

**Report of the Directors and
Unaudited Financial Statements for the year ended 31 March 2021
for
Applied Image Recognition Limited**

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For the year ended 31 March 2021**

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Company Information
For the year ended 31 March 2021

DIRECTORS: Zak Doffman
Stuart Purves

REGISTERED OFFICE: Milton Gate
60 Chiswell Street
London
United Kingdom
EC1Y 4AG

REGISTERED NUMBER: 05095689 (England and Wales)

**Strategic Report
For the year ended 31 March 2021**

The directors present their Strategic Report of Applied Image Recognition Limited for the year ended 31 March 2021.

FINANCIAL REVIEW

Applied Image Recognition Limited is a wholly owned subsidiary of Digital Barriers Services Limited and a member of the Digital Barriers Group ("Group") headed up by Project Gateway Topco Limited, a company registered in England and Wales.

The profit for the year ended 31 March 2021 was £nil (year ended 31 March 2020: £nil).

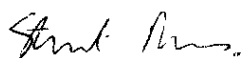
KEY PERFORMANCE INDICATORS

There are no key performance indicators for the Company.

PRINCIPLE RISKS AND UNCERTAINTIES

The directors of the Group manage the principle risks and uncertainties for the Group as a whole, therefore the Company's directors assess the Company's risk in context of the Group. The principal risks and uncertainties of the Group, which include those of the Company are discussed in the Group's financial statements which are publicly available.

This report was approved by the board on 29 March 2022 and signed on its behalf by:



Stuart Purves
Director

Directors' Report
For the year ended 31 March 2021

The directors present their report with the financial statements of the Company for the year ended 31 March 2021.

PRINCIPAL ACTIVITY

The principal activity of the Company in the year under review was that of the distribution of automated recognition systems.

REVIEW OF BUSINESS

The profit for the year on ordinary activities after taxation amounted to £nil (2020: £nil).

The Company is part of the Digital Barriers Group ("the Group") and the Group's progress against its plans are set out in the Directors' Report of the Project Gateway Topco Limited Accounts.

DIVIDENDS

No dividends will be distributed for the year ended 31 March 2021 (2020: £nil).

DIRECTORS

The directors shown below have held office during the year from 1 April 2020 to the date of this report.

Zak Doffman
Stuart Purves

DIRECTORS' AND OFFICERS INDEMNITIES AND INSURANCE

The company maintains liability insurance for its Directors and Officers. The Directors and Officers have also been granted a qualifying third-party indemnity provision under the Companies Act 2006. That indemnity provision has been in force throughout the year and remains in force at the date of this report.

GOING CONCERN

The financial statements have been prepared on the going concern basis as Project Gateway Topco Limited has confirmed its continued support to the Company for a period of at least twelve months from the date of signature of these financial statements.

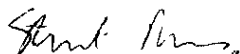
AUDIT EXEMPTION

For the year ended 31 March 2021, the Company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

Directors' responsibilities:

- The members have not required the Company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

ON BEHALF OF THE BOARD:



Stuart Purves - Director
Date: 29 March 2022

**Directors' Responsibilities Statement
For the year ended 31 March 2021**

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable United Kingdom law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) including Financial Reporting Standard 101 'Reduced Disclosure Framework' (FRS 101) and applicable law. 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 Company and of the profit or loss of the Company for that period.

In preparing those financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, including FRS 101 'Reduced Disclosure Framework' have been followed, subject to any material departures disclosed and explained in the financial statements;
- notify the Company's shareholders in writing about the use of disclosure exemptions, if any, of FRS 101 used in the preparation of financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Applied Image Recognition Limited

Income Statement
For the year ended 31 March 2021

		Year ended 31 March 2021	Year ended 31 March 2020
	Notes	£	£
TURNOVER		-	-
Cost of sales		-	-
GROSS PROFIT		-	-
Administrative expenses		-	-
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	3	-	-
Income Tax	6	-	-
PROFIT FOR THE FINANCIAL YEAR		-	-

CONTINUING OPERATIONS

The results for the year and the prior period are derived from continuing activities.

Statement of Comprehensive Income
For the year ended 31 March 2021

	Year ended 31 March 2021	Year ended 31 March 2020
	£	£
PROFIT FOR THE FINANCIAL YEAR	-	-
Other comprehensive income	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	-	-

Balance Sheet
At 31 March 2021

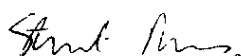
	Notes	31 March 2021 £	31 March 2020 £
CURRENT ASSETS			
Trade and other receivables	7	658,930	658,930
TOTAL ASSETS		658,930	658,930
EQUITY AND LIABILITIES			
Equity share capital	8	100	100
Retained earnings		572,693	572,693
TOTAL EQUITY		572,793	572,793
CURRENT LIABILITIES			
Trade and other payables	9	86,137	86,137
TOTAL LIABILITIES		86,137	86,137
TOTAL EQUITY AND LIABILITIES		658,930	658,930

For the year ending 31 March 2021, the Company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

Directors' responsibilities:

- The members have not required the Company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements on pages 5 to 8 (along with notes on pages 9 to 14) of Applied Image Recognition Limited (registered company number: 05095689) were approved by the Board of Directors on 29 March 2022 and were signed on its behalf by:



Stuart Purves - Director

29 March 2022

Statement of Changes in Equity
At 31 March 2021

	Share capital £	Retained Earnings £	Total Equity £
At 31 March 2019	100	572,693	572,793
Profit for the year	-	-	-
At 31 March 2020	100	572,693	572,793
Profit for the year	-	-	-
At 31 March 2021	100	572,693	572,793

Notes to the Financial Statements
For the year ended 31 March 2021

1. AUTHORISATION OF FINANCIAL STATEMENTS AND STATEMENT OF COMPLIANCE WITH FRS 101

The Company financial statements for the year ended 31 March 2021 were authorised for issue by the board of directors on 29 March 2022 and the balance sheet was signed on the board's behalf by Stuart Purves. Applied Image Recognition Limited is incorporated and domiciled in England.

These financial statements were prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' (FRS 101) and in accordance with applicable accounting standards. The company has adopted an IAS 1 format in its financial statements, as permitted by FRS 101 (amended July 2015) using the 'adapted formats' in company law, as amended by SI 2015/980.

The Company's financial statements are presented in Sterling and all values are rounded to the nearest pound (£) except where otherwise indicated.

The principal accounting policies adopted by the Company are set out in note 2.

2. ACCOUNTING POLICIES

Basis of Preparation

The accounting policies which follow set out those policies which apply in preparing the financial statements for the year ended 31 March 2021.

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- a) the requirements of IFRS 7 Financial Instruments: Disclosures;
- b) the requirements of paragraphs 91 – 99 of IFRS 13 Fair Value Measurement;
- c) the requirements of IAS 7 Statement of Cash Flows;
- d) the requirements of paragraph 17 of IAS 24 Related Party Disclosures;
- e) the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member;
- f) the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134 to 136 of IAS 1 'Presentation of Financial Statements';
- g) the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of paragraph 79(a)(iv) of IAS 1; and

Basis of measurement

The Company financial statements are prepared on the historical cost basis.

Going concern

The financial statements have been prepared on the going concern basis as Project Gateway Topco Limited has confirmed its continued support to the Company for a period of at least twelve months from the date of signature of these financial statements.

Notes to the Financial Statements (continued)
For the year ended 31 March 2021

2. ACCOUNTING POLICIES (continued)

Revenue and profit recognition

Revenue is presented as the gross amount billed to a customer where it is earned from revenue from the sale of goods or services as principal. Revenue is presented as the net amount retained where it is earned through a commission or fee.

Revenue recognition under IAS 11 and IAS 18 in relation to prior year

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, VAT and other sales taxes.

Revenue from the sale of products is recognised when the risks and rewards of ownership are transferred to the customer, which is usually at the point at which goods are delivered to the customer.

Licence income is recognised in accordance with the substance of the agreement. Revenue from licence agreements which have no significant remaining performance obligations is recognised where there is persuasive evidence that an arrangement exists, delivery has occurred, the fee is fixed or determinable and collectability is probable.

Revenue arrangements may include the sale of products together with installation and/or on-going support services. Where the commercial substance of such a combination is that the individual components operate independently of each other and fair values can be attributed to each of the components, each are then recognised in accordance with their respective policies.

Revenue from support contracts is spread evenly over the period of the support contract.

Revenue derived from services billed to customers on a time and materials or fixed-price basis represents the value of work completed, including attributable profit, based on the stage of completion achieved on each project. For time and materials projects, revenue is recognised as services are performed. For fixed-price projects, revenue is recognised according to the stage of completion which is determined using the percentage-of-completion method based on the Directors' assessment of progress against key project milestones and risks, and the ratio of costs incurred to total estimated project costs. The cumulative impact of any revisions to the estimate of percentage-of-completion of any fixed-price contracts is reflected in the period in which such impact becomes known.

Revenue recognition under IFRS 15

Revenue from the sale of products is recognised when the risks and rewards of ownership are transferred to the customer, which is usually at the point at which goods are delivered to the customer.

Revenue from the sale of licences, extended warranty and support is recognised on a straight-line basis.

Revenue derived from funded development and large programmes is recognised as milestone obligations are completed in full.

Foreign currency translation

The Company's financial statements are presented in Sterling. Transactions in foreign currencies are initially recorded in the entity's functional currency by applying the spot exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange ruling at the balance sheet date. All differences are taken to the income statement.

Notes to the Financial Statements (continued)
For the year ended 31 March 2021

2. ACCOUNTING POLICIES (continued)

Taxation

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted by the balance sheet date.

Deferred income tax is recognised on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements, with the following exceptions:

- where the temporary difference arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss;
- in respect of taxable temporary differences associated with investments in subsidiaries where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future; and
- deferred income tax assets are recognised only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carried forward tax credits or tax losses can be utilised.

Deferred income tax assets and liabilities are measured on an undiscounted basis at the tax rates that are expected to apply when the related asset is realised or liability is settled, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Income tax is charged or credited to the Income Statement if it relates to items that are charged or credited to other comprehensive income. Similarly, income tax is charged or credited directly to equity if it relates to items that are credited or charged directly to equity. Otherwise income tax is recognised in the Income Statement.

3. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

Profit on Ordinary Activities before Taxation is stated after charging/(crediting):

	Year ended 31 March 2021 £	Year ended 31 March 2020 £
Exchange (gains)/losses	-	-

Notes to the Financial Statements (continued)
For the year ended 31 March 2021

4. STAFF COSTS

There were no staff employed by the company in the current or preceding years.

5. DIRECTORS' EMOLUMENTS

	Year ended 31 March 2021 £	Year ended 31 March 2020 £
Aggregate emoluments	-	-

The emoluments disclosed were borne by Project Gateway Bidco Limited. Directors' emoluments have been allocated to subsidiaries of the group via management charges. Total Directors' remuneration is disclosed in the consolidate financial statements.

6. INCOME TAX

Analysis of the tax charge

	Year ended 31 March 2021 £	Year ended 31 March 2020 £
Current tax:		
Tax on profit on ordinary activities	-	-

The tax credit for the year is lower than the standard rate of corporation tax in the UK applied to the profit before tax.

Notes to the Financial Statements (continued)
For the year ended 31 March 2021

6. INCOME TAX (continued)

The differences are explained below:

	Year ended 31 March 2021 £	Year ended 31 March 2020 £
Profit on ordinary activities before tax	-	-
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 19% (2018 -19%)	-	-
Effects of: Group relief received	-	-
Current tax charge	-	-

Factors that may affect future tax charges

The standard rate of UK corporation tax was set at 19% on 1 April 2017. The Finance Act (no. 2) 2015 was substantively enacted on 26 October 2015 and subsequent to this, legislation announced to further reduce the rate from 1 April 2020 to 17%. However at Budget 2020, the government announced the Corporation Tax main rate at 19% for the years starting 1 April 2020 and 2021 would remain at 19%.

Deferred tax

The company has no recognised or unrecognised deferred tax assets or liabilities.

7. TRADE AND OTHER RECEIVABLES

	31 March 2021 £	31 March 2020 £
Amounts falling due within one year		
Trade receivables	-	-
Accrued income	-	-
Amounts owed by group undertakings	658,930	658,930
	658,930	658,930

Amounts owed by group undertakings are interest free and repayable on demand.

8. SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	31 March 2021 £	31 March 2020 £
100	Ordinary shares	£1	100	100

Notes to the Financial Statements (continued)
For the year ended 31 March 2021

9. TRADE AND OTHER PAYABLES

	31 March 2021 £	31 March 2020 £
Deferred income	-	-
Amounts owed to group undertakings	86,137	86,137
	86,137	86,137

Amounts owed to group undertakings are interest free and repayable on demand.

10. RELATED PARTY TRANSACTIONS

Amounts outstanding due from/(to) related parties that have had transactions during the year are detailed below:

	31 March 2021 £	31 March 2020 £
Amounts owed by group undertakings	-	-

The Company does not hold a bank account and therefore funds are received by a group undertaking on its behalf.

11. ULTIMATE PARENT COMPANY AND CONTROLLING PARTY

The immediate parent of the Company is OmniPerception Limited, a company incorporated in England and Wales. Project Gateway Topco Limited is the parent of both the smallest and the largest group to consolidate these financial statements. Consolidated financial statements for Project Gateway Topco Limited are available from Milton Gate, 60 Chiswell Street, London, United Kingdom, EC1Y 4AG.

The ultimate controlling party is considered to be the members of Volpi Capital Investments LP by virtue of their controlling shareholding in Project Gateway Topco Limited.