

Company Registration No. 09554552 (England and Wales)

**ALLAY LOGIC LTD**  
**FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 5 JULY 2018**  
**PAGES FOR FILING WITH REGISTRAR**

# ALLAY LOGIC LTD

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# ALLAY LOGIC LTD

## BALANCE SHEET

AS AT 05 JULY 2018

		2018	2017
	Notes	£	£
<b>Fixed assets</b>			
Intangible assets	3	40,006	40,642
Tangible assets	4	111,021	132,669
		<u>151,027</u>	<u>173,311</u>
<b>Current assets</b>			
Debtors	5	4,944	79,987
Cash at bank and in hand		123,980	101,174
		<u>128,924</u>	<u>181,161</u>
<b>Creditors: amounts falling due within one year</b>	6	(521,577)	(477,780)
<b>Net current liabilities</b>		<u>(392,653)</u>	<u>(296,619)</u>
<b>Total assets less current liabilities</b>		<u>(241,626)</u>	<u>(123,308)</u>
<b>Capital and reserves</b>			
Called up share capital	7	100	100
Profit and loss reserves		(241,726)	(123,408)
<b>Total equity</b>		<u>(241,626)</u>	<u>(123,308)</u>

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

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

The financial statements were approved and signed by the director and authorised for issue on 19 December 2019

**S P Bell**  
**Director**

**Company Registration No. 09554552**

# ALLAY LOGIC LTD

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE PERIOD ENDED 5 JULY 2018

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#### 1 Accounting policies

##### Company information

Allay Logic Ltd is a private company limited by shares incorporated in England and Wales. The registered office is Generator Studios, Trafalgar Street, Newcastle upon Tyne, NE1 2LA.

#### 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.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 4 'Statement of Financial Position': Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' - Carrying amounts.

The financial statements of the company are consolidated in the financial statements of Allay (UK) Ltd, the ultimate parent company. These consolidated financial statements are available from its registered office, 3rd Floor Generator Studios, Trafalgar Street, Newcastle upon Tyne, NE1 2LA.

#### 1.2 Going concern

At the time of approving the financial statements, the director has a reasonable expectation that the company has access to adequate resources across the group to continue in operational existence for the foreseeable future. The shareholder and parent company has confirmed it can and will support the company if required. Thus the director continues to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Reporting period

The reporting period in the current period, was shortened to 6 months and 5 days ended 5 July 2018 for commercial reasons. Therefore the prior year financial statements (including the related notes) for the year from 1 January 2017 to 31 December 2017 are not entirely comparable.

#### 1.4 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for services rendered stated net of discounts and Value Added Tax.

#### 1.5 Research and development expenditure

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

# ALLAY LOGIC LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 5 JULY 2018

### 1 Accounting policies

(Continued)

#### 1.6 Intangible fixed assets other than goodwill

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.

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:

Software	33.3% straight line
Development costs	33.3% straight line

#### 1.7 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:

Plant and equipment	33.3% straight line
Fixtures and fittings	15% straight line
Motor vehicles	25% straight line

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.

#### 1.8 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

#### 1.9 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.

# ALLAY LOGIC LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE PERIOD ENDED 5 JULY 2018

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#### 1 Accounting policies

(Continued)

##### ***Impairment of financial assets***

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

##### ***Derecognition of financial assets***

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

##### ***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 and loans from fellow group, 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.

##### ***Derecognition of financial liabilities***

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

#### 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, if considered material to the financial statements.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

# ALLAY LOGIC LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 5 JULY 2018

### 1 Accounting policies

(Continued)

#### 1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### 1.12 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

### 2 Employees

The average monthly number of persons (including directors) employed by the company during the period was 5 (2017 - 5).

### 3 Intangible fixed assets

	Software	Development costs	Total
	£	£	£
<b>Cost</b>			
At 1 January 2018	5,528	55,835	61,363
Additions - internally developed	-	10,875	10,875
	<hr/>	<hr/>	<hr/>
At 5 July 2018	5,528	66,710	72,238
	<hr/>	<hr/>	<hr/>
<b>Amortisation and impairment</b>			
At 1 January 2018	2,829	17,892	20,721
Amortisation charged for the period	950	10,561	11,511
	<hr/>	<hr/>	<hr/>
At 5 July 2018	3,779	28,453	32,232
	<hr/>	<hr/>	<hr/>
<b>Carrying amount</b>			
At 5 July 2018	1,749	38,257	40,006
	<hr/>	<hr/>	<hr/>
At 31 December 2017	2,699	37,943	40,642
	<hr/>	<hr/>	<hr/>

# **ALLAY LOGIC LTD**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)** **FOR THE PERIOD ENDED 5 JULY 2018**

### **4 Tangible fixed assets**

	Plant and equipment £	Fixtures and fittings £	Motor vehicles £	Total £
<b>Cost</b>				
At 1 January 2018	59,665	46,207	71,616	177,488
Additions	20,656	12,142	17,795	50,593
Disposals	-	-	(67,716)	(67,716)
At 5 July 2018	80,321	58,349	21,695	160,365
<b>Depreciation and impairment</b>				
At 1 January 2018	22,820	6,562	15,437	44,819
Depreciation charged in the period	11,580	3,823	5,258	20,661
Eliminated in respect of disposals	-	-	(16,136)	(16,136)
At 5 July 2018	34,400	10,385	4,559	49,344
<b>Carrying amount</b>				
At 5 July 2018	45,921	47,964	17,136	111,021
At 31 December 2017	36,845	39,645	56,179	132,669

### **5 Debtors**

	2018 £	2017 £
<b>Amounts falling due within one year:</b>		
Trade debtors	-	79,987
Other debtors	4,944	-
	4,944	79,987

### **6 Creditors: amounts falling due within one year**

	2018 £	2017 £
Trade creditors	4,410	1,200
Amounts owed to group undertakings	476,426	449,173
Taxation and social security	28,932	21,557
Other creditors	11,809	5,850
	521,577	477,780



## ALLAY LOGIC LTD

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 5 JULY 2018

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#### 7 Called up share capital

	2018	2017
	£	£
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
100 Ordinary shares of £1 each	100	100
	<u>          </u>	<u>          </u>

#### 8 Related party transactions

##### Transactions with related parties

During the period the company entered into the following transactions with related parties:

	2018	2017
	£	£
<b>Amounts due to related parties</b>		
Companies under common control	4,174	-
	<u>          </u>	<u>          </u>

The company is a wholly owned subsidiary and has taken advantage of the exemption permitted by Section 33 Related Party Disclosures not to provide disclosures of transactions entered into with other wholly owned members of the group.

#### 9 Parent company

The company's ultimate parent undertaking is Allay (UK) Ltd, a company incorporated in England and Wales.

#### 10 Prior period reclassification

In the prior period, capitalised computer software and development expenditure have been reclassified from tangible fixed assets to intangible fixed assets, with £nil impact on the balance sheet or the profit and loss account.

## **ALLAY LOGIC LTD**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE PERIOD ENDED 5 JULY 2018**

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#### **11 Audit report information**

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Paul Gainford.

The auditor was RMT Accountants & Business Advisors Ltd.

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.