

Company Registration No. SC102278 (Scotland)

COMPUTER APPLICATION SERVICES LIMITED

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

PAGES FOR FILING WITH REGISTRAR

COMPUTER APPLICATION SERVICES LIMITED

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COMPUTER APPLICATION SERVICES LIMITED

BALANCE SHEET

AS AT 31 MARCH 2021

		2021		2020 as restated	
	Notes	£	£	£	£
Fixed assets					
Intangible assets	3		753,790		787,023
Tangible assets	4		100,126		117,391
			<u>853,916</u>		<u>904,414</u>
Current assets					
Stocks		88,469		59,100	
Debtors	5	326,817		340,522	
Cash at bank and in hand		449,684		161,656	
		<u>864,970</u>		<u>561,278</u>	
Creditors: amounts falling due within one year	6	<u>(1,175,918)</u>		<u>(933,632)</u>	
Net current liabilities			<u>(310,948)</u>		<u>(372,354)</u>
Total assets less current liabilities			542,968		532,060
Creditors: amounts falling due after more than one year	7		<u>(213,290)</u>		<u>(221,074)</u>
Net assets			<u>329,678</u>		<u>310,986</u>
Capital and reserves					
Called up share capital	9		342,032		342,032
Share premium account			60,000		60,000
Capital redemption reserve			33,818		33,818
Other reserves			(5,875)		(5,875)
Profit and loss reserves			<u>(100,297)</u>		<u>(118,989)</u>
Total equity			<u>329,678</u>		<u>310,986</u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 March 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

COMPUTER APPLICATION SERVICES LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2021

The financial statements were approved by the board of directors and authorised for issue on 2 August 2021 and are signed on its behalf by:

K Naismith
Director

Company Registration No. SC102278

COMPUTER APPLICATION SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Company information

Computer Application Services Limited is a private company limited by shares incorporated in Scotland. The registered office is 3/2 Quantum Court, 19 Heriot-Watt Research Park South, Edinburgh, EH14 4AP.

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 disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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 £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

The Directors are pleased with the progress the company has made in the last financial year.

The company has continued to reinvest in product enhancement and opening new markets enabling the company to secure new customers on recurring revenue contracts. The company's strategy has been successful as evidenced by the improved financial performance. The directors remain cognisant of the current challenging environment but see evidence that their product suite is assisting customers to deal with the challenges they face as a result of COVID-19, alongside their normal operational practices. They are therefore confident that the company can continue to achieve positive progress in the next financial period.

The directors have carefully considered the financial requirements of the business over the forthcoming twelve months. The company forecasts positive cashflow throughout the coming year; additionally it has a supportive cornerstone investor who has indicated their willingness to continue to support the company's growth. The directors are therefore satisfied that the company will have sufficient resources to meet its obligations as they fall due for at least 12 months from the date of approval of these financial statements. The directors therefore consider it appropriate to prepare the financial statements on a going concern basis.

1.3 Reporting period

In the prior year Computer Application Services Limited shortened its period end to 31 March 2020 from 31 July 2020. The decision was made based on consideration of a number of commercial factors. As such the comparative figures for 2020 cover a shortened 8 month period.

1.4 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the development and maintenance of computer software, 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.

1.5 Intangible fixed assets other than goodwill

Software under development is amortised when the assets become available for use.

COMPUTER APPLICATION SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 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:

Software assets - 5 years straight line/33% reducing balance

1.6 Tangible fixed assets

Tangible fixed assets are measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Leasehold improvements -10% straight line

Plant and machinery - 25% straight line

Fixtures, fittings & equipment - 25% straight line

1.7 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).

1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.9 Cash and cash equivalents

Cash at bank and in hand are basic financial assets and include cash in hand.

1.10 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are measured at transaction price including transaction costs.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

COMPUTER APPLICATION SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and loans from fellow group companies, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less.

1.11 Equity instruments

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

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

1.12 Taxation

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

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.

1.13 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.

1.14 Retirement benefits

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

1.15 Share-based payments

Equity-settled share-based payments are measured at fair value at the date of grant by reference to the fair value of the equity instruments granted using the Black-Scholes model. The fair value determined at the grant date is expensed on a straight-line basis over the vesting period, based on the estimate of shares that will eventually vest. A corresponding adjustment is made to equity.

COMPUTER APPLICATION SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

When the terms and conditions of equity-settled share-based payments at the time they were granted are subsequently modified, the fair value of the share-based payment under the original terms and conditions and under the modified terms and conditions are both determined at the date of the modification. Any excess of the modified fair value over the original fair value is recognised over the remaining vesting period in addition to the grant date fair value of the original share-based payment. The share-based payment expense is not adjusted if the modified fair value is less than the original fair value.

Cancellations or settlements (including those resulting from employee redundancies) are treated as an acceleration of vesting and the amount that would have been recognised over the remaining vesting period is recognised immediately.

1.16 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

Government grants are recognised in accordance with the performance model. A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.17 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 in the period are included in profit or loss.

1.18 Own shares held by employee benefit trust

Transactions of the company-sponsored employee benefit trust are treated as being those of the company as the company has de facto control of the assets and liabilities of the trust and are therefore reflected in the company's financial statements. In particular, the trust's purchases and sales of the shares in the company are debited and credited equally to equity.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2021 Number	2020 Number
Total	26	26

COMPUTER APPLICATION SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

3 Intangible fixed assets	Other £
Cost	
At 1 April 2020	1,334,954
Additions	254,080
	<hr/>
At 31 March 2021	1,589,034
	<hr/>
Amortisation and impairment	
At 1 April 2020	547,931
Amortisation charged for the year	287,313
	<hr/>
At 31 March 2021	835,244
	<hr/>
Carrying amount	
At 31 March 2021	753,790
	<hr/> <hr/>
At 31 March 2020	787,023
	<hr/> <hr/>

Intangible fixed assets reflects the software assets developed by the company.

4 Tangible fixed assets	Leasehold land and buildings £	Plant and machinery etc £	Total £
Cost			
At 1 April 2020	121,045	287,473	408,518
Additions	-	8,542	8,542
	<hr/>	<hr/>	<hr/>
At 31 March 2021	121,045	296,015	417,060
	<hr/>	<hr/>	<hr/>
Depreciation			
At 1 April 2020	42,349	247,896	290,245
Depreciation charged in the year	12,105	14,584	26,689
	<hr/>	<hr/>	<hr/>
At 31 March 2021	54,454	262,480	316,934
	<hr/>	<hr/>	<hr/>
Carrying amount			
At 31 March 2021	66,591	33,535	100,126
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31 March 2020	78,695	38,696	117,391
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

COMPUTER APPLICATION SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

5 Debtors		
	2021	2020
	£	£
Amounts falling due within one year:		
Trade debtors	279,060	276,483
Other debtors	47,757	64,039
	<u>326,817</u>	<u>340,522</u>

6 Creditors: amounts falling due within one year		
	2021	2020
	£	£
Trade creditors	31,521	81,590
Taxation and social security	247,394	115,034
Other creditors	897,003	737,008
	<u>1,175,918</u>	<u>933,632</u>

The hire purchase liability is secured over the asset to which it relates.

7 Creditors: amounts falling due after more than one year		
	2021	2020
	£	£
Other creditors	213,290	221,074
	<u>213,290</u>	<u>221,074</u>

Other loans include a loan from a funder which bears interest at 9% per annum. The loan is secured by a floating charge over the assets of the company.

8 Share-based payment transactions	Number of share options		Weighted average exercise price	
	2021	2020	2021	2020
	Number	Number	£	£
Outstanding at 1 April 2020	102,285	105,130	0.01	0.01
Granted	9,000	-	0.01	-
Forfeited	-	(2,845)	-	0.01
	<u>111,285</u>	<u>102,285</u>	<u>0.01</u>	<u>0.01</u>
Outstanding at 31 March 2021	111,285	102,285	0.01	0.01
	<u>111,285</u>	<u>102,285</u>	<u>0.01</u>	<u>0.01</u>
Exercisable at 31 March 2021	102,285	102,285	0.01	0.01
	<u>102,285</u>	<u>102,285</u>	<u>0.01</u>	<u>0.01</u>

COMPUTER APPLICATION SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

8 Share-based payment transactions

(Continued)

Liabilities and expenses

The estimated fair value of the options outstanding in the year was calculated by applying the Black Scholes model. The weighted average fair value of the options at the measurement date was £0.48. The expense recognised for share based payments in respect of employee services received during the period to 31 March 2021 is £5,382 (2020: £2,287).

The model inputs were as follows:

- Weighted average share price: £1.00
- Expected volatility: 40%
- Risk free interest rate: 0.98%
- Option life: 8 years

Options are exercisable on the occurrence of certain events as outlined in the option rules.

The only condition of vesting is remaining an employee. On ceasing to be an employee, all unexercised options lapse.

9 Called up share capital

	2021	2020	2021	2020
	Number	Number	£	£
Ordinary share capital				
Issued and fully paid				
Ordinary shares of 0.1p each	2,032,000	2,032,000	2,032	2,032
Ordinary A shares of £1 each	340,000	340,000	340,000	340,000
	<u>2,372,000</u>	<u>2,372,000</u>	<u>342,032</u>	<u>342,032</u>

10 Directors' transactions

Advances or credits have been granted by the company to its directors as follows:

Description	% Rate	Opening balance	Interest charged	Amounts repaid	Closing balance
		£	£	£	£
	2.50	4,484	113	(4,597)	-
		<u>4,484</u>	<u>113</u>	<u>(4,597)</u>	<u>-</u>

Directors loans are unsecured and have no fixed terms of repayment.

11 Prior year restatement

Following the completion of the 2020 Financial Statements, additional costs totalling £27,108 were identified that should have been accounted for in 2020. The prior year comparatives have been restated to reflect these costs. The impact is to increase direct costs by £27,108 with a corresponding reduction in the profit for the period. In the Balance Sheet, creditors due less than one year have been increased by £27,108 with a corresponding reduction in net assets.

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.