

**Unaudited Financial Statements**  
**for the Year Ended 31 March 2020**  
**for**  
**Stockomendation Limited**

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for the year ended 31 March 2020**

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**Stockomendation Limited**  
**Company Information**  
**for the year ended 31 March 2020**

**DIRECTOR:** P G Roberts

**REGISTERED OFFICE:** 19 Trinity Square  
Llandudno  
LL30 2RD

**REGISTERED NUMBER:** 08190467 (England and Wales)

**ACCOUNTANTS:** Bennett Brooks & Co Ltd  
Chartered Accountants  
19 Trinity Square  
Llandudno  
CONWY  
LL30 2RD

**Statement of Financial Position**  
**31 March 2020**

|  | Notes | 2020<br>£          | £                | 2019<br>£        | £                |
|--|-------|--------------------|------------------|------------------|------------------|
| <b>FIXED ASSETS</b>                          |       |                    |                  |                  |                  |
| Intangible assets                            | 4     |                    | 503,430          |                  | 378,959          |
| Tangible assets                              | 5     |                    | <u>2</u>         |                  | <u>2</u>         |
|  |       |                    | 503,432          |                  | 378,961          |
| <b>CURRENT ASSETS</b>                        |       |                    |                  |                  |                  |
| Debtors                                      | 6     | 52,868             |                  | 82,748           |                  |
| Cash at bank and in hand                     |       | <u>1,716</u>       |                  | <u>200</u>       |                  |
|  |       | 54,584             |                  | 82,948           |                  |
| <b>CREDITORS</b>                             |       |                    |                  |                  |                  |
| Amounts falling due within one year          | 7     | <u>371,961</u>     |                  | <u>229,160</u>   |                  |
| <b>NET CURRENT LIABILITIES</b>               |       |                    | <u>(317,377)</u> |                  | <u>(146,212)</u> |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b> |       |                    | <u>186,055</u>   |                  | <u>232,749</u>   |
| <b>CREDITORS</b>                             |       |                    |                  |                  |                  |
| Amounts falling due after more than one year | 8     |                    | 2,652            |                  | 57,458           |
| <b>CAPITAL AND RESERVES</b>                  |       |                    |                  |                  |                  |
| Called up share capital                      | 10    | 486                |                  | 453              |                  |
| Share premium                                |       | 1,318,444          |                  | 1,094,020        |                  |
| Retained earnings                            |       | <u>(1,135,527)</u> |                  | <u>(919,182)</u> |                  |
| <b>SHAREHOLDERS' FUNDS</b>                   |       |                    | <u>183,403</u>   |                  | <u>175,291</u>   |
|  |       |                    | <u>186,055</u>   |                  | <u>232,749</u>   |

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2020.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2020 in accordance with Section 476 of the Companies Act 2006.

The director acknowledges his responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and
- (b) which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

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 director and authorised for issue on 16 April 2020 and were signed by:

P G Roberts - Director

Notes to the Financial Statements  
for the year ended 31 March 2020

1. **STATUTORY INFORMATION**

Stockomendation 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 presentation currency of the financial statements is the Pound Sterling (£).

2. **ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

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

In the opinion of the director, the company is a going concern as it continues to research and develop its core products.

**Turnover**

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

**Tangible fixed assets**

Depreciation is provided at annual rates sufficient to write off the cost of each asset over its useful life.

**Intangible assets - research and development**

Expenditure on pure and applied research is written off in the year in which it is incurred.

Development expenditure is written off in the year of expenditure except in the following circumstances when it is capitalised and will be amortised in future periods:

(a) there is a clearly defined project; and

(b) the related expenditure is separately identifiable; and

(c) the outcome of the project has been assessed with reasonable certainty as to:

(i) its technical feasibility; and

(ii) its ultimate commercial viability; and

(d) the aggregate of the deferred development costs, further development costs, and related selling and administration costs are reasonably expected to be exceeded by related future sales.

3. **EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 6 (2019 - 5) .

4. **INTANGIBLE FIXED ASSETS**

|                         | Other<br>intangible<br>assets<br>£ |
|-------------------------|------------------------------------|
| <b>COST</b>             |                                    |
| At 1 April 2019         | 378,959                            |
| Additions               | 171,551                            |
| R & D tax credit (HMRC) | (47,080)                           |
| At 31 March 2020        | 503,430                            |
| <b>NET BOOK VALUE</b>   |                                    |
| At 31 March 2020        | 503,430                            |
| At 31 March 2019        | 378,959                            |

Notes to the Financial Statements - continued  
for the year ended 31 March 2020

4. **INTANGIBLE FIXED ASSETS - continued**

The company has submitted claims to HMRC under the SME R & D tax relief scheme, surrendering losses in respect of the years ended 31 March 2014 - 2019. Credits amounting to £63,874 in respect of the two years ended 31 March 2015 have been received (£5,385 in the year ended 31 March 2016, £58,489 in April 2016). Credits amounting to £46,625 in the year ended 31 March 2017 in respect of the year ended 31 March 2016, £48,901 in the year ended 31 March 2018 in respect of the year ended 31 March 2017, £48,042 in the year ended 31 March 2019 relating to 31 March 2018 and £76,104 in the current year relating to 31 March 2019.

A claim for a R & D credit for £47,080 has been submitted in respect of the current year. This has been reflected against the £171,551 of R & D expenditure in the current year, a net increase in R & D expenditure of £124,471.

5. **TANGIBLE FIXED ASSETS**

|                                      | Fixtures<br>and<br>fittings<br>£ | Computer<br>equipment<br>£ | Totals<br>£  |
|--------------------------------------|----------------------------------|----------------------------|--------------|
| <b>COST</b>                          |                                  |                            |              |
| At 1 April 2019<br>and 31 March 2020 | <u>4,095</u>                     | <u>1,113</u>               | <u>5,208</u> |
| <b>DEPRECIATION</b>                  |                                  |                            |              |
| At 1 April 2019<br>and 31 March 2020 | <u>4,094</u>                     | <u>1,112</u>               | <u>5,206</u> |
| <b>NET BOOK VALUE</b>                |                                  |                            |              |
| At 31 March 2020                     | <u>1</u>                         | <u>1</u>                   | <u>2</u>     |
| At 31 March 2019                     | <u>1</u>                         | <u>1</u>                   | <u>2</u>     |

6. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

|               | 2020<br>£     | 2019<br>£     |
|---------------|---------------|---------------|
| Trade debtors | -             | 971           |
| Other debtors | <u>52,868</u> | <u>81,777</u> |
|               | <u>52,868</u> | <u>82,748</u> |

7. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

|  | 2020<br>£      | 2019<br>£      |
|--|----------------|----------------|
| Bank loans and overdrafts (see note 9) | -              | 739            |
| Trade creditors                        | 62,541         | 49,691         |
| Taxation and social security           | 21,979         | 76,517         |
| Other creditors                        | <u>287,441</u> | <u>102,213</u> |
|  | <u>371,961</u> | <u>229,160</u> |

8. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

|                 | 2020<br>£    | 2019<br>£     |
|-----------------|--------------|---------------|
| Other creditors | <u>2,652</u> | <u>57,458</u> |

Notes to the Financial Statements - continued  
for the year ended 31 March 2020

9. **LOANS**

An analysis of the maturity of loans is given below:

|   | 2020<br>£     | 2019<br>£     |
|---|---------------|---------------|
| Amounts falling due within one year or on demand: |               |               |
| Bank overdrafts                                   | -             | 739           |
| P G Roberts Loan                                  | 21,175        | 8,574         |
| RISC loan   | 65,000        | -             |
|   | <u>86,175</u> | <u>9,313</u>  |
| Amounts falling due between two and five years:   |               |               |
| Other loans - 2-5 years                           | <u>2,652</u>  | <u>57,458</u> |

10. **CALLED UP SHARE CAPITAL**

| Allotted, issued and fully paid: |                    |                | 2020<br>£  | 2019<br>£  |
|----------------------------------|--------------------|----------------|------------|------------|
| Number:                          | Class:             | Nominal value: |            |            |
| 764,048                          | Ordinary           | £0.00058       | 449        | 423        |
| 63,624                           | Preferred ordinary | 0.00058        | <u>37</u>  | <u>30</u>  |
|                                  |                    |                | <u>486</u> | <u>453</u> |

On 10 April 2019 the following share splits occurred:

42,333 Ordinary Shares with nominal value of £0.01 were split into 719,661 Ordinary shares with nominal value of £0.00058

2,994 Preferred Ordinary Shares with nominal value of £0.01 were split into 50,898 Preferred Ordinary shares with nominal value of £0.00058.

During the year the following shares were issued:

44,387 Ordinary shares with a nominal value of £0.00058 at a premium of £3.92942

and 12,726 Preferred ordinary shares with a nominal value of £0.00058 at a premium of £3.92942.

**Share issue option agreement**

The company has entered into a share issue option agreement with a third party in consideration for the obligations of which the company has granted the third party an option to take shares on its achieving the introduction of certain revenue targets up to a maximum of £1.25m. The maximum percentage of shares that could be granted under the agreement is 12.5% of the company's share capital. No targets had been met by 31 March 2020 and the option has now lapsed.

Notes to the Financial Statements - continued  
for the year ended 31 March 2020

11. **DIRECTORS' ADVANCES, CREDITS AND GUARANTEES**

The following advances and credits to a director subsisted during the years ended 31 March 2020 and 31 March 2019:

|                                      | 2020<br>£    | 2019<br>£      |
|--------------------------------------|--------------|----------------|
| <b>P G Roberts</b>                   |              |                |
| Balance outstanding at start of year | (1,344)      | 3,845          |
| Amounts advanced                     | 11,884       | 5,000          |
| Amounts repaid                       | (11,058)     | (10,189)       |
| Amounts written off                  | -            | -              |
| Amounts waived                       | -            | -              |
| Balance outstanding at end of year   | <u>(518)</u> | <u>(1,344)</u> |

Occasionally during the year it was necessary, and in the best interests of the business, that the director provided occasional temporary short term cashflow support to the company on the understanding that repayment was immediate upon availability of funds to the company

12. **RELATED PARTY DISCLOSURES**

During the year ended 31 March 2016, Mr Paul Roberts made a personal unsecured loan to the company of £100,000. The loan is repayable by monthly instalments with interest at 4.3% pa above base rate. The outstanding balance of which at 31 March 2020 was £23,827 (2019 - £66,032).

During the year ended 31 March 2020, the company received a loan from Risc IT Solutions Limited (a wholly owned subsidiary of Cloud (Wales) Limited) of £65,000. The loan has an interest charge of 10% per annum, payable when the loan is repaid.

The company pays fees for IT services and a contribution to utilities to Risc IT Solutions Ltd. These transactions are undertaken in the normal course of business at arms length. At 31 March 2020 the company owed Risc IT £27,898 (2019 - £5,125).

Cloud (Wales) Limited is a minority shareholder in Stockomendation Limited.

The director and two other shareholders of Stockomendation Limited are directors and shareholders of Cloud (Wales) Ltd and directors of Risc IT Solutions Limited.



**Chartered Accountants' Report to the Director  
on the Unaudited Financial Statements of  
Stockomendation Limited**

**The following reproduces the text of the report prepared for the director in respect of the company's annual unaudited financial statements. In accordance with the Companies Act 2006, the company is only required to file a Statement of Financial Position. Readers are cautioned that the Income Statement and certain other primary statements and the Report of the Director are not required to be filed with the Registrar of Companies.**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Stockomendation Limited for the year ended 31 March 2020 which comprise the Income Statement, Statement of Financial Position and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed within the ICAEW's regulations and guidance at <http://www.icaew.com/en/membership/regulations-standards-and-guidance>.

This report is made solely to the director of Stockomendation Limited in accordance with our terms of engagement. Our work has been undertaken solely to prepare for your approval the financial statements of Stockomendation Limited and state those matters that we have agreed to state to the director of Stockomendation Limited in this report in accordance with ICAEW Technical Release 07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Stockomendation Limited and its director for our work or for this report.

It is your duty to ensure that Stockomendation Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and loss of Stockomendation Limited. You consider that Stockomendation Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Stockomendation Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

Bennett Brooks & Co Ltd  
Chartered Accountants  
19 Trinity Square  
Llandudno  
CONWY  
LL30 2RD

16 April 2020

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.