

**COMPUTER APPLICATION SERVICES LIMITED  
UNAUDITED FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022  
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**COMPUTER APPLICATION SERVICES LIMITED**  
**UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022**

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**COMPUTER APPLICATION SERVICES LIMITED**  
**BALANCE SHEET**  
**AS AT 31 MARCH 2022**

	<b>Note</b>	<b>2022</b>	<b>2021</b>
		<b>£</b>	<b>£</b>
<b>Fixed assets</b>			
Intangible assets	3	710,564	753,790
Tangible assets	4	78,103	100,126
		<b>788,667</b>	<b>853,916</b>
<b>Current assets</b>			
Stocks		50,000	88,469
Debtors	5	325,716	326,817
Cash at bank and in hand		323,426	449,684
		<b>699,142</b>	<b>864,970</b>
<b>Creditors</b>			
Amounts falling due within one year	6	( 1,362,450)	( 1,175,918)
<b>Net current liabilities</b>		<b>(663,308)</b>	<b>(310,948)</b>
<b>Total assets less current liabilities</b>		<b>125,359</b>	<b>542,968</b>
<b>Creditors</b>			
Amounts falling due after more than one year	7	( 5,034)	( 213,290)
<b>Net assets</b>		<b>120,325</b>	<b>329,678</b>
<b>Capital and reserves</b>			
Called-up share capital	8	342,032	342,032
Share premium account		60,000	60,000
Capital redemption reserve		33,818	33,818
Other reserves		( 5,875 )	( 5,875 )
Profit and loss account		( 309,650 )	( 100,297 )
<b>Total shareholders' funds</b>		<b>120,325</b>	<b>329,678</b>

**COMPUTER APPLICATION SERVICES LIMITED**  
**BALANCE SHEET (CONTINUED)**  
**AS AT 31 MARCH 2022**

For the financial year ending 31 March 2022 the Company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the Company to obtain an audit of its financial statements for the financial year in accordance with section 476;
- 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; and
- These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime and a copy of the Profit and Loss Account has not been delivered.

The financial statements of Computer Application Services Limited (registered number: SC102278) were approved and authorised for issue by the Director on 13 December 2022. They were signed on its behalf by:

K Naismith  
Director

**COMPUTER APPLICATION SERVICES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022**

**1. Accounting policies**

The principal accounting policies are summarised below. They have all been applied consistently throughout the financial year and to the preceding financial year, unless otherwise stated.

**General information and basis of accounting**

Computer Application Services Limited (the Company) is a private company, limited by shares, incorporated in the United Kingdom under the Companies Act 2006 and is registered in Scotland. The address of the Company's registered office is 3/2 Quantum Court, Heriot-Watt Research Park South, Edinburgh, EH14 4AP, Scotland, United Kingdom.

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with Section 1A of Financial Reporting Standard 102 (FRS 102) 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' issued by the Financial Reporting Council and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime.

The financial statements are presented in pounds sterling which is the functional currency of the company and rounded to the nearest £.

**Going concern**

The directors have assessed the Balance Sheet and likely future cash flows at the date of approving these financial statements. The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence and to meet its financial obligations as they fall due for at least 12 months from the date of signing these financial statements. The company forecasts positive cashflow throughout the coming year; additionally it has a supportive cornerstone investor who has indicated their willingness to continue to support the company's growth. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

**Foreign currency**

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the Balance Sheet date are reported at the rates of exchange prevailing at that date.

Exchange differences are recognised in the Profit and Loss Account in the period in which they arise except for exchange differences arising on gains or losses on non-monetary items which are recognised in the Statement of Comprehensive Income.

**Turnover**

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the development and maintenance of computer software, 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.

**Employee benefits**

*Short term benefits*

The costs of short-term employee benefits are recognised as a liability or an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

*Defined contribution schemes*

The Company operates a defined contribution scheme. The amount charged to the Profit and Loss Account in respect of pension costs and other post-retirement benefits is the contributions payable in the financial year. Differences between contributions payable in the financial year and contributions actually paid are included as either accruals or prepayments in the Balance Sheet.

**Share-based payment**

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Equity-settled share-based payment transactions are measured at fair value at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of shares that will eventually vest and adjusted for the effect of non-market-based vesting conditions.

Fair value is measured by use of the Black-Scholes model which is considered by management to be the most appropriate method of valuation. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioural considerations.

Cancellations or settlements (including those resulting from employee redundancies) are treated as an acceleration of vesting and the amount that would have been recognised over the remaining vesting period is recognised immediately.

### **Taxation**

#### *Current tax*

Current tax is provided at amounts expected to be paid (or recoverable) using the tax rates and laws that have been enacted or substantively enacted at the Balance Sheet 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.

### **Intangible assets**

Intangible assets are stated at cost or valuation, net of amortisation and any provision for impairment. Amortisation is provided on all intangible assets at rates to write off the cost or valuation of each asset over its expected useful life as follows:

Computer software	33 % reducing balance
Other intangible assets	5 years straight line

#### *Research and development*

Research expenditure is written off as incurred. Development expenditure is also written off, except where the directors are satisfied as to the technical, commercial and financial viability of individual projects. In such cases, the identifiable expenditure is capitalised as an intangible asset and amortised over the period during which the Company is expected to benefit. This period is between three and five years. Provision is made for any impairment.

### **Tangible fixed assets**

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets, other than investment property and freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset on a straight-line basis over its expected useful life, as follows:

Leasehold improvements	10 years straight line
Plant and machinery	4 years straight line
Fixtures and fittings	4 years 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.

**COMPUTER APPLICATION SERVICES LIMITED**  
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**Leases**

*The Company as lessee*

Assets held under finance leases, hire purchase contracts and other similar arrangements, which confer rights and obligations similar to those attached to owned assets, are capitalised as tangible fixed assets at the fair value of the leased asset (or, if lower, the present value of the minimum lease payments as determined at the inception of the lease) and are depreciated over the shorter of the lease terms and their useful lives. The capital elements of future lease obligations are recorded as liabilities, while the interest elements are charged to the Profit and Loss Account over the period of the leases to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

**Impairment of 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.

**Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to sell, which is equivalent to the net realisable value. Cost includes materials, direct labour and an attributable proportion of manufacturing overheads based on normal levels of activity. Cost is calculated using the FIFO (first-in, first-out) method. Provision is made for obsolete, slow-moving or defective items where appropriate.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

**Cash and cash equivalents**

Cash and cash equivalents are basic financial assets and include cash in hand.

**Financial instruments**

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

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.

Financial assets and liabilities are only offset in the Balance Sheet when, and only when there exists a legally enforceable right to set off the recognised amounts and the Company intends either 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.

Financial assets are derecognised when and only when the contractual rights to the cash flows from the financial asset expire or are settled, or the Company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or the Company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

**COMPUTER APPLICATION SERVICES LIMITED**  
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*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.

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

*Equity instruments*

Equity instruments issued by the Company are recorded at the fair value of cash or other resources received or receivable, net of direct issue costs. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the Company.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

**Government grants**

Government grants are recognised based on the performance model and are measured at the fair value of the asset received or receivable when there is reasonable assurance that the company will comply with conditions attaching to them and the grants will be received.

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

**Provisions**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the Balance Sheet date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

**Own Shares Held by employee benefit trust**

Transactions of the company-sponsored employee benefit trust are treated as being those of the company as the company has de facto control of the assets and liabilities of the trust and are therefore reflected in the company's financial statements. In particular, the trust's purchases and sales of the shares in the company are debited and credited equally in equity.



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**2. Employees**

	<b>2022</b>	<b>2021</b>
	<b>Number</b>	<b>Number</b>
Monthly average number of persons employed by the Company during the year, including directors	26	26

**3. Intangible assets**

	<b>Computer software</b>	<b>Other intangible assets</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>			
At 01 April 2021	1,580,734	8,300	1,589,034
Additions	286,985	0	286,985
<b>At 31 March 2022</b>	<b>1,867,719</b>	<b>8,300</b>	<b>1,876,019</b>
<b>Accumulated amortisation</b>			
At 01 April 2021	829,817	5,427	835,244
Charge for the financial year	327,338	2,873	330,211
<b>At 31 March 2022</b>	<b>1,157,155</b>	<b>8,300</b>	<b>1,165,455</b>
<b>Net book value</b>			
<b>At 31 March 2022</b>	<b>710,564</b>	<b>0</b>	<b>710,564</b>
At 31 March 2021	750,917	2,873	753,790

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**4. Tangible assets**

	<b>Leasehold improve- ments</b>	<b>Plant and machinery</b>	<b>Fixtures and fittings</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>				
At 01 April 2021	121,045	162,640	133,375	417,060
Additions	0	3,924	0	3,924
<b>At 31 March 2022</b>	<b>121,045</b>	<b>166,564</b>	<b>133,375</b>	<b>420,984</b>
<b>Accumulated depreciation</b>				
At 01 April 2021	54,454	129,969	132,511	316,934
Charge for the financial year	12,104	13,546	297	25,947
<b>At 31 March 2022</b>	<b>66,558</b>	<b>143,515</b>	<b>132,808</b>	<b>342,881</b>
<b>Net book value</b>				
<b>At 31 March 2022</b>	<b>54,487</b>	<b>23,049</b>	<b>567</b>	<b>78,103</b>
At 31 March 2021	66,591	32,671	864	100,126

**5. Debtors**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Trade debtors	232,605	279,060
Other debtors	93,111	47,757
	<b>325,716</b>	<b>326,817</b>

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

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Trade creditors	55,999	31,521
Other loans	245,000	0
Accruals and deferred income	842,575	816,845
Other taxation and social security	151,404	247,394
Obligations under finance leases and hire purchase contracts	8,256	7,783
Other creditors	59,216	72,375
	<b>1,362,450</b>	<b>1,175,918</b>

Other Loans refers to two separate loans financed by Capital for Colleagues PLC: £100,000 loan and £145,000 loan which bear interest at 9% per annum. The loans are secured by a floating charge over the assets of the company.

The hire purchase Liability is secured over the asset to which it relates.

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**7. Creditors: amounts falling due after more than one year**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Obligations under finance leases and hire purchase contracts (secured)	5,034	13,290
Other creditors	0	200,000
	<b>5,034</b>	<b>213,290</b>

The hire purchase liability is secured over the asset to which it relates.

**8. Called-up share capital**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Allotted, called-up and fully-paid</b>		
2,032,000 Ordinary shares of £ 0.001 each	2,032	2,032
340,000 A Ordinary shares of £ 1.00 each	340,000	340,000
	<b>342,032</b>	<b>342,032</b>

In February 2021, the 203,200 issued ordinary shares of £0.01 each were sub-divided into 2,032,000 ordinary shares of £0.001 each.

**9. Share-based payment transactions**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Equity settled share based payment Scheme	2,722	5,382

The estimated fair value of the options outstanding in the year was calculated by applying the Black Scholes Model. The weighted average fair value of the options at the measurement date was £0.48. The expense recognised for share based payments in respect of employee services received during the period to 31 March 2022 is £2,722 (2021: £5,382).

The model inputs were as follows:

- Weighted average share price: £1
- Expected Volatility: 40%
- Risk free interest rate: 0.9%
- Option life: 8 years

Options are exercisable on the occurrence of certain events as outlined in the option rules.

The only condition vesting is remaining an employee. On ceasing to be an employee, all unexercised options lapse.

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.