the limit of FDIC insurance of \$ 250,000 per account this year.

### 4. Property and Equipment

Equipment and furniture & fixture are carried at cost. Total depreciation for period July 1, 2015 to June 30, 2016 as per the policy is \$ 2,695. The estimated useful life for computer and equipment is 4 year and furniture & fixtures is 6 years, retroactively to date of purchase. The difference in depreciation due to estimated lives is presented below:

New Estimated Lives Policy

	Computers	Equipment	Furniture & Fixtures
Cost Basis	\$ 34,039	\$ 5,174	\$ 18,130
Add:- Additions	\$ 4,759	-	-
Less: Accumulated depreciation	\$ (33,194)	(4,723)	(17,569)
Net Property & Equipment	\$ 5,604	\$ 451	\$ 561

### 5. Accounts Receivable

The total accounts receivable of \$ 2,256,182 as on June 30, 2016, are fully collectible. The total receivables include \$ 69,671 due from the Accelya Kale Solutions Limited, India and \$ 10,174 due from Accelya World S.L.U.

Geographical concentration of sales is:

65 %	USA
12 %	Brazil
21%	Chile
2 %	Canada

### 6. Overpaid Corporation Tax

\$ 281,227	Corporate state and federal tax liability for year ended June 30, 2016
(208,405)	Advance tax paid during the year
(51,319)	Foreign tax credit during the year
<b>\$ 21,503</b>	<b>Net tax payable for 2016</b>

## NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2016

### 7. Operating Lease

The lease agreement for the current office location is for 42 months expiring on October 10, 2018. The monthly base rent over the remaining period is as under:

May 11, 2016 to April 10, 2017 is at \$ 3,749 per month.

May 11, 2017 to April 10, 2018 is at \$ 3,824 per month.

May 11, 2018 to October 10, 2018 is at \$ 3,901 per month.

### 8. Other Asset

Details are as under:

\$ 7,773	Security deposit for rent.
\$ 5,000	IATA deposit
<b>\$ 12,773</b>	<b>Total other assets</b>

### 9. Accounts Payable

The total accounts payable is \$ 2,025,251 as on June 30, 2016. Accounts Payable includes \$ 1,863,708 payable to Accelya Kale Solutions Limited, India and \$ 14,270 payable to Accelya World S.L.U

### 10. Commitment and contingencies

There is no provision for contingencies as on June 30, 2016.

### 11. Dividends

Dividend paid on equity share \$ 300,000.

### 12. Related Party Transactions

The company has the following transactions with the parent company and associated entities.

\$ 11,080,500	Subcontracting charges for the year from Accelya Kale Solutions Limited.
\$ 17,582	Overseas Income – Services rendered to Accelya Kale Solutions Limited
\$ 111,564	Other Income – expense reimbursed from Accelya World, S.L.U.
\$ 3,00,000	Dividend distribution to Accelya Kale Solutions Limited
\$ 146,875	Claim received for expense from Accelya Kale Solutions Limited
\$ 432	Claim received for expense from Accelya UK Limited
\$ 506,366	Reimbursement towards bill payment on behalf of Accelya Kale Solutions Limited
\$ 448	Claim raised for expense to Accelya France SAS
\$ 14,270	Claim received for expense from Accelya World, S.L.U

During the year, subcontracting agreement with Accelya Kale Solutions Limited was change effective from 1 April 2016.

### 13. Shareholders' Equity

The total authorized share capital of the Company is 35,000,000 shares of common Stock, par value \$ 0.01 per share, divided into 2 classes as under:

25,000,000	Class A voting shares of Common stock.
10,000,000	Class B non-voting shares of common stock.
500,000	Preference shares.

Issued Capital is as under:

1,300,000 Class A shares at USD 0.01 per share have been issued to Accelya Kale Solutions Limited., (a foreign Corporation, formerly Kale Consultants Limited, India), who owns 100% of the current issued share capital.

For and on behalf of the Board of Directors

Place: New Jersey  
Date: August 3, 2016

Philippe Lesueur  
Director

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**Company information for the year ended 30th June, 2016**

<b>DIRECTORS:</b>	Philippe Lesueur John Johnston
<b>REGISTERED OFFICE:</b>	Avenue Court, Victoria Avenue Camberley, Surrey GU15 3HX United Kingdom,
<b>REGISTERED NUMBER:</b>	03772143 (England and Wales)
<b>AUDITORS:</b>	KPMG LLP Chartered Accountants & Statutory Auditors 1 Forest Gate, Brighton Road, Crawley, West Sussex RH11 9PT

## Director's Report

The directors present their report with the financial statements of the company for the year ended 30th June 2016.

The Company has met the requirements in Companies Act 2006 to obtain the exemption provided from the presentation of a strategic report.

### PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of providers of business and financial management outsourced services.

### REVIEW OF BUSINESS

Zero Octa is a world-class outsource service provider to the international air transport industry with an internationally recognised identity which is synonymous with quality, accuracy and exceptional customer service.

The company's principal financial instruments comprise bank balances and trade debtors which have been generated through the company's regular operations. Due to the nature of the financial instruments used by the company there is low exposure to price risk. The company's approach to managing other risks applicable to the financial instruments concerned are as follows: In respect of bank balances the liquidity risk is managed by maintaining a positive bank balance ensuring there are sufficient funds to meet the payments as they fall due. Trade debtors are managed in respect of credit and cash flow risk by the regular monitoring of amounts outstanding, and discussion with clients.

During the period under review, ZOUK experienced a decrease of 19.86 % (2015: decrease of 12.35%) in turnover. The financial position at the end of the period is robust, with no external debt and a strongly positive cash flow situation, which is forecast to continue.

### DIVIDENDS

The company paid nil dividends (2015: £666,000) during the year.

### DIRECTORS

Philippe Lesueur has held office during the whole of the period from 1st July 2015 to the date of this report.

Other changes in directors holding office are as follows:

Vipul Jain - resigned 29th September 2015

John Johnston - appointed 25th September 2015

## STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

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 prepared the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101).

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 and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards, including FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 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.

### DISCLOSURE OF INFORMATION TO AUDITOR

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the Company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

### AUDITOR

The auditor, KPMG LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

### ON BEHALF OF THE BOARD:

John Johnston - Director

Date: August 3, 2016

## Auditor's Report

We have audited the financial statements of Zero Octa UK Ltd for the year ended 30th June 2016 on pages 17 to 27. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'.

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 a Report of the Auditors 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 opinions we have formed.

### Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page fifteen, 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 and express an opinion on 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 of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's website at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm).

### 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 30th June 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

### 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 in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a strategic report.

Timothy Rush (Senior Statutory Auditor)  
for and on behalf of KPMG LLP  
Chartered Accountants & Statutory Auditors  
1 Forest Gate, Brighton Road  
Crawley, West Sussex  
RH11 9PT

Date: August 3, 2016

**PROFIT AND LOSS ACCOUNT AND OTHER COMPREHENSIVE INCOME FOR THE YEAR  
ENDED 30TH JUNE 2016**

	Notes	2016		2015	
		£	£	£	£
<b>TURNOVER</b>	3		<b>2,748,327</b>		3,429,545
Staff costs	4	<b>223,319</b>		261,170	
Depreciation		<b>1,699</b>		1,932	
Other operating charges		<b>2,427,717</b>		2,154,075	
			<b>2,652,735</b>		2,417,177
<b>OPERATING PROFIT</b>			<b>95,592</b>		1,012,368
Other income			<b>98,790</b>		38,806
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	5		<b>194,382</b>		1,051,174
Tax on profit on ordinary activities	6		<b>39,121</b>		216,579
<b>PROFIT FOR THE FINANCIAL YEAR</b>			<b>155,261</b>		834,595
<b>OTHER COMPREHENSIVE INCOME</b>			-		-
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>			<b>155,261</b>		834,595

**BALANCE SHEET AS AT 30TH JUNE 2016**

	Notes	2016		2015	
		£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	8		1,968		3,667
<b>CURRENT ASSETS</b>					
Debtors	9	369,527		595,812	
Cash at bank and in hand		1,405,377		872,064	
		<u>1,774,904</u>		<u>1,467,876</u>	
<b>CREDITORS</b>					
Amounts falling due within one year	10	<u>517,917</u>		<u>367,849</u>	
<b>NET CURRENT ASSETS</b>			<u>1,256,987</u>		<u>1,100,027</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>1,258,955</u>		<u>1,103,694</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	12		1,110		1,110
Share premium	13		249,890		249,890
Retained earnings	14		<u>1,007,955</u>		<u>852,694</u>
<b>SHAREHOLDERS' FUNDS</b>			<u>1,258,955</u>		<u>1,103,694</u>

The financial statements were approved by the Board of Directors on August 3, 2016 and were signed on its behalf by:

John Johnston - Director

## STATEMENT OF CHANGES IN EQUITY

	Called up share capital £	Retained earnings £	Share premium £	Total equity £
<b>Balance at 1st July 2014</b>	1,110	684,099	249,890	935,099
<b>Changes in equity</b>				
Dividends	-	(666,000)	-	(666,000)
Total comprehensive income	-	834,595	-	834,595
<b>Balance at 30th June 2015</b>	1,110	852,694	249,890	1,103,694
<b>Changes in equity</b>				
Total comprehensive income	-	155,261	-	155,261
<b>Balance at 30th June 2016</b>	1,110	1,007,955	249,890	1,289,955

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2016

### 1. GENERAL INFORMATION

The Company is a private limited company incorporated and domiciled in England & Wales. The address of its registered office is Avenue Court, Victoria Avenue, Camberly, Surrey GU15 3HX.

The Company provides business and financial management outsourced services.

### 2. ACCOUNTING POLICIES

#### Basis of preparation

These financial statements have been prepared in accordance with Financial Reporting Standard 101 "Reduced Disclosure Framework" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the date of the financial statements. If in the future such estimates and assumptions which are based on management's best judgement at the date of the financial statements, deviate from the actual circumstances, the original estimates and assumptions will be modified as appropriate in the year in which the circumstances change. Where necessary, the comparatives have been reclassified or extended from the previously reported results to take into account presentational changes.

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 101 "Reduced Disclosure Framework":

- the requirements of paragraphs 45(b) and 46 to 52 of IFRS 2 Share-based Payment;
- the requirements of paragraphs 62, B64(d), B64(e), B64(g), B64(h), B64(j) to B64(m), B64(n)(ii), B64(o)(ii), B64(p), B64(q)(ii), B66 and B67 of IFRS 3 Business Combinations;
- the requirements of paragraph 33(c) of IFRS 5 Non Current Assets Held for Sale and Discontinued Operations;
- the requirements of IFRS 7 Financial Instruments: Disclosures;
- the requirements of paragraphs 91 to 99 of IFRS 13 Fair Value Measurement;
- the requirement in paragraph 38 of IAS 1 Presentation of Financial Statements to present comparative information in respect of:
  - paragraph 79(a)(iv) of IAS 1;
  - paragraph 73(e) of IAS 16 Property, Plant and Equipment;
  - paragraph 118(e) of IAS 38 Intangible Assets;
  - paragraphs 76 and 79(d) of IAS 40 Investment Property; and
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D and 111 of IAS 1 Presentation of Financial Statements;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- the requirements of paragraphs 17 and 18A of IAS 24 Related Party Disclosures;
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group;
- the requirements of paragraphs 134(d) to 134(f) and 135(c) to 135(e) of IAS 36 Impairments of Assets.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2016

### Turnover

Turnover represents the value of services provided under contracts to the extent that persuasive evidence of an arrangement exists, services have been rendered, the fee is determinable and its collectability is reasonably assured.

Turnover is stated net of value-added tax and credit notes.

### Accrued income

Where a contract has only been partially completed at the balance sheet date, turnover represents the value of the service provided to date based on a proportion of the total expected consideration at completion. The corresponding figure is shown as accrued income under debtors.

### Provision for credit notes

A provision is made for credit notes in respect of contractual obligations to issue such notes.

### Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	-	25% on cost
Computer equipment	-	25% on cost

Property, plant and equipment are initially recorded at cost of purchase or construction and are depreciated on a straight-line basis, except for land, which is not depreciated.

### Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

### Foreign currencies

#### (a) Functional and presentation currency

Items included in the financial statements of the company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in 'Pounds Sterling' (£), which is also the company's functional currency.

#### (b) Transactions and balances

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the statement of financial position date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

### Hire purchase and leasing commitments

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

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2016

**Estimates and judgements**

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The judgements, estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are discussed below.

**- Accruals & Provisions**

The Company may be required to recognise provisions for impairment of trade receivables and post year end credit notes in respect of revenue, employee bonuses and unpaid holiday leaves, dilapidations, onerous leases and corporation tax in its financial statements which may requires management to make judgements. The judgements, estimates and associated assumptions necessary to calculate these provisions are based on historical experience and other reasonable factors.

**3. TURNOVER**

The turnover and profit before taxation are attributable to the one principal activity of the company.

An analysis of turnover by geographical market is given below:

	2016 £	2015 £
Americas	473,142	789,525
Asia Pacific	1,292,839	1,542,822
Europe	488,866	565,620
Middle East & Africa	493,480	531,578
	<u>2,748,327</u>	<u>3,429,545</u>

**4. EMPLOYEES AND DIRECTORS**

	2016 £	2015 £
Wages and salaries	203,781	234,346
Social security costs	19,538	26,824
	<u>223,319</u>	<u>261,170</u>

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

	2016	2015
Customer services and support	<u>3</u>	<u>5</u>

Some of the employees' and directors' contracts of service are with Accelya Kale Solutions Limited ("Accelya Kale") and Accelya UK Limited ("Accelya UK"), a group company, and their remuneration is included in that company's financial statements. The management cost that "Accelya Kale" and "Accelya UK" charges to Zero Octa UK Limited includes the costs of these employees and directors; however, it is impossible to ascertain separately the element of the management cost that relates to staff costs and directors' salaries.

	2016 £	2015 £
Directors' Remuneration	<u>-</u>	<u>-</u>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2016

### 5. PROFIT BEFORE TAXATION

The profit before taxation is stated after charging/(crediting):

	2016 £	2015 £
Other operating leases	35,100	46,800
Depreciation - owned assets	1,699	1,932
Auditors remuneration	6,000	6,000
Foreign exchange differences	98,790	(4,840)
	<u>          </u>	<u>          </u>

Directors' remuneration for services to the parent company and its group are disclosed in the accounts of the parent company.

### 6. TAXATION

#### Recognised in the profit and loss account

	2016 £	2015 £
<i>UK corporation tax</i>		
Current tax on income for the period	39,921	216,579
Adjustments in respect of prior period	-	-
Double taxation relief	-	-
<i>Foreign tax</i>		
Current tax on income for the period	-	-
Adjustments in respect of prior period	-	-
Total current tax	<u>39,921</u>	<u>216,579</u>

#### Factors affecting the tax expense

The tax assessed for the year is higher (2015 - lower) than the standard rate of corporation tax in the UK. The Budget on 8 July 2015 announced changes in the main UK corporation tax rate. The rate (currently 20%) will reduce to 19% from 1 April 2017 and to 18% from 1 April 2020. The difference is explained below:

	2016 £	2015 £
Profit on ordinary activities before income tax	<u>194,382</u>	<u>1,051,174</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20% (2015 - 20.750%)	38,876	218,119
Effects of:		
Group relief - current period	-	(1,695)
Non-deductible expenses	245	155
Tax expense	<u>39,121</u>	<u>216,579</u>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2016

## 7. DIVIDENDS

Ordinary shares of 0.01 each  
Final

2016  
£

2015  
£

-

666,000

## 8. TANGIBLE FIXED ASSETS

## COST

At 1st July 2015  
and 30th June, 2016

Fixtures  
and  
fittings  
£

Computer  
equipment  
£

Totals  
£

2,522

12,185

14,707

## DEPRECIATION

At 1st July 2015

2,522

8,518

11,040

Charge for year

-

1,699

1,699

At 30th June 2016

2,522

10,217

12,739

## NET BOOK VALUE

At 30th June 2016

-

1,968

1,968

At 30th June 2015

-

3,667

3,667

## 9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

Trade debtors

2016  
£

2015  
£

312,976

308,470

Amounts owed by group undertakings

-

140,340

VAT

3,229

9,339

Accrued income

47,639

136,235

Prepayments

5,683

1,428

369,527

595,812

## 10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

Trade creditors

2016  
£

2015  
£

10,651

5,899

Amounts owed to group undertakings

382,587

109,065

Taxation

6,843

116,411

Social security and other taxes

-

3,769

Other creditors

891

3,175

Accrued expenses

116,945

129,530

517,917

367,849

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2016

### 11. OPERATING LEASE

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2016 £	2015 £
Within one year	-	-

The lease rental under cancellable operating lease for office premises charged to profit and loss account during the year aggregates to **£ 35,100** (2015 : £46,800)

### 12. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2016 £	2015 £
111,000	Ordinary	0.01	<b>1,110</b>	1,110

### 13. RESERVES

	Retained earnings £	Share premium £	Total £
At 1st July 2015	852,694	249,890	1,102,584
Profit for the year	155,261	-	155,261
At 30th June 2016	<b>1,007,955</b>	<b>249,890</b>	<b>1,257,845</b>

### 14. ULTIMATE PARENT COMPANY

Accelya World Holding S.L. (incorporated in Spain) is regarded by the directors as being the company's ultimate parent company.

Group accounts incorporating the results of this company are prepared by Accelya Kale Solutions Limited, the parent Company, and by Accelya Holding World S.L. which is the ultimate parent. These financial statements can be obtained from Accelya Enclave, 685/2B & 2C, 1st Floor, Sharada Arcade, Satara Road, Pune 411037, India and Accelya Holding World S.L., Avenida Diagonal, number 567, 3rd floor, Barcelona, Spain.

### 15. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is Chequers Capital XV FCPR.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2016

## 16. EXPLANATION OF TRANSITION TO FRS 101

## RECONCILIATION OF EQUITY 1ST JULY 2014 (DATE OF TRANSITION TO FRS 101)

	Notes	UK GAAP £	Effect of transition to FRS 101 £	FRS 101 £
<b>FIXED ASSETS</b>				
Tangible assets		4,992	-	4,992
<b>CURRENT ASSETS</b>				
Debtors		644,919	-	644,919
Cash at bank		719,885	-	719,885
		1,364,804	-	1,364,804
<b>CREDITORS</b>				
Amounts falling due within one year		(434,697)	-	(434,697)
<b>NET CURRENT ASSETS</b>		930,107	-	930,107
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		935,099	-	935,099
<b>NET ASSETS</b>		935,099	-	935,099
<b>CAPITAL AND RESERVES</b>				
Called up share capital		1,110	-	1,110
Share premium		249,890	-	249,890
Retained earnings		684,099	-	684,099
<b>SHAREHOLDERS' FUNDS</b>		935,099	-	935,099

## RECONCILIATION OF EQUITY 30TH JUNE 2015

<b>FIXED ASSETS</b>				
Tangible assets		3,667	-	3,667
<b>CURRENT ASSETS</b>				
Debtors		595,812	-	595,812
Cash at bank		872,064	-	872,064
		1,467,876	-	1,467,876
<b>CREDITORS</b>				
Amounts falling due within one year		(367,849)	-	(367,849)
<b>NET CURRENT ASSETS</b>		1,100,027	-	1,100,027
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		1,103,694	-	1,103,694
<b>NET ASSETS</b>		1,103,694	-	1,103,694
<b>CAPITAL AND RESERVES</b>				
Called up share capital		1,110	-	1,110
Share premium		249,890	-	249,890
Retained earnings		852,694	-	852,694
<b>SHAREHOLDERS' FUNDS</b>		1,103,694	-	1,103,694

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2016

### 16. EXPLANATION OF TRANSITION TO FRS 101 (continued)

#### RECONCILIATION OF PROFIT FOR THE YEAR ENDED 30TH JUNE 2015

	UK GAAP £	Effect of transition to FRS 101 £	FRS 101 £
<b>TURNOVER</b>	3,429,545	-	3,429,545
Staff costs	(261,170)	-	(261,170)
Depreciation	(1,932)	-	(1,932)
Other operating charges	(2,154,075)	-	(2,154,075)
<b>OPERATING PROFIT</b>	1,012,368	-	1,012,368
Other income	38,806	-	38,806
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	1,051,174	-	1,051,174
Tax on profit on ordinary activities	(216,579)	-	(216,579)
<b>PROFIT FOR THE FINANCIAL YEAR</b>	834,595	-	834,595

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2016

PROFIT AND LOSS ACCOUNT SUMMARIES  
FOR THE YEAR ENDED 30TH JUNE 2016

	2016 £	2015 £
<b>TURNOVER</b>		
Sales	2,748,327	3,429,545
	<u>2,748,327</u>	<u>3,429,545</u>
<b>OTHER INCOME</b>		
Foreign exchange gain	98,790	-
Liabilities written back	-	11,780
Bad debts recovered	-	27,026
	<u>98,790</u>	<u>38,806</u>
<b>STAFF COSTS</b>		
Wages	203,781	234,346
Social security	19,538	26,824
	<u>223,319</u>	<u>261,170</u>
<b>DEPRECIATION</b>		
Depreciation of tangible fixed assets	1,699	1,932
	<u>1,699</u>	<u>1,932</u>
<b>OTHER OPERATING CHARGES</b>		
Rent	35,100	46,800
Insurance	641	719
Telephone	1,483	3,462
Post and stationery	362	3,153
Travelling	3,488	25,766
IT subscriptions & consumables	53	400
Repairs and renewals	38	382
Staff welfare	93	478
Sundry expenses	345	479
Overseas contractors	1,100,942	1,139,987
Data sourcing costs	1,054,234	680,498
Bank charges	3,822	5,035
Legal & Professional fees	197,662	236,076
Management Fee	23,454	-
Auditors remuneration	6,000	6,000
Foreign exchange losses	-	4,840
	<u>2,427,717</u>	<u>2,154,075</u>