

iDiscovery Solutions Ltd

Financial Statements

For the Year ended 31 December 2021

For Filing with Registrar

Company Registration No. 12225083 (England and Wales)

iDiscovery Solutions Ltd

Contents

	Page
Balance sheet	1
Notes to the financial statements	2 - 6

iDiscovery Solutions Ltd

Balance Sheet

As at 31 December 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	5		25,639		36,022
Current assets					
Debtors	6	134,036		30,874	
Cash at bank and in hand		123,153		79,928	
		<u>257,189</u>		<u>110,802</u>	
Creditors: amounts falling due within one year	7	<u>(273,855)</u>		<u>(199,874)</u>	
Net current liabilities			(16,666)		(89,072)
Net assets/(liabilities)			<u>8,973</u>		<u>(53,050)</u>
Capital and reserves					
Called up share capital	8		1		1
Capital contribution from parent company			349,999		149,999
Profit and loss reserves			<u>(341,027)</u>		<u>(203,050)</u>
Total equity			<u>8,973</u>		<u>(53,050)</u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 21 September 2022 and are signed on its behalf by:

Christopher Conway
Director

Company Registration No. 12225083

iDiscovery Solutions Ltd

Notes to the Financial Statements

For the year ended 31 December 2021

1 Accounting policies

Company information

iDiscovery Solutions Ltd is a private company limited by shares incorporated in England and Wales. The registered office is c/o Womble Bond Dickinson (UK) LLP, 4 More London Riverside, London, SE1 2AU.

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 Company made a loss of £138k for the period ended 31 December 2021. As the Company continues to trade it expects to become profitable in the future. For the year ended 31 December 2022 the Company is expecting to be profitable.

iDiscovery Solutions Limited's parent company, iDiscovery Solutions, Inc had a strong balance sheet as at 31 July 2022. The parent company also has access to a line of credit with its bank. As of 31 July 2022 this facility remains undrawn.

The parent company has confirmed that they will continue to provide financial support to enable the Company to continue to trade and meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements. As such, the accounts have been prepared on a going concern basis.

1.3 Turnover

Revenue from contracts for the provision of professional services is recognised by reference to 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 it is probable will be recovered.

1.4 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:

Computer equipment	33% straight line
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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.

iDiscovery Solutions Ltd

Notes to the Financial Statements (Continued)

For the year ended 31 December 2021

1 Accounting policies

(Continued)

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Cash at bank and in hand

Cash and cash equivalents 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.

1.7 Financial instruments

Basic financial instruments are measured at cost. The company has no other financial instruments or basic financial instruments measured at fair value.

1.8 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.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

1.9 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.

1.10 Retirement benefits

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

iDiscovery Solutions Ltd

Notes to the Financial Statements (Continued)

For the year ended 31 December 2021

1 Accounting policies

(Continued)

1.11 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.

1.12 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.

3 Employees

The average monthly number of persons (including directors) employed by the company during the Year was:

	2021 Number	2020 Number
Total	2	2

4 Taxation

The company has losses of £236,555 that are available to carry forward against future trading profits. A deferred tax asset of £44,945 has not been recognised due to the uncertainty of future profits arising.

iDiscovery Solutions Ltd

Notes to the Financial Statements (Continued)

For the year ended 31 December 2021

5 Tangible fixed assets

	Plant and machinery etc £
Cost	
At 1 January 2021	45,320
Additions	4,723
At 31 December 2021	50,043
Depreciation and impairment	
At 1 January 2021	9,298
Depreciation charged in the Year	15,106
At 31 December 2021	24,404
Carrying amount	
At 31 December 2021	25,639
At 31 December 2020	36,022

6 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	118,195	25,396
Other debtors	15,841	5,478
	134,036	30,874

7 Creditors: amounts falling due within one year

	2021 £	2020 £
Amounts owed to group undertakings	245,043	172,151
Taxation and social security	4,209	6,197
Other creditors	24,603	21,526
	273,855	199,874

iDiscovery Solutions Ltd

Notes to the Financial Statements (Continued)

For the year ended 31 December 2021

8 Called up share capital

	2021 Number	2020 Number	2021 £	2020 £
Ordinary share capital Issued and fully paid				
Ordinary share of £1 each	1	1	1	1
	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

9 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Darren Jordan and the auditor was Moore Kingston Smith LLP.

10 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:

2021 £	2020 £
5,988	5,988
<u>5,988</u>	<u>5,988</u>

11 Related party transactions

The group has taken advantage of the exemption in Financial Reporting Standard Number 102 Section 33.1A from the requirement to disclose transactions with group companies on the grounds that it is wholly owned and consolidated financial statements are prepared by the ultimate parent company.

12 Ultimate controlling party

The company is a wholly owned subsidiary of Intelligent Discovery Solutions Inc., a company incorporated in the US. The ultimate controlling party is D Regard II by way of his ownership of the parent company.

The registered address of Intelligent Discovery Solutions Inc is 3000 K Street NW, Suite 330, Washington DC 20007.

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.