

Registered number: 03375289

Brandworkz Ltd

Unaudited

Financial statements

Information for filing with the registrar

Balance Sheet
As at 31 December 2020

	Note	2020 £	2019 £
Fixed assets			
Intangible assets	4	1,673,979	1,544,347
Tangible assets	5	27,894	20,176
		<u>1,701,873</u>	<u>1,564,523</u>
Current assets			
Debtors: amounts falling due within one year	6	772,153	1,027,959
Cash at bank and in hand		233,683	168,737
		<u>1,005,836</u>	<u>1,196,696</u>
Creditors: amounts falling due within one year	7	(1,593,242)	(1,741,880)
Net current liabilities		<u>(587,406)</u>	<u>(545,184)</u>
Total assets less current liabilities		<u>1,114,467</u>	<u>1,019,339</u>
Creditors: amounts falling due after more than one year	8	(300,897)	(383,738)
Net assets		<u><u>813,570</u></u>	<u><u>635,601</u></u>
Capital and reserves			
Called up share capital	9	9,810	9,810
Profit and loss account		803,760	625,791
		<u><u>813,570</u></u>	<u><u>635,601</u></u>

Balance Sheet (continued)
As at 31 December 2020

The director considers that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

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J Lundgaard
Director

Date: 3 June 2021

The notes on pages 3 to 7 form part of these financial statements.

**Notes to the Financial Statements
For the Year Ended 31 December 2020**

1. General information

Brandworkz Ltd is a private company limited by share capital and incorporated in England and Wales. Its registered office is Suite 118, 22 Highbury Grove, London, N5 2EF.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Going concern

The financial statements have been prepared on a going concern basis. While the impact of the Covid-19 virus has been assessed by the director, so far as reasonably possible, due to its unprecedented impact on the wider economy, it is difficult to evaluate with any certainty the potential outcomes on the company's trade, its customers and suppliers. However, taking into consideration the UK Government's response and the company's planning, the director has a reasonable expectation that the company will continue in operational existence for the foreseeable future.

2.3 Revenue

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of value added tax, returns, rebates and discounts.

The company recognises the revenue for the SaaS (Software as a Service) software licenses on a monthly basis as it has been delivered. The company recognises the revenue for professional services on a quarterly basis in arrears as it has been delivered.

2.4 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years. The normal useful life is expected to be 3 years.

Development expenditure that is incurred on specific projects is capitalised when recoverability can be foreseen with reasonable certainty and is amortised in relation to anticipated sales arising from such projects.

2.5 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Notes to the Financial Statements
For the Year Ended 31 December 2020

2. Accounting policies (continued)

2.5 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following basis:

Plant and machinery	-	33%	reducing balance
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The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.6 Debtors

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

2.7 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.8 Creditors

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

2.9 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

2.10 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.11 Interest income

Interest income is recognised in profit or loss using the effective interest method.

**Notes to the Financial Statements
For the Year Ended 31 December 2020**

2. Accounting policies (continued)

2.12 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

3. Employees

The average monthly number of employees, including directors, during the year was 19 (2019 - 20).

4. Intangible assets

	Internally generated software development costs £
Cost	
At 1 January 2020	4,490,954
Additions	1,072,027
At 31 December 2020	<u>5,562,981</u>
Amortisation	
At 1 January 2020	2,946,607
Charge for the year on owned assets	942,395
At 31 December 2020	<u>3,889,002</u>
Net book value	
At 31 December 2020	<u><u>1,673,979</u></u>
At 31 December 2019	<u><u>1,544,347</u></u>

Notes to the Financial Statements
For the Year Ended 31 December 2020

5. Tangible fixed assets

	Plant and machinery £
Cost or valuation	
At 1 January 2020	98,400
Additions	16,914
At 31 December 2020	115,314
Depreciation	
At 1 January 2020	78,224
Charge for the year on owned assets	9,196
At 31 December 2020	87,420
Net book value	
At 31 December 2020	27,894
At 31 December 2019	20,176

6. Debtors

	2020 £	2019 £
Trade debtors	279,156	391,723
Other debtors	262,413	420,614
Prepayments and accrued income	230,584	215,622
	772,153	1,027,959

7. Creditors: Amounts falling due within one year

	2020 £	2019 £
Other loans	102,347	99,996
Trade creditors	242,406	247,897
Other taxation and social security	73,185	48,386
Obligations under finance lease	7,204	-
Other creditors	729	495
Accruals and deferred income	1,167,371	1,345,106
	1,593,242	1,741,880

Notes to the Financial Statements
For the Year Ended 31 December 2020

8. Creditors: Amounts falling due after more than one year

	2020 £	2019 £
Other loans	263,414	316,673
Net obligations under finance leases	1,705	-
Other creditors	27,443	27,443
Accruals and deferred income	8,335	39,622
	<u>300,897</u>	<u>383,738</u>

9. Share capital

	2020 £	2019 £
Allotted, called up and fully paid		
784,800 (2019 - 784,800) Ordinary A shares of £0.01 each	7,848	7,848
196,200 (2019 - 196,200) Ordinary B shares of £0.01 each	1,962	1,962
	<u>9,810</u>	<u>9,810</u>

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.