

Registered number: 06635265

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**ACORN2OAK INNOVATION SOLUTIONS LIMITED**

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**UNAUDITED**

**FINANCIAL STATEMENTS**

**INFORMATION FOR FILING WITH THE REGISTRAR**

**FOR THE YEAR ENDED 29 OCTOBER 2019**

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**ACORN2OAK INNOVATION SOLUTIONS LIMITED**

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**COMPANY INFORMATION**

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<b>Director</b>	Dr Christopher Berg
<b>Registered number</b>	06635265
<b>Registered office</b>	C/O Grant Thornton UK LLP Royal Liver Building Liverpool L3 1PS
<b>Accountants</b>	Grant Thornton UK LLP Chartered Accountants Royal Liver Building Liverpool L3 1PS
<b>Bankers</b>	Santander Bridle Road Bootle Merseyside L30 4GB

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**ACORN2OAK INNOVATION SOLUTIONS LIMITED**

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**Report to the director on the preparation of the unaudited statutory financial statements of Acorn2Oak Innovation Solutions Limited for the year ended 29 October 2019**

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We have compiled the accompanying financial statements of Acorn2Oak Innovation Solutions Limited based on the information you have provided. These financial statements comprise the of Statement of Financial Position of Acorn2Oak Innovation Solutions Limited as at 29 October 2019 and a summary of significant accounting policies and other explanatory information.

This report is made solely to the director of Acorn2Oak Innovation Solutions Limited in accordance with the terms of our engagement letter dated 15 October 2020. Our work has been undertaken solely to prepare for your approval the financial statements of Acorn2Oak Innovation Solutions Limited and state those matters that we have agreed to state to the director of Acorn2Oak Innovation Solutions Limited in this report in accordance with our engagement letter dated 15 October 2020. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Acorn2Oak Innovation Solutions Limited and its director for our work or for this report.

We performed this compilation engagement in accordance with International Standard on Related Services 4410 (Revised), Compilation Engagements.

We have applied our expertise in accounting and financial reporting to assist you in the preparation and presentation of these financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS102 " The Financial Reporting Standard". As a member firm of the Institute of Chartered Accountants in England and Wales, we are subject to its ethical and other professional requirements which are detailed at [www.icaew.com](http://www.icaew.com).

*These financial statements and the accuracy and completeness of the information used to compile them are your responsibility.*

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on whether these financial statements are prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

*Grant Thornton UK LLP*

**Grant Thornton UK LLP**

Chartered Accountants

Liverpool

Date: 26/10/2020

**ACORN2OAK INNOVATION SOLUTIONS LIMITED**  
**REGISTERED NUMBER:06635265**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 29 OCTOBER 2019**

	Note	2019 £	2018 £
<b>Fixed assets</b>			
Intangible assets	5	2,390	-
Tangible assets	6	4,000	5,077
		<u>6,390</u>	<u>5,077</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	7	7,229	2,421
Cash at bank and in hand		8,778	34,428
		<u>16,007</u>	<u>36,849</u>
Creditors: amounts falling due within one year	8	(18,934)	(23,893)
<b>Net current (liabilities)/assets</b>		<u>(2,927)</u>	<u>12,956</u>
<b>Total assets less current liabilities</b>		<u>3,463</u>	<u>18,033</u>
<b>Provisions for liabilities</b>			
Deferred tax	9	-	(863)
		<u>-</u>	<u>(863)</u>
<b>Net assets</b>		<u><u>3,463</u></u>	<u><u>17,170</u></u>
<b>Capital and reserves</b>			
Called up share capital		1	1
Profit and loss account		3,462	17,169
		<u><u>3,463</u></u>	<u><u>17,170</u></u>

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**ACORN2OAK INNOVATION SOLUTIONS LIMITED**  
**REGISTERED NUMBER:06635265**

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**STATEMENT OF FINANCIAL POSITION (CONTINUED)**  
**AS AT 29 OCTOBER 2019**

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The director considers 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.

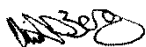
The director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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 comprehensive income 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 on 26/10/2020



**Dr Christopher Berg**  
Director

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

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**ACORN2OAK INNOVATION SOLUTIONS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 29 OCTOBER 2019**

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**1. General information**

Acorn2Oak Innovation Solutions Limited is a private company limited by shares incorporated in England & Wales.

Registered number: 06635265

The registered office is C/O Grant Thornton UK LLP, Royal Liver Building, Liverpool, L3 1PS.

**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**

Notwithstanding the loss for the year and the negative reserves position, the accounts have been prepared on the going concern basis on the understanding that the director will continue to support the company financially for the foreseeable future.

The director has taken due regard to the impact of COVID-19 and has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. During the following year the company received a business continuity grant of £2,500. The company also had an employee on secondment, who was furloughed during the beginning of the year and who ultimately left employment. However despite the sudden loss of its employee the director believes that COVID-19 will ultimately have a positive impact on the future trade of the company as the company's main focus is to develop new technology to reduce carbon dioxide emissions and to utilise renewable energy.

**2.3 Revenue**

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. The following criteria must also be met before revenue is recognised:

**Rendering of services**

Revenue 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 revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- 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.

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**ACORN2OAK INNOVATION SOLUTIONS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 29 OCTOBER 2019**

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**2. Accounting policies (continued)**

**2.4 Operating leases: the Company as lessee**

Rentals paid under operating leases are charged to the statement of comprehensive income on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

**2.5 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.

**2.6 Grants**

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to the statement of comprehensive income at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of comprehensive income in the same period as the related expenditure.

**2.7 Interest income**

Interest income is recognised in the statement of comprehensive income using the effective interest method.



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**ACORN2OAK INNOVATION SOLUTIONS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 29 OCTOBER 2019**

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**2. Accounting policies (continued)**

**2.8 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in the statement of comprehensive income 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.

**2.9 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:

Patents	-	5	years
Trademarks	-	5	years

**2.10 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.

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**ACORN2OAK INNOVATION SOLUTIONS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 29 OCTOBER 2019**

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**2. Accounting policies (continued)**

**2.10 Tangible fixed assets (continued)**

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:

Plant and machinery	-	25%
Office equipment	-	25%

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 statement of comprehensive income.

**2.11 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.

**2.12 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.

**2.13 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.

**2.14 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 non-puttable 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 Statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the

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**ACORN2OAK INNOVATION SOLUTIONS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 29 OCTOBER 2019**

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**2. Accounting policies (continued)**

**2.14 Financial instruments (continued)**

difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of financial position 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.

**3. Employees**

The average monthly number of employees, including the director, during the year was 1 (2018 - 1).

**4. Director's remuneration**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Director's remuneration	<b>28,789</b>	5,992
	<b>28,789</b>	5,992

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**ACORN2OAK INNOVATION SOLUTIONS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 29 OCTOBER 2019**

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**5. Intangible assets**

	Patents £	Trademarks £	Total £
<b>Cost</b>			
Additions	760	2,026	2,786
At 29 October 2019	<u>760</u>	<u>2,026</u>	<u>2,786</u>
<b>Amortisation</b>			
Charge for the year	-	396	396
At 29 October 2019	<u>-</u>	<u>396</u>	<u>396</u>
<b>Net book value</b>			
At 29 October 2019	<u><u>760</u></u>	<u><u>1,630</u></u>	<u><u>2,390</u></u>
At 29 October 2018	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

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**ACORN2OAK INNOVATION SOLUTIONS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 29 OCTOBER 2019**

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**6. Tangible fixed assets**

	Plant and machinery £	Office equipment £	Total £
<b>Cost</b>			
At 30 October 2018	-	7,114	7,114
Additions	774	108	882
At 29 October 2019	<u>774</u>	<u>7,222</u>	<u>7,996</u>
<b>Depreciation</b>			
At 30 October 2018	-	2,037	2,037
Charge for the year on owned assets	154	1,805	1,959
At 29 October 2019	<u>154</u>	<u>3,842</u>	<u>3,996</u>
<b>Net book value</b>			
At 29 October 2019	<u>620</u>	<u>3,380</u>	<u>4,000</u>
At 29 October 2018	<u>-</u>	<u>5,077</u>	<u>5,077</u>

**7. Debtors**

	2019 £	2018 £
Other debtors	6,046	2,420
Called up share capital not paid	-	1
Deferred taxation	1,183	-
	<u>7,229</u>	<u>2,421</u>

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**ACORN2OAK INNOVATION SOLUTIONS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 29 OCTOBER 2019**

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**8. Creditors: Amounts falling due within one year**

	2019 £	2018 £
Trade creditors	14,520	14,520
Corporation tax	-	3,039
Other taxation and social security	914	-
Other creditors	-	4,754
Accruals and deferred income	3,500	1,580
	<u>18,934</u>	<u>23,893</u>

**9. Deferred taxation**

	2019 £
At beginning of year	(863)
Charged to the statement of comprehensive income	2,046
<b>At end of year</b>	<u><u>1,183</u></u>

The deferred taxation balance is made up as follows:

	2019 £	2018 £
Fixed asset timing differences	(680)	(863)
Tax losses carried forward	1,863	-
	<u>1,183</u>	<u>(863)</u>

**10. Contingent liabilities**

The company received grant income in the year of £26,305 (2018: £79,413) the grants received had certain conditions which were required to be met. Should the conditions not be met, part or all of the grant may have to be repaid. The directors satisfied these conditions throughout the current and previous financial year.

The directors confirm there were no other contingent liabilities as at 29 October 2019 (2018: £nil).

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**ACORN2OAK INNOVATION SOLUTIONS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 29 OCTOBER 2019**

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**11. Commitments under operating leases**

At 29 October 2019 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2019 £	2018 £
Not later than 1 year	1,124	164
	<u>1,124</u>	<u>164</u>

**12. Related party transactions**

The company was under the control of Dr C Berg throughout the current and previous period. Dr C Berg is a director and majority shareholder. During the year the director entered into the following advances and credits with the company:

	Balance brought forward £	Advances / credits £	Amounts repaid £	Balance at year end £
Dr C Berg 2019	(4,754)	35,629	(27,888)	2,987
Dr C Berg 2018	(9,119)	25,856	(21,491)	(4,754)
	<u>(4,754)</u>	<u>35,629</u>	<u>(27,888)</u>	<u>2,987</u>

This balance is included within other debtors. No interest has been charged on the debit balance, the balance will be repaid within 9 months of the year end date.