

**UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2021
FOR
DST INNOVATIONS LIMITED**

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FOR THE YEAR ENDED 30 NOVEMBER 2021**

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DST INNOVATIONS LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 30 NOVEMBER 2021**

DIRECTORS:

A Miles
G Spensley
W Wray III

SECRETARY:

B Thomas

REGISTERED OFFICE:

Ground Floor Unit 6
Bridgend Business Centre
Bennett Street
Bridgend
CF31 3SH

REGISTERED NUMBER:

07858050 (England and Wales)

ACCOUNTANTS:

Graham Paul Limited
Court House
Court Road
Bridgend
CF31 1BE

BALANCE SHEET
30 NOVEMBER 2021

		2021	2020
	Notes	£	£
FIXED ASSETS			
Intangible assets	4	5,577,425	5,057,325
Tangible assets	5	<u>77,978</u>	<u>113,076</u>
		5,655,403	5,170,401
CURRENT ASSETS			
Stocks		-	94,692
Debtors	6	488,955	560,638
Cash at bank and in hand		<u>88,789</u>	<u>646,482</u>
		577,744	1,301,812
CREDITORS			
Amounts falling due within one year	7	<u>786,864</u>	<u>1,435,942</u>
NET CURRENT LIABILITIES		<u>(209,120)</u>	<u>(134,130)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		5,446,283	5,036,271
CREDITORS			
Amounts falling due after more than one year	8	(63,636)	(82,052)
PROVISIONS FOR LIABILITIES		<u>(39,495)</u>	<u>(41,514)</u>
NET ASSETS		<u>5,343,152</u>	<u>4,912,705</u>
CAPITAL AND RESERVES			
Called up share capital		3,253	3,253
Share premium		6,533,072	6,533,072
Capital redemption reserve		185	185
Other reserves		52,042	34,418
Retained earnings		<u>(1,245,400)</u>	<u>(1,658,223)</u>
		5,343,152	4,912,705

The notes form part of these financial statements

BALANCE SHEET - continued
30 NOVEMBER 2021

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 30 November 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 30 November 2021 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

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

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 30 May 2022 and were signed on its behalf by:

A Miles - Director

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2021**

1. STATUTORY INFORMATION

DST Innovations Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

At the balance sheet date the company had net Current liabilities of £209,120 (2020; £134,130) and net Assets of £5,343,152 (2020; £4,912,705)

The largest creditor has indicated that they have no intention of calling in the outstanding debt and will continue to support the business for the foreseeable future.

Accordingly, the financial statements have been prepared on a going concern basis.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:
Plant & Machinery 25 - 50% Straight Line

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 NOVEMBER 2021

2. ACCOUNTING POLICIES - continued

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Research and development

Expenditure on research is written off in the year in which it is incurred and development costs are capitalised only after commercial feasibility of the asset for sale or use have been established.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Share based payments

Equity-settled transactions

The cost of equity-settled transactions with employees is measured by reference to the fair value of the equity instruments granted at the date at which they are granted and is recognised as an expense over the vesting period, which ends on the date on which the relevant employees become fully entitled to the reward. Fair value is determined by an external valuer using an appropriate pricing model. In valuing equity-settled transactions, no account is taken of any vesting conditions, other than conditions linked to the price of the shares of the company (market conditions) and non vesting conditions. No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market or non vesting condition, which are treated as vesting irrespective of whether or not the market or non vesting condition is satisfied, provided that all other performance conditions are satisfied.

At each balance sheet date before vesting, the cumulative expense is calculated, representing the extent to which the vesting period has expired and management's best estimate of the achievement or otherwise of non-market conditions and of the number of equity instruments that will ultimately vest or in the case of an instrument subject to a market condition, be treated as vesting as described above. The movement in the cumulative expense since the previous balance sheet date is recognised in the income statement, with a corresponding entry in equity.

When the terms of an equity-settled award are modified or a new award is designated as replacing a cancelled or settled award, the cost based on the original award terms continues to be recognised over the original vesting period. In addition, an expense is recognised over the remainder of the new vesting period for the incremental fair value of any modification, based on the difference between the fair value of the original award and the fair value of the modified award, both measured as at the date of the modification. No reduction is recognised if this difference is negative.

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any cost not yet recognised in the profit and loss account for the award is expensed immediately. Any compensation paid up to the fair value of the award at the cancellation settlement date is deducted from equity, with any excess over fair value expensed in the profit and loss account.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 NOVEMBER 2021

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 20 (2020 - 20) .

4. INTANGIBLE FIXED ASSETS

	Other intangible assets £
COST	
At 1 December 2020	5,057,325
Additions	520,100
At 30 November 2021	<u>5,577,425</u>
NET BOOK VALUE	
At 30 November 2021	<u>5,577,425</u>
At 30 November 2020	<u>5,057,325</u>

5. TANGIBLE FIXED ASSETS

	Short leasehold £	Plant and machinery £	Motor vehicles £	Totals £
COST				
At 1 December 2020	43,872	329,954	40,343	414,169
Additions	8,760	22,347	1,887	32,994
Disposals	-	(2,780)	-	(2,780)
At 30 November 2021	<u>52,632</u>	<u>349,521</u>	<u>42,230</u>	<u>444,383</u>
DEPRECIATION				
At 1 December 2020	13,307	284,473	3,313	301,093
Charge for year	21,198	38,154	8,337	67,689
Eliminated on disposal	-	(2,377)	-	(2,377)
At 30 November 2021	<u>34,505</u>	<u>320,250</u>	<u>11,650</u>	<u>366,405</u>
NET BOOK VALUE				
At 30 November 2021	<u>18,127</u>	<u>29,271</u>	<u>30,580</u>	<u>77,978</u>
At 30 November 2020	<u>30,565</u>	<u>45,481</u>	<u>37,030</u>	<u>113,076</u>

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade debtors	37,049	135,086
Other debtors	<u>451,906</u>	<u>425,552</u>
	<u>488,955</u>	<u>560,638</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 NOVEMBER 2021

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Bank loans and overdrafts	18,183	17,948
Trade creditors	85,896	225,573
Social security and other taxes	24,395	23,709
Other creditors	424,757	224,239
Deferred income	-	749,316
Accrued expenses	233,633	195,157
	<u>786,864</u>	<u>1,435,942</u>

8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2021	2020
	£	£
Loans >1 year	<u>63,636</u>	<u>82,052</u>

9. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to a director subsisted during the years ended 30 November 2021 and 30 November 2020:

	2021	2020
	£	£
A Miles		
Balance outstanding at start of year	934	1,220
Amounts advanced	983	934
Amounts repaid	(934)	(1,220)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>983</u>	<u>934</u>

Amounts due to the company are interest free and repayable on demand.

10. RELATED PARTY DISCLOSURES

Included in other creditors are the following amounts:-

- £150,000 (2020: £nil) due to a director.
- £220,000 (2020: £220,000) due to a company controlled by a director.
- £50,000 (2020: £nil) due to a company controlled by a director.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 NOVEMBER 2021

11. SHARE-BASED PAYMENT TRANSACTIONS

An Enterprise Management Incentive share option scheme was approved in September 2017. Under this scheme the options will vest if the employees who have been granted the options satisfy the working time requirements for the period up to and including the date of sale of the company. The options will lapse should the employee either leave employment or not meet the defined working time requirements. The contractual life of the options is ten years from the date of approval. During the year there were 70,750 of these share options granted (2020: nil). As at the 30 November 2021 the total number of options granted which have not lapsed is 170,750 (2020: 100,000). The range of exercise prices for options outstanding at the end of the year was £0.64 to £3.33. There are no cash settlement alternatives. The fair value of these equity settled options was estimated as at the date of grant based on a third party investment undertaken on an arms length basis and taking into account performance of the business since that date and the terms and conditions upon which the options are granted.

A second non - EMI share option scheme was approved in September 2017. Under this scheme the options will vest if the individuals who have been granted the options satisfy conditions up to and including the date of sale of the company. The options will lapse should the individual either leave employment or not meet the defined leaver requirements. The contractual life of the options is ten years. During the year there were 147,250 of these share options granted (2020: nil). As at the 30 November 2021 the total number of options granted which have not lapsed is 452,950 (2020: 305,700). The range of exercise prices for options outstanding at the end of the year was £0.64 to £3.33. There are no cash settlement alternatives. The fair value of equity settled options granted is estimated as at the date of grant based on a third party investment undertaken on an arms length basis and taking into account performance of the business since that date and the terms and conditions upon which the options are granted.

The expense recognised for these equity settled share-based payments during the year to 30 November 2021 is £17,624 (2020: £10,590).

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.