

Report of the Directors and
Unaudited Financial Statements for the Year Ended 29 February 2020
for
Insightful Technology Limited

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for the Year Ended 29 February 2020

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DIRECTORS:

R D Houghton
R F Millett
A Stewart

SECRETARY:

R F Millett

REGISTERED OFFICE:

No 2
The Royal Exchange
London
EC3V 3LL

REGISTERED NUMBER:

08881788 (England and Wales)

ACCOUNTANTS:

G & R Millett T/as G M Agencies
Orchard Cottage
Old Apley
Market Rasen
Lincolnshire
LN8 5JQ

Report of the Directors
for the Year Ended 29 February 2020

The directors present their report with the financial statements of the company for the year ended 29 February 2020.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of software development and computer consultancy.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 March 2019 to the date of this report.

R D Houghton
R F Millett
A Stewart

Other changes in directors holding office are as follows:

S J Garrood ceased to be a director after 29 February 2020 but prior to the date of this report.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:

R F Millett - Director

31 March 2020

Income Statement
for the Year Ended 29 February 2020

	Notes	29.2.20 £	28.2.19 £
TURNOVER		1,120,015	1,276,252
Cost of sales		<u>1,767,988</u>	<u>1,364,496</u>
GROSS LOSS		(647,973)	(88,244)
Administrative expenses		<u>202,897</u>	<u>559,854</u>
OPERATING LOSS	4	(850,870)	(648,098)
Bad debt written off	5	<u>383,176</u>	<u>-</u>
		(1,234,046)	(648,098)
Interest receivable and similar income		<u>-</u>	<u>1</u>
		(1,234,046)	(648,097)
Interest payable and similar expenses		<u>55,418</u>	<u>30,850</u>
LOSS BEFORE TAXATION		(1,289,464)	(678,947)
Tax on loss		<u>(89,361)</u>	<u>(220,156)</u>
LOSS FOR THE FINANCIAL YEAR		<u>(1,200,103)</u>	<u>(458,791)</u>

The notes form part of these financial statements

Balance Sheet
29 February 2020

	Notes	29.2.20 £	£	28.2.19 £	£
FIXED ASSETS					
Intangible assets	6		212,287		212,287
Tangible assets	7		<u>180,254</u>		<u>109,062</u>
			392,541		321,349
CURRENT ASSETS					
Debtors	8	169,610		831,058	
Cash at bank		<u>8,373</u>		<u>408</u>	
		177,983		831,466	
CREDITORS					
Amounts falling due within one year	9	<u>481,867</u>		<u>827,555</u>	
NET CURRENT (LIABILITIES)/ASSETS			<u>(303,884)</u>		<u>3,911</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			88,657		325,260
CREDITORS					
Amounts falling due after more than one year	10		<u>874,140</u>		<u>782,640</u>
NET LIABILITIES			<u>(785,483)</u>		<u>(457,380)</u>
CAPITAL AND RESERVES					
Called up share capital	11		109		100
Share premium	12		871,991		-
Retained earnings	12		<u>(1,657,583)</u>		<u>(457,480)</u>
SHAREHOLDERS' FUNDS			<u>(785,483)</u>		<u>(457,380)</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 29 February 2020.

The members have not required the company to obtain an audit of its financial statements for the year ended 29 February 2020 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their 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 which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.
- (b)

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

The financial statements were approved by the Board of Directors on 31 March 2020 and were signed on its behalf by:

R D Houghton - Director

Notes to the Financial Statements
for the Year Ended 29 February 2020

1. **STATUTORY INFORMATION**

Insightful Technology 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.

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.

Turnover

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

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Patents and licences are being amortised evenly over their estimated useful life of nil years.

Development costs are being amortised evenly over their estimated useful life of nil years.

Tangible fixed assets

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

Plant and machinery etc - 10% on cost

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

3. **EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 8 (2019 - 9).

Notes to the Financial Statements - continued
for the Year Ended 29 February 2020

4. **OPERATING LOSS**

The operating loss is stated after charging:

	29.2.20 £	28.2.19 £
Depreciation - owned assets	<u>25,750</u>	<u>-</u>

5. **EXCEPTIONAL ITEMS**

	29.2.20 £	28.2.19 £
Bad debt written off	<u>(383,176)</u>	<u>-</u>

6. **INTANGIBLE FIXED ASSETS**

	Patents and licences £	Development costs £	Totals £
COST			
At 1 March 2019			
and 29 February 2020	<u>20,000</u>	<u>192,287</u>	<u>212,287</u>
NET BOOK VALUE			
At 29 February 2020	<u>20,000</u>	<u>192,287</u>	<u>212,287</u>
At 28 February 2019	<u>20,000</u>	<u>192,287</u>	<u>212,287</u>

7. **TANGIBLE FIXED ASSETS**

	Computer equipment £
COST	
At 1 March 2019	117,578
Additions	<u>96,942</u>
At 29 February 2020	<u>214,520</u>
DEPRECIATION	
At 1 March 2019	8,516
Charge for year	<u>25,750</u>
At 29 February 2020	<u>34,266</u>
NET BOOK VALUE	
At 29 February 2020	<u>180,254</u>
At 28 February 2019	<u>109,062</u>

Notes to the Financial Statements - continued
for the Year Ended 29 February 2020

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

	29.2.20	28.2.19
	£	£
Trade debtors	1,030,356	1,081,557
Bad debt provision	(862,389)	(332,150)
Directors' accounts - Houghton	-	8
Tax	-	80,000
Prepayments and accrued income	1,643	1,643
	<u>169,610</u>	<u>831,058</u>

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

	29.2.20	28.2.19
	£	£
TVB loan	50,544	50,544
Trade creditors	214,983	314,424
HSBC credit card	106	-
Social security and other taxes	8,706	8,706
Pension contributions	18	1,868
VAT	25,973	153,413
Receipts in advance	-	10,000
Loan - Sherlock	125,000	250,000
Directors' accounts - Houghton	44,037	26,100
Accrued expenses	12,500	12,500
	<u>481,867</u>	<u>827,555</u>

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

	29.2.20	28.2.19
	£	£
Loan - Smith	840,445	698,401
TVB loan	33,695	84,239
	<u>874,140</u>	<u>782,640</u>

11. **CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:			29.2.20	28.2.19
Number:	Class:	Nominal value:	£	£
1,087,200	A Ordinary	0.01p	<u>109</u>	<u>100</u>

87,200 A Ordinary shares of 0.01p each were allotted as fully paid at a premium of £1,000 per share during the year.

Notes to the Financial Statements - continued
for the Year Ended 29 February 2020

12. **RESERVES**

	Retained earnings £	Share premium £	Totals £
At 1 March 2019	(457,480)	-	(457,480)
Deficit for the year	(1,200,103)		(1,200,103)
Cash share issue	-	871,991	871,991
At 29 February 2020	<u>(1,657,583)</u>	<u>871,991</u>	<u>(785,592)</u>

13. **SUBDIVISION OF SHARES**

On 22 January 2020, the company subdivided it's A Ordinary shares from 1p per share into 0.01p per share

14. **RIGHTS ISSUE**

On 22 January 2020 the company issued 1 additional share for every 4 A Ordinary shares held by Investors of 4 April 2019 and 16 May 2019

15. **OTHER INFORMATION**

The company incurred bad debts in previous years in relation to invoices raised to customers. These were partially provided in the 2019 financial statements. Full provision has now been made resulting in a charge of £383,176 in these accounts. This had a significant impact on the results reported in these financial statements.

16. **WARRANTS**

During the year, 4,762 warrants were issued with an exercise price of £1,000 per warrant to the holders. The exercise period is 15 years and is dependant upon sufficient capital being raised.

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.