

# AudioTelligence Limited

Annual Report and Unaudited Financial Statements  
for the Year Ended 31 December 2020

Max Accountants Ltd  
Ketton Suite  
The King Centre  
Barleythorpe  
Rutland  
LE15 7WD

# AudioTelligence Limited

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# **AudioTelligence Limited**

## **Company Information**

**Directors** Dr Christopher Martin Hicks  
Dr Andrew James Williamson  
Kenneth Paul Roberts  
Dr Robert Swann  
Gordon Peter Reid  
Zoe Alexis Castro

**Company secretary** Mr Martin Hickman

**Registered office** Broers Building  
J J Thomson Avenue  
Cambridge  
CB3 0FA

**Accountants** Max Accountants Ltd  
Ketton Suite  
The King Centre  
Barleythorpe  
Rutland  
LE15 7WD

**AudioTelligence Limited**  
**(Registration number: 10645949)**  
**Balance Sheet as at 31 December 2020**

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Intangible assets	<u>5</u>	1,690	2,129
Tangible assets	<u>6</u>	60,541	61,370
		<u>62,231</u>	<u>63,499</u>
<b>Current assets</b>			
Debtors	<u>7</u>	448,978	296,591
Cash at bank and in hand		<u>5,307,568</u>	<u>7,030,184</u>
		5,756,546	7,326,775
<b>Creditors:</b> Amounts falling due within one year	<u>8</u>	<u>(185,921)</u>	<u>(134,554)</u>
<b>Net current assets</b>		<u>5,570,625</u>	<u>7,192,221</u>
<b>Net assets</b>		<u>5,632,856</u>	<u>7,255,720</u>
<b>Capital and reserves</b>			
Called up share capital	<u>9</u>	15,382	15,200
Share premium reserve		9,591,345	9,390,683
Other reserves		123,125	54,242
Profit and loss account		<u>(4,096,996)</u>	<u>(2,204,405)</u>
Shareholders' funds		<u>5,632,856</u>	<u>7,255,720</u>

For the financial year ending 31 December 2020 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 accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 23 July 2021 and signed on its behalf by:

**AudioTelligence Limited**  
**(Registration number: 10645949)**  
**Balance Sheet as at 31 December 2020**

.....  
Kenneth Paul Roberts  
Director

# **AudioTelligence Limited**

## **Notes to the Unaudited Financial Statements for the Year Ended 31 December 2020**

### **1 General information**

The company is a private company limited by share capital, incorporated in England.

The address of its registered office is:

Broers Building  
J J Thomson Avenue  
Cambridge  
CB3 0FA

These financial statements were authorised for issue by the Board on 23 July 2021.

### **2 Accounting policies**

#### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### **Statement of compliance**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

#### **Basis of preparation**

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

#### **Revenue recognition**

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;  
it is probable that future economic benefits will flow to the entity;  
and specific criteria have been met for each of the company's activities.

#### **Foreign currency transactions and balances**

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rate on the date when the fair value is re-measured.

Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

#### **Tax**

The tax expense for the period comprises current tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

# AudioTelligence Limited

## Notes to the Unaudited Financial Statements for the Year Ended 31 December 2020

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 taxable income.

### Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

### Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Office equipment	4 years, straight line
Furniture and fittings	4 years, straight line
Leasehold improvements	Straight line over the lease term
Computer equipment	3 years, straight line

### Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Intangibles	7 years, straight line

### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

### Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

### Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

# AudioTelligence Limited

## Notes to the Unaudited Financial Statements for the Year Ended 31 December 2020

### Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

### Share based payments

The company operates an equity-settled, share-based compensation plan, under which the entity receives services from employees as consideration for equity instruments (options) of the entity. The fair value of the employee services received is measured by reference to the estimated fair value at the grant date of equity instruments granted and is recognised as an expense over the vesting period. The estimated fair value of the option granted is calculated using the Black Scholes option pricing model. The total amount expensed is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied.

The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

### Research and Development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

### 3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 25 (2019 - 16).

### 4 Taxation

Tax charged/(credited) in the income statement

	2020 £	2019 £
<b>Current taxation</b>		
UK corporation tax	<u>(162,572)</u>	<u>(238,576)</u>

Taxation for the year includes a repayable R&D tax credit of £168,698 (2019 £238,576). As at 31 December 2020, the Company had losses of £2,914,476 (2019 £1,438,487) available to carry forward against future trading profits for corporation tax purposes



# AudioTelligence Limited

## Notes to the Unaudited Financial Statements for the Year Ended 31 December 2020

### 5 Intangible assets

	Other intangible assets £	Total £
<b>Cost or valuation</b>		
At 1 January 2020	2,737	2,737
At 31 December 2020	2,737	2,737
<b>Amortisation</b>		
At 1 January 2020	608	608
Amortisation charge	439	439
At 31 December 2020	1,047	1,047
<b>Carrying amount</b>		
At 31 December 2020	1,690	1,690
At 31 December 2019	2,129	2,129

### 6 Tangible assets

	Land and buildings £	Furniture, fittings and equipment £	Total £
<b>Cost or valuation</b>			
At 1 January 2020	4,829	79,035	83,864
Additions	-	29,659	29,659
At 31 December 2020	4,829	108,694	113,523
<b>Depreciation</b>			
At 1 January 2020	991	21,503	22,494
Charge for the year	1,073	29,415	30,488
At 31 December 2020	2,064	50,918	52,982
<b>Carrying amount</b>			
At 31 December 2020	2,765	57,776	60,541
At 31 December 2019	3,838	57,532	61,370

Included within the net book value of land and buildings above is £2,765 (2019 - £3,838) in respect of leasehold land and buildings.

# AudioTelligence Limited

## Notes to the Unaudited Financial Statements for the Year Ended 31 December 2020

### 7 Debtors

	2020 £	2019 £
Trade debtors	168,593	-
Prepayments	9,139	38,647
Other debtors	271,246	257,944
	<u>448,978</u>	<u>296,591</u>

### 8 Creditors

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

	2020 £	2019 £
<b>Due within one year</b>		
Trade creditors	67,366	20,947
Taxation and social security	55,549	43,977
Accruals and deferred income	41,774	47,946
Other creditors	21,232	21,684
	<u>185,921</u>	<u>134,554</u>

### 9 Share capital

#### Allotted, called up and fully paid shares

	2020		2019	
	No.	£	No.	£
Ordinary Shares of £0.01 each	590,131	5,901.31	590,000	5,900.00
A Ordinary Shares of £0.01 each	34,721	347.21	34,721	347.21
A Preferred Shares of £0.01 each	324,074	3,240.74	324,074	3,240.74
A1 Ordinary Shares of £0.01 each	589,301	5,893.01	571,169	5,711.69
	<u>1,538,227</u>	<u>15,382</u>	<u>1,519,964</u>	<u>15,200</u>

During the period 131 Ordinary Shares and 18,132 A1 Ordinary Shares have been issued, generating Share Premium totalling £200,662.

### 10 Financial commitments, guarantees and contingencies

#### Amounts not provided for in the balance sheet

## **AudioTelligence Limited**

### **Notes to the Unaudited Financial Statements for the Year Ended 31 December 2020**

The total amount of financial commitments not included in the balance sheet is £174,850 (2019 - £242,242). This figure relates in full to operating lease commitments in respect of rent due on Broers Building.

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.