

# Insightful Technology Limited

Annual Report and Unaudited Financial Statements  
for the Year Ended 28 February 2019

Ballards LLP  
Chartered Accountants  
Oakmoore Court  
11c Kingswood Road  
Hampton Lovett  
Droitwich  
Worcestershire  
WR9 0QH

# Insightful Technology Limited

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# Insightful Technology Limited

## Company Information

**Directors** Mr R D Houghton  
Mr R F Millett  
Mr A S P Stewart  
Mr S J Garrod

**Company secretary** Mr R F Millett

**Registered office** No 2  
The Royal Exchange  
London  
EC3V 3LL

**Accountants** Ballards LLP  
Chartered Accountants  
Oakmoore Court  
11c Kingswood Road  
Hampton Lovett  
Droitwich  
Worcestershire  
WR9 0QH

**Insightful Technology Limited**  
**(Registration number: 08881788)**  
**Balance Sheet as at 28 February 2019**

|  | Note     | 2019<br>£          | 2018<br>£        |
|--|----------|--------------------|------------------|
| <b>Fixed assets</b>  |          |                    |                  |
| Intangible assets  | <u>4</u> | 212,287            | 127,287          |
| Tangible assets  | <u>5</u> | 109,062            | -                |
|  |          | <u>321,349</u>     | <u>127,287</u>   |
| <b>Current assets</b>  |          |                    |                  |
| Debtors  | <u>6</u> | 831,050            | 618,712          |
| Cash at bank and in hand                                       |          | 408                | 20,040           |
|  |          | 831,458            | 638,752          |
| <b>Creditors: Amounts falling due within one year</b>          | <u>7</u> | <u>(1,275,948)</u> | <u>(629,302)</u> |
| <b>Net current (liabilities)/assets</b>                        |          | <u>(444,490)</u>   | 9,450            |
| <b>Total assets less current liabilities</b>                   |          | (123,141)          | 136,737          |
| <b>Creditors: Amounts falling due after more than one year</b> | <u>7</u> | <u>(334,239)</u>   | <u>(135,326)</u> |
| <b>Net (liabilities)/assets</b>                                |          | <u>(457,380)</u>   | <u>1,411</u>     |
| <b>Capital and reserves</b>                                    |          |                    |                  |
| Called up share capital  |          | 100                | 100              |
| Profit and loss account  |          | <u>(457,480)</u>   | 1,311            |
| <b>Total equity</b>  |          | <u>(457,380)</u>   | <u>1,411</u>     |

For the financial year ending 28 February 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 13 August 2019 and signed on its behalf by:

.....  
Mr R D Houghton  
Director

The notes on pages 3 to 8 form an integral part of these financial statements.

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# Insightful Technology Limited

## Notes to the Financial Statements for the Year Ended 28 February 2019

### 1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

No 2  
The Royal Exchange  
London  
EC3V 3LL

### 2 Accounting policies

#### Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

#### Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

#### Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;  
it is probable that future economic benefits will flow to the entity;  
and specific criteria have been met for each of the company's activities.

#### Tax

The tax expense for the period comprises current tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

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 taxable income.

#### Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

## Insightful Technology Limited

### Notes to the Financial Statements for the Year Ended 28 February 2019

#### Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

| <b>Asset class</b> | <b>Depreciation method and rate</b> |
|--------------------|-------------------------------------|
| Computer equipment | 33.33% straight line                |

#### Intangible assets

Separately acquired trademarks and licences are shown at historical cost.

Trademarks, licences (including software) and customer-related intangible assets acquired in a business combination are recognised at fair value at the acquisition date.

Trademarks, licences and customer-related intangible assets have a finite useful life and are carried at cost less accumulated amortisation and any accumulated impairment losses.

#### Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

| <b>Asset class</b>   | <b>Amortisation method and rate</b> |
|----------------------|-------------------------------------|
| Patents and licenses | Straight line over 10 years         |
| Development costs    | Straight line over 10 years         |

#### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors 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.

#### Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

# Insightful Technology Limited

## Notes to the Financial Statements for the Year Ended 28 February 2019

### **Borrowings**

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

### **Share capital**

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

### **Defined contribution pension obligation**

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

### **3 Staff numbers**

The average number of persons employed by the company (including directors) during the year, was 9 (2018 - 7).



## Insightful Technology Limited

### Notes to the Financial Statements for the Year Ended 28 February 2019

#### 4 Intangible assets

|                               | Trademarks,<br>patents and<br>licenses<br>£ | Internally<br>generated<br>software<br>development<br>costs<br>£ | Total<br>£ |
|-------------------------------|---|--|------------|
| <b>Cost or valuation</b>      |   |  |            |
| At 1 March 2018               | 20,000                                      | 107,287  | 127,287    |
| Additions acquired separately | -   | 85,000   | 85,000     |
|                               | 20,000                                      | 192,287  | 212,287    |
| At 28 February 2019           | 20,000                                      | 192,287  | 212,287    |
| <b>Amortisation</b>           |   |  |            |
| <b>Carrying amount</b>        |   |  |            |
| At 28 February 2019           | 20,000                                      | 192,287  | 212,287    |
| At 28 February 2018           | 20,000                                      | 107,287  | 127,287    |

#### 5 Tangible assets

|                          | Furniture,<br>fittings and<br>equipment<br>£ | Total<br>£ |
|--------------------------|--|------------|
| <b>Cost or valuation</b> |  |            |
| Additions                | 117,578                                      | 117,578    |
|                          | 117,578                                      | 117,578    |
| At 28 February 2019      | 117,578                                      | 117,578    |
| <b>Depreciation</b>      |  |            |
| Charge for the year      | 8,516  | 8,516      |
|                          | 8,516  | 8,516      |
| At 28 February 2019      | 8,516  | 8,516      |
| <b>Carrying amount</b>   |  |            |
| At 28 February 2019      | 109,062                                      | 109,062    |

#### 6 Debtors

|                                       | 2019<br>£ | 2018<br>£ |
|---------------------------------------|-----------|-----------|
| Trade debtors                         | 749,407   | 618,712   |
| Other debtors                         | 81,643    | -         |
|                                       | 831,050   | 618,712   |
| Total current trade and other debtors | 831,050   | 618,712   |



## Insightful Technology Limited

### Notes to the Financial Statements for the Year Ended 28 February 2019

#### 7 Creditors

##### Creditors: amounts falling due within one year

|                                 | Note     | 2019<br>£ | 2018<br>£ |
|---------------------------------|----------|-----------|-----------|
| <b>Due within one year</b>      |          |           |           |
| Bank loans and overdrafts       | <u>8</u> | 50,544    | 150,000   |
| Trade creditors                 |          | 314,423   | 158,047   |
| Amounts owed to related parties |          | 26,092    | 5,242     |
| Taxation and social security    |          | 162,120   | 20,172    |
| Other creditors                 |          | 722,769   | 295,841   |
|                                 |          | 1,275,948 | 629,302   |

##### Creditors: amounts falling due after more than one year

|                           | Note     | 2019<br>£ | 2018<br>£ |
|---------------------------|----------|-----------|-----------|
| <b>Due after one year</b> |          |           |           |
| Loans and borrowings      | <u>8</u> | 334,239   | 135,326   |

#### 8 Loans and borrowings

|   | 2019<br>£ | 2018<br>£ |
|---|-----------|-----------|
| <b>Non-current loans and borrowings</b> |           |           |
| Bank borrowings                         | 84,239    | 135,326   |
| Other borrowings                        | 250,000   | -         |
|   | 334,239   | 135,326   |

|                                     | 2019<br>£ | 2018<br>£ |
|-------------------------------------|-----------|-----------|
| <b>Current loans and borrowings</b> |           |           |
| Bank borrowings                     | 50,544    | 50,000    |
| Other borrowings                    | -         | 100,000   |
|                                     | 50,544    | 150,000   |

## **Insightful Technology Limited**

### **Notes to the Financial Statements for the Year Ended 28 February 2019**

#### **9 Warrants**

In August 2018, 26 warrants were issued with an exercise price of £1,250.00 to the holders. The exercise period is 15 years and is dependent on sufficient capital being raised after the end of the current accounting period.

#### **10 Non adjusting events after the financial period**

Since the year end 102 A ordinary shares have been allotted at a share price of £1,250 per share.

#### **11 Other information**

The company incurred a bad debt charge of £332,150 in the year in relation to invoices raised to a customer who went into administration. This had a significant impact on the results reported in these financial statements.

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