

## **Align Strategy Limited**

Unaudited Financial Statements

Year Ended

31 December 2019

Company Number 08810747

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# Align Strategy Limited

## Company Information

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<b>Directors</b>	Mr N J Hansen Ms C M Fletcher
<b>Registered number</b>	08810747
<b>Registered office</b>	16 The Havens Ransomes Europark Ipswich Suffolk IP3 9SJ
<b>Accountants</b>	BDO LLP 16 The Havens Ransomes Europark Ipswich Suffolk IP3 9SJ

# **Align Strategy Limited**

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# Align Strategy Limited

## Chartered Accountants' Report to the Board of Directors on the Preparation of the Unaudited Financial Statements of Align Strategy Limited for the Year Ended 31 December 2019

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In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Align Strategy Limited for the year ended 31 December 2019 which comprise the Statement of Financial Position, the Statement of Changes in Equity 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 at <http://www.icaew.com/en/members/regulations-standards-and-guidance/>.

It is your duty to ensure that Align Strategy Limited has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and profit of Align Strategy Limited. You consider that Align Strategy 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 Align Strategy 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 accounts.

### Use of our report

This report is made solely to the board of directors of Align Strategy Limited, as a body, in accordance with the terms of our engagement letter dated 15 July 2020. Our work has been undertaken solely to prepare for your approval the accounts of Align Strategy Limited and state those matters that we have agreed to state to the board of directors of Align Strategy Limited, as a body, in this report in accordance with ICAEW Technical Release TECH07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Align Strategy Limited and its board of directors as a body for our work or for this report.



**BDO LLP**  
Chartered Accountants  
Ipswich  
United Kingdom

Date: 26 November 2020

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

**Align Strategy Limited**  
Registered number:08810747

**Statement of Financial Position**  
**As at 31 December 2019**

	Note	2019 £	2019 £	As restated 2018 £	As restated 2018 £
<b>Fixed assets</b>					
Tangible assets	5		11,748		11,002
Investments	6		-		-
			<u>11,748</u>		<u>11,002</u>
<b>Current assets</b>					
Debtors: amounts falling due after more than one year	7	29,416		-	
Debtors: amounts falling due within one year	7	1,369,446		1,049,326	
Cash at bank and in hand		139,681		323,063	
		<u>1,538,543</u>		<u>1,372,389</u>	
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	8	(708,889)		(794,316)	
<b>Net current assets</b>			<u>829,654</u>		<u>578,073</u>
<b>Provisions for liabilities</b>					
Deferred tax			(2,069)		(964)
<b>Net assets</b>			<u><u>839,333</u></u>		<u><u>588,111</u></u>

# Align Strategy Limited

Registered number:08810747

## Statement of Financial Position (continued) As at 31 December 2019

	Note	2019 £	As restated 2018 £
<b>Capital and reserves</b>			
Called up share capital		100	100
Profit and loss account		839,233	588,011
		<u>839,333</u>	<u>588,111</u>

The directors consider that the company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

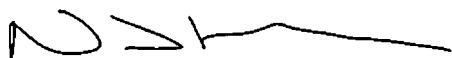
The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The 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.

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



.....  
**Mr N J Hansen**  
Director

Date: 25 November 2020

The notes on pages 5 to 11 form part of these financial statements.

# Align Strategy Limited

## Statement of Changes in Equity For the Year Ended 31 December 2019

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2019 (as previously stated)	100	629,791	629,891
Prior year adjustment	-	(41,780)	(41,780)
At 1 January 2019 (as restated)	100	588,011	588,111
<b>Comprehensive income for the year</b>			
Profit for the year	-	251,222	251,222
<b>Total comprehensive income for the year</b>	-	251,222	251,222
<b>At 31 December 2019</b>	<b>100</b>	<b>839,233</b>	<b>839,333</b>

## Statement of Changes in Equity For the Year Ended 31 December 2018

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2018	100	473,620	473,720
<b>Comprehensive income for the year</b>			
Profit for the year	-	114,391	114,391
<b>Total comprehensive income for the year</b>	-	114,391	114,391
<b>At 31 December 2018</b>	<b>100</b>	<b>588,011</b>	<b>588,111</b>

The notes on pages 5 to 11 form part of these financial statements.

# **Align Strategy Limited**

## **Notes to the Financial Statements For the Year Ended 31 December 2019**

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### **1. General information**

Align Strategy Limited is a private company limited by shares and incorporated in England and Wales under the Companies Act. The address of the registered office is given on the Company Information page.

### **2. Accounting policies**

#### **2.1 Basis of preparation of financial statements**

The financial statements have been prepared under FRS 102 Section 1A - small entities and in accordance with the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 Section 1A - small entities requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (see note 3).

The following principal accounting policies have been applied:

#### **2.2 Group accounts**

The company is entitled to the exemption under Section 399 of the Companies Act 2006 from the obligation to prepare group accounts.

#### **2.3 Going concern**

Whilst the impact of Covid-19 is difficult to predict, the directors have considered the impact and concluded that the company has access to sufficient resourcing, to allow the company to continue to trade for a period of at least twelve months. The directors therefore believe that the going concern basis is an appropriate basis for these financial statements.

#### **2.4 Turnover**

Turnover consists of income derived from short term and long term contracts on a variety of differing projects. Invoices for short term contracts are raised as the work progresses and turnover is realised accordingly. Turnover for long term contracts is stated at cost appropriate to their stage of completion plus attributable profits, less amounts recognised in previous periods. The amounts of profit attributable to the stage of completion of a long term contract is recognised when the outcome can be foreseen with reasonable certainty. Provision is made for any losses which are foreseen.

#### **2.5 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.

# **Align Strategy Limited**

## **Notes to the Financial Statements For the Year Ended 31 December 2019**

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### **2. Accounting policies (continued)**

#### **2.5 Tangible fixed assets (continued)**

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following basis:

Computer equipment	-	33% reducing balance
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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 the Statement of Comprehensive Income.

#### **2.6 Valuation of investments**

Investments in subsidiaries are measured at cost less accumulated impairment.

#### **2.7 Financial instruments**

Financial assets including cash at bank and trade and other debtors are measured initially at transaction price (including transaction costs) and subsequently held at cost, less any impairment.

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form. Financial liabilities including trade and other creditors as well as bank overdrafts are measured initially at transaction price (including transactions costs) and subsequently held at amortised cost.

Debt instruments that are payable or receivable within one year are measured at the undiscounted amount of cash or other consideration expected to be paid or received.

#### **2.8 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 the Statement of Comprehensive Income.

# **Align Strategy Limited**

## **Notes to the Financial Statements For the Year Ended 31 December 2019**

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### **2. Accounting policies (continued)**

#### **2.9 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 the Statement of Comprehensive Income 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.

#### **2.10 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, 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.

### **3. Judgements in applying accounting policies and key sources of estimation uncertainty**

Preparation of financial statements requires management to exercise judgement in applying the company's accounting policies. Estimates and assumptions used in the preparation of the financial statements are continually reviewed and revised as necessary.

In preparing these financial statements, the directors have not made any significant judgements that materially effect the carrying value of assets and liabilities at the reporting date.

### **4. Employees**

The average monthly number of employees, including directors, during the year was 9 (2018 - 8).

# Align Strategy Limited

## Notes to the Financial Statements For the Year Ended 31 December 2019

### 5. Tangible fixed assets

	Computer equipment £
<b>Cost</b>	
At 1 January 2019	26,118
Additions	5,820
At 31 December 2019	<u>31,938</u>
<b>Depreciation</b>	
At 1 January 2019	15,116
Charge for the year on owned assets	5,074
At 31 December 2019	<u>20,190</u>
<b>Net book value</b>	
At 31 December 2019	<u><u>11,748</u></u>
At 31 December 2018	<u><u>11,002</u></u>

# Align Strategy Limited

## Notes to the Financial Statements For the Year Ended 31 December 2019

### 6. Fixed asset investments

	Investment in subsidiary company £
<b>Cost</b>	
At 1 January 2019 and as at 31 December 2019	-
<b>Net book value</b>	
At 31 December 2019 and as at 31 December 2018	-

Align Strategy Inc, the subsidiary of the company, was incorporated with share capital valued at £Nil. The cost of investment in the subsidiary company was therefore also £Nil.

### 7. Debtors

	2019 £	2018 £
<b>Due after more than one year</b>		
Other debtors	29,416	-
<b>Due within one year</b>		
Trade debtors	374,091	631,928
Amounts owed by group undertakings	868,494	307,601
Other debtors	35,560	29,366
Prepayments and accrued income	91,301	80,431
	<b>1,369,446</b>	<b>1,049,326</b>

All amounts shown under debtors fall due for payment within one year.

# Align Strategy Limited

## Notes to the Financial Statements For the Year Ended 31 December 2019

### 8. Creditors: Amounts falling due within one year

	2019 £	As restated 2018 £
Trade creditors	19,277	64,070
Corporation tax	41,075	49,497
Other taxation and social security	72,041	61,977
Other creditors	5,375	9,203
Accruals and deferred income	571,121	609,569
	<u>708,889</u>	<u>794,316</u>

### 9. Prior year adjustment

In the prior period accruals for bonuses did not include an amount in respect of employers national insurance. Consequently, an adjustment has been recognised in respect of this and the comparatives have been restated. The impact of this is an increase in administrative expenses in 2018 of £41,780 and a corresponding increase in creditors. Retained earnings at 31 December 2018 were reduced by £41,780.

### 10. Pension commitments

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £26,234 (2018 - £20,622). Contributions totalling £Nil (2018 - £4,488) were payable to the fund at the reporting date.

### 11. Commitments under operating leases

At 31 December 2019 the company had future minimum lease payments under non-cancellable operating leases as follows:

	2019 £	2018 £
Not later than 1 year	176,496	51,712
Later than 1 year and not later than 5 years	58,832	-
	<u>235,328</u>	<u>51,712</u>

# **Align Strategy Limited**

## **Notes to the Financial Statements For the Year Ended 31 December 2019**

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### **12. Related party transactions**

At the year end, the company owed £198 (2018 - £190) to Mr N J Hansen, a director of the company. Interest of £Nil (2018 - £7,631) was charged on the loan during the year.

During the year the company purchased services totalling £15,000 (2018 - £15,000) from Hansen Strategy Ltd to assist in the delivery of key projects. As at 31 December 2019, the company owed Hansen Strategy Ltd £Nil (2018 - £36,490) in respect of these services.

Hansen Strategy Ltd is a company of which Mr Hansen is a director and shareholder.

The total remuneration paid to directors for services to the company was £385,000 (2018 - £435,000 as restated).

Included within debtors is an amount of £868,494 (2018 - £307,601) owed to the parent company.

### **13. Post balance sheet events**

In relation to Covid-19 (Coronavirus), the Covid-19 outbreak has been treated as a non-adjusting post balance sheet event. At 31 December 2019, Covid-19 was not a known disease.

In March 2020, the UK was amidst the Coronavirus pandemic and citizens and business were put into lockdown. The impact of the pandemic has been considered further in the directors' report and in note 2.3 however it is not possible to accurately estimate the overall impact on the company.