

**COMPANY NUMBER: 08048421**

**REPORT OF THE DIRECTORS AND  
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023  
FOR  
DIGITAL.AI SOFTWARE (UK) LTD.**

**TUESDAY**



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**COMPANIES HOUSE**

**DIGITAL.AI SOFTWARE (UK) LTD.**

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FOR THE YEAR ENDED 31 DECEMBER 2023**

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**DIGITAL.AI SOFTWARE (UK) LTD.**  
**COMPANY INFORMATION**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**DIRECTORS:**

S Elop  
D F Holt

**REGISTERED OFFICE:**

c/o Corporation Service Company (UK) Ltd  
10th Floor  
5 Churchill Place  
London  
E14 5HU

**REGISTERED NUMBER:**

08048421 (England and Wales)

**ACCOUNTANTS:**

Jamieson Stone LLP  
Windsor House  
40/41 Great Castle Street  
London  
W1W 8LU

**DIGITAL.AI SOFTWARE (UK) LTD.**

**REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

The directors present their report with the financial statements of the company for the year ended 31 December 2023.

**DIRECTORS**

S Elop has held office during the whole of the period from 1 January 2023 to the date of this report.

Other changes in directors holding office are as follows:

D F Holt - appointed 1 February 2023

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

**ON BEHALF OF THE BOARD:**

*Stephen Elop*

S Elop - Director

4 September 2024

**CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS  
ON THE UNAUDITED FINANCIAL STATEMENTS OF  
DIGITAL.AI SOFTWARE (UK) LTD.**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Digital.AI Software (UK) Ltd. for the year ended 31 December 2023 which comprise the Statement of Profit or Loss, the Statement of Profit or Loss and Other Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed within the ICAEW's regulations and guidance at <http://www.icaew.com/en/membership/regulations-standards-and-guidance>.

This report is made solely to the Board of Directors of Digital.AI Software (UK) Ltd., as a body, in accordance with our terms of engagement. Our work has been undertaken solely to prepare for your approval the financial statements of Digital.AI Software (UK) Ltd. and state those matters that we have agreed to state to the Board of Directors of Digital.AI Software (UK) Ltd., as a body, in this report in accordance with ICAEW Technical Release 07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Digital.AI Software (UK) Ltd. and its Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that Digital.AI Software (UK) Ltd. has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and loss of Digital.AI Software (UK) Ltd.. You consider that Digital.AI Software (UK) Ltd. is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Digital.AI Software (UK) Ltd.. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

*Jamieson Stone LLP*

Jamieson Stone LLP  
Windsor House  
40/41 Great Castle Street  
London  
W1W 8LU

4 September 2024

**DIGITAL.AI SOFTWARE (UK) LTD.**

**STATEMENT OF PROFIT OR LOSS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

|                                          | Notes | 2023<br>£               | 2022<br>£             |
|------------------------------------------|-------|-------------------------|-----------------------|
| <b>CONTINUING OPERATIONS</b>             |       |                         |                       |
| Revenue                                  |       | 3,557,767               | 2,357,032             |
| Cost of sales                            |       | <u>(1,650)</u>          | <u>(236,126)</u>      |
| <b>GROSS PROFIT</b>                      |       | 3,556,117               | 2,120,906             |
| Administrative expenses                  |       | <u>(3,490,209)</u>      | <u>(1,877,847)</u>    |
| <b>OPERATING PROFIT</b>                  |       | 65,908                  | 243,059               |
| Finance costs                            | 4     | <u>(89,938)</u>         | <u>28,299</u>         |
| <b>(LOSS)/PROFIT BEFORE INCOME TAX 5</b> |       | (24,030)                | 271,358               |
| Income tax                               | 6     | <u>(167,133)</u>        | <u>34,117</u>         |
| <b>(LOSS)/PROFIT FOR THE YEAR</b>        |       | <u><u>(191,163)</u></u> | <u><u>305,475</u></u> |

The notes form part of these financial statements

**DIGITAL.AI SOFTWARE (UK) LTD.**

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2023**

|                                                    | 2023<br>£        | 2022<br>£      |
|----------------------------------------------------|------------------|----------------|
| <b>(LOSS)/PROFIT FOR THE YEAR</b>                  | (191,163)        | 305,475        |
| <b>OTHER COMPREHENSIVE INCOME</b>                  | —                | —              |
| <b>TOTAL COMPREHENSIVE INCOME<br/>FOR THE YEAR</b> | <u>(191,163)</u> | <u>305,475</u> |

The notes form part of these financial statements

**STATEMENT OF FINANCIAL POSITION**  
**31 DECEMBER 2023**

|                                     | Notes | 2023<br>£               | 2022<br>£               |
|-------------------------------------|-------|-------------------------|-------------------------|
| <b>ASSETS</b>                       |       |                         |                         |
| <b>NON-CURRENT ASSETS</b>           |       |                         |                         |
| Property, plant and equipment       | 7     | 4,117                   | 1,255                   |
| Deferred tax                        | 14    | 457                     | -                       |
|                                     |       | <u>4,574</u>            | <u>1,255</u>            |
| <b>CURRENT ASSETS</b>               |       |                         |                         |
| Trade and other receivables         | 8     | 1,418,938               | 2,280,763               |
| Cash and cash equivalents           | 9     | 100,169                 | 33,813                  |
|                                     |       | <u>1,519,107</u>        | <u>2,314,576</u>        |
| <b>TOTAL ASSETS</b>                 |       | <u><u>1,523,681</u></u> | <u><u>2,315,831</u></u> |
| <b>EQUITY</b>                       |       |                         |                         |
| <b>SHAREHOLDERS' EQUITY</b>         |       |                         |                         |
| Called up share capital             | 10    | 1,000                   | 1,000                   |
| Retained earnings                   | 11    | 141,533                 | 332,696                 |
| <b>TOTAL EQUITY</b>                 |       | <u>142,533</u>          | <u>333,696</u>          |
| <b>LIABILITIES</b>                  |       |                         |                         |
| <b>NON-CURRENT LIABILITIES</b>      |       |                         |                         |
| Deferred tax                        | 14    | -                       | 499,591                 |
| <b>CURRENT LIABILITIES</b>          |       |                         |                         |
| Trade and other payables            | 12    | 1,380,953               | 1,482,544               |
| Financial liabilities - borrowings  |       |                         |                         |
| Bank overdrafts                     | 13    | 195                     | -                       |
|                                     |       | <u>1,381,148</u>        | <u>1,482,544</u>        |
| <b>TOTAL LIABILITIES</b>            |       | <u>1,381,148</u>        | <u>1,982,135</u>        |
| <b>TOTAL EQUITY AND LIABILITIES</b> |       | <u><u>1,523,681</u></u> | <u><u>2,315,831</u></u> |

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2023.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2023 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The notes form part of these financial statements

**STATEMENT OF FINANCIAL POSITION - continued  
31 DECEMBER 2023**

The financial statements were approved by the Board of Directors and authorised for issue on 4 September 2024 and were signed on its behalf by:

*Stephen Elop*

S Elop - Director

**DIGITAL.AI SOFTWARE (UK) LTD.**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2023**

|                                    | Called up<br>share<br>capital<br>£ | Retained<br>earnings<br>£ | Total<br>equity<br>£ |
|------------------------------------|------------------------------------|---------------------------|----------------------|
| <b>Balance at 1 January 2022</b>   | 1,000                              | 27,221                    | 28,221               |
| <b>Changes in equity</b>           |                                    |                           |                      |
| Total comprehensive income         | <u>-</u>                           | <u>305,475</u>            | <u>305,475</u>       |
| <b>Balance at 31 December 2022</b> | <u>1,000</u>                       | <u>332,696</u>            | <u>333,696</u>       |
| <b>Changes in equity</b>           |                                    |                           |                      |
| Total comprehensive income         | <u>-</u>                           | <u>(191,163)</u>          | <u>(191,163)</u>     |
| <b>Balance at 31 December 2023</b> | <u>1,000</u>                       | <u>141,533</u>            | <u>142,533</u>       |

The notes form part of these financial statements

**DIGITAL.AI SOFTWARE (UK) LTD.**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

|                                                             | Notes | 2023<br>£            | 2022<br>£            |
|-------------------------------------------------------------|-------|----------------------|----------------------|
| <b>Cash flows from operating activities</b>                 |       |                      |                      |
| Cash generated from operations                              | 1     | 327,799              | (496,343)            |
| Interest paid                                               |       | (8,869)              | -                    |
| Finance costs paid                                          |       | (81,069)             | 28,299               |
| Tax paid                                                    |       | <u>(167,133)</u>     | <u>-</u>             |
| Net cash from operating activities                          |       | <u>70,728</u>        | <u>(468,044)</u>     |
| <br><b>Cash flows from investing activities</b>             |       |                      |                      |
| Purchase of tangible fixed assets                           |       | <u>(4,567)</u>       | <u>-</u>             |
| Net cash from investing activities                          |       | <u>(4,567)</u>       | <u>-</u>             |
| <br><b>Increase/(decrease) in cash and cash equivalents</b> |       | <u>66,161</u>        | <u>(468,044)</u>     |
| <b>Cash and cash equivalents at beginning of year</b>       | 2     | <u>33,813</u>        | <u>501,857</u>       |
| <br><b>Cash and cash equivalents at end of year</b>         | 2     | <u><u>99,974</u></u> | <u><u>33,813</u></u> |

The notes form part of these financial statements

**DIGITAL.AI SOFTWARE (UK) LTD.**

**NOTES TO THE STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**1. RECONCILIATION OF (LOSS)/PROFIT BEFORE INCOME TAX TO CASH GENERATED FROM OPERATIONS**

|                                                    | 2023                  | 2022                    |
|----------------------------------------------------|-----------------------|-------------------------|
|                                                    | £                     | £                       |
| (Loss)/profit before income tax                    | (24,030)              | 271,358                 |
| Depreciation charges                               | 1,705                 | 2,200                   |
| Tax provision                                      | (500,048)             | 533,251                 |
| Finance costs                                      | <u>89,938</u>         | <u>(28,299)</u>         |
|                                                    | (432,435)             | 778,510                 |
| Decrease/(increase) in trade and other receivables | 861,825               | (1,383,695)             |
| (Decrease)/increase in trade and other payables    | <u>(101,591)</u>      | <u>108,842</u>          |
| <b>Cash generated from operations</b>              | <u><u>327,799</u></u> | <u><u>(496,343)</u></u> |

**2. CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

**Year ended 31 December 2023**

|                           | 31.12.23             | 1.1.23               |
|---------------------------|----------------------|----------------------|
|                           | £                    | £                    |
| Cash and cash equivalents | 100,169              | 33,813               |
| Bank overdrafts           | <u>(195)</u>         | <u>-</u>             |
|                           | <u><u>99,974</u></u> | <u><u>33,813</u></u> |

**Year ended 31 December 2022**

|                           | 31.12.22             | 1.1.22                |
|---------------------------|----------------------|-----------------------|
|                           | £                    | £                     |
| Cash and cash equivalents | <u><u>33,813</u></u> | <u><u>501,857</u></u> |

The notes form part of these financial statements

# DIGITAL.AI SOFTWARE (UK) LTD.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

### 1. STATUTORY INFORMATION

Digital.AI Software (UK) Ltd. is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

### 2. ACCOUNTING POLICIES

#### Basis of preparation

These financial statements have been prepared in accordance with UK-adopted international accounting standards and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS. The financial statements have been prepared under the historical cost convention.

#### Cash and cash equivalents

Cash represents cash in hand and deposits held on demand with financial institutions. Cash equivalents are short-term, highly-liquid investments with original maturities of three months or less (as at their date of acquisition). Cash equivalents are readily convertible to known amounts of cash and subject to an insignificant risk of change in that cash value.

In the presentation of the Statement of Cash Flows, cash and cash equivalents also include bank overdrafts. Any such overdrafts are shown within borrowings under 'current liabilities' on the Statement of Financial Position.

#### Property, plant and equipment

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

Computer equipment - 33% on cost

#### Taxation

Current taxes are based on the results shown in the financial statements and are calculated according to local tax rules, using tax rates enacted or substantially enacted by the statement of financial position date.

#### Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the statement of financial position date. Transactions in foreign currencies are translated into sterling at the average rate of exchange ruling for the financial year. Exchange differences are taken into account in arriving at the operating result.

#### Employee benefit costs

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the income statement in the period to which they relate.

### 3. EMPLOYEES AND DIRECTORS

|                       | 2023             | 2022             |
|-----------------------|------------------|------------------|
|                       | £                | £                |
| Wages and salaries    | 2,458,372        | 1,280,062        |
| Social security costs | 322,796          | 192,141          |
| Other pension costs   | <u>241,046</u>   | <u>108,567</u>   |
|                       | <u>3,022,214</u> | <u>1,580,770</u> |

**DIGITAL.AI SOFTWARE (UK) LTD.**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**3. EMPLOYEES AND DIRECTORS - continued**

The average number of employees during the year was as follows:

|            | 2023            | 2022            |
|------------|-----------------|-----------------|
| Management | 3               | 3               |
| Sales      | 2               | 2               |
| Technical  | <u>1</u>        | <u>1</u>        |
|            | <u><u>6</u></u> | <u><u>6</u></u> |

|                         | 2023            | 2022            |
|-------------------------|-----------------|-----------------|
|                         | £               | £               |
| Directors' remuneration | <u><u>-</u></u> | <u><u>-</u></u> |

**4. NET FINANCE COSTS**

|                              | 2023                 | 2022                   |
|------------------------------|----------------------|------------------------|
|                              | £                    | £                      |
| Finance costs:               |                      |                        |
| Inter company loan interest  | 8,869                | -                      |
| Foreign exchange loss/(gain) | <u>81,069</u>        | <u>(28,299)</u>        |
|                              | <u><u>89,938</u></u> | <u><u>(28,299)</u></u> |

**5. (LOSS)/PROFIT BEFORE INCOME TAX**

The loss before income tax (2022 - profit before income tax) is stated after charging:

|                                           | 2023         | 2022         |
|-------------------------------------------|--------------|--------------|
|                                           | £            | £            |
| Cost of inventories recognised as expense | 1,650        | 236,126      |
| Depreciation - owned assets               | <u>1,705</u> | <u>2,200</u> |

**6. INCOME TAX**

**Analysis of tax expense/(income)**

|                                                           | 2023                  | 2022                   |
|-----------------------------------------------------------|-----------------------|------------------------|
|                                                           | £                     | £                      |
| Current tax:                                              |                       |                        |
| Corporation tax                                           | <u>167,133</u>        | <u>(34,117)</u>        |
| Total tax expense/(income) in statement of profit or loss | <u><u>167,133</u></u> | <u><u>(34,117)</u></u> |

**DIGITAL.AI SOFTWARE (UK) LTD.**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**7. PROPERTY, PLANT AND EQUIPMENT**

|                       |                            |
|-----------------------|----------------------------|
|                       | Computer<br>equipment<br>£ |
| <b>COST</b>           |                            |
| At 1 January 2023     | 6,600                      |
| Additions             | <u>4,567</u>               |
| At 31 December 2023   | <u>11,167</u>              |
| <b>DEPRECIATION</b>   |                            |
| At 1 January 2023     | 5,345                      |
| Charge for year       | <u>1,705</u>               |
| At 31 December 2023   | <u>7,050</u>               |
| <b>NET BOOK VALUE</b> |                            |
| At 31 December 2023   | <u><u>4,117</u></u>        |
| At 31 December 2022   | <u><u>1,255</u></u>        |

**8. TRADE AND OTHER RECEIVABLES**

|                                     |                         |                         |
|-------------------------------------|-------------------------|-------------------------|
|                                     | 2023                    | 2022                    |
|                                     | £                       | £                       |
| Current:                            |                         |                         |
| Trade debtors                       | 752,770                 | 744,956                 |
| Amounts due from group undertakings | 635,447                 | 1,535,807               |
| Prepayments and accrued income      | <u>30,721</u>           | <u>-</u>                |
|                                     | <u><u>1,418,938</u></u> | <u><u>2,280,763</u></u> |

**9. CASH AND CASH EQUIVALENTS**

|               |                |               |
|---------------|----------------|---------------|
|               | 2023           | 2022          |
|               | £              | £             |
| Bank accounts | <u>100,169</u> | <u>33,813</u> |

**10. CALLED UP SHARE CAPITAL**

|                                  |          |                   |              |              |
|----------------------------------|----------|-------------------|--------------|--------------|
| Allotted, issued and fully paid: |          |                   |              |              |
| Number:                          | Class:   | Nominal<br>value: | 2023         | 2022         |
|                                  |          |                   | £            | £            |
| 1,000                            | Ordinary | £1                | <u>1,000</u> | <u>1,000</u> |

**DIGITAL.AI SOFTWARE (UK) LTD.**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**11. RESERVES**

|                      | Retained<br>earnings<br>£ |
|----------------------|---------------------------|
| At 1 January 2023    | 332,696                   |
| Deficit for the year | <u>(191,163)</u>          |
| At 31 December 2023  | <u>141,533</u>            |

**12. TRADE AND OTHER PAYABLES**

|                                 | 2023<br>£        | 2022<br>£        |
|---------------------------------|------------------|------------------|
| Current:                        |                  |                  |
| Trade creditors                 | 51,483           | 4,908            |
| Social security and other taxes | 209,439          | 354,622          |
| Other creditors                 | 29,103           | 12,713           |
| Accrued expenses                | 252,725          | 264,206          |
| Deferred income                 | <u>838,203</u>   | <u>846,095</u>   |
|                                 | <u>1,380,953</u> | <u>1,482,544</u> |

**13. FINANCIAL LIABILITIES - BORROWINGS**

|                                   | 2023<br>£  | 2022<br>£              |
|-----------------------------------|------------|------------------------|
| Current:                          |            |                        |
| Bank overdrafts                   | <u>195</u> | <u>-</u>               |
| Terms and debt repayment schedule |            |                        |
|                                   |            | 1 year or<br>less<br>£ |
| Bank overdrafts                   |            | <u>195</u>             |

**14. DEFERRED TAX**

|                        | 2023<br>£        | 2022<br>£      |
|------------------------|------------------|----------------|
| Balance at 1 January   | 499,591          | 457            |
| Charge for year        | <u>(500,048)</u> | <u>499,134</u> |
| Balance at 31 December | <u>(457)</u>     | <u>499,591</u> |

**15. ULTIMATE PARENT COMPANY**

The ultimate parent company is Mastel XL Holdings LLC (incorporated in the USA).