

Unaudited Financial Statements for the Year Ended 31 March 2021

for

thinkWhere Limited

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for the Year Ended 31 March 2021

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DIRECTORS:

R J Grubb
D J Meaden

SECRETARY:

R Paterson

REGISTERED OFFICE:

72 Gordon Street (First Floor)
Glasgow
G1 3RS

REGISTERED NUMBER:

SC315349 (Scotland)

ACCOUNTANTS:

McLay McAlister & McGibbon LLP
Chartered Accountants
145 St Vincent Street
Glasgow
G2 5JF

Balance Sheet
31 March 2021

	Notes	31.3.21 £	31.3.20 £
FIXED ASSETS			
Intangible assets	4	278,708	192,928
Tangible assets	5	<u>30</u>	<u>104</u>
		<u>278,738</u>	<u>193,032</u>
CURRENT ASSETS			
Stocks		25,000	12,587
Debtors	6	471,187	640,863
Cash at bank and in hand		<u>15,654</u>	<u>42,834</u>
		511,841	696,284
CREDITORS			
Amounts falling due within one year	7	<u>(691,843)</u>	<u>(674,692)</u>
NET CURRENT (LIABILITIES)/ASSETS		<u>(180,002)</u>	<u>21,592</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		98,736	214,624
PENSION LIABILITY	11	<u>(1,868,000)</u>	<u>(567,000)</u>
NET LIABILITIES		<u>(1,769,264)</u>	<u>(352,376)</u>
CAPITAL AND RESERVES			
Called up share capital	9	1,000,072	1,000,072
Capital redemption reserve	10	75,235	75,235
Retained earnings	10	<u>(2,844,571)</u>	<u>(1,427,683)</u>
SHAREHOLDERS' FUNDS		<u>(1,769,264)</u>	<u>(352,376)</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2021 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- 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.

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 Statement of Comprehensive Income has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 19 November 2021 and were signed on its behalf by:

R J Grubb - Director

1. **STATUTORY INFORMATION**

thinkWhere Limited is a private company, limited by shares, registered in Scotland. 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.

Going Concern

Due to the current economic climate arising from Covid-19 the Directors recognise that there are certain matters that might influence the business that are out with the company's control. The Directors are therefore monitoring the Covid-19 situation and managing its effect on the business on a continuous basis.

While the business outlook continues to be demanding, the Directors have confidence in the company's business strategy and associated investment plan and the company will continue to operate as a going concern with real potential to capitalise on the opportunities in a growing industry.

The company continues to have support from the bank and shareholders therefore the directors consider it appropriate to prepare the financial statements on a going concern basis.

Significant judgements and estimates

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies.

The items in the financial statements where these judgements and estimates have been made include:

- Depreciation - accounting estimation applied to useful life of assets. The rates used are deemed to be appropriate for the individual class of assets.
- Actuarial assumptions in respect of defined benefit pension scheme - the actuarial assumptions of a qualified actuary have been reviewed and are considered reasonable and appropriate.

Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and that it can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

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.

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.

Location centre is being amortised evenly over 3 years.

2. ACCOUNTING POLICIES - continued

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.

The company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

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:

IT Software 3 years

Equipment, fixtures and fittings 3-5 years

IT Hardware 3-5 years

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 within "other operating income" in the Statement of Comprehensive Income.

Stocks and work in progress

Stock and work in progress is valued at the lower of cost and estimated net realisable value.

Work in progress includes all direct expenditure and production overheads based on the normal level of activity.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

2. ACCOUNTING POLICIES - continued

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 accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable and receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

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 profit or loss.

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 at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is a approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet 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.

Financial assets are derecognised when the contractual rights to the cash flows from the asset expire, or when the Company has transferred substantially all the risks and rewards of ownership.

Financial liabilities are derecognised only once the liability has been extinguished through discharge, cancellation or expiry.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

2. ACCOUNTING POLICIES - continued

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 change attributable to an item of income and expense recognised as 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 by the Balance Sheet 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 balance sheet 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 difference between the fair values of assets and the future tax deductions available for them and the difference between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Pensions

Defined contribution pension plan

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payments obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the company in independently administered funds.

Defined benefit pension plan

The company also participates in a defined benefit scheme in respect of its employees. The assets of the scheme are held in external funds managed by professional investment managers.

The cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at the reporting date. Actuarial gains and losses arising from experience adjustments and changes in assumptions are recognised immediately in the Statement of Comprehensive Income.

The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as reduced by the fair value of plan assets. Any asset resulting from the calculation is limited to the present value of available refunds and reductions in future contributions to the plan.

Government grants

Government grants are recognised in profit or loss on a systematic basis over the periods in which the entity recognises expenses for the related costs for which the grants are intended to compensate. Government grants received are included in miscellaneous income.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

2. **ACCOUNTING POLICIES - continued**

Debtors

Short term debtors are measured at transaction price, less any impairment.

Creditors

Short term creditors are measured at 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.

Leasing commitments

Rental payments on assets leased are charged to the Profit and Loss Account in the year in which they are paid.

3. **EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 16 (2020 - 16) .

4. **INTANGIBLE FIXED ASSETS**

	Computer software £
COST	
At 1 April 2020	1,011,278
Additions	<u>226,340</u>
At 31 March 2021	<u>1,237,618</u>
AMORTISATION	
At 1 April 2020	818,350
Amortisation for year	<u>140,560</u>
At 31 March 2021	<u>958,910</u>
NET BOOK VALUE	
At 31 March 2021	<u>278,708</u>
At 31 March 2020	<u>192,928</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

5. **TANGIBLE FIXED ASSETS**

	Fixtures and fittings £	IT software costs £	Computer equipment £	Totals £
COST				
At 1 April 2020 and 31 March 2021	45,034	8,054	41,874	94,962
DEPRECIATION				
At 1 April 2020	45,034	8,054	41,770	94,858
Charge for year	-	-	74	74
At 31 March 2021	45,034	8,054	41,844	94,932
NET BOOK VALUE				
At 31 March 2021	-	-	30	30
At 31 March 2020	-	-	104	104

6. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.3.21 £	31.3.20 £
Trade debtors	228,253	402,198
Other debtors	40,494	41,869
Deferred tax asset	192,860	184,550
Prepayments	9,580	12,246
	<u>471,187</u>	<u>640,863</u>

7. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.3.21 £	31.3.20 £
Bank loans and overdrafts	-	1,979
Trade creditors	23,190	75,987
Taxation and social security	200,962	104,009
Other creditors	467,691	492,717
	<u>691,843</u>	<u>674,692</u>

The company has a bank overdraft facility which is secured over the company's assets by a bond and floating charge.

8. **LEASING AGREEMENTS**

Minimum lease payments under non-cancellable operating leases fall due as follows:

	31.3.21 £	31.3.20 £
Within one year	4,648	60,448
Between one and five years	8,134	124,382
	<u>12,782</u>	<u>184,830</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

9. **CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

Number:	Class:	Nominal value: £1	31.3.21 £	31.3.20 £
1,000,072	Ordinary A		<u>1,000,072</u>	<u>1,000,072</u>

Ordinary shares have full rights in the company with respect to voting.

10. **RESERVES**

	Retained earnings £	Capital redemption reserve £	Totals £
At 1 April 2020	(1,427,683)	75,235	(1,352,448)
Deficit for the year	(168,888)		(168,888)
Actuarial gains/losses on pension scheme	<u>(1,248,000)</u>	<u>-</u>	<u>(1,248,000)</u>
At 31 March 2021	<u>(2,844,571)</u>	<u>75,235</u>	<u>(2,769,336)</u>

11. **EMPLOYEE BENEFIT OBLIGATIONS**

The company is an admitted body of Falkirk Council Pension Fund. The Superannuation Fund is a defined benefit scheme into which employee' and employer's contributions, and interest and dividends from investments are paid and from which pensions, lump sums and superannuation benefits are paid out. Employees' contributions are tiered and employer's basic contributions are assessed every three years by an actuary and are fixed to ensure the fund remains solvent and in a position to meet its future liabilities. The actuarial method used is known as Projected Unit Credit Method. The last actuarial valuation was at 31 March 2021.

The amounts recognised in profit or loss are as follows:

	Defined benefit pension plans	
	31.3.21 £	31.3.20 £
Current service cost	128,000	145,000
Interest cost	115,000	131,000
Past service cost	-	-
Interest income	<u>(102,000)</u>	<u>(116,000)</u>
	<u>141,000</u>	<u>160,000</u>
Actual return on plan assets	<u>779,000</u>	<u>(427,000)</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

11. EMPLOYEE BENEFIT OBLIGATIONS - continued

Changes in the present value of the defined benefit obligation are as follows:

	Defined benefit pension plans	
	31.3.21	31.3.20
	£	£
Opening defined benefit obligation	4,947,000	5,176,000
Current service cost	128,000	145,000
Contributions by scheme participants	26,000	25,000
Interest cost	115,000	131,000
Benefits paid	(36,000)	(34,000)
Remeasurement of the defined benefit obligations	<u>2,027,000</u>	<u>(496,000)</u>
	<u>7,207,000</u>	<u>4,947,000</u>

Changes in the fair value of scheme assets are as follows:

	Defined benefit pension plans	
	31.3.21	31.3.20
	£	£
Opening fair value of scheme assets	4,380,000	4,616,000
Contributions by employer	88,000	84,000
Contributions by scheme participants	26,000	25,000
Interest income	102,000	116,000
Benefits paid	(36,000)	(34,000)
Remeasurement of the fair value scheme of assets	<u>779,000</u>	<u>(427,000)</u>
	<u>5,339,000</u>	<u>4,380,000</u>

The amounts recognised in other comprehensive income are as follows:

	Defined benefit pension plans	
	31.3.21	31.3.20
	£	£
Remeasurement of the defined benefit obligations	(2,027,000)	496,000
Remeasurement of the fair value scheme of assets	<u>779,000</u>	<u>(427,000)</u>
	<u>(1,248,000)</u>	<u>69,000</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

11. EMPLOYEE BENEFIT OBLIGATIONS - continued

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	Defined benefit pension plans	
	31.3.21	31.3.20
Equities	64%	58%
Bonds	28%	30%
Property	5%	6%
Cash	3%	6%
	<u>100%</u>	<u>100%</u>

The estimated employer contributions for the year to 31 March 2022 are £84,000.

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages):

	31.3.21	31.3.20
Pension increase rate	2.80%	1.80%
Salary increase rate	1.00%	1.00%
Discount rate	2.05%	2.30%

Mortality

Life expectancy is based on the Fund's VitaCurves assuming the current rate of improvements has peaked and will converge to a long term rate of 1.25% p.a. Based on these assumptions, the average future life expectancies at age 65 are summarised below:

	Males	Females
Current pensioners	20.5 years	23.2 years
Future pensioners	21.9 years	25.2 years

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

12. RELATED PARTIES

During the year there were transactions with the founding organisations of thinkWhere Limited who are shareholders in the company.

	Falkirk Council		Stirling Council	
	31.3.21	31.3.20	31.3.21	31.3.20
	£	£	£	£
Invoiced sales	71,700	73,355	50,585	50,585
Expenditure	-	-	23,840	57,762
Receivables	-	85,044	60,702	60,702
Prepaid income	69,250	69,250	50,585	50,585
Payables	-	-	-	4,768

In September 2013, the company received a repayable capital contribution of £300,000 from Stirling Council towards the fit out costs associated with the new office premises. The balance at 31 March 2021 was £62,622 and this balance was written off when the company was acquired by IDOX plc on 6 August 2021.

The company also transacted with the following companies for which two of the directors have an interest:

	McDougall Johnstone Ltd		Tiger Industries Ltd	
	31.3.21	31.3.20	31.3.21	31.3.20
	£	£	£	£
Expenditure	57,177	55,534	13,200	12,130
Payables	13,854	18,115	-	6,600

13. POST BALANCE SHEET EVENTS

On 6 August 2021, the entire share capital of the company was purchased by IDOX plc, a leading supplier of specialist information management software and solutions to the public and asset intensive sectors, registered in England & Wales and listed on the AIM market.

14. CONTROLLING PARTY

The ultimate controlling party is IDOX plc.

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.