

ACIN LIMITED
Financial Statements
for the Year Ended 31 March 2020

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for the year ended 31 March 2020**

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ACIN LIMITED

Company Information
for the year ended 31 March 2020

Directors:

P A Ford
B G Dean

Registered office:

Abbey House
282 Farnborough Road
Farnborough
Hampshire
GU14 7NA

Registered number:

08632362 (England and Wales)

Balance Sheet
31 March 2020

| | Notes | £ | 2020 £ | £ | 2019 £ |
|--|-------|------------------|-----------------------|----------------|-----------------------|
| Fixed assets | | | | | |
| Tangible assets | 4 | | 9,477 | | - |
| Investments | 5 | | <u>657,634</u> | | <u>657,634</u> |
| | | | 667,111 | | 657,634 |
| Current assets | | | | | |
| Debtors | 6 | 528,169 | | 425,125 | |
| Cash at bank and in hand | | <u>61,650</u> | | <u>99,122</u> | |
| | | 589,819 | | 524,247 | |
| Creditors | | | | | |
| Amounts falling due within one year | 7 | <u>1,120,764</u> | | <u>684,573</u> | |
| Net current liabilities | | | (530,945) | | (160,326) |
| Total assets less current liabilities | | | <u>136,166</u> | | <u>497,308</u> |
| Capital and reserves | | | | | |
| Called up share capital | 8 | | 1,303 | | 1,090 |
| Share premium | 9 | | 2,182,119 | | 399,946 |
| Capital redemption reserve | 9 | | 10 | | 10 |
| Other reserves | 9 | | - | | 1,819,848 |
| Retained earnings | 9 | | <u>(2,047,266)</u> | | <u>(1,723,586)</u> |
| Shareholders' funds | | | <u>136,166</u> | | <u>497,308</u> |

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2020.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2020 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 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.

Balance Sheet - continued
31 March 2020

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 22 May 2020 and were signed on its behalf by:

P A Ford - Director

**Notes to the Financial Statements
for the year ended 31 March 2020**

1. Statutory information

Acin 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.

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.

Significant judgements and estimates

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical judgements in applying the Company's accounting policies

(i) Assessing indicators and impairment

In assessing whether there have been any indicators or impairment of assets, the directors have considered both external and internal sources of information such as market conditions, counterparty credit ratings and experience or recoverability. There have been no indicators or impairments identified during the current financial year.

Key sources of estimation uncertainty

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities with the next financial year are addressed below.

(i) Recoverability of receivables

The Company establishes a provision for receivables that are estimated not to be recoverable. When assessing recoverability the directors consider factors such as the aging of the receivables, past experience and recoverability, and the credit profile of individual or groups of customers.

Turnover

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

Turnover represents amounts receivable for services provided in the year and is stated net of VAT.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Computer equipment - 50% on cost

Investments in subsidiaries

Investments in subsidiary undertakings are recognised at cost.

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.

Notes to the Financial Statements - continued
for the year ended 31 March 2020

2. **Accounting policies - continued**

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.

Going concern

These financial statements have been prepared on a going concern basis.

The current economic conditions present increased risks for all businesses. In response to such conditions, the director has carefully considered these risks including an assessment on uncertainty on future trading projection for a period of at least 12 months from the date of signing the financial statements, and the extent to which they might affect the preparation of the financial statements on a going concern basis.

Based on assessment, the director considers that the Company maintains an appropriate level of liquidity, sufficient to meet the demands of the business including any capital and servicing obligations and external debt liabilities.

In addition, the Company's assets are assessed for recoverability on a regular basis, and the director considers that the Company is not exposed to losses on these assets which would affect their decision to adopt the going concern basis.

The director has a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future and that there are no material uncertainties that lead to significant doubts upon the Company's ability to continue as a going concern. Thus the director has continued to adopt the going concern basis of accounting in preparing these financial statements.

Covid-19

The Directors acknowledge the current outbreak of COVID-19 which is causing economic disruption in most countries and its potentially adverse economic impact on the Company. This is an additional risk factor which could impact the operations of the Company after year end.

The Directors are actively monitoring developments closely. Given the nature of the outbreak and the on-going developments, there is a high degree of uncertainty and it is not possible at this time to predict the extent and nature of the overall future impact on the Company.

Notes to the Financial Statements - continued
for the year ended 31 March 2020

2. Accounting policies - continued**Financial instruments**

Financial assets and liabilities are recognised when the Company becomes party to the contractual provisions of the financial instrument. The Company holds financial instruments which comprise cash and cash equivalents, trade and other receivables, equity investments, trade and other payables, loans and borrowings. The company has chosen to apply the provisions of Section 11 Basic Financial Instruments and Section 12 Other Financial Instruments in full.

Financial assets / liabilities - classified as basic financial instruments**(i) Cash and cash equivalents**

This includes cash in hand, deposits held with banks, and other short-term highly liquid investments with original maturities of three months or less.

(ii) Trade and other receivables

Trade and other receivables are initially recognised at the transaction price, including any transaction costs, and subsequently measured at amortised cost including the effective interest method, less any provision for impairment. Amounts that are receivable within one year are measured at the undiscounted amount of the cash expected to be received, net of any impairment.

At the end of each reporting period, the Company assesses whether there is objective evidence that an receivable amount may be impaired. A provision for impairment is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of the estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised immediately in profit or loss.

(iii) Trade and other payables and loans and borrowings

Trade and other payables and loans and borrowings are initially measured at the transaction price, including any transaction costs, and subsequently measured at amortised cost using the effective interest method.

3. Employees and directors

The average number of employees during the year was 9 (2019 - 4) .

4. Tangible fixed assets

| | Computer equipment £ |
|-----------------------|-------------------------------------|
| Cost | |
| Additions | <u>14,851</u> |
| At 31 March 2020 | <u>14,851</u> |
| Depreciation | |
| Charge for year | <u>5,374</u> |
| At 31 March 2020 | <u>5,374</u> |
| Net book value | |
| At 31 March 2020 | <u><u>9,477</u></u> |

Notes to the Financial Statements - continued
for the year ended 31 March 2020

5. Fixed asset investments

| | Shares in group undertakings £ |
|--------------------------------------|---|
| Cost | |
| At 1 April 2019 and 31 March 2020 | <u>657,634</u> |
| Net book value | |
| At 31 March 2020 | <u>657,634</u> |
| At 31 March 2019 | <u>657,634</u> |

6. Debtors: amounts falling due within one year

| | 2020 £ | 2019 £ |
|------------------------------------|----------------|----------------|
| Trade debtors | 186,000 | 42,900 |
| Amounts owed by group undertakings | - | 106,010 |
| Other debtors | 37,234 | 135,312 |
| Tax | 285,306 | 131,570 |
| VAT | 2,629 | - |
| Prepayments and accrued income | 17,000 | 9,333 |
| | <u>528,169</u> | <u>425,125</u> |

7. Creditors: amounts falling due within one year

| | 2020 £ | 2019 £ |
|------------------------------------|------------------|----------------|
| Trade creditors | 281,291 | 67,526 |
| Amounts owed to group undertakings | - | 132,000 |
| Pension Contribution | 2,847 | 1,136 |
| Social security and other taxes | 166,240 | 38,620 |
| VAT | - | 5,578 |
| Other creditors | 6,761 | 91,198 |
| Accruals and deferred income | 663,625 | 348,515 |
| | <u>1,120,764</u> | <u>684,573</u> |

8. Called up share capital

Allotted, issued and fully paid:

| Number: | Class: | Nominal Value: | 2020 £ | 2019 £ |
|------------------------------|------------|-------------------|--------------|--------------|
| 1,266,971 (2019 - 1,054,000) | Ordinary | £0.001 | 1,267 | 1,054 |
| 1 (2019 - 1) | Ordinary A | £1.000 | 1 | 1 |
| 35,000 (2019 - 35,000) | Ordinary D | £0.001 | 35 | 35 |
| | | | <u>1,303</u> | <u>1,090</u> |

Notes to the Financial Statements - continued
for the year ended 31 March 2020

9. Reserves

| | Retained earnings £ | Share premium £ | Capital redemption reserve £ | Other reserves £ | Totals £ |
|----------------------|---------------------------|-----------------------|---------------------------------------|------------------------|----------------|
| At 1 April 2019 | (1,723,586) | 399,946 | 10 | 1,819,848 | 496,218 |
| Deficit for the year | (2,143,528) | | | | (2,143,528) |
| Share issue | - | 1,782,173 | - | - | 1,782,173 |
| Reserve transfer | 1,819,848 | - | - | (1,819,848) | - |
| At 31 March 2020 | <u>(2,047,266)</u> | <u>2,182,119</u> | <u>10</u> | <u>-</u> | <u>134,863</u> |

10. Related party disclosures

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Notes to the Financial Statements - continued
for the year ended 31 March 2020

11. Share-based payment transactions**Enterprise Management Incentive Scheme share options issued**

Company employees have been granted options under an Enterprise Management Incentive Scheme at exercise prices of £7.407 and £7.692 which entitles the holders to options on shares in the company at a future date.

The option prices granted were agreed in advance with HMRC Shares & Asset Valuation Division and represented current actual and unrestricted market value at the time of granting the options.

The directors consider that the fair value at grant date of the options are negligible. Therefore there has been no charge recognised in the income statement and equity in 2019 or 2020.

The following table shows the movements during the year:

| | 2020 | 2019 |
|----------------------------------|----------------|----------------|
| | Number | Number |
| Outstanding at 1 April | 155,000 | 0 |
| Granted during the year | 87,500 | 155,000 |
| Lapsed/cancelled during the year | (22,000) | 0 |
| Exercised during the year | 0 | 0 |
| Outstanding at 31 March | <u>220,500</u> | <u>155,000</u> |

| | | |
|--|---------------|---------------|
| Options granted but not vested at 31 March | <u>68,749</u> | <u>25,000</u> |
|--|---------------|---------------|

The standard vesting period of the options in this scheme is 3 years and at year end the average vesting period left on the options in this scheme were 1.7 years.

Unapproved Share option scheme options issued

Options have been granted under an unapproved option scheme at exercise prices of £9.57 which entitles the holders to options on shares in the company at a future date.

The directors consider that the fair value at grant date of the options are negligible. Therefore there has been no charge recognised in the income statement and equity in 2019 or 2020.

The following table shows the movements during the year:

| | 2020 | 2019 |
|----------------------------------|---------------|---------------|
| | Number | Number |
| Outstanding at 1 April | 51,000 | 0 |
| Granted during the year | 8,000 | 51,000 |
| Lapsed/cancelled during the year | 0 | 0 |
| Exercised during the year | 0 | 0 |
| Outstanding at 31 March | <u>59,000</u> | <u>51,000</u> |

| | | |
|--|---------------|----------|
| Options granted but not vested at 31 March | <u>51,000</u> | <u>0</u> |
|--|---------------|----------|

The unapproved options granted under this scheme vest upon an exit event and certain performance conditions being met, as such none of the options granted have vested at the year end.

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