

Public Digital Limited

Financial Statements

For Filing with Registrar

For the year ended 31 October 2021

Company Registration No. 09819399 (England and Wales)

Public Digital Limited

Company Information

Directors	M T Bracken T S Brooks A D Greenway T W F Loosemore F Golant B J Terrett
Secretary	B J Terrett
Company number	09819399
Registered office	9 Perserverance Works London United Kingdom E2 8DD
Auditor	Moore Kingston Smith LLP Charlotte Building 17 Gresse Street London W1T 1QL
Business address	5th Floor, Clerks Court 18 - 20 Farringdon Lane London United Kingdom EC1R 3AU

Public Digital Limited

Contents

	Page
Balance sheet	1
Notes to the financial statements	2 - 9

Public Digital Limited

Balance Sheet

As at 31 October 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Intangible assets			30,820		44,000
Tangible assets	4		82,215		67,613
			<u>113,035</u>		<u>111,613</u>
Current assets					
Debtors	5	691,633		1,096,455	
Cash at bank and in hand		2,141,620		757,295	
		<u>2,833,253</u>		<u>1,853,750</u>	
Creditors: amounts falling due within one year	6	<u>(1,334,016)</u>		<u>(908,613)</u>	
Net current assets			<u>1,499,237</u>		<u>945,137</u>
Total assets less current liabilities			<u>1,612,272</u>		<u>1,056,750</u>
Creditors: amounts falling due after more than one year	7		-		(55,875)
Provisions for liabilities			<u>(18,334)</u>		<u>(21,207)</u>
Net assets			<u><u>1,593,938</u></u>		<u><u>979,668</u></u>
Capital and reserves					
Called up share capital	9		4		4
Profit and loss reserves			<u>1,593,934</u>		<u>979,664</u>
Total equity			<u><u>1,593,938</u></u>		<u><u>979,668</u></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 11 February 2022 and are signed on its behalf by:

B J Terrett
Director

Company Registration No. 09819399

Public Digital Limited

Notes to the Financial Statements

For the year ended 31 October 2021

1 Accounting policies

Company information

Public Digital Limited is a private company limited by shares incorporated in England and Wales. The registered office is 9 Perserverance Works, London, United Kingdom, E2 8DD.

1.1 Accounting convention

These financial statements have been prepared in accordance with 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 pound.

The financial statements have been prepared under the historical cost convention.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

The directors continue to monitor the impact of the COVID-19 pandemic. The company remains profitable since the year end and has sufficient cash reserves. The company has assessed the potential risks and the impact on the business as a result of the pandemic. The company does not have a high level of fixed costs, however should there be a negative impact, a cost deferral and reduction plan will be put in place in order to minimise the impact of any potential risks. This will be proportionate to any anticipated drop off in revenues and cash inflows.

As a result the directors are confident that they have the ability to respond effectively to continued uncertainty and as a result, the directors believe that the company will be able to continue to meet its liabilities as they fall due for a period of at least twelve months from the date of approval of the financial statements. Consequently the financial statements have been prepared on a going concern basis.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for services provided in relation to specialist digital transformation consultancy services, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from contracts for the provision of consultancy services is recognised by reference to the stage of completion when 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 are recoverable.

1.4 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date if the fair value can be measured reliably.

Public Digital Limited

Notes to the Financial Statements (Continued)

For the year ended 31 October 2021

1 Accounting policies

(Continued)

Amortisation 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:

Website costs	33% straight line
---------------	-------------------

1.5 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:

Leasehold improvements	Life of the lease
Computers	33% straight line
Motor vehicles	25% reducing balance

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.

1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible 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.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

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.

1.7 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Public Digital Limited

Notes to the Financial Statements (Continued)

For the year ended 31 October 2021

1 Accounting policies

(Continued)

1.8 Financial instruments

The company only has basic financial instruments measured at amortised cost, with no financial instruments classified as other or basic instruments at fair value.

1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.11 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.

1.12 Retirement benefits

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

Public Digital Limited

Notes to the Financial Statements (Continued)

For the year ended 31 October 2021

1 Accounting policies

(Continued)

1.13 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the profit and loss account so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to income 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 lease asset are consumed.

1.14 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 are included in the profit and loss account for the period.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 22 (2020 - 15).

3 Intangible fixed assets

	Website costs £
Cost	
At 1 November 2020	44,000
Additions	2,000
	<hr/>
At 31 October 2021	46,000
	<hr/>
Amortisation and impairment	
At 1 November 2020	-
Amortisation charged for the year	15,180
	<hr/>
At 31 October 2021	15,180
	<hr/>
Carrying amount	
At 31 October 2021	30,820
	<hr/>
At 31 October 2020	44,000
	<hr/>

Public Digital Limited

Notes to the Financial Statements (Continued)

For the year ended 31 October 2021

4 Tangible fixed assets

	Leasehold improvements	Computers	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 November 2020	-	21,050	104,550	125,600
Additions	31,424	20,930	-	52,354
At 31 October 2021	31,424	41,980	104,550	177,954
Depreciation and impairment				
At 1 November 2020	-	6,120	51,866	57,986
Depreciation charged in the year	14,885	9,697	13,171	37,753
At 31 October 2021	14,885	15,817	65,037	95,739
Carrying amount				
At 31 October 2021	16,539	26,163	39,513	82,215
At 31 October 2020	-	14,930	52,683	67,613

5 Debtors

	2021	2020
	£	£
Amounts falling due within one year:		
Trade debtors	377,671	1,009,134
Amounts due from group undertakings	210	110
Other debtors	313,752	87,211
	691,633	1,096,455

6 Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	334,606	99,407
Corporation tax	152,241	198,990
Other taxation and social security	346,457	314,702
Other creditors	500,712	295,514
	1,334,016	908,613

Included in other creditors is an amount of £55,876 (2020: £11,044) in relation to the finance leases on tangible fixed assets.

Public Digital Limited

Notes to the Financial Statements (Continued)

For the year ended 31 October 2021

7 Creditors: amounts falling due after more than one year

	2021 £	2020 £
Other creditors	-	55,875
	<u> </u>	<u> </u>

8 Finance lease obligations

	2021 £	2020 £
Future minimum lease payments due under finance leases:		
Within one year	55,876	11,044
In two to five years	-	55,875
	<u> </u>	<u> </u>
	55,876	66,919
	<u> </u>	<u> </u>

Finance lease payments represent rentals payable by the company or group for certain items of plant and machinery. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. The average lease term is four years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

9 Called up share capital

	2021 £	2020 £
Ordinary share capital		
Issued and fully paid		
40 ordinary shares of 10p each	4	4
	<u> </u>	<u> </u>
	4	4
	<u> </u>	<u> </u>

10 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:

Other matters which we are required to address

The corresponding figures in the consolidated financial statements of Public Digital Holdings Limited were not audited in the prior year.

The auditor's report was unqualified.

The senior statutory auditor was Joanna Cosgrove.

The auditor was Moore Kingston Smith LLP.

Public Digital Limited

Notes to the Financial Statements (Continued)

For the year ended 31 October 2021

11 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
£	£
197,060	212,220
<u>197,060</u>	<u>212,220</u>

Public Digital Limited

Notes to the Financial Statements (Continued)

For the year ended 31 October 2021

12 Related party transactions

At the year end, in aggregate the Company owed the directors £189 (2020: £189).

The Company is a wholly owned subsidiary of Public Digital Holdings Limited and as such has taken advantage of the exemption permitted under Section 33 'Related party disclosures' not to provide disclosures of the transactions entered into with wholly owned members of the group.

13 Parent company

The directors do not consider there to be an ultimate controlling party.

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.