

**FUTUREGOV. LTD**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**  
**PAGES FOR FILING WITH REGISTRAR**

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# FUTUREGOV. LTD

## COMPANY INFORMATION

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<b>Directors</b>	D Campbell	
	P J Martin	
	S Murphy	(Appointed 11 June 2019)
	M Skinner	(Appointed 11 June 2019)
	S Vick	(Appointed 11 June 2019)

<b>Company number</b>	06472420
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<b>Registered office</b>	20 St Thomas Street Runway East (Second Floor) London SE1 9RG
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<b>Auditor</b>	Mercer & Hole 21 Lombard Street London EC3V 9AH
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# **FUTUREGOV. LTD**

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# FUTUREGOV. LTD

## BALANCE SHEET

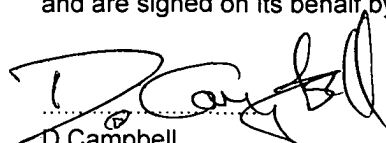
AS AT 31 DECEMBER 2018

	Notes	2018 £	£	2017 £	£
<b>Fixed assets</b>					
Tangible assets	4	25,798		20,818	
Investments	5	1,386,880		-	
		<u>1,412,678</u>		<u>20,818</u>	
<b>Current assets</b>					
Debtors	6	1,590,055		725,530	
Cash at bank and in hand		784,025		338,897	
		<u>2,374,080</u>		<u>1,064,427</u>	
<b>Creditors: amounts falling due within one year</b>	7	<u>(2,267,235)</u>		<u>(501,068)</u>	
<b>Net current assets</b>			106,845		563,359
<b>Total assets less current liabilities</b>			<u>1,519,523</u>		<u>584,177</u>
<b>Creditors: amounts falling due after more than one year</b>	8		(250,000)		(500,000)
<b>Provisions for liabilities</b>			<u>(3,539)</u>		<u>(3,539)</u>
<b>Net assets</b>			<u><u>1,265,984</u></u>		<u><u>80,638</u></u>
<b>Capital and reserves</b>					
Called up share capital	10	379		385	
Share premium account	11	27		499,729	
Capital redemption reserve	12	15		-	
Profit and loss reserves		<u>1,265,563</u>		<u>(419,476)</u>	
<b>Total equity</b>			<u><u>1,265,984</u></u>		<u><u>80,638</u></u>

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

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

The financial statements were approved by the board of directors and authorised for issue on 10 September 2019 and are signed on its behalf by:

  
D Campbell  
Director

Company Registration No. 06472420

# FUTUREGOV. LTD

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2018

	Notes	Share capital £	Share premium account £	Capital redemption reserve £	Profit and loss reserves £	Total £
<b>Balance at 1 January 2017</b>		385	499,729	-	(712,301)	(212,187)
<b>Year ended 31 December 2017:</b>						
Profit and total comprehensive income for the year		-	-	-	292,825	292,825
<b>Balance at 31 December 2017</b>		385	499,729	-	(419,476)	80,638
<b>Year ended 31 December 2018:</b>						
Profit and total comprehensive income for the year		-	-	-	1,218,310	1,218,310
Issue of share capital	10	9	27	-	-	36
Redemption of shares	10	(15)	-	15	(33,000)	(33,000)
Other movements		-	(499,729)	-	499,729	-
<b>Balance at 31 December 2018</b>		379	27	15	1,265,563	1,265,984

# FUTUREGOV. LTD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

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### 1 Accounting policies

#### Company information

FutureGov. Ltd is a private company limited by shares incorporated in England and Wales. The registered office is 20 St Thomas Street, Runway East (Second Floor), London, SE1 9RG.

#### 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 £1.

The financial statements have been prepared under the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

#### 1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for services provided in the normal course of business, and is shown net of discounts, rebates, VAT and other sales related taxes.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

#### 1.3 Tangible fixed assets

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

Depreciation 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:

Fixtures and fittings	4 years on a straight line basis
Computers	4 years on a straight line basis

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

#### 1.4 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

# FUTUREGOV. LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

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### 1 Accounting policies

(Continued)

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

#### 1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible 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). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### 1.6 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.7 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.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

# FUTUREGOV. LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

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### 1 Accounting policies

(Continued)

#### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method 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. Financial assets classified as receivable within one year are not amortised.

#### **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.

#### **Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, 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. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

### 1.8 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.

### 1.9 Taxation

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

#### **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.



# FUTUREGOV. LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

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### 1 Accounting policies

(Continued)

#### **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.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

#### **1.10 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.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### **1.11 Retirement benefits**

The company operates a defined contribution plan for its employees. A defined benefit 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. Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### **1.12 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.

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.

# FUTUREGOV. LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

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### 1 Accounting policies

(Continued)

#### 1.13 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

#### 1.14 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 are included in the profit and loss account for the period.

### 2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

#### Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

#### Share option charges

At the end of each financial period the directors review options. As part of the review process, the number of options expected to vest at maturity are assessed and the share option charge is adjusted accordingly. The actual vesting of these options depends on future events and as such there is significant estimation uncertainty.

### 3 Employees

The average monthly number of persons (including directors) employed by the company during the year was 41 (2017 - 27).

# FUTUREGOV. LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

### 4 Tangible fixed assets

	Fixtures and fittings	Computers	Total
	£	£	£
<b>Cost</b>			
At 1 January 2018	29,454	30,894	60,348
Additions	-	22,788	22,788
At 31 December 2018	29,454	53,682	83,136
<b>Depreciation and impairment</b>			
At 1 January 2018	22,902	16,628	39,530
Depreciation charged in the year	5,891	11,917	17,808
At 31 December 2018	28,793	28,545	57,338
<b>Carrying amount</b>			
At 31 December 2018	661	25,137	25,798
At 31 December 2017	6,552	14,266	20,818

### 5 Fixed asset investments

	2018	2017
	£	£
Investments	1,386,880	-

#### Movements in fixed asset investments

	Shares in group undertakings
	£
<b>Cost or valuation</b>	
At 1 January 2018	-
Additions	1,386,880
At 31 December 2018	1,386,880
<b>Carrying amount</b>	
At 31 December 2018	1,386,880
At 31 December 2017	-

Post year end there was a transfer of the employees from the subsidiary company Us-Creates Limited to FutureGov. Ltd. The contracts and trade remained in Us-Creates Limited. The directors have reviewed the carrying value of the investment in Us-Creates Limited and have concluded that no impairment was necessary.

# FUTUREGOV. LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

### 6 Debtors

	2018 £	2017 £
<b>Amounts falling due within one year:</b>		
Trade debtors	798,139	386,520
Other debtors	791,916	339,010
	<u>1,590,055</u>	<u>725,530</u>

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

	2018 £	2017 £
Trade creditors	111,754	93,918
Corporation tax	235,839	-
Other taxation and social security	544,876	220,274
Other creditors	1,374,766	186,876
	<u>2,267,235</u>	<u>501,068</u>

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

	2018 £	2017 £
Other creditors	<u>250,000</u>	<u>500,000</u>

### 9 Share-based payment transactions

#### Share options

At the year end there were 12,128 share options in issue which had been granted to employees. The options are over the ordinary shares of £0.001 each. 8,890 share options were issued during the year, while 2,992 were exercised. The exercise price is £0.01 and they lapse on the tenth anniversary of the date of grant. The options vest at the earlier of a qualifying event or two years from the date of grant.

The share option charge is not material and has therefore not been included in the financial statements.

### 10 Called up share capital

	2018 £	2017 £
<b>Ordinary share capital Issued and fully paid</b>		
107,492 (2017: 113,500) Ordinary shares of 0.1p each	<u>108</u>	<u>114</u>

# FUTUREGOV. LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

### 10 Called up share capital (Continued)

#### Preference share capital

##### Issued and fully paid

27,100 A Preference shares of 1p each	271	271
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Preference shares classified as equity	271	271
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<b>Total equity share capital</b>	<b>379</b>	<b>385</b>
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#### Reconciliation of movements during the year:

	Ordinary shares Number
At 1 January 2018	113,500
Issue of fully paid shares	8,992
Redemption of fully paid shares	(15,000)
At 31 December 2018	107,492

### 11 Share premium account

During the year the company transferred £499,729 from the Share premium account to the Profit and loss reserves with the consent of the Preference Share holders.

### 12 Capital redemption reserve

During the year the company redeemed 15,000 Ordinary shares at a value of £2.20 per share.

### 13 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Andrew Turner.

The auditor was Mercer & Hole.

# FUTUREGOV. LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

### 14 Operating lease commitments

#### Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2018	2017
	£	£
	318,395	99,615

### 15 Events after the reporting date

On 7 June 2019 the share capital of the business was fully sold to The Panoply Group, an AIM listed company. On this date the full value of the loan notes of £500,000 and accrued interest at this date was paid off in full.

### 16 Related party transactions

	2018	2017
	£	£
<b>Amounts due to related parties</b>		
Other related parties	1,210,193	509,501

Amounts included within other creditors falling due in one year include the following:

Loans totalling £500,000 (2017: £500,000) owed to entities with a shareholding in the company. During the year the company was charged loan interest of £48,560 (2017 £38,058) and at the balance sheet date the company owed interest of £10,193 (2017: £9,501) in respect of these loan balances.

Deferred consideration of £450,000 (2017: £nil) in relation to the acquisition of the subsidiary entity during the year, owed to shareholders.

Amounts included within other creditors falling due in more than one year include the following:

Deferred consideration of £250,000 (2017: £nil) in relation to the acquisition of the subsidiary entity during the year, owed to shareholders.

	2018	2017
	£	£
<b>Amounts due from related parties</b>		
Other related parties	542,957	142,020

At the balance sheet date the company was owed an amount of £126,615 (2017: £142,020) from a company with a common director and shareholder. This balance includes a write down of an irrecoverable balance of £161,895 (2017: £nil).

At the balance sheet date the company was owed an amount of £416,342 (2017: £nil) from an entity with a shareholding in the company.