

SMARTR.AI LTD

**UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

Company Registration No. SC666708 (Scotland)

PAGES FOR FILING WITH REGISTRAR

SMARTR.AI LTD

COMPANY INFORMATION

Directors Mr Oliver King-Smith
 Mrs Melanie King-Smith

Company number SC666708

Registered office William Duncan + Co
 Chartered Accountants
 44 Bank Street
 Kilmarnock
 KA1 1HA

Accountants William Duncan + Co Ltd
 44 Bank Street
 Kilmarnock
 Ayrshire
 United Kingdom
 KA1 1HA

SMARTR.AI LTD

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SMARTR.AI LTD

REPORT TO THE DIRECTORS ON THE PREPARATION OF THE UNAUDITED STATUTORY ACCOUNTS OF SMARTR.AI 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 smartR.ai Ltd for the year ended 31 July 2023 which comprise, the balance sheet 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 ICAS we are subject to its ethical and other professional requirements which are detailed at <https://icas.com/icas-framework-preparation-of-accounts>.

This report is made solely to the Board of Directors of smartR.ai Ltd, as a body, in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the financial statements of smartR.ai Ltd and state those matters that we have agreed to state to the Board of Directors of smartR.ai Ltd, as a body, in this report in accordance with the requirements of the ICAS as detailed at <https://icas.com/icas-framework-preparation-of-accounts>. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than smartR.ai Ltd and its Board of Directors as a body, for our work or for this report.

It is your duty to ensure that smartR.ai 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 profit of smartR.ai Ltd. You consider that smartR.ai 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 smartR.ai 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.

William Duncan + Co Ltd
Chartered Accountants
44 Bank Street
Kilmarnock
Ayrshire
United Kingdom
KA1 1HA

12 October 2023

SMARTR.AI LTD

BALANCE SHEET

AS AT 31 JULY 2023

		2023	2022
	Notes	£	£
Fixed assets			
Tangible assets	3	11,028	14,112
Current assets			
Debtors	4	113,960	187,854
Cash at bank and in hand		162,459	303,904
		276,419	491,758
Creditors: amounts falling due within one year	5	(38,103)	(103,561)
Net current assets		238,316	388,197
Total assets less current liabilities		249,344	402,309
Provisions for liabilities		(2,757)	(3,528)
Net assets		246,587	398,781
Capital and reserves			
Called up share capital	6	2	2
Profit and loss reserves		246,585	398,779
Total equity		246,587	398,781

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 July 2023 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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 12 October 2023 and are signed on its behalf by:

Mr Oliver King-Smith
Director

Mrs Melanie King-Smith
Director

Company registration number SC666708 (Scotland)

SMARTR.AI LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2023

1 Accounting policies

Company information

smartR.ai Ltd is a private company limited by shares incorporated in Scotland. The registered office is William Duncan + Co, Chartered Accountants, 44 Bank Street, Kilmarnock, KA1 1HA.

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.

1.2 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.

Income is generated from specialist design services.

1.3 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:

Fixtures and fittings	20% straight line basis
Computers	20% straight line basis

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.

1.4 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible 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). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

1.5 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

SMARTR.AI LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2023

1 Accounting policies

(Continued)

1.6 Financial instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to or from related parties and investments in non-puttable ordinary shares.

1.7 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.8 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.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. 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.

1.9 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.

1.10 Retirement benefits

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

1.11 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2023

1 Accounting policies

(Continued)

1.12 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Employees

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

	2023 Number	2022 Number
Total	10	5

3 Tangible fixed assets

Plant and
machinery etc

£

Cost

At 1 August 2022 and 31 July 2023

15,420

Depreciation and impairment

At 1 August 2022

1,308

Depreciation charged in the year

3,084

At 31 July 2023

4,392

Carrying amount

At 31 July 2023

11,028

At 31 July 2022

14,112

4 Debtors

Amounts falling due within one year:

	2023 £	2022 £
Trade debtors	-	92,357
Corporation tax recoverable	43,398	508
Other debtors	70,562	94,989
	113,960	187,854

SMARTR.AI LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2023

5 Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	3,623	2,529
Corporation tax	-	88,618
Other creditors	34,480	12,414
	<u>38,103</u>	<u>103,561</u>

6 Called up share capital

	2023 Number	2022 Number	2023 £	2022 £
Ordinary share capital Issued and fully paid				
A Ordinary Shares of £1 each	1	1	1	1
B Ordinary Shares of £1 each	1	1	1	1
	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>

7 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:

2023 £	2022 £
2,538	-

8 Directors' transactions

Dividends totalling £164,321 were paid in the year in respect of shares held by the company's directors.

During the year, the directors introduced £1,742 into the company and received repayments of £155, resulting in a closing balance of £3,477 (2022: £1,890) owed to the directors at the balance sheet date.

This balance is interest free and repayable on demand.

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.