

Codacity Limited

Annual Report and Unaudited Financial Statements
for the Year Ended 31 May 2017

Gold Accountants Limited
24 Southfield
Polegate
East Sussex
BN26 5LX

Codacity Limited

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Codacity Limited

Company Information

Directors	Mr P Bayfield Mr A Causs
Registered office	62 Covesfield Gravesend Kent DA11 0EG
Accountants	Gold Accountants Limited 24 Southfield Polegate East Sussex BN26 5LX

Codacity Limited

Directors' Report for the Year Ended 31 May 2017

The directors present their report and the financial statements for the year ended 31 May 2017.

Directors of the company

The directors who held office during the year were as follows:

Mr P Bayfield

Mr A Caus

Principal activity

The principal activity of the company is IT consultancy

Small companies provision statement

This report has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved by the Board on 20 February 2018 and signed on its behalf by:

.....
Mr P Bayfield
Director

**Accountants' Report to the Board of Directors on the Preparation of the Unaudited Statutory
Accounts of
Codacity Limited
for the Year Ended 31 May 2017**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of Codacity Limited for the year ended 31 May 2017 as set out on pages 4 to 11 from the company's accounting records and from information and explanations you have given us.

This report is made solely to the Board of Directors of Codacity Limited, as a body, in accordance with the terms of our engagement letter dated 1 August 2013. Our work has been undertaken solely to prepare for your approval the accounts of Codacity Limited and state those matters that we have agreed to state to the Board of Directors of Codacity Limited, as a body. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Codacity Limited and its Board of Directors as a body for our work or for this report.

It is your duty to ensure that Codacity Limited has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and profit of Codacity Limited. You consider that Codacity Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the accounts of Codacity Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.

.....
Gold Accountants Limited
24 Southfield
Polegate
East Sussex
BN26 5LX

20 February 2018

Codacity Limited

Profit and Loss Account for the Year Ended 31 May 2017

	Note	Total 31 May 2017 £	Total 31 May 2016 £
Turnover		250,178	233,099
Cost of sales		<u>(614)</u>	<u>(320)</u>
Gross profit		249,564	232,779
Administrative expenses		<u>(151,646)</u>	<u>(66,338)</u>
Operating profit		<u>97,918</u>	<u>166,441</u>
Profit before tax		97,918	166,441
Taxation		<u>(19,754)</u>	<u>(33,950)</u>
Profit for the financial year		<u><u>78,164</u></u>	<u><u>132,491</u></u>

The above results were derived from continuing operations.

The company has no recognised gains or losses for the year other than the results above.

The notes on pages 8 to 11 form an integral part of these financial statements.

Codacity Limited

Statement of Comprehensive Income for the Year Ended 31 May 2017

	Note	2017 £	2016 £
Profit for the year		<u>78,164</u>	<u>132,491</u>
Total comprehensive income for the year		<u><u>78,164</u></u>	<u><u>132,491</u></u>

The notes on pages 8 to 11 form an integral part of these financial statements.

Codacity Limited

(Registration number: 8055060)

Balance Sheet as at 31 May 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	<u>3</u>	4,348	4,347
Current assets			
Debtors	<u>4</u>	46,613	89,342
Cash at bank and in hand		71,494	52,692
		118,107	142,034
Creditors: Amounts falling due within one year	<u>5</u>	(76,889)	(60,975)
Net current assets		41,218	81,059
Net assets		45,566	85,406
Capital and reserves			
Called up share capital		1,000	4
Profit and loss account		44,566	85,402
Total equity		45,566	85,406

For the financial year ending 31 May 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small 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.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved and authorised by the Board on 20 February 2018 and signed on its behalf by:

.....
Mr P Bayfield

Director

The notes on pages 8 to 11 form an integral part of these financial statements.
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Codacity Limited

Statement of Changes in Equity for the Year Ended 31 May 2017

	Share capital £	Profit and loss account £	Total £
At 1 June 2016	4	85,402	85,406
Profit for the year	-	78,164	78,164
Total comprehensive income	-	78,164	78,164
Dividends	-	(119,000)	(119,000)
New share capital subscribed	996	-	996
At 31 May 2017	1,000	44,566	45,566

	Share capital £	Profit and loss account £	Total £
At 1 June 2015	4	61,911	61,915
Profit for the year	-	132,491	132,491
Total comprehensive income	-	132,491	132,491
Dividends	-	(109,000)	(109,000)
At 31 May 2016	4	85,402	85,406

The notes on pages 8 to 11 form an integral part of these financial statements.

Codacity Limited

Notes to the Financial Statements for the Year Ended 31 May 2017

1 General information

The company is a private company limited by share capital incorporated in England and Wales.

The address of its registered office is:

62 Covesfield
Gravesend
Kent
DA11 0EG
England

These financial statements were authorised for issue by the Board on 20 February 2018.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;

it is probable that future economic benefits will flow to the entity;

and specific criteria have been met for each of the company's activities.

Tax

The tax expense for the period comprises current tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

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 taxable income.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Codacity Limited

Notes to the Financial Statements for the Year Ended 31 May 2017

Asset class	Depreciation method and rate
Office Equipment	25% straight line
Furniture & fittings	25% straight line

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business. Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Codacity Limited

Notes to the Financial Statements for the Year Ended 31 May 2017

3 Tangible assets

	Furniture, fittings and equipment £	Total £
Cost or valuation		
At 1 June 2016	13,826	13,826
Additions	3,851	3,851
At 31 May 2017	17,677	17,677
Depreciation		
At 1 June 2016	9,479	9,479
Charge for the year	3,850	3,850
At 31 May 2017	13,329	13,329
Carrying amount		
At 31 May 2017	4,348	4,348
At 31 May 2016	4,347	4,347

4 Debtors

	2017 £	2016 £
Trade debtors	9,405	18,924
Other debtors	37,208	70,418
Total current trade and other debtors	46,613	89,342

5 Creditors

	Note	2017 £	2016 £
Due within one year			
Bank loans and overdrafts	6	3,315	5,498
Trade creditors		11,680	842
Taxation and social security		27,749	20,985
Other creditors		34,145	33,650
		76,889	60,975

Codacity Limited

Notes to the Financial Statements for the Year Ended 31 May 2017

	2017 £	2016 £
Current loans and borrowings		
Bank borrowings	3,315	5,498

7 Dividends

Final dividends paid

	2017 £	2016 £
Final dividend of £115 (2016 - £22,750) per each Ordinary A shares share	46,000	45,500
Final dividend of £115 (2016 - £22,750) per each Ordinary B shares share	46,000	45,500
Final dividend of £378 (2016 - £0) per each Ordinary C shares share	18,900	-
Final dividend of £162 (2016 - £0) per each Ordinary E shares share	8,100	-
	119,000	91,000

Codacity Limited

Detailed Profit and Loss Account for the Year Ended 31 May 2017

	2017 £	2016 £
Turnover (analysed below)	250,178	233,099
Cost of sales (analysed below)	<u>(614)</u>	<u>(320)</u>
Gross profit	<u>249,564</u>	<u>232,779</u>
Gross profit (%)	99.75%	99.86%
Administrative expenses		
Employment costs (analysed below)	(63,205)	(25,098)
General administrative expenses (analysed below)	(84,340)	(37,693)
Finance charges (analysed below)	(251)	(188)
Depreciation costs (analysed below)	<u>(3,850)</u>	<u>(3,359)</u>
	<u>(151,646)</u>	<u>(66,338)</u>
Operating profit	<u>97,918</u>	<u>166,441</u>
Profit before tax	<u><u>97,918</u></u>	<u><u>166,441</u></u>

This page does not form part of the statutory financial statements.

Codacity Limited

Detailed Profit and Loss Account for the Year Ended 31 May 2017

	2017 £	2016 £
Turnover		
Sales	250,077	227,689
Flat Rate - Benefit/Cost	16	5,396
Bank Interest Received	85	14
	<u>250,178</u>	<u>233,099</u>
Cost of sales		
Credit Interest	-	(18)
Materials Purchased	49	-
Imported Data Use	-	17
App Marketing	-	249
Storage	565	72
	<u>614</u>	<u>320</u>
Employment costs		
Sub-Contractors	(41,043)	(2,970)
Directors Remuneration	(16,162)	(16,128)
Employers Pensions	(6,000)	(6,000)
	<u>(63,205)</u>	<u>(25,098)</u>
General administrative expenses		
Advertising	(2,131)	(107)
Marketing	(55)	(437)
Vehicle Fuel	-	(913)
Miscellaneous Motor Expenses	(3,587)	(19)
Car Lease	(5,013)	(2,673)
Travelling	(11,150)	(13,941)
Hotels	(239)	(2,708)
Subsistence	(95)	(447)
Printing / Art & Graphics	-	(23)
Postage and Carriage	-	(39)
Printing, postage and stationery	(335)	(29)
Web Costs	(112)	(317)
Telephone and Fax	(6,877)	(1,312)
Computers & Software	(7,581)	(4,572)
Legal Fees	-	(13)
Accountancy Fees	(3,295)	(2,927)

Legal & professional Fees	(447)	(35)
Repairs and Renewals	(2,230)	-
Donations	(920)	-
Subscriptions	(655)	(219)
Training Costs	(95)	(114)

This page does not form part of the statutory financial statements.
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Codacity Limited

Detailed Profit and Loss Account for the Year Ended 31 May 2017

Insurance	(625)	(1,093)
Health Care	(2,552)	-
Gift Vouchers and Prizes	(36,346)	(5,755)
	<u>(84,340)</u>	<u>(37,693)</u>

Finance charges

Bank Charges	<u>(251)</u>	<u>(188)</u>
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Depreciation costs

Furniture/Fitting Depreciation	-	(1,304)
Office Equipment Depreciation	(3,850)	(2,055)
	<u>(3,850)</u>	<u>(3,359)</u>

This page does not form part of the statutory financial statements.

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