

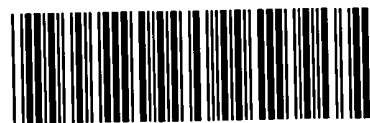


Financial Statements

Arise Virtual Solutions Limited

For the year ended 31 December 2017

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Arise Virtual Solutions Limited

Company Information

Directors	Lisa Carstarphen Scott Etheridge John Anthony Meyer Keir Greenwood
Company secretary	Pinsent Masons Secretarial Limited
Registered number	06370708
Registered office	1 Park Row Leeds West Yorkshire LS1 5AB United Kingdom
Independent auditors	Grant Thornton Chartered Accountants & Statutory Auditors Molyneux House Bride Street Dublin 8 Ireland
Bankers	Royal Bank of Scotland 36 St. Andrew Square Edinburgh EH2 2YB Scotland JP Morgan Chase Bank NA 25 Bank Street Canary Wharf London E14 5JP United Kingdom

Arise Virtual Solutions Limited

Directors' report

For the year ended 31 December 2017

The directors present their annual report and the audited financial statements for the year ended 31 December 2017.

Principal activity and future developments

The principal activity of the company is to provide support services to Arise Virtual Solutions International Limited, which provides a virtual platform to connect primarily work-at-home service professionals running small call centre businesses to Fortune 500 companies needing customer contact services. The directors do not envisage any substantial changes to the nature of the business in the foreseeable future.

Results and dividends

The profit for the year, after taxation, amounted to £26,424 (2016 - £150,808).

The directors do not recommend payment of a dividend.

Directors

The directors who served during the year were:

Lisa Carstarphen
Scott Etheridge
John Anthony Meyer
Keir Greenwood

Principal risks and uncertainties

While the greater part of the company's revenues and expenses are denominated in sterling, the company is exposed to some foreign exchange risk in the normal course of business, principally in respect of inter-company loans which are denominated in US Dollars. While the company has not used financial instruments to date to hedge foreign exchange exposure, this position is kept constantly under review.

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Arise Virtual Solutions Limited

Directors' report (continued)

For the year ended 31 December 2017

Auditors

The auditors, Grant Thornton, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

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 26 April 2018 and signed on its behalf.


.....
Scott Etheridge
Director

Directors' responsibilities statement

For the year ended 31 December 2017

The directors are responsible for preparing the Directors' report and the audited financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare audited financial statements for each financial year. Under that law the directors have elected to prepare the audited 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 audited financial statements unless they are satisfied that they are 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 audited 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;
- state whether applicable UK Accounting Standards 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 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.



Independent auditors' report to the members of Arise Virtual Solutions Limited

Opinion

We have audited the financial statements of Arise Virtual Solutions Limited, which comprise the the Statement of comprehensive income, the Statement of financial position, the Statement of changes in equity for the financial year ended 31 December 2017, and the related notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, Arise Virtual Solutions Limited's financial statements:

- give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice of the financial position of the Company as at 31 December 2017 and of its financial performance for the year then ended; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ('ISAs') and applicable law. Our responsibilities under those standards are further described in the responsibilities of the auditor for the audit of the financial statements' section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, namely FRC's Ethical Standard concerning the integrity, objectivity and independence of the auditor. We have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Independent auditors' report to the members of Arise Virtual Solutions Limited (continued)

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.



Independent auditors' report to the members of Arise Virtual Solutions Limited (continued)

Other information

Other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' report thereon, including the Directors' report. The directors are responsible for the other information. Our opinion on the financial statements does not cover the information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which 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 the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies' exemptions from the requirement to prepare a strategic report or in preparing the Directors' report.

Responsibilities of management and those charged with governance for the financial statements

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.



Independent auditors' report to the members of Arise Virtual Solutions Limited (continued)

Responsibilities of the auditor for the audit of the financial statements

The objectives of an auditor are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), the auditor will exercise professional judgment and maintain professional scepticism throughout the audit. They will also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for their opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If they conclude that a material uncertainty exists, they are required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify their opinion. Their conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.

The auditor shall communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that may be identified during the audit.



Independent auditors' report to the members of Arise Virtual Solutions Limited (continued)

The purpose of our audit work and to whom we owe our responsibilities

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 an auditor's report 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.


Michael Shelley
for and on behalf of
Grant Thornton
Chartered Accountants
Statutory Auditors
Dublin 8
Date: 4 May 2018.

Arise Virtual Solutions Limited

Statement of comprehensive income

For the year ended 31 December 2017

		2017	As restated 2016
	Note	£	£
Turnover		244,839	3,169,465
Administrative expenses		(228,825)	(2,961,685)
Operating profit	4	16,014	207,780
Interest receivable and similar income	6	5,933	-
Interest payable and expenses	7	-	(7,092)
Profit before tax		21,947	200,688
Tax on profit	8	4,477	(49,880)
Profit for the financial year		26,424	150,808

All amounts relate to continuing operations.

There was no other comprehensive income for 2017 (2016: £NIL).

The notes on pages 13 to 23 form part of these financial statements.

Arise Virtual Solutions Limited

Registered number:06370708

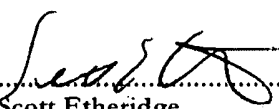
Statement of financial position

As at 31 December 2017

	Note	2017 £	2017 £	As restated 2016 £	As restated 2016 £
Fixed assets					
Tangible assets	9		3,952		7,766
			<u>3,952</u>		<u>7,766</u>
Current assets					
Debtors: amounts falling due within one year	10	7,571,494		11,791,734	
Cash at bank and in hand	11	14,370		330,690	
		<u>7,585,864</u>		<u>12,122,424</u>	
Current liabilities					
Creditors: amounts falling due within one year	12	(7,088,504)		(11,655,302)	
			<u>497,360</u>		<u>467,122</u>
Net current assets					
			<u>501,312</u>		<u>474,888</u>
Net assets					
Capital and reserves					
Called up share capital	14		1		1
Profit and loss account	13		501,311		474,887
			<u>501,312</u>		<u>474,888</u>

The Company's financial statements have been prepared in accordance with the 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


.....
Scott Etheridge

Director

The notes on pages 13 to 23 form part of these financial statements.

Arise Virtual Solutions Limited

Statement of changes in equity

For the year ended 31 December 2017

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2016 (as previously stated)	1	280,288	280,289
Prior year adjustment	-	43,791	43,791
	<u>1</u>	<u>324,079</u>	<u>324,080</u>
At 1 January 2016 (as restated)			
Comprehensive income for the year			
Profit for the year	-	150,808	150,808
	<u>-</u>	<u>150,808</u>	<u>150,808</u>
Total transactions with owners	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
At 1 January 2017	1	474,887	474,888
Comprehensive income for the year			
Profit for the year	-	26,424	26,424
	<u>-</u>	<u>26,424</u>	<u>26,424</u>
Other comprehensive income for the year	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total comprehensive income for the year	-	26,424	26,424
	<u>-</u>	<u>26,424</u>	<u>26,424</u>
Total transactions with owners	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
At 31 December 2017	<u>1</u>	<u>501,311</u>	<u>501,312</u>

Notes to the financial statements

For the year ended 31 December 2017

1. General information

Arise Virtual Solutions Limited (the company) was incorporated and registered with the Companies House on 13 September 2007 in the United Kingdom with a registered office at 1 Park Row, Leeds, West Yorkshire, LS1 5AB.

Arise Virtual Solutions Limited is a private company, limited by shares, the company is tax resident in the UK.

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 company qualifies as a small company as defined by section 280A of the Act, in respect of the financial year and has applied the rules of the 'Small Companies Regime' in accordance with section 280C of the Act and section 1A of FRS 102.

The financial statements have been prepared in GBP (£).

The following principal accounting policies have been applied:

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. Revenue represents income derived from group companies in exchange for support services.

The following criteria must also be met before revenue is recognised:

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.

Notes to the financial statements

For the year ended 31 December 2017

2. Accounting policies (continued)

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.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

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:

Office equipment	- 4 years
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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 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.

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.

2.5 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, including transaction costs, and are measured subsequently at amortised cost using the effective interest method, 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 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.

Notes to the financial statements

For the year ended 31 December 2017

2. Accounting policies (continued)

2.7 Financial instruments (continued)

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Investments in non-convertible preference shares and in non-puttable ordinary and preference shares are measured:

- at fair value with changes recognised in the Statement of comprehensive income if the shares are publicly traded or their fair value can otherwise be measured reliably;
- at cost less impairment for all other investments.

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 comprehensive income.

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 reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of financial position 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.

2.8 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, including transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Notes to the financial statements

For the year ended 31 December 2017

2. Accounting policies (continued)

2.9 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.

2.10 Finance costs

Finance costs are charged to the Statement of comprehensive income 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.

2.11 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 Statement of financial position. 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.

Notes to the financial statements

For the year ended 31 December 2017

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 reporting 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 Statement of financial position 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 reporting date.

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

The preparation of the financial statements requires management to make estimates and judgements that affect the reported amounts of assets and liabilities at the date of financial statements and the reported amount of income and expenses during the reporting period. Management evaluates its estimates and judgements on an ongoing basis.

Management bases its estimates and judgements on historical experience on various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates under different assumption or conditions.

Arise Virtual Solutions Limited

Notes to the financial statements

For the year ended 31 December 2017

4. Operating profit

The operating profit is stated after charging:

	2017	2016
	£	£
Depreciation of tangible fixed assets	3,814	7,767
Exchange differences	(979,641)	1,929,994
Operating lease rentals - land & buildings	4,592	55,219
Defined contribution pension cost	9,355	7,322
	<u> </u>	<u> </u>

5. Employees

Staff costs were as follows:

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

	2017	2016
	No.	No.
Employees	10	10
	<u> </u>	<u> </u>

6. Interest receivable

	2017	As restated 2016
	£	£
Net interest receivable from group companies	5,933	-
	<u> </u>	<u> </u>

7. Interest payable and similar charges

	2017	As restated 2016
	£	£
Net interest payable to group companies	-	7,092
	<u> </u>	<u> </u>

Notes to the financial statements

For the year ended 31 December 2017

8. Taxation

	2017 £	2016 £
Corporation tax		
Current tax on profits for the year	18,608	49,880
Overprovision in prior year	(23,085)	-
Total current tax	(4,477)	49,880
Deferred tax		
Total deferred tax	-	-
Taxation on profit on ordinary activities	(4,477)	49,880

Factors affecting tax charge for the financial year

The tax assessed for the year is higher than the profit (2016 - higher than) for the year multiplied by the standard rate of corporation tax in the UK of 20% (2016 - 20%). The differences are explained below:

	2017 £	As restated 2016 £
Profit on ordinary activities before tax	21,947	150,808
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2016 - 20%)	4,389	30,616
Effects of:		
(Income)/Expenses not deductible for tax purposes	14,219	19,264
Overprovision in prior year	(23,085)	-
Total tax charge for the year	(4,477)	49,880

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

Notes to the financial statements

For the year ended 31 December 2017

9. Tangible fixed assets

	Fixtures and fittings £
Cost or valuation	
At 1 January 2017	40,151
Disposals	(21,081)
At 31 December 2017	<u>19,070</u>
Depreciation	
At 1 January 2017	32,385
Charge for the year on owned assets	3,814
Disposals	(21,081)
At 31 December 2017	<u>15,118</u>
Net book value	
At 31 December 2017	<u>3,952</u>
At 31 December 2016	<u>7,766</u>

10. Debtors

	2017 £	As restated 2016 £
Amounts owed by group undertakings	7,553,697	11,779,099
Other debtors	17,797	12,635
	<u>7,571,494</u>	<u>11,791,734</u>

Amounts owed by group undertakings are provided on an unsecured basis and incur interest at a rate of 1.68% per annum.

11. Cash and cash equivalents

	2017 £	2016 £
Cash at bank and in hand	<u>14,370</u>	<u>330,690</u>

Notes to the financial statements

For the year ended 31 December 2017

12. Creditors: Amounts falling due within one year

	2017	As restated 2016
	£	£
Trade creditors	3,143	388
Amounts owed to group undertakings	7,069,799	11,580,983
Corporation tax	-	1,835
Accruals	15,562	72,096
	<u>7,088,504</u>	<u>11,655,302</u>

Amounts owed to group undertakings are provided on an unsecured basis and incur interest at a rate of 1.68% per annum. This shall not be called for repayment until the company has sufficient financial resources to do so.

13. Reserves

Profit and loss account

Includes all current and prior period retained profit and losses.

14. Share capital

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

15. Prior year adjustment

The fair value of inter company loans has been reversed as they are on 366 day revolving loans as follows:

	Opening reserves	Capital contribution reserve	Distributions	Profit & loss	Intercompa ny debtors	Intercompa ny creditors
	£	£	£	£	£	£
As previously stated	(280,288)	(134,214)	133,263	(159,456)	11,113,614	(10,949,690)
Prior year adjustment	(43,791)	134,214	(133,263)	8,648	665,485	(631,293)
As restated	<u>(324,079)</u>	<u>-</u>	<u>-</u>	<u>(150,808)</u>	<u>11,779,099</u>	<u>(11,580,983)</u>

Notes to the financial statements

For the year ended 31 December 2017

16. Financial risk management

Financial risk management

The company has exposures to two main areas of risk – foreign exchange currency exposure and liquidity risk.

Foreign exchange transactional currency exposure

The company is exposed to currency exchange rate risk due to a significant proportion of its intercompany receivables and payables being de-nominated in non-Sterling currencies. The net exposure of each currency is monitored and managed by the directors.

Liquidity Risk

The objective of the company in managing liquidity risk is to ensure that it can meet its financial obligations as and when they fall due. The company expects to meet its financial obligations through operating cashflow. In the event that the operating cash flows would not cover all the financial obligations, group companies has credit facilities available.

17. Commitments under operating leases

At 31 December 2017 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2017 £	2016 £
Not later than 1 year	4,592	4,592
Later than 1 year and not later than 5 years	13,776	18,368
	<u>18,368</u>	<u>22,960</u>

18. Related party transactions

The company has availed of the exemption provided in FRS 102 section 33, "Related Party Disclosures" not to disclose transactions entered into with fellow group companies that are wholly owned within the group of companies of which the company is a wholly owned member.

19. Post balance sheet events

There have been no significant events affecting the company since the year end and the directors do not envisage any substantial changes to the nature of the business in the foreseeable future.

Arise Virtual Solutions Limited

Notes to the financial statements

For the year ended 31 December 2017

20. Holding company

The company is a wholly owned subsidiary of Arise Virtual Solutions International Holding Company Limited, a company incorporated in the Republic of Ireland. The ultimate parent company is Arise Holdings Inc. a company incorporated in the United States of America.

21. Approval of financial statements

The board of directors approved these financial statements for issue on 26 April 2018

Arise Virtual Solutions Limited

Detailed profit and loss account

For the year ended 31 December 2017

	Note	2017 £	2016 £
Turnover		244,839	3,169,465
Gross profit		<u>244,839</u>	<u>3,169,465</u>
Less: overheads			
Administration expenses		(228,825)	(2,961,685)
Operating profit	4	<u>16,014</u>	<u>207,780</u>
Interest receivable		5,933	-
Interest payable		-	(7,092)
Tax on profit on ordinary activities		4,477	(49,880)
Profit for the year		<u><u>26,424</u></u>	<u><u>150,808</u></u>

Arise Virtual Solutions Limited

Schedule to the detailed accounts

For the year ended 31 December 2017

	2017 £	2016 £
Turnover		
Fees	244,839	3,169,465

	2017 £	2016 £
Administration expenses		
Staff salaries	826,882	657,314
Staff national insurance	188,281	178,474
Staff pension costs - defined contribution schemes	9,355	7,322
Staff training (employee)	2,411	447
Hotels, travel and subsistence	70,602	46,693
Postage	2,472	741
Telephone and fax	4,191	10,663
Advertising and promotion	18,799	21,950
Legal and professional	21,514	22,758
Accountancy fees	-	1,500
Bank charges	1,610	1,399
Difference on foreign exchange	(979,641)	1,929,994
Sundry expenses	21	160
Rent - operating leases	4,592	55,219
Call centre payments	40	-
Insurances	1,340	3,272
Depreciation	3,814	7,767
Conferences	-	776
Recruitment and temp costs	48,447	9,152
Supplies Expenses	3,750	4,123
Callcentre incentive	345	1,961
	228,825	2,961,685

	2017 £	2016 £
Interest receivable		
Group interest receivable	5,933	-

	2017 £	2016 £
Interest payable		
Group interest payable	-	7,092