COMPANY REGISTRATION NO. 10429398 (England and Wales)

CREDAS TECHNOLOGIES LTD.

FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 SEPTEMBER 2021

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CREDAS TECHNOLOGIES LTD.

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CREDAS TECHNOLOGIES LTD.

BALANCE SHEET
AS AT 30 SEPTEMBER 2021

	Notes	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Intangible assets	4		1,343,394		834,182
Tangible assets	5		28,730		15,022
			1,372,124		849,204
Current assets					
Debtors	6	826,395		653,434	
Cash at bank and in hand		63,249		151,339	
		889,644		804,773	
Creditors: amounts falling due within one year	7	(4,057,661)		(3,621,654)	
Net current liabilities			(3,168,017)		(2,816,881)
Total assets less current liabilities			(1,795,893)		(1,967,677)
Creditors: amounts falling due after more than one year	8		(38,080)		-
Provisions for liabilities			(216,443)		-
Net liabilities			(2,050,416)		(1,967,677)
Capital and reserves					
Called up share capital			99		99
Profit and loss reserves			(2,050,515)		(1,967,776)
Total equity			(2,050,416)		(1,967,677)

The directors of the company have 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 by the board of directors and authorised for issue on 17 March 2022 and are signed on its behalf by:

Mr I Cole-Wilkins
Director

Company Registration No. 10429398

CREDAS TECHNOLOGIES LTD.

STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 SEPTEMBER 2021

	Share capital	Profit and loss reserves	Total
	£	£	£
Balance at 1 April 2019	99	(1,554,979)	(1,554,880)
Year ended 31 March 2020:			
Loss and total comprehensive income for the year	-	(412,797)	(412,797)
Balance at 31 March 2020	99	(1,967,776)	(1,967,677)
Period ended 30 September 2021:			
Loss and total comprehensive income for the period	-	(82,739)	(82,739)
Balance at 30 September 2021	99	(2,050,515)	(2,050,416)

1 Accounting policies

Company information

Credas Technologies Ltd. is a private company limited by shares incorporated in England and Wales. The registered office is The Maltings, East Tyndall Street, Cardiff Bay, UK, CF24 5EA.

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 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues': Interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment': Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of Indigo Service Solutions Limited. These consolidated financial statements are available from its registered office, C/O UHY Hacker Young, Lanyon House, Mission Court, Newport, South Wales, NP20 2DW.

1.2 Going concern

The directors have adopted the going concern basis in preparing the accounts, notwithstanding net liabilities as at 30 September 2021 of £2,050,416 (31 March 2020: £1,967,677) following a loss of £82,739 (31 March 2020: £412,797) in the period. It should be noted that of the £4,057,661 (31 March 2020: £3,621,654) creditors due within one year at the period end, £3,646,998 (31 March 2020: £3,305,517) is due to group undertakings, being other group companies, therefore the company is reliant on the continued support of its other group companies. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so. The ultimate parent company, Indigo Service Solutions Limited, has confirmed that it will provide such financial support as is required to enable the company to meet its obligations as they fall due, for at least the next twelve months from the date of approval of these financial statements and thereafter for the foreseeable future.

1.3 Reporting period

The accounts for the current period are for a length of 18 months from 1 April 2020 to 30 September 2021. The prior period is for a length of 12 months 1 April 2019 to 31 March 2020 and are therefore not entirely comparable.

1 Accounting policies **(Continued)**

1.4 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.

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.

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; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

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:

Development costs	10 years 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:

Computers	20% straight line

1.8 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.

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account in other administrative expenses.

1 Accounting policies **(Continued)**

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.

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.

Research & development

The company claims research and development tax credits against its corporation tax liability, this creates a permanent difference between the profits for corporation tax and accounting profits so no deferred tax liability is created.

1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

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 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.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements
The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Going Concern
The company is in the early stages of its development and the directors are satisfied with progress to date, notwithstanding the net liabilities of £2,050,416 at 30 September 2021 (31 March 2020: £1,967,677). The company has been pledged continuing financial support from its shareholders. The directors have concluded that it is appropriate for the company to continue as a going concern.

In making their judgement, the directors have prepared a detailed business plan and rolling cash flow forecasts and in conjunction with the company's resources and obligations, have concluded that the company will be able to meet its liabilities as they fall due for the foreseeable future.

Key sources of estimation uncertainty
The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Development costs
Development costs are capitalised when the directors believe that the technical, commercial and financial feasibility can be demonstrated. At 30 September 2021 £1,434,211 (31 March 2020: £840,908) of development costs had been capitalised.

Capitalised development costs are being amortised over 10 years.

The assessment of technical, commercial and financial feasibility involves significant judgement. The choice of useful economic life also includes significant judgement and the choice of life can have a significant affect on the company's results.

3 Employees

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

	30 September 2021	31 March 2020
	Number	Number
Total	-	6

4 Intangible fixed assets

	Development costs £
Cost	
At 1 April 2020	840,908
Additions	593,303
At 30 September 2021	1,434,211
Amortisation and impairment	
At 1 April 2020	6,726
Amortisation charged for the period	84,091
At 30 September 2021	90,817
Carrying amount	
At 30 September 2021	1,343,394
At 31 March 2020	834,182

5 Tangible fixed assets

	Computers £
Cost	
At 1 April 2020	19,944
Additions	21,336
At 30 September 2021	41,280
Depreciation and impairment	
At 1 April 2020	4,922
Depreciation charged in the period	7,628
At 30 September 2021	12,550
Carrying amount	
At 30 September 2021	28,730
At 31 March 2020	15,022

6 Debtors

	30 September 2021	31 March 2020
Amounts falling due within one year:	£	£
Trade debtors	201,967	62,059
Corporation tax recoverable	55,852	25,773
Amounts owed by group undertakings	564,011	502,608
Other debtors	4,565	49,897
	826,395	640,337

	30 September 2021	31 March 2020
Amounts falling due after more than one year:	£	£
Deferred tax asset	-	13,097
Total debtors	826,395	653,434

7 Creditors: amounts falling due within one year

	Notes	30 September 2021	31 March 2020
		£	£
Bank loans and overdrafts		9,566	-
Trade creditors		214,401	242,460
Amounts due to group undertakings		3,646,998	3,305,517
Other taxation and social security		112,726	55,414
Other creditors		21,438	4,301
Accruals and deferred income		52,532	13,962
		4,057,661	3,621,654

8 Creditors: amounts falling due after more than one year

	Notes	30 September 2021	31 March 2020
		£	£
Bank loans and overdrafts		38,080	-

Interest is charged on this bounce back loan at 2.5% per annum.

9 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 Mr John Griffiths and the auditor was UHY Hacker Young.

10 Operating lease commitments

Lessee
At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	30 September 2021	31 March 2020
	£	£
	11,150	-

11 Related party transactions

Credas Technologies Ltd. paid recharges to fellow group companies amounting to £68,234 (31 March 2020: £207,766).

12 Parent company and ultimate controlling party

The ultimate parent company and controlling party of Credas Technologies Ltd. is Indigo Service Solutions Limited, incorporated in England and Wales. Indigo Service Solutions Limited is the parent undertaking of the smallest and largest group which includes the company for which group financial statements are prepared. Copies of the group financial statements of Indigo Service Solutions Limited are available from the registered office: C/O Uhy Hacker Young Lanyon House, Mission Court, Newport, NP20 2DW. Its principal place of business is Harlequin House, 7 High Street, Teddington, TW11 8EE.