

Company Registration No. 09554552 (England and Wales)

ALLAY LOGIC LTD
FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2019
PAGES FOR FILING WITH REGISTRAR

ALLAY LOGIC LTD

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ALLAY LOGIC LTD

BALANCE SHEET

AS AT 30 JUNE 2019

	Notes	2019 £	£	2018 £	£
Fixed assets					
Intangible assets	3		28,210		40,006
Tangible assets	4		167,629		111,021
			<u>195,839</u>		<u>151,027</u>
Current assets					
Debtors	5	80,777		4,944	
Cash at bank and in hand		1,387		123,980	
		<u>82,164</u>		<u>128,924</u>	
Creditors: amounts falling due within one year	6	(713,384)		(521,577)	
Net current liabilities			<u>(631,220)</u>		<u>(392,653)</u>
Total assets less current liabilities			<u>(435,381)</u>		<u>(241,626)</u>
Capital and reserves					
Called up share capital	7		100		100
Profit and loss reserves			<u>(435,481)</u>		<u>(241,726)</u>
Total equity			<u>(435,381)</u>		<u>(241,626)</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 29 September 2020

S P Bell
Director

Company Registration No. 09554552

ALLAY LOGIC LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2019

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 prior 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) 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 30 JUNE 2019

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 30 JUNE 2019

1 Accounting policies

(Continued)

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.

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.

1.11 Retirement benefits

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

2 Employees

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

	2019 Number	2018 Number
Total	3	5
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ALLAY LOGIC LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 JUNE 2019

3 Intangible fixed assets

	Software Development costs	Total
	£	£
Cost		
At 6 July 2018	5,528	66,710
Additions - internally developed	7,830	-
	<u>13,358</u>	<u>66,710</u>
At 30 June 2019	13,358	80,068
Amortisation and impairment		
At 6 July 2018	3,779	28,453
Amortisation charged for the period	3,151	16,475
	<u>6,930</u>	<u>44,928</u>
At 30 June 2019	6,930	51,858
Carrying amount		
At 30 June 2019	<u>6,428</u>	<u>21,782</u>
At 5 July 2018	<u>1,749</u>	<u>38,257</u>

4 Tangible fixed assets

	Plant and equipment	Fixtures and fittings	Motor vehicles	Total
	£	£	£	£
Cost				
At 6 July 2018	80,321	58,349	21,695	160,365
Additions	116,793	13,155	-	129,948
Disposals	(728)	-	-	(728)
	<u>196,386</u>	<u>71,504</u>	<u>21,695</u>	<u>289,585</u>
At 30 June 2019	196,386	71,504	21,695	289,585
Depreciation and impairment				
At 6 July 2018	34,400	10,385	4,559	49,344
Depreciation charged in the period	56,394	11,480	5,219	73,093
Eliminated in respect of disposals	(481)	-	-	(481)
	<u>90,313</u>	<u>21,865</u>	<u>9,778</u>	<u>121,956</u>
At 30 June 2019	90,313	21,865	9,778	121,956
Carrying amount				
At 30 June 2019	<u>106,073</u>	<u>49,639</u>	<u>11,917</u>	<u>167,629</u>
At 5 July 2018	<u>45,921</u>	<u>47,964</u>	<u>17,136</u>	<u>111,021</u>

ALLAY LOGIC LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 JUNE 2019

5 Debtors

	2019	2018
	£	£
Amounts falling due within one year:		
Trade debtors	200	-
Amounts owed by group undertakings	80,577	-
Other debtors	-	4,944
	<u>80,777</u>	<u>4,944</u>

6 Creditors: amounts falling due within one year

	2019	2018
	£	£
Trade creditors	-	4,410
Amounts owed to group undertakings	664,608	476,426
Taxation and social security	26,678	28,932
Other creditors	22,098	11,809
	<u>713,384</u>	<u>521,577</u>

ALLAY LOGIC LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 JUNE 2019

7 Called up share capital

	2019 £	2018 £
Ordinary share capital Issued and fully paid		
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:

The following amounts were outstanding at the reporting end date:

	2019 £	2018 £
Amounts due to related parties		
Companies under common control	21,228	6,304
	<u> </u>	<u> </u>

The following amounts were outstanding at the reporting end date:

Other information

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.

ALLAY LOGIC LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 JUNE 2019

10 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.

