

COMPANY REGISTRATION NUMBER: NI603151

**Automated Intelligence Limited**  
**Filleted Financial Statements**  
**30 June 2021**

COMPANIES HOUSE  
BELFAST  
24 MAY 2022  
RECEPTION DESK

TUESDAY



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JNI 24/05/2022 #14  
COMPANIES HOUSE

# Automated Intelligence Limited

## Statement of Financial Position

30 June 2021

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Intangible assets	5	27,479	–
Tangible assets	6	12,004	21,797
		<u>39,483</u>	<u>21,797</u>
<b>Current assets</b>			
Debtors	7	1,150,611	1,058,531
Cash at bank and in hand		970,901	323,658
		<u>2,121,512</u>	<u>1,382,189</u>
<b>Creditors: amounts falling due within one year</b>	8	<u>(946,826)</u>	<u>(1,169,934)</u>
<b>Net current assets</b>		<u>1,174,686</u>	<u>212,255</u>
<b>Total assets less current liabilities</b>		<u>1,214,169</u>	<u>234,052</u>
<b>Creditors: amounts falling due after more than one year</b>	9	<u>(1,908,230)</u>	<u>(179,065)</u>
<b>Net (liabilities)/assets</b>		<u><u>(694,061)</u></u>	<u><u>54,987</u></u>
<b>Capital and reserves</b>			
Called up share capital		530,459	530,459
Share premium account		3,264,546	3,264,546
Profit and loss account		<u>(4,489,066)</u>	<u>(3,740,018)</u>
<b>Shareholders (deficit)/funds</b>		<u><u>(694,061)</u></u>	<u><u>54,987</u></u>

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of income and retained earnings has not been delivered.

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.

These financial statements were approved by the board of directors and authorised for issue on 18 May 2022, and are signed on behalf of the board by:



Mr S Cole  
Director

Company registration number: NI603151

# Automated Intelligence Limited

## Notes to the Financial Statements

Year ended 30 June 2021

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### 1. General information

The company is a private company limited by shares, registered in Northern Ireland. The address of the registered office is Unit 5, Concourse 3, Queens Road, Belfast, Northern Ireland, BT3 9DT.

The principal activity of the company during the year was the business and domestic software development.

### 2. Statement of compliance

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

### 3. Accounting policies

#### Basis of preparation

The financial statements have been prepared on the going concern basis and in accordance with the historical cost convention. The financial reporting framework that has been applied in their preparation is the Companies Act 2006 (the Act) and FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland issued by the Financial Reporting Council. The company qualifies as a small company for the period, as defined by section 382 of the Act, in respect of the financial year, and has applied the rules of the 'Small Companies Regime' in accordance with section 381 of the Act and Section 1A of FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the entity.

#### Going concern

The company incurred a loss of £749,048 during the year. At 30 June 2021, the company had net current assets of £1,174,686 and a net deficit of £694,061. At 30 June 2021, the company had £970,901 cash in the bank.

The company's core source of finance is in the form of convertible loan agreements in place with a number of lenders and is dependent on the ongoing support of these lenders along with the company's shareholders to continue as a going concern. The Company's shareholders have indicated they are open to giving proactive consideration to any investment requests by the Company and will make a decision at that time on the merits of such proposal should it be required.

At 30 June 2021, the balance outstanding on loans was £2,024,173, of which £1,908,230 matures in August 2023.

The directors have prepared forecasts which, whilst contain inherent uncertainties in the range of outcomes, do demonstrate that the company has sufficient funds to meet its obligations as they fall due. Accordingly, the directors have adopted the going concern basis of preparing the financial statements.

#### Revenue recognition

Revenue is recognised to the extent that the company obtains the right to consideration in exchange for its performance. Revenue is measured at the fair value of consideration received, excluding discounts, rebates, VAT and other sales taxes or duty.

# Automated Intelligence Limited

## Notes to the Financial Statements *(continued)*

Year ended 30 June 2021

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### 3. Accounting policies *(continued)*

#### Revenue recognition *(continued)*

Revenue is recognised to the extent that the company obtains the right to consideration in exchange for its performance. Revenue is measured at the fair value of consideration received, excluding discounts, rebates, VAT and other sales taxes or duty.

#### Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

#### Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the profit and loss account.

#### Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

#### Government grants

Government grant income is released to the profit and loss account in the year in which they are received.

#### Intangible assets

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses.

#### Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Intangible assets	-	20% straight line
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# Automated Intelligence Limited

## Notes to the Financial Statements *(continued)*

Year ended 30 June 2021

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### 3. Accounting policies *(continued)*

#### Amortisation *(continued)*

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

#### Research and development

Research & development expenditure is written off in the period in which it is incurred.

#### Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

#### Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures and fittings	-	20% straight line
Computer equipment	-	33% straight line

#### Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

#### Cash and cash equivalents

Cash consists of cash on hand and demand deposits. There are no cash equivalents included in the financial statements.

#### Other financial assets

Other financial assets comprise of trade debtors and other debtors. Other financial assets are initially measured at the undiscounted amount of cash receivable and are subsequently measured at amortised cost less impairment, where there is objective evidence of an impairment.

# Automated Intelligence Limited

## Notes to the Financial Statements *(continued)*

Year ended 30 June 2021

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### 3. Accounting policies *(continued)*

#### Other financial liabilities

Other financial liabilities include trade creditors and other creditors. Other financial liabilities are measured at invoice cost, unless payment is deferred beyond normal business terms or is financed at a rate of interest that is not a market rate. In this case the arrangement constitutes a financing transaction, and the financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

#### Loans and borrowings

All borrowings by the company are initially recorded at the amount of cash received less separately incurred transaction costs, unless the arrangement constitutes, in effect, a financing transaction, in which case it is measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument. Subsequently, borrowings are stated at amortised cost using the effective interest rate method.

The computation of amortised cost includes any issue costs, transaction costs and fees, and any discount or premium on settlement, and the effect of this is to amortise these amounts over the expected borrowing period. Loans with no stated interest rate and repayable within one year or on demand are not amortised.

#### Share Capital

The ordinary share capital of the company is presented as equity.

### 4. Employee numbers

The average number of persons employed by the company during the year amounted to 39 (2020: 51).

### 5. Intangible assets

	Intangible assets £
<b>Cost</b>	
Additions	31,580
<b>At 30 June 2021</b>	<u>31,580</u>
<b>Amortisation</b>	
Charge for the year	4,101
<b>At 30 June 2021</b>	<u>4,101</u>
<b>Carrying amount</b>	
<b>At 30 June 2021</b>	<u>27,479</u>
At 30 June 2020	<u>–</u>

# Automated Intelligence Limited

## Notes to the Financial Statements *(continued)*

### Year ended 30 June 2021

#### 6. Tangible assets

	Fixtures and fittings £	Computer equipment £	Total £
<b>Cost</b>			
At 1 July 2020	31,592	147,571	179,163
Additions	–	4,150	4,150
<b>At 30 June 2021</b>	<u>31,592</u>	<u>151,721</u>	<u>183,313</u>
<b>Depreciation</b>			
At 1 July 2020	26,297	131,069	157,366
Charge for the year	2,824	11,119	13,943
<b>At 30 June 2021</b>	<u>29,121</u>	<u>142,188</u>	<u>171,309</u>
<b>Carrying amount</b>			
<b>At 30 June 2021</b>	<u>2,471</u>	<u>9,533</u>	<u>12,004</u>
At 30 June 2020	<u>5,295</u>	<u>16,502</u>	<u>21,797</u>

#### 7. Debtors

	2021 £	2020 £
Trade debtors	486,365	248,958
Corporation tax repayable	579,765	701,945
Other debtors	84,481	107,628
	<u>1,150,611</u>	<u>1,058,531</u>

All debtors are due within one year.

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

	2021 £	2020 £
Loans	115,943	265,188
Trade creditors	86,022	100,377
Accruals and deferred income	356,791	377,484
Social security and other taxes	363,730	403,581
Other creditors	24,340	23,304
	<u>946,826</u>	<u>1,169,934</u>

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

	2021 £	2020 £
Loans	<u>1,908,230</u>	<u>179,065</u>

Loans primarily relate to convertible loan notes which have a maturity date of August 2023 and are secured by a fixed and floating charge over the company's assets.

# Automated Intelligence Limited

## Notes to the Financial Statements *(continued)*

### Year ended 30 June 2021

#### 10. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2021	2020
	£	£
Not later than 1 year	82,500	82,500
Later than 1 year and not later than 5 years	41,250	82,500
Later than 5 years	–	41,250
	<u>123,750</u>	<u>206,250</u>

#### 11. Summary audit opinion

The auditor's report for the year dated 18 May 2022 was unqualified. However, the auditor drew attention to the following by way of emphasis:

In forming the opinion, we have considered the adequacy of disclosures made in note 3 to the financial statements concerning the material uncertainty in relation to going concern.

The company incurred a loss of £749,048 during the year. At 30 June 2021, the company had net current assets of £1,174,686 and a net deficit of £694,061. At 30 June 2021, the company had £970,901 cash in the bank.

The company's core source of finance is in the form of convertible loan agreements in place with a number of lenders and is dependent on the ongoing support of these lenders along with the company's shareholders to continue as a going concern. The Company's shareholders have indicated they are open to giving proactive consideration to any investment requests by the Company and will make a decision at that time on the merits of such proposal should it be required.

At 30 June 2021, the balance outstanding on loans was £2,024,173, of which £1,908,230 matures in August 2023.

The directors have prepared forecasts which, whilst contain inherent uncertainties in the range of outcomes, do demonstrate that the company has sufficient funds to meet its obligations as they fall due. Accordingly, the directors have adopted the going concern basis of preparing the financial statements.

The financial statements do not include any adjustments or disclosures that would be required if the company was unable to continue as a going concern. Our opinion is not modified in respect of this matter.

The senior statutory auditor was Nigel V W Harra, for and on behalf of BDO Northern Ireland.

#### 12. Related party transactions

There are no transactions with related parties that are required to be disclosed with related parties under FRS 102 Section 1a.

#### 13. Controlling party

The ultimate controlling parties of the company are its shareholders.

# Automated Intelligence Limited

## Notes to the Financial Statements *(continued)*

Year ended 30 June 2021

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### 14. Other services

In common with many other businesses of our size and nature we use our auditors to provide tax advice, prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.