

**AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021
FOR
IMPROVE DIGITAL LIMITED**

Alliotts LLP
Friary Court
13-21 High Street
Guildford
Surrey
GU1 3DL

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FOR THE YEAR ENDED 31 DECEMBER 2021**

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IMPROVE DIGITAL LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2021

| | |
|---------------------------|---|
| Directors: | Mr S R V Moesman Mr U Akpinar |
| Secretary: | Vistra Company Secretaries Limited |
| Registered office: | 76 - 78 Charlotte Street London W1T 4QS |
| Registered number: | 06974245 (England and Wales) |
| Auditors: | Alliotts LLP Friary Court 13-21 High Street Guildford Surrey GU1 3DL |

BALANCE SHEET
31 DECEMBER 2021

| | Notes | 31/12/21 £ | 31/12/20 £ |
|--|-------|------------------|------------------|
| FIXED ASSETS | | | |
| Intangible assets | 4 | - | 269,557 |
| Tangible assets | 5 | - | 190 |
| | | <u>-</u> | <u>269,747</u> |
| CURRENT ASSETS | | | |
| Debtors | 6 | 400,130 | 426,238 |
| Cash at bank | | 826 | 2,611 |
| | | <u>400,956</u> | <u>428,849</u> |
| CREDITORS | | | |
| Amounts falling due within one year | 7 | (940,647) | (1,093,400) |
| NET CURRENT LIABILITIES | | <u>(539,691)</u> | <u>(664,551)</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | <u>(539,691)</u> | <u>(394,804)</u> |
| CAPITAL AND RESERVES | | | |
| Called up share capital | | 2 | 2 |
| Retained (loss)/earnings | | (539,693) | (394,806) |
| SHAREHOLDERS' FUNDS | | <u>(539,691)</u> | <u>(394,804)</u> |

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

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 19 January 2024 and were signed on its behalf by:

Mr U Akpınar - Director

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

1. STATUTORY INFORMATION

Improve Digital Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The Company's functional and presentational currency is pounds sterling (GBP) and the financial statements have been rounded to the nearest pound (£).

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

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 £.

Turnover

Turnover represents expenses recharged to another group company.

Intangible assets

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

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:

Development costs - Straight line over 5 years

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

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 provided at the following annual rates in order to write off each asset over its estimated useful life.

Computer equipment - straight line over 5 years

The gain or loss arising on the disposal or scrapping 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 the Income Statement.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

2. ACCOUNTING POLICIES - continued

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.

Basic financial assets

Basic financial assets, which include amounts owed from group undertakings and other debtors, 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.

Basic financial liabilities

Basic financial liabilities, including trade creditors, amounts owed to group undertakings and other creditors, 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.

Research and development

Development expenditure is deferred to the extent that its recovery can reasonably be regarded as assured. Such deferred development costs are amortised in five years.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result. The foreign exchange rates used during the year are as follows:

Year end Euro to Sterling rate: £1 = €1.1911

Intercompany loans

Intercompany loans are measured at amortised cost. The interest charge is recognised systematically over the life of the loan and represents the present value of the future payments discounted at a market rate of interest.

Going concern

Due to a change in strategic direction of the wider group, the directors plan to wind up the company within the next twelve months, following the collection of debts and settlement of liabilities. Consequently, the directors do not consider the use of the going concern basis to be appropriate and therefore the financial statements have been prepared on a basis other than going concern.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 2 (2020 - 7) .

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

4. INTANGIBLE FIXED ASSETS

| | Development costs |
|------------------------|--------------------------|
| | £ |
| Cost | |
| At 1 January 2021 | 410,905 |
| Disposals | <u>(410,905)</u> |
| At 31 December 2021 | <u>-</u> |
| Amortisation | |
| At 1 January 2021 | 141,348 |
| Amortisation for year | 80,342 |
| Eliminated on disposal | <u>(221,690)</u> |
| At 31 December 2021 | <u>-</u> |
| Net book value | |
| At 31 December 2021 | <u>-</u> |
| At 31 December 2020 | <u>269,557</u> |

5. TANGIBLE FIXED ASSETS

| | Computer equipment |
|------------------------|---------------------------|
| | £ |
| Cost | |
| At 1 January 2021 | 7,087 |
| Disposals | <u>(7,087)</u> |
| At 31 December 2021 | <u>-</u> |
| Depreciation | |
| At 1 January 2021 | 6,897 |
| Eliminated on disposal | <u>(6,897)</u> |
| At 31 December 2021 | <u>-</u> |
| Net book value | |
| At 31 December 2021 | <u>-</u> |
| At 31 December 2020 | <u>190</u> |

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 31/12/21 | 31/12/20 |
|--------------------------------------|-----------------|-----------------|
| | £ | £ |
| Other debtors | 1,319 | 1,105 |
| Corporation tax recoverable | 24,146 | 25,740 |
| Amounts owed from group undertakings | <u>374,665</u> | <u>399,393</u> |
| | <u>400,130</u> | <u>426,238</u> |

Amounts owed by group undertakings are unsecured, interest free and repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 31/12/21 | 31/12/20 |
|------------------------------------|----------------|------------------|
| | £ | £ |
| Trade creditors | 29,533 | 33,609 |
| Amounts owed to group undertakings | 889,777 | 1,027,055 |
| Social security and other taxes | - | 14,959 |
| Other creditors | 21,337 | 17,777 |
| | <u>940,647</u> | <u>1,093,400</u> |

Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

8. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006

The Report of the Auditors was unqualified.

Christopher Cairns FCA (Senior Statutory Auditor)
for and on behalf of Alliot's LLP

Emphasis of matter**- financial statements prepared on a basis other than going concern**

We draw attention to note 2 in the financial statements, which explains that the directors plan to wind up the company within the next twelve months, following the collection of debts and settlement of liabilities. Therefore, the directors do not consider it to be appropriate to adopt the going concern basis of accounting in preparing the financial statements. Accordingly, the financial statements have been prepared on a basis other than going concern as described in note 2. Our opinion is not modified in respect of this matter.

9. RELATED PARTY DISCLOSURES

Improve Digital B.V. is the smallest and largest group of undertakings for which group accounts are drawn up. The address of Improve Digital B.V. is 76-78 Charlotte Street, London W1T 4QS.

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.