

I-COMPLY LIMITED

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

**Company Registration No. 04316461 (England and Wales)
PAGES FOR FILING WITH REGISTRAR**

I-COMPLY LIMITED

COMPANY INFORMATION

Directors	Mr David Corson B.Acc.,CA Mr Alastair McLeod BSc (Hons) Mr Michael J Gallagher (Appointed 27 April 2017)
Secretary	Mr David Corson B.Acc.,CA
Company number	04316461
Registered office	Unit 5 Courtyard 31 Pontefract Road Normanton WF6 1JU
Auditor	William Duncan + Co 30 Miller Road Ayr Ayrshire KA7 2AY
Business address	Unit 5 Courtyard 31 Pontefract Road Normanton WF6 1JU
Bankers	HSBC 2 Buchanan Street Glasgow G1 3LB
Solicitors	Wright, Johnston & Mackenzie LLP 302 St Vincent Street Glasgow G2 5RZ

I-COMPLY LIMITED

CONTENTS

	Page
Balance sheet	1
Notes to the financial statements	2 - 8

I-COMPLY LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2017

	Notes	2017 £	£	2016 £	£
Fixed assets					
Tangible assets	4		57,436		15,406
Investments	5		25,534		999
			<u>82,970</u>		<u>16,405</u>
Current assets					
Stocks		6,862		6,763	
Debtors	6	477,520		144,392	
Cash at bank and in hand		106,494		45,902	
		<u>590,876</u>		<u>197,057</u>	
Creditors: amounts falling due within one year	7	<u>(525,044)</u>		<u>(180,931)</u>	
Net current assets			<u>65,832</u>		<u>16,126</u>
Total assets less current liabilities			<u>148,802</u>		<u>32,531</u>
Capital and reserves					
Called up share capital	8		356,900		356,900
Profit and loss reserves			<u>(208,098)</u>		<u>(324,369)</u>
Total equity			<u>148,802</u>		<u>32,531</u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 24 May 2018 and are signed on its behalf by:

Mr David Corson B.Acc.,CA
Director

Mr Alastair McLeod BSc (Hons)
Director

Company Registration No. 04316461

I-COMPLY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

1 Accounting policies

Company information

i-Comply Limited is a private company limited by shares incorporated in England and Wales. The registered office is Unit 5, Courtyard 31, Pontefract Road, Normanton, WF6 1JU.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the company as an individual entity and not about its group.

i-Comply Limited is a wholly owned subsidiary of Veracity UK Limited and the results of i-Comply Limited are included in the consolidated financial statements of Veracity UK Limited which are available from 4 Dow Road, Monkton, Prestwick, KA9 2TU.

1.2 Turnover

Turnover comprises the invoiced value of goods and services supplied and licence income for access to software and hosted hardware, exclusive of Value Added Tax. Licence income is recognised over the contractual period access and help desk support is provided.

Revenue on the sale of hardware and third party software, where no significant vendor obligations exist, is recognised on despatch. Revenue on non-standard software or where significant vendor obligations exists is recognised on customer acceptance.

Revenue from the sale of software is recognised at the time the software licence is granted, in accordance with agreed contract milestones such as installation at customer location. Revenues for support and maintenance services are recognised proportionately over the period that the services are provided. Payments received in advance of services are recorded in the balance sheet as deferred income.

Revenue from professional services (project management, consultancy and training) is recognised as the service provided.

1.3 Research and development expenditure

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

I-COMPLY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

1 Accounting policies

(Continued)

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	33% straight line
Plant and machinery	33% straight line
Fixtures, fittings & equipment	33% straight line
Computer equipment	33% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

1.7 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.8 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

I-COMPLY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.10 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.11 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

I-COMPLY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

1 Accounting policies

(Continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.12 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.14 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 9 (2016 - 11).

I-COMPLY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

3 Intangible fixed assets

	Goodwill £
Cost	
At 1 January 2017	8,000
Disposals	(8,000)
At 31 December 2017	-
Amortisation and impairment	
At 1 January 2017	8,000
Disposals	(8,000)
At 31 December 2017	-
Carrying amount	
At 31 December 2017	-
At 31 December 2016	-

4 Tangible fixed assets

	Land and buildings £	Plant and machinery etc £	Total £
Cost			
At 1 January 2017	-	118,217	118,217
Additions	48,226	15,515	63,741
Disposals	-	(4,423)	(4,423)
At 31 December 2017	48,226	129,309	177,535
Depreciation and impairment			
At 1 January 2017	-	102,811	102,811
Depreciation charged in the year	9,115	11,501	20,616
Eliminated in respect of disposals	-	(3,328)	(3,328)
At 31 December 2017	9,115	110,984	120,099
Carrying amount			
At 31 December 2017	39,111	18,325	57,436
At 31 December 2016	-	15,406	15,406

I-COMPLY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

5 Fixed asset investments

	2017	2016
	£	£
Investments	25,534	999

Movements in fixed asset investments

	Shares in group undertakings
	£
Cost or valuation	
At 1 January 2017	999
Additions	24,318
Exchange movements	217
At 31 December 2017	25,534
Carrying amount	
At 31 December 2017	25,534
At 31 December 2016	999

6 Debtors

	2017	2016
	£	£
Amounts falling due within one year:		
Trade debtors	416,299	126,592
Amounts owed by group undertakings	48,231	5,034
Other debtors	12,990	12,766
	477,520	144,392

7 Creditors: amounts falling due within one year

	2017	2016
	£	£
Trade creditors	92,358	11,373
Amounts due to group undertakings	252,101	-
Other taxation and social security	66,803	34,523
Other creditors	113,782	135,035
	525,044	180,931

I-COMPLY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

8 Called up share capital

	2017	2016
	£	£
Ordinary share capital		
Issued and fully paid		
356,900 Ordinary A Shares of £1 each	356,900	356,900
	<u>356,900</u>	<u>356,900</u>

9 Audit report information

As the income statement has been omitted from the filing copy of the financial statements the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was John Wallace CA.
The auditor was William Duncan + Co.

10 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

2017	2016
£	£
74,923	16,300
<u>74,923</u>	<u>16,300</u>

11 Parent company

The ultimate parent company of i-Comply Limited is Veracity UK Limited, a company incorporated in Scotland.

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.