REGISTERED NUMBER: 07757607

14 FEB 2020

# FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 AUGUST 2019

## FOR

## AMIGO TECHNOLOGY LIMITED

Prime
Chartered Accountants
Statutory Auditor
Corner Oak
1 Homer Road
Solihull
B91 3QG

FRIDAY

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COMPANIES HOUSE

AMIGO TECHNOLOGY LIMITED

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FOR THE YEAR ENDED 31 AUGUST 2019


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# COMPANY INFORMATION
## FOR THE YEAR ENDED 31 AUGUST 2019

| | |
|---|---|
| **DIRECTORS:** | M C L Adam<br>M P Dodd<br>I Griffin<br>S J Gulliford<br>J K J Moss<br>J W Clarkson |
| **SECRETARY:** | MH Secretaries Limited |
| **REGISTERED OFFICE:** | 11 Staple Inn<br>London<br>WC1V 7QH |
| **REGISTERED NUMBER:** | 07757607 |
| **AUDITORS:** | Prime<br>Chartered Accountants<br>Statutory Auditor<br>Corner Oak<br>1 Homer Road<br>Solihull<br>B91 3QG |

## BALANCE SHEET
## 31 AUGUST 2019

| | Notes | 2019 £ | 2019 £ | 2018 £ | 2018 £ |
|---|---|---|---|---|---|
| **FIXED ASSETS** | | | | | |
| Tangible assets | 3 | | **11,236** | | 16,102 |
| **CURRENT ASSETS** | | | | | |
| Stocks | | **702** | | 1,702 | |
| Debtors | 4 | **499,723** | | 243,430 | |
| Cash at bank | | **658,765** | | 1,035,332 | |
| | | **1,159,190** | | 1,280,464 | |
| **CREDITORS** | | | | | |
| Amounts falling due within one year | 5 | **164,872** | | 146,414 | |
| **NET CURRENT ASSETS** | | | **994,318** | | 1,134,050 |
| **TOTAL ASSETS LESS CURRENT LIABILITIES** | | | **1,005,554** | | 1,150,152 |
| **CAPITAL AND RESERVES** | | | | | |
| Called up share capital | | | **1,277** | | 1,277 |
| Share premium | 7 | | **9,008,784** | | 9,008,784 |
| Capital redemption reserve | 7 | | **50** | | 50 |
| Share option reserve | 7 | | **311,229** | | 276,070 |
| Retained earnings | 7 | | **(8,315,786)** | | (8,136,029) |
| | | | **1,005,554** | | 1,150,152 |

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

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors on 27/01/2020 and were signed on its behalf by:

M C L Adam - Director

The notes form part of these financial statements

## 1. ACCOUNTING POLICIES

**Basis of preparing the financial statements**
These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.The financial statements are presented in sterling which is the functional currency of the company and rounded to the nearest £.

**Turnover**
Turnover represents sales to external customers at invoiced amounts less value added tax.

The Company's primary sources of revenue are from fees and commissions charged to clients.

Fees, commissions and other income receivable are recognised in the period to which they relate. Income is brought into account at the point of invoicing (when the service has been performed) rather than when signed contracts are exchanged. In the case of consultancy fees and contributions to development costs, where there is an exception of future servicing requirements, a proportionate element of the income is deferred to cover the associated contractual obligations.

**Tangible fixed assets**
Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

| | |
|---|---|
| Fixtures and fittings | - 25% on cost |
| Computer equipment | - 33.33% on cost |

**Stocks**
Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**Taxation**
Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**Deferred tax**
Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

**Research and development**
Expenditure on research and development is written off in the year in which it is incurred.


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1. ACCOUNTING POLICIES - continued

**Hire purchase and leasing commitments**
Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

**Pension costs and other post-retirement benefits**
The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

**Share-based payment**
When share options are awarded to employees, the fair value of the options at the date of grant is charged to the income statement over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each balance sheet date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Market vesting conditions are factored into the fair value of the options granted. As long as all other vesting conditions are satisfied, a charge is made irrespective of whether the market vesting conditions are satisfied. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

Where the terms and conditions of options are modified before they vest, the increase in fair value of the options, measured immediately before and after the modification, is also charged to the income statement over the remaining vesting period.

Where equity instruments are granted to persons other than employees, the income statement is charged with the fair value of the goods and services received unless this cannot be assessed with certainty, in which case the fair value of the share option is used in lieu of services provided.

**Cash at bank and in hand**
Cash at bank and in hand comprise cash, demand deposits and other short-term highly liquid investments that are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value.

**Financial instruments**
Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability in the balance sheet. The corresponding dividends relating to the liability component are charged as interest expense in the profit and loss account.

2. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 11 (2018 - 18).

## 3. TANGIBLE FIXED ASSETS

| | Fixtures and fittings £ | Computer equipment £ | Totals £ |
|---|---|---|---|
| **COST** | | | |
| At 1 September 2018 | **7,625** | **20,932** | **28,557** |
| Additions | **-** | **5,246** | **5,246** |
| Disposals | **-** | **(5,331)** | **(5,331)** |
| At 31 August 2019 | **7,625** | **20,847** | **28,472** |
| **DEPRECIATION** | | | |
| At 1 September 2018 | **3,126** | **9,329** | **12,455** |
| Charge for year | **1,905** | **6,348** | **8,253** |
| Eliminated on disposal | **-** | **(3,472)** | **(3,472)** |
| At 31 August 2019 | **5,031** | **12,205** | **17,236** |
| **NET BOOK VALUE** | | | |
| At 31 August 2019 | **2,594** | **8,642** | **11,236** |
| At 31 August 2018 | 4,499 | 11,603 | 16,102 |

## 4. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2019 £ | 2018 £ |
|---|---|---|
| Trade debtors | **342,716** | 23,758 |
| Other debtors | **157,007** | 219,672 |
| | **499,723** | 243,430 |

## 5. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2019 £ | 2018 £ |
|---|---|---|
| Trade creditors | **106,640** | 96,277 |
| Taxation and social security | **33,212** | 17,432 |
| Other creditors | **25,020** | 32,705 |
| | **164,872** | 146,414 |

## 6. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

| | 2019 £ | 2018 £ |
|---|---|---|
| Within one year | **64,169** | 60,839 |

7. **RESERVES**

| | Retained earnings £ | Share premium £ | Capital redemption reserve £ | Share option reserve £ | Totals £ |
|---|---|---|---|---|---|
| At 1 September 2018 | **(8,136,029)** | **9,008,784** | **50** | **276,070** | **1,148,875** |
| Deficit for the year | **(179,757)** | | | | **(179,757)** |
| Share option reserve | **-** | **-** | **-** | **35,159** | **35,159** |
| At 31 August 2019 | **(8,315,786)** | **9,008,784** | **50** | **311,229** | **1,004,277** |

8. **DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006**

The Report of the Auditors was unqualified.

Jeremy Kitson BA FCA (Senior Statutory Auditor)
for and on behalf of Prime



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## 9. SHARE-BASED PAYMENT TRANSACTIONS

EMI Share Option Scheme

Amigo Technology Limited operates an equity settled share based remuneration scheme for employees, the only vesting condition being that the individual remains an employee of the firm over the vesting period of 4 years.

The exercise price of the options are £10.30 or £3.00 equal to the estimated market price of the shares on the date of the grant. The contractual life of each option granted is 10 years. During the financial year new share options have been issued with an exercise price of £3.00. These options have a vesting period of 4 years and a contractual life of 10 years. There are no cash settlement alternatives.

Total Share Options

| | **2019 Weighted average exercise price (pence)** | **2019 Number** | 2018 Weighted average exercise price (pence) | 2018 Number |
|---|---|---|---|---|
| Outstanding at the beginning of the year | **604** | **124,351** | 1,029 | 96,691 |
| Granted during the year | **300** | **68,100** | 300 | 118,300 |
| Exercised during the year | **1,029** | **-** | 1,029 | - |
| Lapsed during the year | **1,030** | **-** | 1,030 | (44,690) |
| Lapsed during the year | **300** | **-** | 300 | (45,950) |
| Outstanding at the end of the year | **771** | **192,451** | 604 | 124,351 |

For the options exercised during the year the weighted average share price at the date of the exercise was £nil (2018:£nil).

Of the total number of options outstanding at the end of the year 82,001 (2018: 58,591) had vested and were exercisable at the end of the year.

The weighted averaged contracted life of the share options outstanding at the end of the year is 7.59 years.

The following information is relevant in the determination of the fair value of the options granted during the year under the equity-settled share based remuneration schemes operated by Amigo Technology Limited.

| | **2019 Black-Scholes** | 2018 Black-Scholes |
|---|---|---|
| Weighted average exercise price at grant date (pence) | **N/A** | N/A |
| Exercise price (pence) | **N/A** | N/A |
| Expected volatility | **N/A** | N/A |
| Risk-free interest rate | **N/A** | N/A |

The share-based remuneration expense charged to the profit and loss comprises:

| | **2019** | 2018 |
|---|---|---|
| Equity-settled option scheme charge | **£35,158** | £22,491 |

In addition to the share options granted by the company in 2015, 6,003 warrants as part of the consideration of the buyback of Preferred Ordinary and Deferred Shared were issued at a subscription price of £8.60. None of the warrants have been exercised at the year end and expire on 16th February 2020.


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The value attract to these warrants is not significant and has ben subsumed within the share premium on the Deferred Ordinary Shares transferred from debt to equity during the 2015.