

UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2021

15GIFTS LTD

MENZIES

15GIFTS LTD

COMPANY INFORMATION

Directors	T P Cox S S Drakeford
Registered number	07039525
Registered office	Ashcombe House 5 The Crescent Leatherhead Surrey KT22 8DY
Accountants	Menzies LLP Chartered Accountants Ashcombe House 5 The Crescent Leatherhead Surrey KT22 8DY

15GIFTS LTD

CONTENTS

	Page
Statement of Financial Position	1 - 2
Notes to the Financial Statements	3 - 8

15GIFTS LTD

REGISTERED NUMBER:07039525

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2021

	Note	2021 £	2020 £
Fixed assets			
Intangible assets	4	3,292,836	2,466,225
Tangible assets	5	51,759	47,586
		<u>3,344,595</u>	<u>2,513,811</u>
Current assets			
Debtors: amounts falling due within one year	6	1,642,036	1,340,213
Cash at bank and in hand		1,110,640	680,749
		<u>2,752,676</u>	<u>2,020,962</u>
Creditors: amounts falling due within one year	7	(904,249)	(552,340)
Net current assets		<u>1,848,427</u>	<u>1,468,622</u>
Total assets less current liabilities		<u>5,193,022</u>	<u>3,982,433</u>
Creditors: amounts falling due after more than one year		(1,864,386)	(862,445)
Provisions for liabilities			
Deferred tax		(835,064)	(477,624)
		<u>(835,064)</u>	<u>(477,624)</u>
Net assets		<u><u>2,493,572</u></u>	<u><u>2,642,364</u></u>

15GIFTS LTD

REGISTERED NUMBER:07039525

STATEMENT OF FINANCIAL POSITION (CONTINUED) AS AT 31 DECEMBER 2021

	2021 £	2020 £
Capital and reserves		
Allotted, called up and fully paid share capital	1,520	1,453
Share premium account	79,629	68,708
Profit and loss account	2,412,423	2,572,203
	<u>2,493,572</u>	<u>2,642,364</u>

The directors consider 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 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.

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:

T P Cox
Director

Date: 4 May 2022

The notes on pages 3 to 8 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1. General information

15gifts Ltd is a private company limited by shares and incorporated in England and Wales. The address of the registered office is given in the company information page of these financial statements.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

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 Coronavirus pandemic is causing significant financial uncertainty globally and at this stage, it is not possible to reliably forecast what the long term impact of this may be.

The directors are working to ensure the safety of their employees and maintaining the continuity of their operations as far as they are able, whilst adhering to government advice. The directors have also taken all relevant measures to ensure they are able to safeguard cashflows and ongoing projects to put them in the best possible position to be able to secure new opportunities.

Post year end, the business has remained operational throughout a second and third lockdown as the company have been able to adapt their working processes, as well as all employees being able to work from home. The company has been able to take advantage of government support schemes to mitigate the financial impact of the Coronavirus pandemic.

Based on the Company's financial position and government support, it is the directors' opinion that the going concern basis of preparation of the accounts continues to be appropriate.

2.3 Revenue

Revenue consists of software licence fees received. 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 as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

2.4 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, estimated to be 3 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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.5 Government grants

Grants of a revenue nature are recognised in the Statement of Income and Retained Earnings in the same period as the related expenditure.

2.6 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.7 Borrowing costs

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

2.8 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.

2.9 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; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.10 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

2.11 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 estimated useful lives range as follows:

Development expenditure	-	3	years straight line
Computer software	-	3	years straight line

2.12 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.

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:

Short-term leasehold property	-	2 years
Fixtures and fittings	-	33% straight line
Computer equipment	-	33% straight line
Other fixed assets	-	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.

2.13 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.

15GIFTS LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.14 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.

3. Employees

The average monthly number of employees, including directors, during the year was 63 (2020 - 52).

4. Intangible assets

	Development expenditure £	Computer software £	Total £
Cost			
At 31 December 2020	4,217,269	-	4,217,269
Additions	2,392,235	5,387	2,397,622
At 31 December 2021	6,609,504	5,387	6,614,891
Amortisation			
At 31 December 2020	1,751,044	-	1,751,044
Charge for the year	1,569,963	1,048	1,571,011
At 31 December 2021	3,321,007	1,048	3,322,055
Net book value			
At 31 December 2021	3,288,497	4,339	3,292,836
At 31 December 2020	2,466,225	-	2,466,225

15GIFTS LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

5. Tangible fixed assets

	Short-term leasehold property £	Fixtures and fittings £	Computer equipment £	Other fixed assets £	Total £
Cost or valuation					
At 31 December 2020	79,493	38,594	94,581	3,128	215,796
Additions	-	3,207	35,661	-	38,868
At 31 December 2021	79,493	41,801	130,242	3,128	254,664
Depreciation					
At 31 December 2020	79,493	28,331	57,258	3,128	168,210
Charge for the year on owned assets	-	8,183	26,512	-	34,695
At 31 December 2021	79,493	36,514	83,770	3,128	202,905
Net book value					
At 31 December 2021	-	5,287	46,472	-	51,759
At 31 December 2020	-	10,263	37,323	-	47,586

6. Debtors

	2021 £	2020 £
Trade debtors	824,059	666,901
Other debtors	10,988	880
Prepayments and accrued income	148,305	181,321
Tax recoverable	658,684	491,111
	<u>1,642,036</u>	<u>1,340,213</u>

15GIFTS LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

7. Creditors: Amounts falling due within one year

	2021 £	2020 £
Bank loans	350,000	-
Trade creditors	44,033	15,087
Corporation tax	1,786	-
Other taxation and social security	213,775	164,955
Other creditors	115,645	291,462
Accruals and deferred income	179,010	80,836
	<u>904,249</u>	<u>552,340</u>

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

	2021 £	2020 £
Bank loans	1,864,386	862,445
	<u>1,864,386</u>	<u>862,445</u>

Included within bank loans are loans from Santander UK PLC that are secured over the assets of the Company.

9. Commitments under operating leases

At 31 December 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	121,304	121,304
Later than 1 year and not later than 5 years	90,977	212,281
	<u>212,281</u>	<u>333,585</u>

10. Transactions with directors

At 31 December 2021 the Company was owed £5,494 from S Drakeford (2020: £nil), a director of the Company. During the year the director received advances of £5,494 (2020: £nil) from the Company and made repayments of £nil (2020: £nil). There was no interest charged on this loan.

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.