

Company Registration Number 04040122

ASITE SOLUTIONS LIMITED

FINANCIAL STATEMENTS

30 JUNE 2021

ArmstrongWatson[®]

Accountants, Business & Financial Advisers



ASITE SOLUTIONS LIMITED
REGISTERED NUMBER: 04040122

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2021

	Note	2021 £	2020 £
Fixed assets			
Intangible assets	4	2,530,447	2,270,436
Tangible assets	5	163,394	43,841
Investments	6	72,623	26,279
		<u>2,766,464</u>	<u>2,340,556</u>
Current assets			
Debtors	7	7,220,803	6,287,729
Cash at bank and in hand	8	1,567,704	2,960,714
		<u>8,788,507</u>	<u>9,248,443</u>
Creditors: amounts falling due within one year	9	<u>(3,340,147)</u>	<u>(2,652,990)</u>
Net current assets		<u>5,448,360</u>	<u>6,595,453</u>
Total assets less current liabilities		<u>8,214,824</u>	<u>8,936,009</u>
Net assets		<u><u>8,214,824</u></u>	<u><u>8,936,009</u></u>
Capital and reserves			
Called up share capital		7,160	7,160
Share premium account	11	-	14,727,442
Profit and loss account	11	8,207,664	(5,798,593)
		<u>8,214,824</u>	<u>8,936,009</u>

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 comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

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



N R Doughty
Director

29th March, 2022

The notes on pages 3 to 13 form part of these financial statements.

ASITE SOLUTIONS LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2021**

	Called up share capital £	Share premium account £	Profit and loss account £	Total equity £
At 1 July 2019	7,160	14,727,442	(7,306,978)	7,427,624
Comprehensive income for the year				
Profit for the year	-	-	1,508,385	1,508,385
Total comprehensive income for the year	-	-	1,508,385	1,508,385
At 1 July 2020	7,160	14,727,442	(5,798,593)	8,936,009
Comprehensive income for the year				
Profit for the year	-	-	1,478,815	1,478,815
Total comprehensive income for the year	-	-	1,478,815	1,478,815
Dividends: Equity capital	-	-	(2,200,000)	(2,200,000)
Transfer to/from profit and loss account	-	(14,727,442)	14,727,442	-
Total transactions with owners	-	(14,727,442)	12,527,442	(2,200,000)
At 30 June 2021	7,160	-	8,207,664	8,214,824

The notes on pages 3 to 13 form part of these financial statements.

ASITE SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

1. General information

The company is a private company limited by shares, incorporated and domiciled in the United Kingdom. The company is tax resident in the United Kingdom. It trades from its registered office address - 7th Floor Leconfield House, Curzon Street, London, England, W1J 5JA.

The principal activity of the company is to provide collaborative Software as a Service (SaaS) to the Architectural, Engineering and Construction (AEC) industry to promote successful supply chain collaboration.

These financial statements have been presented in Pound Sterling as this is the currency of the primary economic environment in which the company operates.

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 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 26 Share-based Payment paragraphs 26.18(b), 26.19 to 26.21 and 26.23;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Asite Limited as at 30 June 2020 and these financial statements may be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.

2.3 Exemption from preparing consolidated financial statements

The Company is a parent Company that is also a subsidiary included in the consolidated financial statements of its immediate parent undertaking established under the law of an EEA state and is therefore exempt from the requirement to prepare consolidated financial statements under section 400 of the Companies Act 2006.

ASITE SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

2. Accounting policies (continued)

2.4 Going concern

Following the year end the company has secured funding of £7.2m to allow the group to invest in sales & marketing and research and development in order to facilitate the expansion plans of the directors. Forecasts prepared by the directors demonstrate that - while the additional cost of investment has a short to medium term impact on profitability - the group has sufficient cash to fund its expansion plans and allow the group to meet its liabilities as they fall due, for a period of at least 12 months from the date of these financial statements.

After consideration of all factors, the directors continue to adopt the going concern basis in preparing the financial statements.

2.5 Revenue

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer (i.e., when the company delivers its performance obligation under the contract) at an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services.

The company typically enters into multi-element arrangements which include software licence fees, consultancy and training services. Revenue is allocated to the elements of the arrangement based upon the fair value of each element.

The company sells a licence for access to its products which are hosted from the company's dedicated servers. The license fees grant access to web space for the duration of the customer's project and include maintenance and support. The revenue for the licence is recognised on an accruals basis to match the period of use by the customer until the end of the contract. The unrecognised element is included within 'deferred income' and the amount recognised prior to billing is included within 'accrued income'.

Training revenue relates to customer training to use the product. Consultancy revenue relates to the initial tailoring of the product to match the needs of the project and on-going consultancy work provided to the customer post implementation. Revenue is recognised on the consulting and training fees based on fixed daily rates as the service is provided. The fixed daily rates are predetermined at the contract signing date.

2.6 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

2.7 Operating leases: the Company as lessee

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

ASITE SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

2. Accounting policies (continued)

2.8 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives, which range from 3 to 6 years.

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

2.9 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.

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

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 estimated useful lives range as follows:

Website	-	5 years
Internally generated software development costs	-	5 years
Software licences	-	5 years

ASITE SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

2. Accounting policies (continued)

2.10 Tangible fixed assets

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

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

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Fixtures, fittings & equipment - 33% straight line

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.

2.11 Valuation of Investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.12 Associates and joint ventures

Associates and Joint Ventures are held at cost less impairment.

2.13 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.

2.14 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.

2.15 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.

ASITE SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

2. Accounting policies (continued)

2.16 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of Financial Position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of Financial Position.

2.17 Financial Instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

2.18 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 Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

2.19 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.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

2. Accounting policies (continued)

2.20 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Company can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

3. Employees

The average monthly number of employees, including directors, during the year was 49 (2020 - 35).

ASITE SOLUTIONS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

4. Intangible assets

	Website £	Internally generated software development costs £	Software licences £	Total £
Cost				
At 1 July 2020	-	4,211,817	-	4,211,817
Additions	137,530	832,607	78,742	1,048,879
Disposals	-	(63,660)	-	(63,660)
At 30 June 2021	<u>137,530</u>	<u>4,980,764</u>	<u>78,742</u>	<u>5,197,036</u>
Amortisation				
At 1 July 2020	-	1,941,381	-	1,941,381
Charge for the year on owned assets	2,185	776,704	9,979	788,868
On disposals	-	(63,660)	-	(63,660)
At 30 June 2021	<u>2,185</u>	<u>2,654,425</u>	<u>9,979</u>	<u>2,666,589</u>
Net book value				
At 30 June 2021	<u>135,345</u>	<u>2,326,339</u>	<u>68,763</u>	<u>2,530,447</u>
At 30 June 2020	<u>-</u>	<u>2,270,436</u>	<u>-</u>	<u>2,270,436</u>

ASITE SOLUTIONS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

5. Tangible fixed assets

	Fixtures, fittings and equipment £
Cost or valuation	
At 1 July 2020	205,244
Additions	149,900
At 30 June 2021	<u>355,144</u>
Depreciation	
At 1 July 2020	161,403
Charge for the year on owned assets	30,347
At 30 June 2021	<u>191,750</u>
Net book value	
At 30 June 2021	<u><u>163,394</u></u>
At 30 June 2020	<u><u>43,841</u></u>

6. Fixed asset investments

	Investments in subsidiary companies £	Investments in associates £	Total £
Cost or valuation			
At 1 July 2020	26,279	-	26,279
Additions	2,137	44,207	46,344
At 30 June 2021	<u>28,416</u>	<u>44,207</u>	<u>72,623</u>

ASITE SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

7. Debtors

	2021 £	2020 £
Trade debtors	3,056,976	2,176,480
Amounts owed by joint ventures and associated undertakings	383,726	1,708,762
Other debtors	495,665	135,378
Prepayments and accrued income	696,809	354,958
Deferred taxation	2,587,627	1,912,151
	<u>7,220,803</u>	<u>6,287,729</u>

Amounts owed by group undertakings are repayable on demand with no interest incurred on amounts due.

8. Cash and cash equivalents

	2021 £	2020 £
Cash at bank and in hand	1,567,704	2,960,714
	<u>1,567,704</u>	<u>2,960,714</u>

9. Creditors: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	873,924	245,476
Other taxation and social security	381,999	375,508
Other creditors	17,903	10,389
Accruals and deferred income	2,066,321	2,021,617
	<u>3,340,147</u>	<u>2,652,990</u>

ASITE SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

10. Deferred taxation

	2021 £	2020 £
At beginning of year	1,912,151	1,984,844
Charged to profit or loss	675,476	(72,693)
At end of year	2,587,627	1,912,151

The deferred tax asset is made up as follows:

	2021 £	2020 £
Accelerated capital allowances	(528,562)	(355,528)
Recognition of deferred tax assets	3,116,189	2,267,679
	2,587,627	1,912,151

11. Reserves

Share premium account

Share premium is the amount received by the Company over and above the face value of its shares.

In the year the directors signed a solvency statement prior to the shareholders approving a capital reduction via special resolution to transfer the share premium reserve to the profit and loss account.

Profit and loss account

This reserve represents the accumulated distributable profits.

12. Pension commitments

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £68,559 (2020 - £45,258). Contributions totalling £17,903 (2020 - £10,389) were payable to the fund at the balance sheet date and are included in creditors.

ASITE SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

13. Commitments under operating leases

At 30 June 2021 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2021 £	2020 £
Not later than 1 year	200,917	333,984
Later than 1 year and not later than 5 years	-	169,734
	<u>200,917</u>	<u>503,718</u>

14. Related party transactions

During the year the Company wrote off a bad debt totaling £12,960 due from a Director.

Included within other debtors at the year end is a balance of £435,580 due from an associate. The balance is repayable on demand with no interest incurred on amounts due.

15. Controlling party

The company is a subsidiary undertaking of Asite Limited, a company incorporated in the UK.

The Directors have determined that there is no intermediate or ultimate controlling party of Asite Limited as no individual shareholder is considered to hold a controlling interest in Asite Limited.

The consolidated financial statements of Asite Limited are available from Companies House, Crown Way, Cardiff, CF14 3UZ.

16. Auditors' information

The auditors' report on the financial statements for the year ended 30 June 2021 was unqualified.

The audit report was signed on
behalf of Armstrong Watson Audit Limited.

by Matthew Osbourne (Senior Statutory Auditor) on