

Methods Analytics Limited

Annual Report and Financial Statements

For the year ended 30 April 2023

Company Registration No. 08698156 (England and Wales)

Methods Analytics Limited

Company Information

Directors	P Rowlin M Hewitt O Bailey R Oakley P Bonhomme A Flade A Blomerley	(Appointed 2 May 2023)
------------------	--	------------------------

Company number	08698156
-----------------------	----------

Registered office	Saffron House 6-10 Kirby Street London EC1N 8TS
--------------------------	--

Auditor	Moore Kingston Smith LLP 6th Floor 9 Appold Street London EC2A 2AP
----------------	--

Methods Analytics Limited

Contents

	Page
Directors' report	1
Directors' responsibilities statement	2
Independent auditor's report	3 - 6
Profit and loss account	7
Balance sheet	8
Statement of changes in equity	9
Statement of cash flows	10
Notes to the financial statements	11 - 21

Methods Analytics Limited

Directors' Report

For the year ended 30 April 2023

The directors present their annual report and financial statements for the year ended 30 April 2023.

Principal activities

The principal activity of the company is the provision of analysis and interpretation services, primarily for the healthcare sector, but also other public and private sector clients.

Directors

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

P Rowlinson

S Swift

(Resigned 26 April 2023)

M Hewitt

O Bailey

R Oakley

P Bonhomme

A Flande

A Blomerley

(Appointed 2 May 2023)

Statement of disclosure to independent auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

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

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

M Hewitt

Director

20 September 2023

Methods Analytics Limited

Directors' Responsibilities Statement

For the year ended 30 April 2023

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" Section 1A, 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102 Section 1A, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors 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.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and 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.

Methods Analytics Limited

Independent Auditor's Report

To the Members of Methods Analytics Limited

Opinion

We have audited the financial statements of Methods Analytics Limited (the 'company') for the year ended 30 April 2023 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Changes in Equity, the Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 April 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Methods Analytics Limited

Independent Auditor's Report (Continued)

To the Members of Methods Analytics Limited

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Methods Analytics Limited

Independent Auditor's Report (Continued)

To the Members of Methods Analytics Limited

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Methods Analytics Limited

Independent Auditor's Report (Continued)

To the Members of Methods Analytics Limited

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the company and considered that the most significant are the Companies Act 2006, UK financial reporting standards as issued by the Financial Reporting Council, and UK taxation legislation.
- We obtained an understanding of how the company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Jamie Sherman
Senior Statutory Auditor
for and on behalf of Moore Kingston Smith LLP

22 September 2023

Chartered Accountants
Statutory Auditor

6th Floor
9 Appold Street
London
EC2A 2AP

Methods Analytics Limited

Profit and loss account

For the year ended 30 April 2023

	Notes	2023 £	2022 £
Turnover		9,699,733	8,288,030
Other external expenses		(2,990,329)	(2,432,174)
Staff costs		(4,325,597)	(4,135,223)
Other operating expenses		(1,613,233)	(1,683,302)
Operating profit before share-based payments and sale related costs		770,574	37,331
Charge for share based payments		-	(514,563)
Exceptional costs associated with sale of company	3	16,995	(205,535)
Operating profit after share-based payments and sale related costs		787,569	(682,767)
Interest receivable and similar income		20,981	1,730
Profit/(loss) before taxation		808,550	(681,037)
Taxation	6	(150,016)	807,094
Profit for the financial year		658,534	126,057

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no items of other comprehensive income for either the year or the prior year, accordingly no statement of other comprehensive income has been presented.

Methods Analytics Limited

Balance Sheet

As at 30 April 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible fixed assets	8		-		-
Current assets					
Debtors	9	4,747,788		2,494,214	
Cash at bank and in hand		200,000		1,587,976	
		<u>4,947,788</u>		<u>4,082,190</u>	
Creditors: amounts falling due within one year	10	<u>(1,536,487)</u>		<u>(1,140,978)</u>	
Net current assets			3,411,301		2,941,212
Creditors: amounts falling due after more than one year	11		-		(188,445)
Net assets			<u>3,411,301</u>		<u>2,752,767</u>
Capital and reserves					
Called up share capital	12		100		100
Profit and loss reserves			<u>3,411,201</u>		<u>2,752,667</u>
Total equity			<u>3,411,301</u>		<u>2,752,767</u>

These 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 applying section 1A - small entities.

The financial statements were approved by the board of directors and authorised for issue on 20 September 2023 and are signed on its behalf by:

M Hewitt
Director

Company Registration No. 08698156

Methods Analytics Limited

Statement of Changes in Equity

For the year ended 30 April 2023

	Share capital	Profit and loss reserves	Total
Notes	£	£	£
Balance at 1 May 2021	100	2,112,047	2,112,147
Year ended 30 April 2022:			
Profit and total comprehensive income for the year	-	126,057	126,057
Capital contribution from Methods Consulting (Analytics) Limited in relation to fair value of share options granted to employees	-	514,563	514,563
Balance at 30 April 2022	100	2,752,667	2,752,767
Year ended 30 April 2023:			
Profit and total comprehensive income for the year	-	658,534	658,534
Balance at 30 April 2023	100	3,411,201	3,411,301

Methods Analytics Limited

Statement of Cash Flows

For the year ended 30 April 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	18		603,130		(1,059,180)
Income taxes paid			(9,713)		(114,556)
Net cash inflow/(outflow) from operating activities			593,417		(1,173,736)
Investing activities					
Interest received		20,981		1,730	
Net cash generated from investing activities			20,981		1,730
Financing activities					
(Increase)/Decrease in loans made to connected companies		-		1,123,380	
(Increase)/Decrease in loans with group companies		(2,002,374)		56,435	
Net cash (used in)/generated from financing activities			(2,002,374)		1,179,815
Net (decrease)/increase in cash and cash equivalents			(1,387,976)		7,809
Cash and cash equivalents at beginning of year			1,587,976		1,580,167
Cash and cash equivalents at end of year			200,000		1,587,976

Methods Analytics Limited

Notes to the Financial Statements

For the year ended 30 April 2023

1 Accounting policies

Company information

Methods Analytics Limited is a private company limited by shares incorporated in England and Wales. The registered office is Saffron House, 6-10 Kirby Street, London, EC1N 8TS.

1.1 Accounting convention

These financial statements have been prepared in accordance with Section 1A of 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 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.

1.2 Going concern

The directors have assessed the company's ability to continue trading as a going concern for at least 12 months from the date of approving these financial statements. As part of the directors' assessment a monthly forecast has been produced. In addition, the directors have stress tested these forecasts looking at different severe but plausible scenarios.

Under both the base case and severe but plausible stressed scenarios the company would still have sufficient liquidity and resources to continue trading, and meet its liabilities as they fall due, for at least 12 months from the date of these financial statements. The financial resilience of the company is greatly helped by the cash reserves it has accumulated over the last two years (which is now held by the group), the flexible nature of its cost base due to the number of contractors used to deliver services (allowing cost to immediately reduce as revenue reduces) and the high credit worthiness of its public sector customers.

The directors have a reasonable expectation that the company has adequate resources to continue trading, and meets its liabilities as they fall due for at least 12 months from the date of signing these financial statements. Thus, the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for 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.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Methods Analytics Limited

Notes to the Financial Statements (Continued)

For the year ended 30 April 2023

1 Accounting policies

(Continued)

Time and materials revenue is recognised to the extent that time has been completed and materials expensed in the year. The amount recognised is based on the billable value of time worked.

Revenue from fixed price contracts for the provision of 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 are recoverable. If it is expected that there will be a loss on a contract as a whole, all of the loss is recognised as soon as it is foreseen.

Revenue from managed services or subscription income, where the customer is charged a fixed amount over a period of time, is recognised rateably over the period for which the charge applies.

Revenue from the resale of third party goods, licences or services is recognised on the date of delivery to the customer of the goods, licence or services.

Revenue recognised but not yet invoiced to the client is recognised on the balance sheet as accrued income within debtors.

Amounts invoiced to clients in advance of revenue being recognised, are recognised as deferred income within creditors falling due within one year. The balance is released to the profit and loss account as the service is delivered to the customer in line with the appropriate revenue recognition method.

1.4 Other external charges

Other external charges comprise the cost of contractors and services outsourced to third party providers.

1.5 Other operating charges

Other operating charges comprise the costs incurred with third parties relating to operating the company.

1.6 Intangible fixed assets - goodwill

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life not exceeding 10 years. All existing goodwill has been fully amortised in the financial statements.

1.7 Intangible fixed assets other than goodwill

Intangible assets are recognised at cost and are then subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

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. Capitalised development costs relate to the stethoscope product.

Amortisation 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:

Development costs

Straight line over 5 years

Methods Analytics Limited

Notes to the Financial Statements (Continued)

For the year ended 30 April 2023

1 Accounting policies

(Continued)

1.8 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.

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:

Plant and equipment	Straight line over 3 years
Fixtures, fittings & equipment	Straight line over 5 years

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.

1.9 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 and other short-term liquid investments with original maturities of three months or less.

1.10 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.

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.

Methods Analytics Limited

Notes to the Financial Statements (Continued)

For the year ended 30 April 2023

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors, 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 future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

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

1.11 Equity instruments

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

1.12 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.

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.

Methods Analytics Limited

Notes to the Financial Statements (Continued)

For the year ended 30 April 2023

1 Accounting policies

(Continued)

1.13 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.

1.14 Retirement benefits

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

1.15 Share-based payments

The company participated in an equity settled share based payments arrangement granted to certain employees of the company. All options were exercised in the year ending 30 April 2022 with the share based payment expenses being recognised over the vesting period.

1.16 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss 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 leases asset are consumed.

1.17 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

The following judgement (apart from those involving estimates) has had the most significant effect on amounts recognised in the financial statements.

Loss making contracts

Where a contract is loss making the company provides for the full loss of the contract once the loss has been identified and validated by management.

Methods Analytics Limited

Notes to the Financial Statements (Continued)

For the year ended 30 April 2023

2 Judgements and key sources of estimation uncertainty

(Continued)

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Revenue recognition

Revenue is recognised based on the value of services delivered in a period. For time and materials engagements this is based on the billable value of time worked. For fixed price projects the Company recognises revenue based on the percentage completion of the contract. Percentage completion is calculated by dividing the total cost to date on the contract by the total estimated cost for the whole contract. Total estimated costs are based on management judgement and detailed project plans. The accounting policy for revenue is disclosed in note 1.3 of the financial statements and the turnover for the year is disclosed in note 3 of the financial statements.

Recoverability of Work in Progress and Trade Debtors

Where the recoverability of Work in Progress and Trade Debtors is unlikely, a provision is made for the unrecoverable amount. Where it is almost certain the amounts will not be recovered the amounts are written off permanently.

Accruals and provisions

Accruals are based on the best estimate of costs that are expected to be invoiced after the year end. These are based on management's knowledge of costs relating to the Company that have not yet been billed and invoices relating to the financial year that are received after the year end.

Recoverability of deferred tax assets

The directors have made a judgement as to whether the deferred tax asset is recoverable. They have made this judgement based on forecasts showing future profitability within the company.

3 Exceptional costs associated with sale of company

	2023 £	2022 £
Wages and salaries	(14,869)	174,869
Social security	(2,126)	25,131
Other professional fees	-	5,535
	<u>(16,995)</u>	<u>205,535</u>

Exceptional items relate to costs accrued in association with the sale of the company. The write back of these costs in the current year has resulted in exceptional income due to an over accrual.

Methods Analytics Limited

Notes to the Financial Statements (Continued)

For the year ended 30 April 2023

4 Auditor's remuneration

	2023	2022
	£	£
Fees payable to the company's auditor:		
For audit services		
Audit of the financial statements of the company	9,500	9,000
	<u> </u>	<u> </u>
For other services		
All other non-audit services	1,680	1,600
	<u> </u>	<u> </u>

5 Employees

The average monthly number of persons (including directors) employed by the company during the year was 60 (2022: 68).

6 Taxation

	2023	2022
	£	£
Current tax		
UK corporation tax on profits for the current period	4,330	8,640
Adjustments in respect of prior periods	-	(109,190)
	<u> </u>	<u> </u>
Total current tax	4,330	(100,550)
	<u> </u>	<u> </u>
Deferred tax		
Origination and reversal of timing differences	145,686	(706,544)
	<u> </u>	<u> </u>
Total tax charge/(credit)	150,016	(807,094)
	<u> </u>	<u> </u>

Methods Analytics Limited

Notes to the Financial Statements (Continued)

For the year ended 30 April 2023

7 Intangible fixed assets

	Goodwill	Development costs	Total
	£	£	£
Cost			
At 1 May 2022	1,215,314	1,564,434	2,779,748
Disposals	(1,215,314)	(1,564,434)	(2,779,748)
At 30 April 2023	-	-	-
Amortisation and impairment			
At 1 May 2022	1,215,314	1,564,434	2,779,748
Disposals	(1,215,314)	(1,564,434)	(2,779,748)
At 30 April 2023	-	-	-
Carrying amount			
At 30 April 2023	-	-	-
At 30 April 2022	-	-	-

8 Tangible fixed assets

	Plant and equipment	Fixtures, fittings & equipment	Total
	£	£	£
Cost			
At 1 May 2022	38,618	2,579	41,197
Disposals	(38,618)	(2,579)	(41,197)
At 30 April 2023	-	-	-
Depreciation and impairment			
At 1 May 2022	38,618	2,579	41,197
Eliminated in respect of disposals	(38,618)	(2,579)	(41,197)
At 30 April 2023	-	-	-
Carrying amount			
At 30 April 2023	-	-	-
At 30 April 2022	-	-	-

Methods Analytics Limited

Notes to the Financial Statements (Continued)

For the year ended 30 April 2023

9 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Trade debtors	629,325	499,315
Corporation tax recoverable	207,491	202,108
Amounts due from group companies	2,006,528	67,421
Other debtors	-	6,299
Prepayments and accrued income	1,261,083	941,834
	<u>4,104,427</u>	<u>1,716,977</u>
Deferred tax asset	125,000	189,281
	<u>4,229,427</u>	<u>1,906,258</u>
Amounts falling due after more than one year:		
Other debtors	11,810	-
Deferred tax asset	506,551	587,956
	<u>518,361</u>	<u>587,956</u>
Total debtors	<u>4,747,788</u>	<u>2,494,214</u>

Amounts due from group companies are interest bearing at the banks rate and repayable on demand.

10 Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	92,540	72,536
Amounts due to group undertakings	43,068	106,335
Other taxation and social security	478,566	292,658
Other creditors	33,079	29,842
Accruals and deferred income	889,234	639,607
	<u>1,536,487</u>	<u>1,140,978</u>

11 Creditors: amounts falling due after more than one year

	2023 £	2022 £
Accruals and deferred income	-	188,445
	<u>-</u>	<u>188,445</u>

Methods Analytics Limited

Notes to the Financial Statements (Continued)

For the year ended 30 April 2023

12 Called up share capital

	2023 Number	2022 Number	2023 £	2022 £
Ordinary share capital Issued and fully paid				
Ordinary shares of 1p each	10,000	10,000	100	100

13 Financial commitments, guarantees and contingent liabilities

The company and connected companies (through common ownership) are party to a banking arrangement with Coutts & Co, whereby an unlimited cross guarantee is given for all liabilities to the bank of any kind whether incurred alone or jointly with another. At the year end, the overall liability of the company and connected companies to the bank was £nil (2022: £nil).

At the year end, the company, its parent company and connected companies (through common ownership) were party to the charge for an invoice discounting facility with RBS Invoice Finance Limited, whereby an unlimited multi-party guarantee was given for all liabilities to RBS Invoice Finance Limited. The use of the facility ceased during the year and the related charge ended on 17 August 2023.

14 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:

	2023 £	2022 £
	50,360	6,080

15 Related party transactions

The company has taken advantage of the exemption within section 33.10 of FRS 102 to not disclose transactions with wholly owned group companies.

16 Controlling party

The parent company at the balance sheet date was Methods Consulting (Analytics) Limited, a company incorporated in England and Wales. The address of Methods Consulting (Analytics) Limited is Saffron House, 6-10 Kirby Street, London, EC1N 8TS. The ultimate parent company is Alten S.A., a company incorporated in France, the address of Alten S.A. is 40 Avenue Andre Morizet, 92100, Boulogne Billancourt, France.

17 Analysis of changes in net funds

	1 May 2022 £	Cash flows £	30 April 2023 £
Cash at bank and in hand	1,587,976	(1,387,976)	200,000

Methods Analytics Limited

Notes to the Financial Statements (Continued)

For the year ended 30 April 2023

18 Cash generated from operations

	2023 £	2022 £
Profit for the year after tax	658,534	126,057
Adjustments for:		
Taxation charged/(credited)	150,016	(807,094)
Investment income	(20,981)	(1,730)
Charge for share based payments	-	514,563
Movements in working capital:		
(Increase) in debtors	(454,770)	(340,972)
Increase/(decrease) in creditors	270,331	(550,004)
Cash generated from/(absorbed by) operations	<u>603,130</u>	<u>(1,059,180)</u>

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.