

Company Registration No. 4669184 (England and Wales)

VISUAL METRICS LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2018
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VISUAL METRICS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2018

The directors present their annual report and financial statements for the year ended 31 March 2018.

Principal activities

The principal activity of the company continued to be that of software consultancy and supply.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr C J Coan

Mr I L Evans

Mr S C Wyer

(Appointed 27 September 2018)

Results and dividends

The results for the year are set out on .

Review of the Business

Visual Metrics has been acquired in the last 12 months. This acquisition has meant the support from the parent, together with both tactical business development and a change in strategic direction. This has already strengthened the revenue pipeline and profitability of the business.

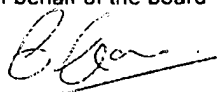
Our supplier/partner arrangements remain strong, we thank them for their continued support.

To further strengthen the companies balance sheet and growth, the directors have been successful in developing funding arrangements. These arrangements will further enhance the trajectory and scale and profitability of the business following the successful completion of the funding round in Q2 2019.

The strategic direction of the business is also enhanced by additional business acquisitions by the parent. The Visual Metrics component offering; a significant subscription oriented, software as a service data platform, based upon Microsoft Azure infrastructure with Visual Metrics proprietary IP. The proposition is co-marketed with Microsoft themselves giving the offering substance and marketability.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board



Mr C J Coan

Director

Date: 21 March 2019.

VISUAL METRICS LIMITED**BALANCE SHEET****AS AT 31 MARCH 2018**

	Notes	2018 £	£	2017 £	£
Fixed assets					
Tangible assets	5		7,182		9,546
Current assets					
Debtors	6	152,266		134,724	
Cash at bank and in hand		42,867		83,321	
		195,133		218,045	
Creditors: amounts falling due within one year	7	(560,073)		(328,705)	
Net current liabilities			(364,940)		(110,660)
Total assets less current liabilities			(357,758)		(101,114)
Provisions for liabilities	8		(1,002)		(1,355)
Net liabilities			(358,760)		(102,469)
Capital and reserves					
Called up share capital	9		94		94
Profit and loss reserves			(358,854)		(102,563)
Total equity			(358,760)		(102,469)

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

For the financial year ended 31 March 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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

VISUAL METRICS LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2018

The financial statements were approved by the board of directors and authorised for issue on 21 March 2019
and are signed on its behalf by:



.....
Mr C J Coan
Director

VISUAL METRICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

Company information

Visual Metrics Limited is a private company limited by shares and is registered and incorporated in England and Wales. The registered office is Honeycomb, East Honeycomb, Chester Business Park, Chester, England, CH4 9QN.

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.

Going concern

The company suffered a loss for the year after taxation of £256,291 (2017: £216,222) which has resulted in a deficit in shareholders' funds carried forward of £358,760 (2017: £102,469).

Following a financially challenging year the company has undergone a review of its trading activities and has implemented changes that has significantly improved the trading performance of the company and has resulted in the majority shareholding of the company being acquired post year end. This has allowed the company to gain access to additional funding and the support from the majority shareholder, together with both tactical business development and a change in strategic direction going forward.

The directors believe that with the ongoing support of its creditors, together with the implementation of key strategic plans and objectives for the company, positive cash flows will be achieved that will reverse the current balance sheet deficit in the foreseeable future. Based on the above the directors believe that the financial statements have been appropriately prepared on a going concern basis.

Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

Tangible fixed assets

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

VISUAL METRICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies (Continued)

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

Computer equipment	33% reducing balance basis
Office equipment	20% reducing balance basis

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.

Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible 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.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Cash and cash equivalents

Cash and cash equivalents are basic financial instruments and include cash in hand, and deposits held at call with banks.

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 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.

Basic financial assets

Basic financial assets, which include trade and other 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 financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

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.

VISUAL METRICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies (Continued)

Basic financial liabilities

Basic financial liabilities, including trade and other creditors, 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.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Equity instruments

Equity instruments issued by the company are recorded at the fair value of 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.

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

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.

Retirement benefits

For defined contribution schemes the amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

VISUAL METRICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies (Continued)

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 leased asset are consumed.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 13 (2017 - 14).

3 Directors' remuneration

	2018 £	2017 £
Remuneration paid to directors	131,267	121,400

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2017 - 1).

4 Taxation

	2018 £	2017 £
Current tax		
Adjustments in respect of prior periods	-	(4,465)
Other tax reliefs	-	(12,886)
Total current tax	-	(17,351)
Deferred tax		
Origination and reversal of timing differences	(51,429)	(216)
Changes in tax rates	-	(92)
Losses and other deductions	-	(46,215)
Total deferred tax	(51,429)	(46,523)
Total tax credit	(51,429)	(63,874)

VISUAL METRICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

5 Tangible fixed assets

	Computer equipment £	Office equipment £	Total £
Cost			
At 1 April 2017	39,654	13,347	53,001
Additions	888	-	888
At 31 March 2018	40,542	13,347	53,889
Depreciation and impairment			
At 1 April 2017	31,552	11,903	43,455
Depreciation charged in the year	2,963	289	3,252
At 31 March 2018	34,515	12,192	46,707
Carrying amount			
At 31 March 2018	6,027	1,155	7,182
At 31 March 2017	8,102	1,444	9,546

6 Debtors

	2018 £	2017 £
Amounts falling due within one year:		
Trade debtors	49,867	9,021
Other debtors	5,108	7,105
Deferred tax asset	54,975	16,126
	97,291	46,215
	152,266	62,341
Amounts falling due after more than one year:		
Other debtors	-	72,383
Total debtors	152,266	134,724

VISUAL METRICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

7 Creditors: amounts falling due within one year

	2018 £	2017 £
Trade creditors	387,354	180,960
Other taxation and social security	28,807	55,423
Other creditors	143,912	92,322
	<u>560,073</u>	<u>328,705</u>

8 Provisions for liabilities

	2018 £	2017 £
Deferred tax liabilities	<u>1,002</u>	<u>1,355</u>

9 Called up share capital

	2018 £	2017 £
Ordinary share capital		
Issued and fully paid		
50 Ordinary A shares of 2p each	1	1
4,450 A shares of 2p each	89	89
200 B Shares of 2p each	4	4
	<u>94</u>	<u>94</u>

On 4 February 2014 the company granted options to 11 employees in respect of 300 'B' shares of £0.02 each. The exercise price is £25 per share and are exercisable on the sale of the company or at the Directors' discretion. There are no performance conditions and no options were exercised in the year.

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, which fall due as follows:

	2018 £	2017 £
Within one year	2,705	16,230
Between one and five years	-	2,705
	<u>2,705</u>	<u>18,935</u>