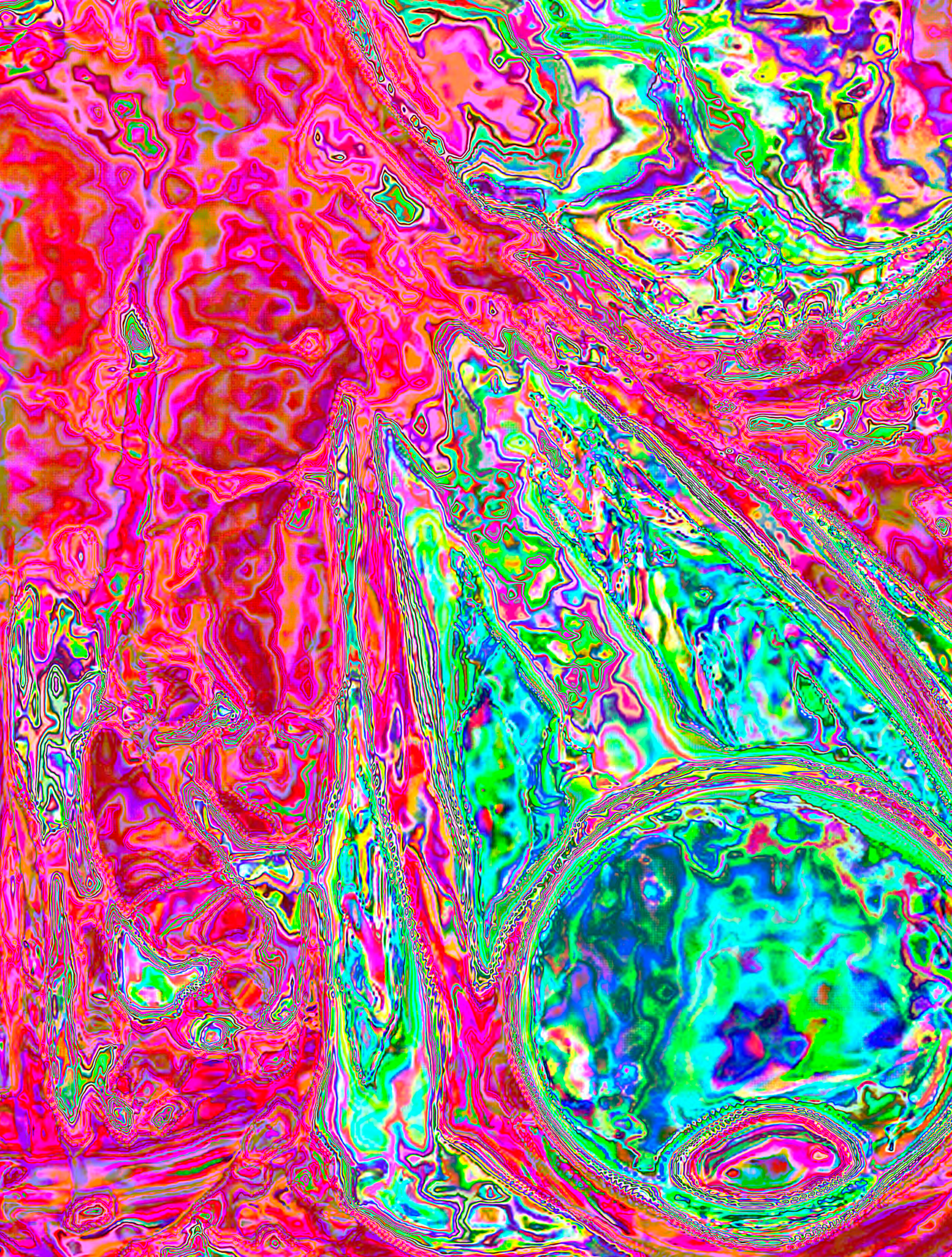
The Summit Group Limited 2019



Cover Image:
MRI scan of human eye and optic nerve

The Summit Group

What we do

The Summit Group is a venture capital business. We provide capital to start up and early stage companies, and actively support these businesses as they grow.

We only invest in businesses to which we believe we can add value. We achieve this by providing business infrastructure and support functions as well as our skill and experience and the contacts within our Group and our other investments. Our aim is to give the entrepreneurs we back the support and resources to enable us to succeed together.

Summit always invests less than £500,000. We always seek to have a shareholding in excess of 20% in the companies in which we invest.

Who we are

The Summit Group is a group of companies which operate principally in the financial, life sciences and business services markets. Its activities include insurance, medical equipment and woundcare, sales outsourcing and fund management, as well as making and managing early stage venture capital investments. Most of the Group's businesses were established as start-ups where Summit backed and supported management teams in which we had confidence. We have continued to support these businesses over many years. Although a number of the businesses we have backed in the past have gone on to become successful independent businesses our policy is generally only to seek to realise our investment in a business if that is what its management also want.

The Summit Group itself is wholly owned by people who work (or have worked) in the business. Since it is our own money we are investing we treat all our businesses with the attitude of someone who has made a significant personal investment. This makes us hands-on investors: once we have made an investment we work as partners with management to help their business succeed and create value for all of us. Our financial standing, our years of hands-on experience in starting businesses and dealing with the issues and problems that are encountered along the way – and we have encountered many of them – and our extensive contacts all enable us to make a real contribution to the development of businesses in which we invest, over and above the capital we provide.

History of The Summit Group

The Summit Group has been in business for over thirty years. During this time it has been both a smaller and larger enterprise and raised over £150 million of capital, at its peak growing its total assets to in excess of £500 million with annual revenues of over £200 million. For over twenty years it has had the same core senior management team who have been involved in most aspects of growing and managing both smaller and larger businesses and the issues they encounter across a number of market sectors. As well as being a venture capital investor, it has also had shareholders who themselves were venture capital companies so has experience of the issues that can arise from both parties' perspectives.

What we look for

The key to any business is people. We look for energetic, experienced and talented leaders who can build and run their own businesses. These businesses will typically be in or around our preferred sectors, which include:

- Business Services
- Finance & Insurance
- Software & Internet
- Medical & Life Science
- Outsourcing
- Marketing Services
- Environmental
- Energy
- Technology

We tend to favour service-type businesses which have business models we can understand, which are cash generative and preferably with revenues earned under long term arrangements. We generally only invest in businesses whose customers are also businesses and therefore, generally, do NOT invest in businesses whose customers are consumers such as retail, entertainment or leisure.

Our investment approach revolves around the people we back, because even the best business ideas will not succeed without energetic and visionary entrepreneurs to implement them.

Our task, therefore, is to identify the people who have the capability to build quality and sustainable businesses - and to provide them with the appropriate infrastructure and financial resources to allow them to succeed.

We have found that entrepreneurs who choose to work with us value having the support, infrastructure, contacts and experience of a substantial and established business such as The Summit Group. Our involvement gives them credibility and frees them to focus on the value-creating elements of their business.

How we operate

We only maintain control over what we consider to be a few key financial and commercial factors. Beyond these, our philosophy is that the people we back should have the freedom to succeed in developing their business in their own way, with our support as a significant shareholder and contributor to the board.

We believe that once we have agreed the terms of our investment we are all shareholders together and should work together to create value.

How we are structured

The Summit Group makes investments out of its own resources; through Summit Alpha and, for investments seeking between £500,000 and £2 million, through Seraphim Capital and Seraphim Space, the enterprise capital funds of which Summit is a managing partner.

What we are invested in

Sector	The Summit Group	Summit Alpha	Seraphim Capital	Seraphim Space
Business Services	Voicenotes BookingLive CityPort	iX Group Authenticate Information Systems		Spire Global Iceye Nightingale Intelligent Systems Altitude Angel
Communications	Aria Networks		Aria Networks	ArQit Quadsat
Environmental	Powerstax	Powerstax		
Financial	SQN Capital Management Summit Insurance Services			
Marketing Services	Tennyson			
Medical & Pharmaceutical	MedTrade Products Medical Equipment Solutions Thornbury Radiosurgery Centre QSRC			
Technology	Pyreos		Pyreos	Kaleao TransRobotics
Software & Internet	t-Plan	t-Plan	Intamac	

Portfolio review

Directly held investments

Investment	Year	Percentage ownership	Business
BookingLive Software	2016	17.8%	Booking software

Based in Bristol, BookingLive develops and sells software enabling online booking of events, courses and locations. It has developed a "freemium" version (called "Connect") of its paid for product, which was launched during early 2019.

Clients include a number of NHS trusts, local authorities and universities and such corporate names as Microsoft, Universal Music Group and BMW.

Summit initially invested just over £300k (alongside an investment of £100k from a fund managed on behalf of Creative England) for a shareholding of 20%. In July 2019, the company raised a further £375k, at a pre-new money valuation of £3 million, reducing Summit's shareholding to 17.8%

Cityport	2018	27.3%	Logistics

Cityport has developed an innovative method of protecting goods being transported by lorry from theft. Working in conjunction with Robert Bosch (which will provide the necessary software), it had its first beta test site operational in late 2018 and has a contract with a major tobacco company for it to use that site for an initial period of a year. It is expected that this will lead to that customer taking a further two units during late 2019.

Summit invested £250,000 for a 25% shareholding in March 2018; as a result of further share issues in May and July 2019 (in which Summit invested a further £32k), it increased its shareholding to 27.3%.

MedTrade Products	2000	22.4%	Medical product fulfilment

MedTrade Products designs and produces specialised medical products, which utilise new materials and processes. It sources and procures the manufacture of product to meet orders placed by major medical and pharmaceutical retailers and distributors throughout the world. Summit invested £630,000 in four tranches for a 28% shareholding in the company. In May 2019, Summit sold just under one fifth of its overall shareholding for just over £5 million valuing the company at over £100m.

MedTrade's expertise lies in obtaining the necessary CE marking and FDA approvals for its products in timescales that fit its customers' needs for products to be on sale at particular times. In the year to 28 February 2019 MedTrade had sales and profits from its trauma and woundcare businesses of £31.9 million and £7.4 million respectively. Research and development expenditure incurred during the year (all of which was expensed) on clinical trials for Celox and in developing other new products increased from £1.1 million to £1.8 million.

The clinical trials for MedTrade's haemostat product, Celox, for use in internal surgical procedures have been completed (in terms of use on patients) and the results produced. On the back of these results a CE marking application has been made. The Celox product is now being used across the world by an ever-increasing number of military forces and first responder units, with great praise for its efficacy; and the move into surgical use is the next stage in the development of its sales strategy.

Portfolio review
Directly held investments

Investment	Year	Percentage ownership	Business
Summit Insurance Services	1991	90%	Insurance Services

Summit Insurance Services has created and distributes a number of insurance products of which the most significant is Compucover; the UK's leading all risks insurance for IT equipment. Compucover insures educational establishments, small and large organisations in both the public and private sector and thousands of individuals.

The company also provides warranty schemes both as insurance and service agreements and "Protech Gadget", aimed at the ever-growing electronic gadget market. It has also developed a Gap product and has arranged the underwriting of an insurance product that relies on nano-technology to protect the screens of phones and IT equipment.

It continues to build its third-party claims handling book using its claims and supply chain skills to underwriters of IT and other insurance programmes.

The company is regulated by the Financial Conduct Authority and the implementation of the Insurance Distribution Directive ("IDD") on 1st October 2018 has impacted on the business and many others. SIS has built its own online training portal to meet the Continuing Professional Development requirement of IDD and this has proven to be very popular with our resellers.

In the year ending 31 March 2019, gross premium written was £3.24 million an increase of 8.5% on the previous year

Tennyson	1998	100%	Sales channel development

Tennyson is a sales-outsourcing company, working with major organisations to improve their sales and profits by providing services on a long-term contract basis. Tennyson specialises in the disciplines of new business and account management and has achieved some headline-making and ground-breaking wins on behalf of its clients.

Its team blends consultancy with hands on sales and marketing - which enables it to give results like no other sales agency. These services include the provision of field sales teams, phone sales teams, third party channel programmes and both web and phone-based order-processing centres. In addition to providing high quality personnel, Tennyson also adds value through its expert knowledge of business to business sales.

Tennyson has worked with its main client, Royal Mail for 13 years and was the first ever outsourced sales agency to be engaged by them. This particular client relationship has remained a constant throughout the changes within Royal Mail and the wider postal market, from deregulation through to privatisation. Currently it is engaged across several of Royal Mail's business strands with a team of desk-based Media Specialists being the unique aspect of their service. This team is now accountable for generating new business revenues in excess of £20m.

Tennyson produced profits before tax of £197k. The existing Royal Mail New Business team achieved nine out of ten of its milestones and Tennyson's services continue to be provided to a number of departments across the business.

Voicenotes	2007	26.5%	Sales support services

Voicenotes provides a highly cost-effective and individual transcription service to corporates, typically operating in the financial services industry. Staff at those customers dictate meeting and other notes from their mobile phones, and these are then transcribed and e-mailed back to the relevant member of staff and any colleagues that need copies; and these can also provide a link to the customer's CRM system to keep their customer lists and contacts current. The process is also useful in showing regulatory compliance something that is expected to be increasingly important under MIFID II

Portfolio review

Investments through Summit Asset Management (76% owned)

Investment	Year	Percentage ownership	Business
SQN Capital Management LLC	2015	25%	Fund Management

As part of the transaction which transferred Summit Asset Management's trade and employees to SQN Capital Management LLC (SQN) in January 2015, it exercised its right to acquire 25% of SQN at par value. It also negotiated to receive continuing goodwill payments linked to the net asset value of the SQN Asset Finance Income Fund Ltd, a closed end investment fund managed by SQN Capital Management (UK) Ltd (a subsidiary of SQN) which is listed on the main market of the London Stock Exchange.

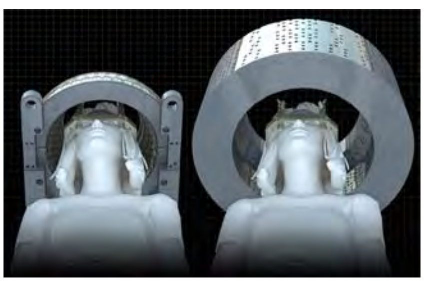
SQN is a US headquartered income (usually from leased or rented assets) fund manager, with over $890 million of funds under management or under advisory arrangements.

Medical Equipment Solutions	2004	33.3%	Financing and management of medical projects

Medical Equipment Solutions (MESL) operates (through two special purpose subsidiaries) two intracranial stereotactic radiosurgery ("SRS") centres. Further details of each of these set out below. It continues to look for further sites where it might establish additional centres either in its own right or in partnership or joint venture with the hospital.

MESL believes that, as the benefits of SRS (it offers highly focused and accurate beams allowing for higher dosage and single treatments of specific sites with little or no side effects and a much better quality of life) become more widely known and the traditional radiotherapy operations transfer to stereotactic radiosurgery, there will be considerable scope for expansion of its operations.

Thornbury Radiosurgery Centre	2008	100%*	Gamma Knife radio surgery centre



The Thornbury Radiosurgery Centre (TRC) operates from premises within the BMI Thornbury Hospital in Sheffield, one mile from the NHS National Radiosurgery Centre. It has an Elekta Perfexion Gamma Knife for treating neoplasms in the brain. TRC treated its first patients in September 2008 and treats both private and NHS patients.

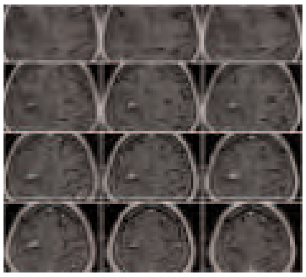
In June 2016, TRC entered into a sub-contract with the Sheffield Teaching Hospital NHS Foundation Trust (STH) to treat patients. In conjunction with TRC STH won the tender to be the Supra Centre for the North of England for the treatment of all tiers of NHS patients including the most complicated cases.

* % ownership by Medical Equipment Solutions

Picture: Leksell Gamma Knife® Perfexion™ Courtesy of Elekta

Portfolio review
Investments through Summit Asset Management (76% owned) continued

Investment	Year	Percentage ownership	Business
QSRC Limited	2012	100%*	Gamma Knife radio surgery centre



QSRC Limited works with University College London Hospitals NHS Foundation Trust (UCLH) to enhance the treatment methods for brain tumours in the UK. Located within The National Hospital for Neurology and Neurosurgery (NHNN, the UK's largest dedicated neurological and neurosurgical hospital), QSRC provides a high-quality radiosurgery service for NHS and private patients. The service delivers gamma knife radiosurgery to treat brain tumours and other intracranial indications.

In June 2016, NHS England (NHSE) awarded 3 major contracts to UCLH, making the London Trust the Supra Centre for the South of England. On signing the contract with NHSE, UCLH in turn signed a sub-contract with QSRC for 95% of all patient volume. The NHSE contracts won cover the south of England for local benign tumours but also more complex and rare tumours, vascular lesions (bleeds within the brain) and trapped nerves causing functional pain or headaches (such as trigeminal neuralgia).

In partnership with Great Ormond Street Hospital, UCLH was awarded the South of England Supra Centre status for paediatric work in radiosurgery, with all treatments to be delivered by QSRC. In 2016/17, working with UCLH, QSRC sought to establish new referral pathways for external Trusts to enhance the patient flow. This was a period of building foundations for growth which will enhance future financial performance.

* % ownership by Medical Equipment Solutions

Portfolio review
Investments through Summit Alpha

Investment	Year	Percentage ownership	Business
iX Group	2001	16.8%	GMP and GCP audits

Through Rephine (acquired in March 2009), iX provides audits of pharmaceutical companies for both good manufacturing practice ("GMP") and good clinical practice ("GCP") at its suppliers, based both in Europe and the Far East. It has a library of over 170 audits, which it is continually increasing and which are available to purchase for companies looking to save the cost of an in-house audit. It also provides consultancy advice to the same customers. Sales from this part of the business were over £1.664 million in the year to 31 July 2018 (slightly up on the prior year) – up over tenfold in the last seven years – and this strong growth is budgeted to continue.

Powerstax	2000	2.4% (and 2.3% by Summit)	Power conversion technology

Powerstax specialises in the design, manufacture and marketing of high efficiency and high power density DC-DC converters, AC and DC Bulk Power units, and complete power solutions for the Communications, Industrial, Medical, Defence and Aerospace and Transportation markets. In 2012 it acquired a complementary business – DP Energy Services – which started to add to overall sales volume and produce cost savings.

It is in the business of designing in a technological solution to deliver the optimum mix of performance, features and price. A blue-chip customer list is supported by sales made to the customers and through power focused international sales channels. With full design and low quantity production and test facilities in Wickford UK, higher quantities of product are produced in mainland China.

Authenticate Information Systems	2001/2013/2019	28%	Food supply chain mapping platform

Authenticate Information Systems ("AIS") was spun out to its shareholders from Product Authentication Inspectorate ("PAI") as part of the sale of PAI in 2013.

This business provides a collaborative data platform which allows businesses in the food industry to track, analyse and understand their food supply network from end to end. Through the platform, AIS provides a network for suppliers in the food industry to share valuable transparency, audit, Key Performance Indicators and assurance data on a selective and secure basis, thus eliminating the costly and time-consuming task of proving supply chain information in an ad-hoc, repetitive and unmanaged way.

It works with five of the top UK supermarkets and many leading global hospitality groups, and has more than 20,000 food companies worldwide registered on its database, including more than 75% of the UK's food manufacturers.

In April 2019 Authenticate closed a £2.3m funding round bringing the total raised by the company to over £5m.

Portfolio review
Investments through Summit Alpha continued

Investment	Year	Percentage ownership	Business
t-Plan	2001	29% (and 3% by Summit)	Test management software

t-Plan supplies software for test process management, which provides a consistent and structured approach to testing for IT & business unit managers. The t-Plan suite of software enables auditable management control over software implementation projects to avoid costly errors and delay.

It derives its revenues from overseas distributors and training and the company is expanding the range of its services activities connected with testing. In 2009 t-Plan purchased a testing software business, VNC Robot. Robot is a highly adaptable, easy to use image-based black box testing tool that creates automated tests and exercises applications in the same way as an end user. Robot runs on and automates all major systems such as Windows, Linux and UNIX including mobile platforms and can therefore be used to test any software from mobile phones to secure military software since it does not require access to the original software but only tests the output. As Artificial Intelligence (or "AI") applications become more prevalent, t-Plan is increasingly seeing a demand for the Robot product to assist in the development of such products as testing of the efficacy becomes ever more necessary.

In the year to 31 March 2019 t-Plan had profits before tax of £324k.

Portfolio review
Investments through Seraphim Capital

Summit is an investor in Seraphim Capital, a £30 million Enterprise Capital Fund (ECF) which invests in UK businesses seeking between £500,000 and £2 million. Summit is one of Seraphim's managing partners and Summit's managing director, Kit Hunter Gordon, chairs its board. Although Seraphim is closed to investing in new businesses it continues to support its existing portfolio.

Investment	Year	Percentage ownership	Business
Aria Networks	2008	28 % (and 2.5% by Summit)	Artificial-intelligence software

Aria Networks is the developer of next-generation artificial intelligence software that is used to plan, build and optimise telecoms networks. Aria's proprietary technology is based on software that more closely models the adaptive nature of the human brain than any other technique currently available.

Aria has highly disruptive technology which brings a step change in capabilities in planning and optimising networks, enabling operators to move towards the vision of real time management of the network and significant reduction in capex and opex. With modern networks struggling to deliver services, Aria's technology allows operators to manage the networks more efficiently with less people whilst deploying an increased number of services. Its software has particular application in the rapidly developing fields of Software Defined Networks ("SDN") and Network Functions Visualisation ("NFV"). The business has made significant progress in China, which is at the forefront of rolling out the 5G network for which Aria's software is indispensable, and Aria therefore has the potential to generate substantial revenues in this market.

Aria customers include major US and European telecoms companies, cloud and datacentre operators, and some of the largest over-the-top social network providers. The company is vendor independent and works across all infrastructure, technology and networks.

Intamac	2009	18%	Internet of Things platform

Intamac is at a pivotal position in the next stage of Internet development, "The Internet of Things". Intamac connects things to the Internet so that they can be monitored, controlled and accessed remotely.

Intamac has developed a web-based platform that enables a broad range of new products and interactive services for consumers to remotely monitor and control their home environment. The company has launched two low cost "plug and play" products – a security alarm system and an energy management system. Intamac's core technology is fully developed and validated with c.30,000 existing end customers. The market opportunity for Intamac's services spans the security, telecare, environmental monitoring and home automation sectors. The business is well positioned to aid telecom companies and utility companies to combat increasing customer churn whilst increasing revenues. Based on recurring monthly subscriptions the business model is highly scalable.

Pyreos	2010	6.7% (7.1% by Summit)	Infra-red sensors

Pyreos has developed and patented novel thin film technology with the potential to disrupt the $5 billion Infra-red (IR) detection market by making sensors that are smaller, cheaper and more sensitive. This enables a range of new applications to become viable which were previously unfeasible due to either size or cost constraints. Some of the major markets for these applications are motion sensors, gas sensors, spectroscopy and flame detection. Pyreos was spun out from Siemens following 15 years and €10m of R&D.

Pyreos's technology is protected by 12 patent families relating to a decade of R&D by Siemens. The technology is developed and validated via numerous customer evaluations and, through its fabless model, the business has the potential to scale production rapidly to meet customer demand.

Portfolio review
Investments through Seraphim Space

Summit is an investor in Seraphim Space LP, a £67 million Enterprise Capital Fund (ECF) which is the world's first venture capital investor focused on businesses which operate in the Space ecosystem. The fund is focused on the fusion of terrestrial technology and space applications. It is backed by capital and expertise from leading space companies and also supported by the UK Space Agency and the European Space Agency. The fund invests in both downstream (software), and upstream (hardware) 'New Space' opportunities, along with technologies which rely on satellite data such as drones and the Internet of Things, or which have potential space applications such as artificial intelligence, robotics and nanomaterials. Summit is a managing partner and Summit's managing director, Kit Hunter Gordon, chairs the board.

Investment	Year	Percentage ownership	Business
Spire Global	2017	0.9%	Aircraft & marine tracking and weather data

Spire is one of the world's leading 'New Space' companies, operating the world's largest constellation of 'listening' nanosatellites that collect radio frequency (RF) data to deliver deep insights into the 75% of the world which comprise oceans and uninhabited areas where collecting data is notoriously difficult.

Leveraging its software-defined radio technology, Spire is unique among current nanosat constellations in being able to use the same payloads on its satellite constellation to collect wholly different datasets simultaneously, enabling it to fuse different datasets to deliver high value proprietary analytical insights, while at the same time seeking to monetise its constellation in multiple different markets and applications. Spire's initial applications include maritime, aviation and meteorology.

The $6bn satellite weather market represents the next major growth opportunity in the commercialisation of the space sector, standing at a tipping point analogous to that of both the launcher and earth observation (imagery) markets before it.

By virtue of having proprietary weather data offering much higher vertical resolution with greater observational frequency, Spire has unique access to what holds the potential to become the single biggest driver of accuracy in weather forecasts globally.

Investment	Year	Percentage ownership	Business
Iceye	2017/2018	5.1 %	Radar Satellite

Iceye has developed the world's smallest miniaturised Synthetic Aperture Radar (SAR) satellite that costs less than 1/100th of a traditional SAR satellite. SAR can 'see' the earth, both at night and through clouds.

Iceye is looking to develop a constellation of low-cost SAR satellites with the ability to image anywhere in the world every 2-6 hours, providing it with the capability to take a several images a day of any location. Allied to advancements in machine-learning led image analysis, this holds the potential to enable SAR-based change detection at a global scale for the first time.

Iceye is looking to use a low-cost constellation of nanosats to disrupt the government-dominated incumbents on the basis of price and high temporal resolution with a vertically integrated model. Iceye's founders have built a highly capable technical team supported by world class industry veteran advisors in both the technical and commercial aspects of SAR market.

As the first company globally to miniaturise Space-grade SAR successfully, Iceye has the opportunity to build a next generation SAR satellite company which is capable of surpassing the scale achieved by current industry incumbents.

Portfolio review
Investments through Seraphim Space continued

Investment	Year	Percentage ownership	Business
Nightingale	2017/2018	9.8%	Site Security using drones

Nightingale has developed an autonomous aerial security drone to enhance physical security at large, sensitive facilities. The installed drone integrates with the customer's security system and, when a sensor is triggered, the drone autonomously deploys from its hangar and flies to the alert location, all the while streaming video to the security team's existing CCTV management system.

Nightingale is initially looking to enhance existing security teams through more persistent surveillance and greater deterrent. Nightingale introduces cost savings, while boosting security capability, and eventually plans to replace guard roles with its quasi-autonomous drones.

Altitude Angel	2017	16.7%	Air traffic control for drones

Altitude Angel has developed an extensible software platform that provides air traffic control services to drones. The company sells front-end applications delivering specific information to various customer groups including operators, regulators, insurers, drone manufacturers, etc in a form that is easy to consume and visualise. Current air traffic control systems cannot scale to meet the requirements of today's drone ecosystem or that of the anticipated future where millions of drones autonomously navigate airspace and intersect with manned air traffic. Altitude Angel has created such a system and their vision is to become the central data exchange for individual drone fleet management and air traffic control systems worldwide.

Altitude Angel has created a system that incorporates raw, realtime aeronautical information from national air traffic controllers and the EU air traffic data exchange, to create the worlds' most comprehensive map of real-time, dynamic airspace and ground hazard data in over 160 countries. The company has also made the decision to develop the open source data standard for drone information, which has subsequently been adopted by the industry, and positioned itself as one of only four companies advising the EU on drone legislation.

TransRobotics	2017	21.6%	Software-defined radar

TransRobotics has developed a software-defined digital radar that is several orders of magnitude smaller, lighter, and more powerful than competitors. Its solution has wide applicability in the areas of: drones, automotive, consumer electronics, and Augmented Reality/ Virtual Reality.

To operate effectively, autonomous robots, cars and drones all need to construct a three-dimensional view of their surroundings. TransRobotics uses commodity wifi hardware, often already a part of the device in question, to offer radar functionality with almost no incremental hardware requirements. The company's vision is for these digital radars to become a ubiquitous component of virtually all machines / electronic devices.

Portfolio review
Investments through Seraphim Space continued

ArQit	2018	5%	Data security/encryption

ArQit is developing a satellite-based cyber-security solution to mitigate the potential for quantum computers to render obsolete the encryption technology that underpins large swathes of the digital economy.

ArQit is using the laws of quantum mechanics to develop a form of encryption that is provably secure from quantum computer attack. The technology ArQit is looking to exploit – known as quantum key distribution (QKD) – entails encoding individual photons to represents bits of information that collectively form an encryption key.

Supported by a world class consortium of partners, ArQit is developing a satellite constellation to distribute quantum keys to protect high value communications from interception and decryption.

Kaleao	2018/2019	25%	Data storage/eprocessing

Kaleao has developed a new type of server taking advantage of the energy-efficient ARM processors developed for smart phones to create a smaller, cheaper, and more energy efficient design that is 1/3rd of the cost, uses 1/5th of the power and 1/10th of the space vs comparable Intel servers. Servers are found in everything from telecoms towers, industrial robots, to large data centres that are the backbone of the internet. Kaleao is looking to enter the market in niche applications where their advantages of size, price and energy efficiency allow them to dominate.

Unlike previous attempts to disrupt this market, Kaleao has fundamentally re-architected the server, enabling it to use commercial-off-the- shelf ARM designed smartphone processors to deliver order of magnitude improvements in cost, bandwidth, performance and power consumption, that underpin the whole server/cloud computing market.

Leolabs	2018/2019	5%	Low Earth orbit object mapping

LeoLabs is the leading commercial provider of low Earth orbit (LEO) mapping and Space Situational Awareness (SSA) services. LeoLabs is rolling-out a network of higher frequency, 10x lower cost (versus incumbents) and patented phased array radars to offer commercial data services for commercial satellite operators and other key players such as regulators, Space Agencies and insurers. When fully built out, LeoLabs' radar network of phased array radars will deliver rapid revisit, accurate and precision forecasts of small orbital debris (estimated to be c.250,000 objects).

QuadSAT	2018	8.9%	Antennae calibration

QuadSAT is a Danish Company with a UK Limited Company at Harwell. QuadSAT has the potential to radically change the Satellite Communication industry with a unique drone platform. It has developed a drone-based tool and technique for testing and calibration of satellite and VSAT antennas, which connect with satellites. This technology solves critical industry issues in a rapidly growing market where quality is critical, and interference can be significant.

Its initial focus is on the high-value Maritime and Aeronautical mobile sat comms markets. The drone mimics an orbiting satellite, while simulating vehicle (ships/planes) motion. The technology reduces vessel and aircraft downtime for testing procedures, significantly reducing operational expenses as well as allowing more uptime on networks.

Financial statements

Strategic report

Principal activities

The Company is a venture capital business, operating within the confines of a group structure. It has a number of investments, with shareholdings ranging from wholly-owned downwards. In all instances the strategic issues relating to those companies are set out in their own audited report and accounts; but, in addition, the Company actively monitors their performance, most usually by appointing a non-executive director to the board of the company in which it has invested.

In some instances, it also participates in funds in which it has a management role, and to which it has a (limited) contractual obligation to make capital commitments. Aside from this, investments are made according to whether the directors believe they have cash resources to do so, bearing in mind the Group-wide obligation to meet salaries of those employees working for businesses where the Group maintains a shareholding of more than 75%; and obligations the Company has to support Group companies in order for them to continue as going concerns.

Results and business review

In the review for 2017/18 I highlighted the fact that the Group has investments in a portfolio of businesses operating in a number of different sectors and exposed to different elements of the economy; and that, with such a wide spread of business activities, it is perhaps inevitable that, in any one given year, there will be companies which have thrived and prospered and those whose fortunes have not been so good. That much is true again this year, but is also worthy of comment that the United Kingdom's ongoing negotiations with the European Union (and the political shenanigans that have accompanied them) seem to have had a limited effect on the results of the businesses: those – usually smaller – businesses that trade within the United Kingdom have carried on doing so, usually with like businesses adopting a similar position; whilst those that export have benefited from the lower value of the £ and done reasonably well as a result.

Given that this strategic report covers the Group, there is merit in describing the Group-wide approach to the strategic issues affecting it. The directors are not in thrall to the rather voguish concept of "key performance indicators" so beloved of management consultants and their ilk; and you will see little (if any) reference to these in either this report or those for the subsidiaries and other investments. There are certain pieces of information to which attention is paid but for the most part these are relatively simple. In the case of our early stage – often pre-profit – investments it is usually "what is required to get this business to produce more cash than it is consuming?" and/or "what additional cash will be required to get it to that point?". Once that is achieved, our focus is more a holistic one, and seeks to both maintain and increase that profit and to ensure that the key facets of the business (usually the ones that persuaded us to invest in the business in the first place) are protected and enhanced.

With that introduction, it is pleasing to be able to report that the Group produced a consolidated profit before tax of £2.195 million, and increased shareholders' funds to £33.3 million. Although available cash (including shorter-term bank deposits) decreased again to £6.6 million, this was partly as a result of a number of additional investments made in the year and partly as a result of the removal of some cash from the Group's balance sheet when a subsidiary ceased being so (and became an associated company) on 1 October 2018.

Turning to individual businesses which the Company owns and the investments that the Group has made:

- Like last year it is fitting to deal with the Company's investment in Medtrade Products Ltd ("Medtrade") first. As a result of a sale of part of the Company's shareholding which occurred after the year end (and which will be described in full in next year's accounts), the shareholding was revalued upwards to £19 million (from £14 million in 2018). In the year to 28 February 2019, Medtrade produced profits before tax of £7.4 million on turnover of £31.9 million.

Strategic report

Results and business review continued

• The entity in which Summit Asset Management Ltd ("SAM") holds a 25% interest, SQN Capital Management LLC ("SQN US"), and SQN Capital Management (UK) Ltd ("SQN UK") increased overall funds under management to just under £730 million (at current exchange rates), an increase of just under 10%. This came about as a result of raising additional funds in the United States of America, which more than compensated for the redemption of the £40 million of C shares issued by the UK managed fund, in June 2018.

• Given that the net increase in funds under management was only circa 10%, the directors decided not to change the valuation of the 25% interest at this stage. However, in the light of the receipt during the year of additional payments of consideration due to SAM in respect of that element of the goodwill of SAM that was sold to SQN UK in January 2015, the estimate of the total amount to be paid was increased by a further £1 million during the year.

• With effect from 1 October 2018, all the preference shares issued by Medical Equipment Solutions Ltd ("MESL") were converted into ordinary shares on a 1 for 1 basis. That meant that, from that date, the sub-group headed by MESL ceased to be a subsidiary of SAM and became an associated company. Given the sub-group's consolidated net liabilities that re-categorisation gave rise to the profit on disposal of subsidiaries shown in the profit and loss account. Brief reports on the performance of MESL's subsidiaries follow.

• QSRC Ltd ("QSRC") again made good progress during the year, building on the turn-around in its performance in the prior year. Turnover in the year increased from £2.44 million to £2.72 million and profits before tax increased to just over £380k.

• Although its overall indebtedness increased during the year this was as a result of its existing lease financier (De Lage Landen Leasing Ltd, or "DLL") providing the additional finance to enable QSRC to replace the radioactive sources in its gamma knife. All of QSRC's indebtedness is now with DLL and the existing finance lease with DLL will now end in 2023. This rescheduling of its lease rental payments gives greater certainty to QSRC's results going forward.

• The Thornbury Radiosurgery Centre Ltd ("TRC") traded profitably in the year: but turnover was down quite significantly, from £1.92 million to £1.38 million, with its profits before tax falling to £160k, as a result of a shortfall in both NHS and privately paid for patients. Nevertheless, it was able to generate sufficient cash to provide MESL with the funds that it needed in order to meet the loan repayments under the facility taken on by MESL in June 2017 to acquire the 50% of TRC that it did not already own.

• The results for Summit Insurance Services Ltd ("SIS") improved. Premiums collected increased by just under 10% to £3.24 million, with the associated commissions to SIS increasing from £600k to £750k; that increase enabled it to report a small (£21k) profit. There are signs that bigger companies are considering increasing their expenditure on IT equipment – together with its IT vendor partners, SIS has responded to a number of larger tenders for the supply of equipment and related insurance – but decisions have been slower than hoped for. Nevertheless, the prospects for SIS are better than they were a year ago; and there are hopes that the profitability will be sustained and increased this year.

• Turnover within Tennyson Ltd ("Tennyson") went back up to £1.53 million from the £1.34 million of 2017/18, with profits before tax increasing to £197k. This was partly as a result of it achieving 9 (rather than the 8 in 2017/18) out of 10 milestones under the contract with its major customer and partly as a result of work for a new customer being secured during the year. It was also successful in getting a renewal of the contract with the major customer for a further 2 year period.

Strategic report

Results and business review continued

• Within the portfolio of investments owned by Summit Alpha Ltd (in which the Company has an effective 47% shareholding) there was good progress: iX Group's profits improved significantly and is likely to make over £700k in the year to 31 July 2019; t-Plan Ltd both returned to profitability (profits before tax of over £300k) and paid off all its existing third party loan creditors; and Authenticate Information Systems Ltd raised £2.18 million to enable it to accelerate the development of its product and the securing of new sales.

• The Company continued to provide additional finance to two companies in the Seraphim Capital LP ("Seraphim") portfolio: it invested a total of £96k in convertible loan notes issued by Aria Networks Ltd; and £102k in Pyreos Ltd. As a result of certain investors in Seraphim wishing to realise their participations in October 2018 the Company was able to increase its participation in Seraphim at a discount to the then value of its portfolio.

• Of the Company's other investments: Cityport Ltd had a successful trial of its modular building for the protection of lorries and their cargo and now has its first paying customer; Voicenotes Ltd returned to sustained profitability; and Booking Live Ltd both increased turnover and secured an offer of additional finance of somewhere between £750k and £1.25 million at a valuation well above that at which the Company made its investment.

• The Company continued to provide funds to Seraphim Space LP, which at the year-end had invested a total of £13.6 million in 9 companies all with space or space-related technologies.

By order of the board

SJK Barratt
Secretary

28 June 2019

Director' report for The Summit Group Limited

The directors present the directors' report and the audited consolidated financial statements for the year ended 31 March 2019.

Results and dividends

The results of the Group can be summarised as follows:

	2019	2018
	£000	£000
Profit before tax (all continuing operations)	**2,195**	1,354
Profit attributable to ordinary shareholders after dividends	**1,698**	948

The Company paid its ordinary shareholder dividends totalling £nil in the year (2018 : £nil).

Directors and directors' interests

The directors who held office during the year were as follows:

Mr CN Hunter Gordon
Mr SJK Barratt
Mr BL Sack

The interests of Mr Barratt, Mr Hunter Gordon and Mr Sack in the share capital of Brighthand Ltd are shown in the financial statements of that company.

Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware; and each director has taken all the steps that ought to have been taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Auditor

Saffery Champness LLP were appointed as statutory auditors during the year and have expressed their willingness to continue in office.

By order of the board

SJK Barratt
Secretary

10 Cloisters House
Cloisters Business Centre
8 Battersea Park Road
London
SW8 4BG

28 June 2019

Statement of directors' responsibilities in respect of the strategic report, the directors' report and the financial statements

The directors are responsible for preparing the strategic report, 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 they have elected to prepare the group and parent company financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102, *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and parent company and of the profit or loss of the group and parent company for that period. In preparing these financial statements, the directors are required to:

• select suitable accounting policies and then apply them consistently;

• make judgments and 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; and

• assess the group and parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and

• use the going concern basis of accounting unless they either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the parent company's transactions and disclose with reasonable accuracy at any time the financial position of the parent company and enable them to ensure that its financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities.

Report of the independent auditor, Saffery Champness LLP, to the members of The Summit Group Limited

Opinion

We have audited the financial statements of The Summit Group Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2019 which comprise the consolidated profit and loss account, the consolidated other comprehensive income, the consolidated balance sheet, the company balance sheet, the consolidated statement of changes in equity, the company statement of changes in equity, the consolidated statement of cash flows and 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 the financial statements:

• give a true and fair view of the state of the group and of the parent company's affairs as at 31 March 2019 and 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other 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.

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 group or the parent 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.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other 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.

Report of the independent auditor, Saffery Champness LLP, to the members of The Summit Group Limited continued

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

• the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and

• the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report. 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.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group and parent 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 the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives 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 auditor's 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the group and parent 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 Di Leto (Senior Statutory Auditor)
for and behalf of Saffery Champness LLP
Chartered Accountants,
Statutory Auditors,
71 Queen Victoria Street
London EC4V 4BE

28 June 2019

Consolidated profit and loss account
for the year ended 31 March 2019

	Note	2019 £000	2018 £000
Turnover: Group and share of joint ventures	*1-2*	**4,405**	6,536
Less: share of joint ventures' turnover		**-**	(197)
Group turnover – continuing operations		**4,405**	6,339
Cost of sales		**(1,871)**	(2,696)
		2,534	3,643
Gross earnings under finance agreements		**1**	2
Gross profit		**2,535**	3,645
Operating costs	*4-7*	**(2,726)**	(4,280)
Group operating loss		**(191)**	(635)
Share of operating profit in joint ventures		**-**	41
Income from associated companies		**32**	-
Profit on the sale of part of a trade	*4*	**1,000**	-
Profit on disposal of subsidiaries	*4*	**1,423**	2,061
Loss on disposal of other investments		**(47)**	-
Operating profit – continuing operations	*3*	**2,217**	1,467
Income from other fixed asset investments		**352**	298
Net interest payable	*8*	**(374)**	(411)
Profit before taxation		**2,195**	1,354
Taxation:			
Group	*9*	**-**	-
Profit after taxation		**2,195**	1,354
Non-controlling interests		**(497)**	(406)
Profit for the financial year		**1,698**	948

All the above items relate to continuing operations.
The notes on pages 30 – 48 form part of these financial statements

Consolidated other comprehensive income

for the year ended 31 March 2019

	2019 £000	2018 £000
Profit for the financial year	**1,698**	948
Other comprehensive income		
Revaluation of other investments	**4,936**	9,206
Total comprehensive income for the year	**6,634**	10,154

The notes on pages 30 – 48 form part of these financial statements

Consolidated balance sheet
at 31 March 2019

	Note	2019 £000	2019 £000	2018 £000	2018 £000
Fixed assets					
Goodwill	*10*		**-**		643
Tangible fixed assets	*11*		**115**		560
Investments	*12*		**23,597**		19,084
			23,712		20,287
Current assets					
Debtors	*13*	**2,789**		2,518	
Investments	*14*	**15**		-	
Liquid resources		**5,610**		5,528	
Cash at bank and in hand		**1,054**		1,489	
		9,468		9,535	
Creditors: amounts falling due within one year	*15*	**(873)**		(2,046)	
Total net current assets			**8,595**		7,489
Total assets less current liabilities			**32,307**		27,776
Debtors: amounts falling due after more than one year	*16*		**1,000**		1,202
Creditors: amounts falling due after more than one year	*17*		**(19)**		(2,678)
Provisions for liabilities and charges	*23*		**(32)**		(33)
Net assets			**33,256**		26,267
Capital and reserves					
Share capital	*18*		**7,343**		7,343
Capital redemption reserve	*19*		**1,049**		1,049
Revaluation reserve	*19*		**20,331**		15,395
Other reserve	*19*		**167**		167
Profit and loss account	*19*		**3,331**		1,633
			32,221		25,587
Non-controlling interests			**1,035**		680
Shareholders' funds			**33,256**		26,267

These consolidated financial statements were approved by the board of directors on 28 June 2019 and were signed on its behalf by:

SJK Barratt
Director
Company registration number: 02231277

The notes on pages 30 – 48 form part of these financial statements

Company balance sheet
at 31 March 2019

	Note	2019 £000	2019 £000	2018 £000	2018 £000
Fixed assets					
Tangible fixed assets	11		**1**		2
Investments	12		**21,744**		16,412
			21,745		16,414
Current assets					
Debtors	13	**4,290**		3,959	
Liquid resources		**5,610**		5,528	
Cash at bank and in hand		**973**		812	
		10,873		10,299	
Creditors: amounts falling due within one year	15	**(2,665)**		(2,178)	
Net current assets			**8,208**		8,121
Provisions for liabilities and charges	23		**(32)**		(33)
Net assets			**29,921**		24,502
Capital and reserves					
Share capital	18		**7,343**		7,343
Capital redemption reserve	19		**1,049**		1,049
Revaluation reserve	19		**18,386**		13,346
Other reserve	19		**167**		167
Profit and loss account	19		**2,976**		2,597
Shareholders' funds			**29,921**		24,502

These consolidated financial statements were approved by the board of directors on 28 June 2019 and were signed on its behalf by:

The profit of the Company for the financial year, after taxation, was £379,099 (2018: £680,311).

SJK Barratt
Director
Company registration number: 02231277

The notes on pages 30 – 48 form part of these financial statements

Consolidated statement of changes in equity
for the year ended 31 March 2018 and 2019

Group	**Share capital**	**Capital redemption reserve**	**Revaluation reserve**	**Profit and loss account**	**Other reserve**	**Non-controlling interests**	**Total equity**
	£000	£000	£000	£000	£000	£000	£000
Balance at 1 April 2017	7,343	1,049	6,189	685	167	416	15,849
Profit for the financial year	-	-	-	948	-	406	1,354
Revaluation of other investments	-	-	9,206	-	-	-	9,206
Equity dividends	-	-	-	-	-	(142)	(142)
Balance at 31 March 2018	**7,343**	**1,049**	**15,395**	**1,633**	**167**	**680**	**26,267**

Group	**Share capital**	**Capital redemption reserve**	**Revaluation reserve**	**Profit and loss account**	**Other reserve**	**Non-controlling interests**	**Total equity**
	£000	£000	£000	£000	£000	£000	£000
Balance at 1 April 2018	7,343	1,049	15,395	1,633	167	680	26,267
Profit for the financial year	-	-	-	1,698	-	497	2,195
Revaluation of other investments	-	-	4,936	-	-	-	4,936
Equity dividends	-	-	-	-	-	(142)	(142)
Balance at 31 March 2019	**7,343**	**1,049**	**20,331**	**3,331**	**167**	**1,035**	**33,256**

The notes on pages 30 – 48 form part of these financial statements

Company statement of changes in equity
for the year ended 31 March 2018 and 2019

Company	Share capital	Capital redemption reserve	Revaluation reserve	Profit and loss account	Other reserve	Total equity
	£000	£000	£000	£000	£000	£000
Balance at 1 April 2017	7,343	1,049	4,163	1,917	167	14,639
Profit for the financial year	-	-	-	680	-	680
Revaluation of other investments	-	-	9,183	-	-	9,183
Balance at 31 March 2018	**7,343**	**1,049**	**13,346**	**2,597**	**167**	**24,502**

Company	Share capital	Capital redemption reserve	Revaluation reserve	Profit and loss account	Other reserve	Total equity
	£000	£000	£000	£000	£000	£000
Balance at 1 April 2018	7,343	1,049	13,346	2,597	167	24,502
Profit for the financial year	-	-	-	379	-	379
Revaluation of other investments	-	-	5,040	-	-	5,040
Balance at 31 March 2019	**7,343**	**1,049**	**18,386**	**2,976**	**167**	**29,921**

The notes on pages 30 – 48 form part of these financial statements

Consolidated statement of cash flows

for the year ended 31 March 2019

	Note	2019 £000	2018 £000
Cash flows from operating activities			
Profit for the financial year		**2,195**	1,354
Adjustments for:			
Depreciation of tangible assets	*11*	**316**	775
Amortisation of goodwill	*10*	**63**	153
Interest receivable	*8*	**(45)**	(35)
Interest payable	*8*	**419**	446
Profit on the sale of part of a trade	*4*	**(1,000)**	-
Profit on disposal of subsidiaries	*4*	**(1,423)**	(2,061)
Loss on sale of other investments		**47**	-
Income from investments in associated companies		**(32)**	-
Profit from joint venture companies		**-**	(41)
Income from fixed asset investments		**(352)**	(298)
Amounts written (back)/off investments	*12*	**(33)**	171
Changes in:			
Other investments		**(14)**	111
Trade and other debtors		**751**	1,085
Trade and other creditors		**374**	(672)
Cash generated from operations		**1,266**	988
Interest paid		**(361)**	(445)
Interest received		**45**	35
Net cash from operating activities		**950**	578
Cash flows from investing activities			
Purchase of tangible fixed assets		**(95)**	(105)
Proceeds from the sale of fixed asset investments		**134**	-
Dividends received from fixed asset investments		**352**	298
Purchase of other fixed asset investments	*12*	**(479)**	(848)
Acquisition of subsidiary company		**-**	(1,002)
Cash acquired on acquisition of subsidiary company		**-**	402
Cash on disposal of subsidiary company		**(690)**	(1)
Deferred consideration on purchase of shares in subsidiary		**-**	(58)
Net cash from investing activities		**(778)**	(1,314)
Cash flows from financing activities			
Dividends paid		**(142)**	(142)
Net (outflow)/inflow from other short-term creditors (debt due within one year)		**(114)**	4,513
Capital element of finance leases		**(265)**	(661)
Net repayment of loans (debt due after one year)		**-**	(3,791)
Net cash from financing activities		**(521)**	(81)
Net decrease in cash and cash equivalents		**(349)**	(817)
Cash and cash equivalents at the beginning of the year		**7,013**	7,830
Cash and cash equivalents at the end of the year		**6,664**	7,013

The notes on pages 30 – 48 form part of these financial statements

Notes to the financial statements

for the year ended 31 March 2019

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Group's financial statements.

General information

The company is a private company limited by shares, registeredin England and Wales. The address of the registered office is 10 Cloisters House, Cloisters Business Centre, 8 Battersea Park Road , London, SW8 4BG.

Basis of preparation

The Group and Company financial statements have been prepared in accordance with FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland and the requirements of the Companies Act 2006. The presentation currency of these financial statements is sterling.

The financial statements have been prepared under the historical cost accounting rules as modified for the revaluation of certain assets.

The Company is included in the consolidated financial statements, and is considered to be a qualifying entity under FRS 102 paragraphs 1.8 to 1.12. The following exemptions available under FRS 102 in respect of certain disclosures for the parent company financial statements have been applied:

- no separate parent company cash flow statement with related notes is included; and
- disclosures in respect of financial instruments have not been presented; and
- key management personnel compensation has not been included a second time.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries for the year ended 31 March 2019. The financial statements include the results of all subsidiaries, joint venture and associated companies throughout the year, or from the date of acquisition or to the date of disposal or deemed disposal as appropriate.

The directors have taken advantage of section 408 of the Companies Act 2006 and no profit and loss account has been presented for the Company.

Judgments and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the amounts reported. These estimates and judgments are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Directors consider the valuation of certain of the Group's investments and the amount of deferred consideration due from SQN UK to be key judgments. Further details regarding these judgments can be found in notes 4, 12 and 13 of the accounts.

Goodwill

The cost of purchased goodwill is amortised to nil by equal annual instalments over the estimated useful life.

Goodwill on consolidation

Purchased goodwill arising on consolidation in respect of acquisitions since 1 January 1998 is capitalised. Positive goodwill is amortised to nil by equal annual instalments over its estimated useful life ranging between 3 and 10 years. Negative goodwill is included within fixed assets and released to the profit and loss account in the periods in which the fair values of the non-monetary assets purchased on the acquisition are recovered, whether through depreciation or sale.

Notes to the financial statements
for the year ended 31 March 2019

1 Accounting policies (continued)

Goodwill on acquisitions
Purchased goodwill arising on acquisitions is capitalised, classified as an asset on the balance sheet and amortised over its estimated useful life. This length of time is presumed to be the maximum useful life of purchased goodwill because it is difficult to make projections beyond this period. Goodwill is reviewed for impairment at the end of each financial year and subsequently as and when necessary if circumstances emerge that indicate that the carrying value may not be recoverable. Purchased goodwill arising on acquisition is amortised to nil by equal annual instalments over its estimated useful life, being over 3-6 years.

Tangible fixed assets
Depreciation is provided on a straight line basis to write off the cost of tangible fixed assets over their estimated useful economic lives. Leased assets are depreciated over the shorter of the lease term and their estimated useful economic lives. The estimated useful economic lives are as follows:

Fixtures and fittings	3 - 5 years straight line
Plant and equipment	3 - 10 years straight line or over lease term

Leasehold premises and improvements on properties occupied by the Group are depreciated over the term of the lease.

Fixed asset investments
Investments held for their longer term potential are carried at directors' valuation. Provision is made for permanent diminution in value as appropriate.

Shares in group companies
The Company's investments in subsidiary and joint venture companies are stated at cost less any provisions made for permanent diminution in value.

Joint ventures and associated companies
Joint ventures are those companies in which the Group has both an investment and representation to enable it to exercise significant influence and an involvement in the day to day running of the investee company.

In the consolidated balance sheet, investments in joint ventures are accounted for using the "equity" method. Any discount or premium arising on acquisition is capitalised as an intangible fixed asset and amortised over its estimated useful life. The Group's share of the results, gross assets and liabilities of joint ventures has been based on their latest audited accounts, where these have been made up to 31 March.

Associated companies are those companies where the Group has a substantial interest in the equity capital and whose directors include representatives of the Group such that the Group is able to exert significant influence over the management and operations of those companies, but not control. Investments in associated companies are accounted for using the equity method.

Investment in finance agreements
The Company and one of its subsidiaries act as lessors of printing, agricultural and other equipment. Where substantially all the risks and rewards of ownership pass to the lessee, these leases are accounted for as finance leases in accordance with FRS 102.

i) Recognition of profit on finance agreements
Finance lease income is recognised on an appropriate basis so as to give a constant periodic rate of return on the net cash investment in the lease.

ii) Investment in finance agreements
The investment in finance agreements is stated in the balance sheet at the total of the gross minimum lease payments receivable under such agreements, less finance income allocated to future periods.

iii) Residual interests in leased equipment
In the majority of cases under the lease arrangements described above, the relevant Group company retains an interest in the residual value of the leased equipment. No recognition is made in the financial statements of any profit attributable to the estimated future disposal proceeds of equipment which will be returned to the Group at the termination of the lease or from rentals resulting from secondary leases until these are realised.

Notes to the financial statements (continued)

1 Accounting policies (continued)

Operating leases
Income from operating leases is recognised on a straight line basis over the lease period. Assets held for use under operating leases are included in fixed assets at cost to the Group and are depreciated on a straight line basis over their estimated useful lives.

Finance leases
Assets held under finance leases are capitalised at the fair value of the asset at the inception of the lease, with an equivalent liability categorised as appropriate under creditors due within and after more than one year.

The interest element of the rental obligations is charged to the profit and loss account over the period of the lease and represents a constant interest rate on the then current capital balance outstanding.

Pension costs
Employees of the Group are eligible to participate in the stakeholder pension plan run by the Company. The charge represents the contributions payable to the stakeholder pension plan in respect of the accounting period.

Taxation
Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax the Company and Group is expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date, and any adjustment to tax payable or receivable in respect of previous years.

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date.

Turnover
Turnover represents amounts, excluding value added tax, receivable from the provision of goods and services. It comprises outright sales for the supply and installation of equipment, rental income and sale proceeds from properties, commissions receivable and advisory and other fees.

Foreign currencies
The accounts of overseas undertakings are translated at the rate of exchange ruling at the balance sheet date. The exchange difference arising on the re-translation of opening net assets is taken directly to reserves. All other translation differences are taken to the profit and loss account.

Related party transactions
The Company has taken advantage of the exemption in FRS 102.33.1A and, other than as set out in note 24, has not disclosed related party transactions.

Employee benefit trusts
Contributions made to the employee benefit trusts are charged to the profit and loss account to the extent that the assets held by the trusts as a result of the contribution have been unconditionally gifted to beneficiaries or, if earlier, when a constructive obligation has arisen and created a liability for the Company.

Cash and cash equivalents
Cash and cash equivalents comprise cash balances and deposits repayable on demand. Bank overdrafts that are repayable on demand and form an integral part of the cash management are included as a component of cash and cash equivalents for the purpose of the cash flow statement.

Liquid resources
Liquid resources are short term bank deposits of less than one year.

Notes to the financial statements continued

2 Analysis of Group turnover, profit/(loss) on ordinary activities before taxation and net assets/(Liabilities)

	2019 Group turnover £000	**2019 (Loss)/profit before taxation £000**	**2019 Net assets/ (liabilities) £000**	2018 Group turnover £000	2018 Profit/(loss) before taxation £000	2018 Net assets/ (liabilities) £000
By activity						
Equipment leasing and sales	**28**	**(52)**	**4,787**	180	1,849	5,150
Medical services	**1,938**	**2,621**	**(735)**	4,185	288	(2,591)
Advisory and other services	**2,313**	**240**	**(448)**	2,025	69	(619)
Property investment and trading	**-**	**(3)**	**(1,203)**	-	5	(1,201)
Head office	**126**	**(237)**	**30,855**	146	(446)	25,528
	4,405	**2,569**	**33,256**	6,536	1,765	26,267
Net interest payable		**(374)**			(411)	
Profit before taxation		**2,195**			1,354	

Geographical analysis
A geographical analysis of turnover is given below:

	2019 £000	2018 £000
UK	**4,405**	6,536

3 Analysis of continuing and discontinued operations

The entirety of the Group's activities arose from continuing operations.

Notes to the financial statements continued

4 Profit before taxation

	2019 £000	2018 £000
Profit before taxation is stated after charging/(crediting)		
Auditor's remuneration		
audit fee for the Company's financial statements	**12**	12
audit fee for the Group's (including the Company's) financial statements	**46**	60
Depreciation of tangible fixed assets:		
owned	**37**	158
held under finance leases	**279**	617
Amortisation of goodwill	**63**	153
Rentals payable under operating leases:		
Property leases	**209**	287
Profit on the sale of part of a trade	**(1,000)**	-
Profit on disposal of subsidiaries	**(1,423)**	(2,061)

Profit on the sale of part of a trade is the estimate made by the directors of SAM of amounts due to it from SQN UK in respect of the consideration to be paid by SQN UK to SAM for the sale by SAM of the goodwill relating to certain elements of SAM's trade. Pursuant to the terms of a sale and purchase agreement dated 19th January 2015 and made between SAM, SQN UK and SQN US, SAM transferred certain employees, sold certain assets and the goodwill immediately pertaining to those employees and its shareholdings in a subsidiary and two joint ventures, the consideration for which included a deferred variable element based upon certain future performance criteria.

Profit on the disposal of subsidiaries in the year reflects the reduction on 1 October 2018 of SAM's percentage shareholding in MESL from 78% to 33.33% (following the conversion of each preference share held by SAM in MESL into one ordinary share). As a result, the MESL group is now accounted for as associated companies rather than subsidiary companies from that date. The profit on sale of £1.423 million reflects the disposal of two thirds of the net liabilities of MESL (which include MESL's wholly-owned subsidiaries, The Thornbury Radiosurgery Centre Ltd, QSRC Ltd and Oxford Radiosurgery Centre Ltd), which at the time of disposal were £2.134 million. The financial statements include £17,664 of losses to the date of disposal.

Notes to the financial statements continued

5 Remuneration of directors

Directors' emoluments during the year amounted to £377,160 (2018: £427,214) and arose as follows:

	2019 £000	2018 £000
Emoluments of executive directors:		
Remuneration	**357**	357
Bonuses (discretionary)	**20**	70
	377	427

No contributions were made on behalf of directors (2018: £nil) to the stakeholder pension plan of the Company.
The total emoluments of the highest paid director are analysed as follows:

	Highest paid director 2019 £000	2018 £000
Emoluments (including discretionary bonuses)	**202**	229

6 Staff numbers and costs

The average number of staff employed by the Group during the year was:

	2019 £000	2018 £000
Management staff	**5**	6
Office staff	**56**	59
	61	65

The aggregate payroll cost of these persons (including directors) was as follows:

	2019 £000	2018 £000
Salaries	**2,283**	2,299
Management discretionary bonuses	**62**	70
Social security costs	**212**	338
Other pension costs	**60**	55
	2,617	2,762

Notes to the financial statements (continued)

7 Pensions

The employees of the Group are eligible to participate in the stakeholder pension plan run by the Company. The charge represents the contributions payable to the stakeholder pension plan in respect of the accounting period.

The total pension cost for the Group for the year was £60,200 (2018: £54,600).

8 Interest

	2019 £000	2018 £000
Interest payable on finance leases	**(87)**	(127)
Interest payable on other loans	**(277)**	(314)
Interest payable by joint ventures and associates	**(55)**	(5)
	(419)	(446)
Plus:		
Bank interest receivable	**44**	29
Other interest receivable	**1**	6
Net interest payable	**(374)**	(411)

9 Taxation

The tax assessed on the profit on ordinary activities for the year is lower than (2018: lower than) the standard rate of corporation tax. The UK corporation tax rate of 19% (2018: 19%) is the standard rate for the Group. The factors affecting the current tax charge of the Group are as follows:

	2019 £000	2018 £000
Profit on ordinary activities before taxation	**2,195**	1,354
Expected tax charge	**417**	257
Non-taxable income	**(358)**	(501)
Expenses not deductible for tax purposes	**20**	118
Timing differences on fixed assets	**58**	16
Utilisation of tax losses brought forward	**(249)**	(120)
Losses not relieved	**112**	230
Total tax (credit)/charge recorded in the accounts	**-**	-

The Group has a deferred tax asset of £11,489,000 (2018: £12,229,000), which consists of unutilised tax losses of £11,340,000 (2018: £12,068,000) and timing differences on depreciation of £149,000 (2018: £161,000), which would be recoverable against future taxable profits of the Group. This asset has been provided for in full. The directors are unaware of any other factors which may affect the future tax charge of the Group.

The movement in the year represents the current year losses not relieved, utilisation of tax losses brought forward, and timing differences on fixed assets all shown above, permanent timing differences on depreciation of £1,648 and adjustments for prior year losses of £(9,174), an adjustment of £(72,000) relating to fixed assets and £(582,000) relating to losses held by the subsidiary companies disposed of, being MESL and MESL's subsidiary companies.

Notes to the financial statements continued

10 Goodwill

Group

	Negative goodwill £000	Positive goodwill £000	Total £000
Cost			
At beginning of year	(209)	1,376	1,167
Disposals	209	(748)	(539)
At end of year	-	628	628
Amortisation			
At beginning of year	(209)	733	524
Charge for year	-	63	63
Disposals	209	(168)	41
At end of year	-	628	628
Net book value			
At 31 March 2019	-	-	-
At 31 March 2018	-	643	643

The goodwill disposed of in the year relates to the disposal of MESL as a subsidiary company on 1 October 2018.

Additional information is given in note 12.

Notes to the financial statements (continued)

11 Tangible fixed assets

Group

	Land and buildings £000	Fixtures and fittings £000	Plant and equipment £000	Total £000
Cost				
At beginning of year	17	22	9,166	9,205
Additions	-	-	2,391	2,391
Eliminated on disposal of subsidiary companies	(17)	-	(11,125)	(11,142)
Disposals	-	-	(6)	(6)
At end of year	-	22	426	448
Depreciation				
At beginning of year	1	19	8,625	8,645
Charge for year	1	1	314	316
Eliminated on disposal of subsidiary companies	(2)	-	(8,620)	(8,622)
Disposals	-	-	(6)	(6)
At end of year	-	20	313	333
Net book value				
At 31 March 2019	**-**	**2**	**113**	**115**
At 31 March 2018	**16**	**3**	**541**	**560**

The net book value of assets held under finance leases included in plant and machinery above is £16,500 (2018: £308,800).

Notes to the financial statements continued

11 Tangible fixed assets (continued)

Company

	Fixtures and fixings £000	Plant and equipment £000	Total £000
Cost			
At beginning of year	25	41	66
Depreciation			
At beginning of year	23	41	64
Charge for year	1	-	1
At end of year	24	41	65
Net book value			
At 31 March 2019	1	-	1
At 31 March 2018	2	-	2

12 Fixed asset investments

Group		**2019 £000**	2018 £000
Joint ventures	(a)	**-**	-
Associated companies	(b)	**(735)**	-
Other investments	(c)	**24,332**	19,084
		23,597	19,084

(a) Joint venture companies	**2019 £000**	2018 £000
Share of gross assets	**1**	1
Share of gross liabilities	**(1)**	(1)
	-	-

At the beginning and end of the year the investment in joint ventures represented Summit Property Ltd's holding of 50% of the ordinary shares in The Basingstoke Property Company Ltd.

(b) Associated companies

From 1 October 2018 (following the conversion of each preference share held by SAM in MESL into one ordinary share) SAM's percentage ordinary shareholding in MESL reduced from 78% to 33.33%. As a result, the sub-group headed by MESL is now accounted for as associated companies rather than subsidiary companies from that date.

Notes to the financial statements (continued)

(c) Other investments	2019 £000
Valuation	
At beginning of year	19,617
Additions	479
Revaluation	4,936
Disposals	(376)
At end of year	24,656
Provisions	
At beginning of year	533
Provisions in the year	(33)
Disposals	(176)
At end of year	324
Net book value	
At 31 March 2019	**24,332**
At 31 March 2018	19,084

Investments

(a) The Company has an investment of £631,440 in a company (Medtrade Products Ltd) producing specialised wound care dressings. The holding consists of 366 "A" ordinary shares of 10 pence each and 8,130 "B" ordinary shares of 10 pence each, an aggregate shareholding of 27.87% (2018: 27.87%). The investment is held at directors' valuation and was valued at the year-end at £19,000,000 (2018: £14,000,000).

(b) The Company has a holding of 78 ordinary shares in Insetco PLC. The company's shares are listed on the Alternative Investment Market but it has no trade, and the investment is held at directors' valuation at the year-end of £nil (2018: £nil).

(c) The Company has a holding of 42,921 ordinary shares in Avanti Communications Group PLC. The company's shares are listed on the Alternative Investment Market. The investment is held at directors' valuation, based on the relevant quoted mid-market prices, and is valued at the year-end at £1,073 (2018: £4,600).

(d) The Company has an investment of £25,000 in a company (T-Plan Ltd) which produces test management and planning software. The holding consists of 18,085 "C" ordinary shares of 0.1 pence each, a shareholding of 2.96% (2018: 2.96%). The investment is held at directors' valuation and was valued at the year-end at £29,600 (2018: £nil).

(e) The Company has made contributions totalling £448,661 to Seraphim Capital LP, following further contributions in the year of £166,150 and disposals of £181,236. Seraphim Capital LP is a fund set up to make venture capital investments. There were reversals of provisions against the investments of £34,022 in the year, and the investment is held at directors' valuation of £142,018 (2018: £123,082).

(f) The Company has an investment of £103,757 in Voicenotes Ltd, a company which transcribes detailed meeting notes for companies' sales forces. The holding consists of 1,651 ordinary shares of £1 each and represents a shareholding of 26.5% (2018: 26.5%). The investment is held at directors' valuation and was valued at the year-end at £103,757 (2018: £103,757).

(g) The Company has an investment of £97,085 in a portfolio of listed shares. The investment is held at directors' valuation, based on the relevant quoted mid-market prices, and is valued at the year-end at £122,950 (2018: £119,200).

Notes to the financial statements continued

12 Fixed asset investments (continued)

(h) The Company has an investment of £40,000 in Powerstax Plc, a company which makes advanced DC to DC power conversion units. The holding consists of 400,000 ordinary shares of £0.10 each and represents a shareholding of 2.33% (2018: 2.33%). The investment is held at directors' valuation and was valued at the year-end at £40,000 (2018: £40,000).

(i) The Company has an investment of £534,995 in Pyreos Ltd, following further contributions in the year of £101,974. The company manufactures high tech infra-red sensors. The holding consists of 5,053,612 ordinary shares of £0.10 each and 145,321,998 A ordinary shares of 0.01 pence and represents a shareholding of 7.1% (2018: 6.54%) of the fully-diluted share capital. The investment is held at directors' valuation and was valued at the year-end at £534,995 (2018: £433,000).

(j) The Company has an investment of £300,023 in Booking Live Software Ltd, a company which provides its customers with software to enable on-line booking and payment for those companies' services and facilities. The holding consists of 27,273 ordinary shares of £0.01 each and represents a shareholding of 20% (2018: 20%). The investment is held at directors' valuation and was valued at the year-end at £300,023 (2018: £300,023).

(k) The Company has made contributions totalling £193,070 to Seraphim Space LP, a fund set up to make venture capital investments, following contributions during the year of £74,703. The investment is held at directors' valuation and was valued at the year-end at £217,573 (2018: £132,346).

(l) The Company has an investment of £250,000 in Cityport Ltd, a business trialling products to provide secure parking for lorries at service stations and other locations. The holding consists of 250 ordinary shares of £1 each and represents a shareholding of 25% (2018: 25%). The investment is held at directors' valuation and was valued at the year-end at £250,000 (2018: £250,000).

(m) The Company has an investment of £352,074 in Aria Networks Ltd, following further contributions in the year of £96,000 in convertible loan notes. The company is a developer of artificial-intelligence software for planning and optimisation of next generation telecoms networks. The holding consists of 926,677 ordinary shares of £1 each held directly and a further 126,626 held on its behalf by Seraphim Capital (General Partner) LP and represents a total shareholding of 2.98% (2018: 2.98%). The investment is held at directors' valuation and was valued at the year-end at £352,074 (2018: £256,074).

(n) The Company holds, via:

(i) Dalebury (No. 31) Ltd, a holding of 415 ordinary shares of £1 each and 31,749,410 1p preference shares in Summit Alpha Ltd. This company makes investments in early stage businesses. The holding of preference shares in Summit Alpha currently represents 46.88% (2018: 46.88%) of the issued preference share capital. The number of preference shares owned reflects (a) redemptions following realisations of underlying investments made by Summit Alpha Ltd and (b) additional subscriptions and transfers of preference shares to the company by the other shareholders in Summit Alpha Ltd in lieu of management fees due to The Summit Group Ltd, from those other shareholders. Additional investments were made in the year totalling £39,766. The underlying investments were re-valued at the year-end in accordance with the guidelines issued by the British Venture Capital Association at a value of £1,575,272 (2018: £1,639,502). A revaluation of £(103,996) (2018: £23,701) has been made in the year for the difference between the cost of the investments and the re-valued amount.

(ii) Summit Asset Holding LLC ("SAH"), a wholly-owned subsidiary of SAM, 25 class B units in SQN US. Those units are held at directors' valuation of £1,662,500 (2018: £1,662,500).

(o) The Company held, via MESL, an investment of £19,654 in Aimberry Medical Ltd, a company operating a specialist scanning service. The investment was disposed of as part of the sale of the MESL group. The holding consisted of 39,307 ordinary shares and reflected a shareholding of 1.6%.

Notes to the financial statements (continued)

12 Fixed asset investments (continued)

Company

Investment in subsidiaries and associated companies	**2019 £000**	2018 £000
Investments (see Group note)	**21,094**	15,762
Shares in subsidiaries at cost less provisions	**650**	650
	21,744	16,412
The movements during the year were:		
Balance at beginning of financial year	**16,412**	6,501
Other investments made	**439**	748
Disposals	**(181)**	-
Provisions released in relation to investments in subsidiaries	**-**	5
Provisions released/(made) against other investments	**34**	(73)
Revaluation of other investments	**5,040**	9,183
Investments in subsidiaries	**-**	48
Balance at end of financial year	**21,744**	16,412

The following is a full list of related undertakings, which are wholly owned by the company, either directly or indirectly, unless otherwise indicated:

Activity	**Name of subsidiary**	**Percentage holding of ordinary shares**
Asset finance companies	Summit Asset Management Ltd#	(76.2%)
	Summit Asset Holding LLC *	
	Summit Property Group Ltd	
Financial advisory and insurance services	Summit Insurance Services Ltd *	(90%)
	Summit Financial Services Ltd *	(90%)
	Summit Corporate Finance Ltd	
	Dalebury (No.31) Ltd	
Medical advisory and services	Medical Equipment Solutions Ltd *#	(33.33%)
	QSRC Ltd *#	(33.33%)
	The Thornbury Radiosurgery Centre Ltd *#	(33.33%)
Property investment, trading and development	Summit Property Ltd	
	Summit Property Investments Ltd *	
Outsourced sales and related services	Tennyson Ltd	
Dormant companies	Oxford Radiosurgery Centre Ltd *#	(33.33%)
	The Basingstoke Property Company Ltd *	(50%)
	Optionfuture Ltd	
	Waste to Energy Ltd *#	
	Summit Financial Group Ltd	
	Summit Security Trustee Ltd *#	

All the above companies are registered in England and Wales, other than Summit Asset Holding LLC which is registered in Delaware, USA.
* - shares held via a subsidiary
The address of the registered office for all of the above companies is 10 Cloisters House, Cloisters Business Centre, 8 Battersea Park Road, London, SW8 4BG except for those marked #, whose registered office address is Melita House, 124 Bridge Road, Chertsey, KT16 8LA, and with the exception of Summit Asset Holding LLC which is registered in Delaware, USA and does not have a UK registered office address.

Notes to the financial statements continued

13 Debtors : amounts falling due within one year

	Company		Group	
	2019	2018	**2019**	2018
	£000	£000	**£000**	£000
Trade debtors	**14**	16	**551**	527
Amounts owed by group companies	**4,171**	3,836	**860**	554
Amounts owed by joint ventures and associated companies	**-**	-	**-**	2
Prepayments and accrued income	**23**	68	**83**	345
Other debtors	**82**	39	**1,295**	1,090
	4,290	3,959	**2,789**	2,518

Included within other debtors (falling due within one year and after one year) is an amount of £2,202,902 (2018: £2,232,404) being the estimate made by the directors of SAM of amounts due to it from SQN UK in respect of the consideration to be paid by SQN UK to SAM for the sale by SAM of the goodwill relating to certain elements of SAM's trade. The terms of the sale are contained in a sale and purchase agreement dated 19th January 2015 and made between SAM, SQN UK and SQN US; and the consideration to be paid for that goodwill is linked to the amount by which fees received by SQN UK and SQN US from certain fund management activities in each quarter over a 14 year period from the date of sale exceed a hurdle amount. The directors have made an estimate of the amounts to be received and discounted them to present value at an appropriate discount rate.

14 Investments

Group	2019	2018
	£000	£000
Interests in the residual value of equipment subject to operating leases	**15**	-

Notes to the financial statements (continued)

15 Creditors: amounts falling due within one year

	Company		Group	
	2019	2018	**2019**	2018
	£000	£000	**£000**	£000
Bank overdrafts	**-**	-	**-**	4
Other loans	**-**	-	**-**	241
Trade creditors	**13**	9	**31**	145
Amounts owed to group companies	**2,566**	2,056	**-**	-
Taxation and social security	**60**	73	**60**	73
Accruals and deferred income	**23**	37	**532**	605
Other creditors	**3**	3	**245**	114
Obligations under finance leases	**-**	-	**5**	864
	2,665	2,178	**873**	2,046

Included within accruals for the Group is an amount of £nil (2018: £7,140) relating to accrued interest on finance leases.

In 2018, other loans (falling due within one year and after one year) represented a loan from SQN Secured Income Fund PLC (a fund managed by SQN Asset Management Ltd) made to MESL under a loan facility dated 16 June 2017, under which MESL borrowed a total of £1,380k, repayable over 5 years from the date of drawdown in equal monthly instalments and which bore interest at 10% per annum. The purpose of the loan was to complete the acquisition of the 50% shareholding in TRC held by BMI Healthcare Ltd and to repay the loan made to MESL by Hayes Participation Corp. BVI. The loan was disposed of as part of the disposal of the MESL subsidiary group.

Notes to the financial statements continued

16 Debtors: amounts falling due after more than one year

Group	2019 £000	2018 £000
Other debtors	**1,000**	1,202

17 Creditors: amounts falling due after more than one year

Group	2019 £000	2018 £000
Obligations under finance leases	**19**	1,706
Other loans	**-**	972
	19	2,678

18 Share capital	2019 £000	2018 £000
Authorised 339,850,000 ordinary shares of 10p each	**33,985**	33,985
Allotted, called up and fully paid 73,430,000 ordinary shares of 10p each	**7,343**	7,343

Minority interests

Minority interests in certain of the Company's subsidiaries are held by senior management of those subsidiaries. Restrictions and obligations are placed on the transfer of these shares and, in certain circumstances, the holders have the right to require the Company to buy and the Company has the right to acquire these shares at an independent valuation.

Notes to the financial statements (continued)

19 Reserves

The movement on the Company's and the Group's reserves for the year were as follows:

Capital redemption reserve	Company £000	Group £000
At 31 March 2018 and 2019	**1,049**	1,049

Revaluation reserve	Company £000	Group £000
At 31 March 2018	**13,346**	15,395
Revaluation of other investments	**5,040**	4,936
At 31 March 2019	**18,386**	20,331

Other reserve	Company £000	Group £000
At 31 March 2018 and 2019	**167**	167

Profit and loss account	Company £000	Group £000
At 31 March 2018	**2,597**	1,633
Profit for the financial year	**379**	1,698
At 31 March 2019	**2,976**	3,331

Total reserves	Company £000	Group £000
At 31 March 2019	**22,578**	24,878
At 31 March 2018	**17,159**	18,244

The Group's share of post-acquisition accumulated gains of joint venture companies is £(50) (2018: £(50)).

Notes to the financial statements continued

20 Commitments in respect of operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	Land and buildings	
	2019	2018
	£000	£000
Leases expiring in:		
Not later than one year	**91**	323
Later than one year and not more than five years	**149**	1,156
Later than five years	**49**	1,323
	289	2,802

At 31 March 2019 the capital commitments authorised by the directors amounted to £nil (2018: £nil).

21 Commitments in respect of finance leases

Group
The future lease payments under finance leases are as follows:

	Plant and machinery	
	2019	2018
	£000	£000
Within one year	**8**	967
After more than one year and less than five years	**23**	1,804
Less: finance charges allocated to future periods	**(7)**	(201)
	24	2,570

22 Contingent liabilities

The Company has given an undertaking to certain of its subsidiaries that it will provide financial and other support, for at least the next twelve months, to enable those companies to continue to trade.

23 Provisions for liabilities and charges

	Company		Group	
	2019	2018	**2019**	2018
	£000	£000	**£000**	£000
Other provisions	**32**	33	**32**	33

Other provisions
The provisions in place at 31 March 2018 and 2019 for both the Company and the Group are provisions against cash balances held with Kaupthing, Singer & Friedlander Ltd (in administration) .

Notes to the financial statements (continued)

24 Related party transactions

Seraphim Capital LP
The Company is a limited partner in, and has made capital contributions to, Seraphim Capital LP, as have the family interests of Mr C N Hunter Gordon. Mr Hunter Gordon is a director of the Company, and a shareholder in the Company's parent company, Brighthand Ltd. During the year, the Company received £9,360 (2018: £43,084) in respect of profit share due to it from Seraphim Capital (General Partner) LLP.

Seraphim Space LP
The Company is a limited partner in, and has made capital contributions to, Seraphim Space LP. During the year, the Company received £79,800 (2018: £78,488) in respect of non-refundable advances made to it from Seraphim Space (Manager) LLP, the manager of the general partner of Seraphim Space LP.

Summit Asset Management Ltd ("SAM")
During the year the Company paid interest to SAM of £5,810 (2018: £2,755). The amounts owed to SAM at the year end were £1,155,520 (2018: £838,240). SAM is a 76.2% subsidiary of the Company.

Medical Equipment Solutions Ltd ("MESL")
£31,271 (2018: £21,141) received for management, legal and accounting services. The amounts owed by MESL at the year end were £nil (2018: £nil). 33.33% of the ordinary shares in MESL are owned by SAM.

Summit Insurance Services Ltd ("SIS")
£18,000 (2018: £18,000) received for management and accounting services and interest paid of £3,911 (2018: £2,342). The amounts owed to SIS at the year end were £650,054 (2018: £625,101). SIS is a 90% subsidiary of Summit Corporate Finance Ltd, which in turn is a 100% subsidiary of the Company.

25 Ultimate and immediate parent company

The ultimate and immediate parent company is Brighthand Ltd, which is registered in England and Wales. Accounts for this company are available at Companies House. The address of the registered office for the parent company is 10 Cloisters House, Cloisters Business Centre, 8 Battersea Park Road, London, SW8 4BG.

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