

ADDRESS INTELLIGENCE TECHNOLOGIES LIMITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 DECEMBER 2019

ADDRESS INTELLIGENCE TECHNOLOGIES LIMITED
REGISTERED NUMBER: 10401742

BALANCE SHEET
AS AT 31 DECEMBER 2019

	Note	2019 £	2018 £
Fixed assets			
Intangible assets	4	290,418	332,918
Tangible assets	5	112,347	60,322
		<u>402,765</u>	<u>393,240</u>
Current assets			
Debtors: amounts falling due after more than one year	6	-	36,400
Debtors: amounts falling due within one year	6	1,543,932	1,796,101
Cash at bank and in hand	7	78,780	66,507
		<u>1,622,712</u>	<u>1,899,008</u>
Creditors: amounts falling due within one year	8	(867,212)	(734,784)
Net current assets		<u>755,500</u>	<u>1,164,224</u>
Total assets less current liabilities		<u>1,158,265</u>	<u>1,557,464</u>
Creditors: amounts falling due after more than one year	9	(43,827)	(51,639)
Provisions for liabilities			
Other provisions	11	(71,170)	-
		<u>(71,170)</u>	<u>-</u>
Net assets		<u><u>1,043,268</u></u>	<u><u>1,505,825</u></u>
Capital and reserves			
Called up share capital		448	433
Share premium account		849,918	849,918
Capital redemption reserve		36	36
Profit and loss account		192,866	655,438
		<u><u>1,043,268</u></u>	<u><u>1,505,825</u></u>

ADDRESS INTELLIGENCE TECHNOLOGIES LIMITED
REGISTERED NUMBER: 10401742

BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2019

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 profit and loss account 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:

E Ellwood

Director

Date: 29 December 2020

The notes on pages 4 to 12 form part of these financial statements.

ADDRESS INTELLIGENCE TECHNOLOGIES LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Called up share capital £	Share premium account £	Capital redemption reserve £	Profit and loss account £	Total equity £
At 1 January 2018	462	849,918	-	675,139	1,525,519
Loss for the year	-	-	-	(19,701)	(19,701)
Shares redeemed during the year	-	-	-	36	36
Shares issued during the year	7	-	-	-	7
Shares redeemed and cancelled during the year	(36)	-	-	-	(36)
Transfer from profit and loss account to capital redemption reserve	-	-	36	(36)	-
At 1 January 2019	433	849,918	36	655,438	1,505,825
Loss for the year	-	-	-	(462,572)	(462,572)
Share capital adjustment	15	-	-	-	15
At 31 December 2019	<u>448</u>	<u>849,918</u>	<u>36</u>	<u>192,866</u>	<u>1,043,268</u>

The notes on pages 4 to 12 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

1. General information

The company is a private company limited by shares, and is incorporate in England and Wales. The address of its registered office is 7-10 Chandos Street, London W1G 9DQ.

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 / COVID-19

The directors keep the company's trading and financial position under constant review and the investors are regularly updated on progress. While COVID-19 has had an adverse impact on the company's performance, the government financial support available enabled the company to retain its staff at the right level to meet the demands of customers.

The directors' have prepared forecasts that incorporate the impact of COVID-19 and on the basis of these forecasts, consider that the company has the ability to fulfil its financial obligations for a period of at least twelve months from the date of these financial statements and therefore consider it appropriate to prepare the financial statements on a going concern basis.

2.3 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

Sale of goods

Turnover from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of turnover can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Turnover from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of turnover can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.3 Turnover (continued)

- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.4 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.

Amortisation is provided on the following bases:

Other intangible fixed assets	-	10	Years
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2.5 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.

The estimated useful lives range as follows:

Motor vehicles	-	4	years straight line
Fixtures and fittings	-	4	years straight line
Computer equipment	-	3	years 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 the Profit and loss account.

2.6 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.7 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.8 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.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Profit and loss account.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an 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.

2.9 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.10 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.

2.11 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Profit and loss account on a straight line basis over the lease term.

The Company has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before the date of transition to the standard 01 January 2018 to continue to be charged over the period to the first market rent review rather than the term of the lease.

2.12 Leased assets: the Company as lessee

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.13 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 the Profit and loss account when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.14 Borrowing costs

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

2.15 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 Balance sheet 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 Balance sheet.

2.16 Taxation

Tax is recognised in the Profit and loss account, 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 balance sheet date in the countries where the Company operates and generates income.

2.17 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, which range from 3 to 6 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 2019

3. Employees

The average monthly number of employees, including directors, during the year was 45 (2018 - 31).

4. Intangible assets

	Intellectual property £	Computer software £	Total £
Cost			
At 1 January 2019	38,250	386,751	425,001
At 31 December 2019	38,250	386,751	425,001
Amortisation			
At 1 January 2019	8,287	83,796	92,083
Charge for the year	3,825	38,675	42,500
At 31 December 2019	12,112	122,471	134,583
Net book value			
At 31 December 2019	26,138	264,280	290,418
At 31 December 2018	29,963	302,955	332,918

ADDRESS INTELLIGENCE TECHNOLOGIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

5. Tangible fixed assets

	Motor vehicles	Fixtures and fittings	Computer equipment	Total
	£	£	£	£
Cost or valuation				
At 1 January 2019	89,050	1,000	17,402	107,452
Additions	-	71,170	12,530	83,700
At 31 December 2019	89,050	72,170	29,932	191,152
Depreciation				
At 1 January 2019	38,933	146	8,051	47,130
Charge for the year on owned assets	-	219	9,356	9,575
Charge for the year on financed assets	22,100	-	-	22,100
At 31 December 2019	61,033	365	17,407	78,805
Net book value				
At 31 December 2019	28,017	71,805	12,525	112,347
At 31 December 2018	50,117	854	9,351	60,322

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2019 £	2018 £
Motor vehicles	27,625	49,725
	<u>27,625</u>	<u>49,725</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

6. Debtors

	2019	2018
	£	£
Due after more than one year		
Other debtors	-	36,400
	<u>-</u>	<u>36,400</u>
	2019	2018
	£	£
Due within one year		
Trade debtors	1,015,142	1,436,180
Amounts owed by group undertakings	-	949
Other debtors	473,333	256,033
Prepayments and accrued income	55,457	102,939
	<u>1,543,932</u>	<u>1,796,101</u>

7. Cash and cash equivalents

	2019	2018
	£	£
Cash at bank and in hand	78,780	66,507
	<u>78,780</u>	<u>66,507</u>

8. Creditors: Amounts falling due within one year

	2019	2018
	£	£
Bank loans	180,967	-
Trade creditors	329,371	481,095
Other taxation and social security	177,125	189,672
Obligations under finance lease and hire purchase contracts	7,812	6,981
Other creditors	10,280	4,249
Accruals and deferred income	161,657	52,787
	<u>867,212</u>	<u>734,784</u>

The loan is secured by a fixed and floating charge over the assets of the company.

Finance leases and hire purchase creditors are secured over the assets that they acquired on the relevant contracts.

ADDRESS INTELLIGENCE TECHNOLOGIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

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

	2019	2018
	£	£
Net obligations under finance leases and hire purchase contracts	43,827	51,639
	<u>43,827</u>	<u>51,639</u>

Finance leases and hire purchase creditors are secured over the assets that they acquired on the relevant contracts.

10. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	2019	2018
	£	£
Within one year	7,812	6,981
Between 1-5 years	43,827	7,812
Over 5 years	-	43,827
	<u>51,639</u>	<u>58,620</u>

11. Provisions

	Dilapidation
	£
Utilised in year	71,170
At 31 December 2019	<u><u>71,170</u></u>

12. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £40,528 (2018: £17,177). Contributions totalling £10,270 (2018: £4,149) were payable to the fund at the balance sheet date and are included in creditors.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

13. Commitments under operating leases

At 31 December 2019 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2019 £	2018 £
Not later than 1 year	7,828	145,600
Later than 1 year and not later than 5 years	-	7,828
	<u>7,828</u>	<u>153,428</u>

14. Related party transactions

At the balance sheet date, a balance of £184,457 (2018: £165,137) was due from a number of companies under common control. The balances are interest free, with no set repayment terms.

During the year a provision has been made against a debt with a company under common control of £42,218.

At the balance sheet date, the directors owed the company a total of £99,658 (2018: £90,896).

During the year, a company under common control assigned the office lease to the company.

15. Auditors' information

The auditors' report on the financial statements for the year ended 31 December 2019 was unqualified.

The audit report was signed on 29 December 2020 by Rajiv Thakerar FCA (Senior statutory auditor) on behalf of Simmons Gainsford LLP.

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.