
COLLABORA LIMITED

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**



COLLABORA LIMITED
REGISTERED NUMBER: 05513718

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	4	79,415	95,798
Investments	5	296,386	198,729
		<u>375,801</u>	<u>294,527</u>
Current assets			
Debtors: amounts falling due after more than one year	6	14,380	29,309
Debtors: amounts falling due within one year	6	1,883,133	1,804,800
Cash at bank and in hand		4,636,985	4,153,919
		<u>6,534,498</u>	<u>5,988,028</u>
Creditors: amounts falling due within one year	7	(1,560,458)	(1,641,920)
Net current assets		<u>4,974,040</u>	<u>4,346,108</u>
Total assets less current liabilities		<u>5,349,841</u>	<u>4,640,635</u>
Provisions for liabilities			
Deferred tax		(12,509)	(15,920)
		<u>(12,509)</u>	<u>(15,920)</u>
Net assets		<u><u>5,337,332</u></u>	<u><u>4,624,715</u></u>
Capital and reserves			
Called up share capital	8	15	15
Share premium account		124,867	124,867
Capital redemption reserve		20	20
Profit and loss account		5,212,430	4,499,813
		<u>5,337,332</u>	<u>4,624,715</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

COLLABORA LIMITED
REGISTERED NUMBER: 05513718

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 DECEMBER 2020

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

.....
P G Kalaf

Director

Date: 26 August 2021

The notes on pages 3 to 10 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

1. General information

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

The principal activity of the company is that of software consultancy.

The trading address of the company under review is Platinum Building, Cowley Road, Cambridge, CB4 0DS.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The company is the parent undertaking of a small group and as such is not required by the Companies Act 2006 to prepare group accounts. These financial statements therefore present information about the company as an individual undertaking and not about its group.

The following principal accounting policies have been applied:

2.2 Associates and joint ventures

Associates and Joint Ventures are held at cost less impairment.

2.3 Revenue

Turnover comprises revenue recognised by the company in respect of services supplied during the period, exclusive of value added tax. Turnover is recognised dependent on the invoicing structure of the contract. For fixed price contracts, revenue is recognised over the period of the contract in line with the estimated stage of completion. For contracts on a time and materials basis, revenue is recognised in the period in which the billable work is carried out. All pre-contract costs in connection with marketing and winning new contracts are written off as an expense as they are incurred.

2.4 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.4 Tangible fixed assets (continued)

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:

Short-term leasehold property	-		over the term of the lease
Fixtures and fittings	-	33%	
Computer equipment	-	33%	

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 in profit or loss.

2.5 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.6 Financial Instruments

The Company only enters into basic financial instruments and transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors and loans to and from related parties.

(i) Financial assets

Basic financial assets, including trade and other debtors, and amounts due from related companies, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

(ii) Financial liabilities

Basic financial liabilities, including trade and other creditors and accruals, 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.7 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

2.8 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.9 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

2.10 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.11 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 payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

2.12 Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the Statement of Financial Position date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the Statement of Financial Position date.

2.13 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of Financial Position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of Financial Position.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

2. Accounting policies (continued)

2.14 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in 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 or substantively enacted by the reporting 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 Statement of Financial Position 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 differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.15 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives, which range from 3 to 6 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

3. Employees

The average monthly number of employees, including directors, during the year was 26 (2019 - 21).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

4. Tangible fixed assets

	Short-term leasehold property £	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation				
At 1 January 2020	40,724	12,433	278,393	331,550
Additions	-	-	34,633	34,633
Disposals	-	-	(3,169)	(3,169)
At 31 December 2020	40,724	12,433	309,857	363,014
Depreciation				
At 1 January 2020	18,896	12,271	204,585	235,752
Charge for the year on owned assets	6,767	-	43,657	50,424
Disposals	-	-	(2,577)	(2,577)
At 31 December 2020	25,663	12,271	245,665	283,599
Net book value				
At 31 December 2020	15,061	162	64,192	79,415
<i>At 31 December 2019</i>	<i>21,828</i>	<i>162</i>	<i>73,808</i>	<i>95,798</i>

5. Fixed asset investments

	Investments in subsidiary companies £	Investments in associates £	Unlisted investments £	Total £
Cost or valuation				
At 1 January 2020	162	50	198,517	198,729
Additions	-	-	97,657	97,657
At 31 December 2020	162	50	296,174	296,386

COLLABORA LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

Subsidiary undertaking

The following was a subsidiary undertaking of the Company:

Name	Principal activity	Class of shares	Holding
Collabora Inc	Provider of contractor services	Ordinary	100 %

6. Debtors

	2020 £	2019 £
Due after more than one year		
Other debtors	14,380	29,309
	<u>14,380</u>	<u>29,309</u>
Due within one year		
Trade debtors	1,617,068	1,492,212
Other debtors	124,244	77,848
Prepayments and accrued income	141,821	234,740
	<u>1,883,133</u>	<u>1,804,800</u>

7. Creditors: Amounts falling due within one year

	2020 £	2019 £
Trade creditors	323,006	511,580
Amounts owed to group undertakings	310,365	425,167
Amounts owed to joint ventures	14,756	25,057
Corporation tax	20,068	-
Other taxation and social security	58,797	31,943
Other creditors	32,587	7,591
Accruals and deferred income	800,879	640,582
	<u>1,560,458</u>	<u>1,641,920</u>

8. Share capital

2020 2019

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

8. Share capital (continued)

	£	£
Allotted, called up and fully paid		
600 (2019 - 600) A Ordinary shares of £0.02 each	12	12
64 (2019 - 64) C Ordinary shares of £0.02 each	1	1
180 (2019 - 180) B Ordinary shares of £0.01 each	2	2
	<u>15</u>	<u>15</u>

9. Capital commitments

In 2019, the company committed to a total investment of \$500,000 to a venture capital fund. As at 31 December 2020, the company had paid \$375,000 and therefore has a remaining capital contribution commitment of \$125,000 over the life of the Fund. The company shall not be required to contribute capital more than 25% of the total capital commitment in any 12 month period.

10. Ultimate parent company

The ultimate parent company is Philippe Kalaf Holdings Inc, a company incorporated in Canada.

11. Auditors' information

The auditors' report on the financial statements for the year ended 31 December 2020 was unqualified.

The audit report was signed on 31 August 2021 by Fran Reid FCA (Senior Statutory Auditor) on behalf of Ashcroft Partnership LLP.

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.