

Company Registration No. 08786323 (England and Wales)

UMI DIGITAL SOLUTIONS LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2021
PAGES FOR FILING WITH REGISTRAR

UMI DIGITAL SOLUTIONS LIMITED

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UMI DIGITAL SOLUTIONS LIMITED

BALANCE SHEET

AS AT 28 FEBRUARY 2021

	Notes	2021 £	£	2020 £	£
Current assets					
Debtors	4	113,923		98,109	
Cash at bank and in hand		56,093		32,554	
		<u>170,016</u>		<u>130,663</u>	
Creditors: amounts falling due within one year	5	<u>(146,985)</u>		<u>(126,424)</u>	
Net current assets			23,031		4,239
Creditors: amounts falling due after more than one year	6		(64,000)		(33,117)
Net liabilities			<u>(40,969)</u>		<u>(28,878)</u>
Capital and reserves					
Called up share capital			123,761		123,761
Share premium account			30,000		30,000
Profit and loss reserves			<u>(194,730)</u>		<u>(182,639)</u>
Total equity			<u>(40,969)</u>		<u>(28,878)</u>

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

For the financial year ended 28 February 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the board of directors and authorised for issue on 15 June 2021 and are signed on its behalf by:

S Lowy
Director

Company Registration No. 08786323

UMI DIGITAL SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 28 FEBRUARY 2021

1 Accounting policies

Company information

Umi Digital Solutions Limited is a private company limited by shares incorporated in England and Wales. The registered office is 5 Richbell Place, London, England, WC1N 3LA.

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 £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

In spite of the global uncertainty with regards the Covid-19 pandemic, at the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources along with government assistance in the form of loans and grants to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

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.

1.4 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, fittings & equipment	25% Straight line
Computer equipment	33% Straight line

UMI DIGITAL SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2021

1 Accounting policies

(Continued)

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.

1.5 Cash and cash equivalents

Cash and cash equivalents 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.

1.6 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 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.

1.7 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.

UMI DIGITAL SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2021

1 Accounting policies

(Continued)

1.8 Derivatives

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

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.

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.

1.11 Retirement benefits

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 entity specific data based on recent transactions in the share capital of the company. 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.

UMI DIGITAL SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2021

1 Accounting policies

(Continued)

1.13 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

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 in the period are included in profit or loss.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2021 Number	2020 Number
Total	8	8

3 Tangible fixed assets

	Plant and machinery etc
	£
Cost	
At 1 March 2020	292
Disposals	(200)
	<hr/>
At 28 February 2021	92
	<hr/>
Depreciation and impairment	
At 1 March 2020	292
Eliminated in respect of disposals	(200)
	<hr/>
At 28 February 2021	92
	<hr/>
Carrying amount	
At 28 February 2021	-
	<hr/>
At 29 February 2020	-
	<hr/>

UMI DIGITAL SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2021

4 Debtors

	2021	2020
	£	£
Amounts falling due within one year:		
Trade debtors	100,067	80,125
Other debtors	13,856	17,984
	<u>113,923</u>	<u>98,109</u>

5 Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	6,084	7,787
Taxation and social security	47,334	34,150
Other creditors	93,567	84,487
	<u>146,985</u>	<u>126,424</u>

6 Creditors: amounts falling due after more than one year

	2021	2020
	£	£
Bank loans and overdrafts	50,000	-
Other creditors	14,000	33,117
	<u>64,000</u>	<u>33,117</u>

7 Share-based payment transactions

During the year ended 28 February 2019, the company operated an Enterprise Management Incentive share option plan, under which 125 share options were granted on 1 November 2018 at an exercise price of £0.01 which could vest from 28 February 2019. These share options were exercised on 1 March 2021.

The options can be exercised based on the earliest to occur of the following circumstances: completion of performance conditions agreed being met; a public listing; a trade sale or a share sale.

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 entity specific data based on recent transactions in the share capital of the company.

UMI DIGITAL SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2021

7 Share-based payment transactions (Continued)

	Number of share options		Weighted average exercise price	
	2021 Number	2020 Number	2021 £	2020 £
Outstanding at 1 March 2020 and 28 February 2021	125	125	0.01	0.01
	==	==	==	==
Exercisable at 28 February 2021	-	-	-	-
	==	==	==	==

The options outstanding at 28 February 2021 had an exercise price ranging from £0.01.

UMI DIGITAL SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2021

8 Related party transactions

Lowy Group Limited

During the year the company made sales of £3,900 to Lowy Group Limited, a shareholder of the company (2020: £7,895). The company repaid a loan of £Nil from Lowy Group Limited (2020: repaid a loan of £6,000).

At the balance sheet date the company owed Lowy Group Limited £4,000 (2020: £4,000).

9 Directors' transactions

S Lowy

During the year the company repaid £Nil to S Lowy, a director (2020: repaid loan of £8,403).

At the balance sheet date the company owed S Lowy £116 (2020: £116).

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.