

Company Registration No. SC228451 (Scotland)

ALTIA SOLUTIONS LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021
PAGES FOR FILING WITH REGISTRAR

ALTIA SOLUTIONS LIMITED

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ALTIA SOLUTIONS LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2021

		2021		2020 as restated	
	Notes	£	£	£	£
Fixed assets					
Intangible assets	5		500,000		8,699
Tangible assets	6		39,382		27,697
Investments	7		679,243		679,243
			<u>1,218,625</u>		<u>715,639</u>
Current assets					
Debtors	8	1,243,598		1,727,424	
Cash at bank and in hand		225,151		570,678	
			<u>1,468,749</u>	<u>2,298,102</u>	
Creditors: amounts falling due within one year	9	(2,091,559)		(2,462,345)	
Net current liabilities			<u>(622,810)</u>		<u>(164,243)</u>
Net assets			<u>595,815</u>		<u>551,396</u>
Capital and reserves					
Called up share capital	10	44,566		44,566	
Share premium account		127,520		127,520	
Capital redemption reserve		3,333		3,333	
Profit and loss reserves		420,396		375,977	
Total equity			<u>595,815</u>		<u>551,396</u>

The directors of the company have 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 by the board of directors and authorised for issue on 23 November 2022 and are signed on its behalf by:

A Peet
Director

Company Registration No. SC228451

ALTIA SOLUTIONS LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2021

	Share capital	Share premium account	Capital redemption reserve	Profit and loss reserves	Total
Notes	£	£	£	£	£
As restated for the period ended 31 December 2020:					
Balance at 1 January 2020	40,966	125,000	3,333	664,628	833,927
Prior year adjustment	-	-	-	(550,850)	(550,850)
As restated	40,966	125,000	3,333	113,778	283,077
Year ended 31 December 2020:					
Profit and total comprehensive income for the year	-	-	-	262,199	262,199
Other movements	3,600	2,520	-	-	6,120
Balance at 31 December 2020	44,566	127,520	3,333	375,977	551,396
Year ended 31 December 2021:					
Profit and total comprehensive income for the year	-	-	-	1,294,419	1,294,419
Dividends	-	-	-	(1,250,000)	(1,250,000)
Balance at 31 December 2021	44,566	127,520	3,333	420,396	595,815

ALTIA SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Company information

Altia Solutions Limited is a private company limited by shares incorporated in Scotland. The registered office is 146 West Regent Street, GLASGOW, G2 2RQ.

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 Going concern

The company has net current liabilities at the balance sheet date of £623k. The directors are confident based upon post year end and forecast trading, that even in worst case scenarios the company will continue to have sufficient cash to meet all of its obligations when they fall due for at least 12 months from the date of signing these financial statements. It is also highlighted that the net current liabilities presented as at the 31 December 2021 arises due to accounting for deferred income of £1,503k which subsequently unwinds without depleting cash or other working capital. The directors are therefore satisfied that the financial statements are prepared on a going concern basis.

1.3 Turnover

Turnover represents amounts receivable for software licences, software maintenance and support, installation costs and software training and is stated net of VAT and trade discounts.

Software licences, installation costs and software training are recognised at the time of the sale or when the obligation has been performed. Software maintenance and support is deferred and released to turnover on a pro rata basis over the period covered and is calculated from the total value divided by the number of months the payment covers.

1.4 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.

1.5 Intangible fixed assets other than goodwill

Amortisation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Development costs	33% straight line
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1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

ALTIA SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies (Continued)

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:

Leasehold improvements	33% straight line
Fixtures, fittings & equipment	20% straight line
Computer software	33% 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 the profit and loss account.

1.7 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in the profit and loss account.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

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). 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.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the profit and loss account.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the profit and loss account.

1.9 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand and deposits held at call with banks.

ALTIA SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.10 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 certain 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.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the profit and loss account.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in the profit and loss account.

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 bank loans are initially recognised at transaction price. 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.

1.11 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.

ALTIA SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.12 Derivatives

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

1.13 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.

1.14 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.

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.

1.15 Retirement benefits

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

1.16 Leases

Rentals payable under operating leases, including any lease incentives received, are charged against income 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 lease asset are consumed.

ALTIA SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies (Continued)

1.17 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 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Exceptional item

	2021	2020
	£	£
Expenditure		
Associated costs for sale of group	-	215,180
	<u> </u>	<u> </u>

4 Employees

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

	2021	2020
	Number	Number
Total	28	26
	<u> </u>	<u> </u>

ALTIA SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

5	Intangible fixed assets			
				Other
				£
	Cost			
	At 1 January 2021			414,620
	Additions			500,000
				<u>914,620</u>
	At 31 December 2021			914,620
	Amortisation and impairment			
	At 1 January 2021			405,921
	Amortisation charged for the year			8,699
				<u>414,620</u>
	At 31 December 2021			414,620
	Carrying amount			
	At 31 December 2021			500,000
				<u><u>8,699</u></u>
	At 31 December 2020			<u><u>8,699</u></u>
6	Tangible fixed assets			
		Land and	Plant and	Total
		buildings	machinery etc	
		£	£	£
	Cost			
	At 1 January 2021	24,541	248,046	272,587
	Additions	-	27,741	27,741
		<u>24,541</u>	<u>275,787</u>	<u>300,328</u>
	At 31 December 2021	24,541	275,787	300,328
	Depreciation and impairment			
	At 1 January 2021	24,541	220,349	244,890
	Depreciation charged in the year	-	16,056	16,056
		<u>24,541</u>	<u>236,405</u>	<u>260,946</u>
	At 31 December 2021	24,541	236,405	260,946
	Carrying amount			
	At 31 December 2021	-	39,382	39,382
		<u><u>-</u></u>	<u><u>39,382</u></u>	<u><u>39,382</u></u>
	At 31 December 2020	-	27,697	27,697
		<u><u>-</u></u>	<u><u>27,697</u></u>	<u><u>27,697</u></u>
7	Fixed asset investments			
			2021	2020
			£	£
	Shares in group undertakings and participating interests		679,243	679,243
			<u><u>679,243</u></u>	<u><u>679,243</u></u>

ALTIA SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

8 Debtors		2021	2020
			as restated
Amounts falling due within one year:		£	£
Trade debtors		251,769	112,707
Corporation tax recoverable		156,937	70,139
Amounts owed by group undertakings		675,430	1,230,785
Other debtors		104,153	81,587
		<u>1,188,289</u>	<u>1,495,218</u>
Deferred tax asset		55,309	232,206
		<u>1,243,598</u>	<u>1,727,424</u>
		<u><u>1,243,598</u></u>	<u><u>1,727,424</u></u>
9 Creditors: amounts falling due within one year		2021	2020
			as restated
		£	£
Trade creditors		222,722	38,763
Amounts owed to group undertakings		19,792	495,197
Taxation and social security		115,154	292,748
Other creditors		1,733,891	1,635,637
		<u>2,091,559</u>	<u>2,462,345</u>
		<u><u>2,091,559</u></u>	<u><u>2,462,345</u></u>
10 Called up share capital			
	2021	2020	2021
	Number	Number	£
Ordinary share capital			£
Issued and fully paid			
Ordinary shares of £1 each	17,900	17,900	17,900
"A" Ordinary shares of £1 each	26,666	26,666	26,666
	<u>44,566</u>	<u>44,566</u>	<u>44,566</u>
	<u><u>44,566</u></u>	<u><u>44,566</u></u>	<u><u>44,566</u></u>

11 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.

ALTIA SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

11 Audit report information

(Continued)

Emphasis of matter

We draw attention to Note 14 to the financial statements which describes the prior period adjustments made which resulted in restatements of opening reserves, revenue, administration expenses, current and deferred tax previously reported in the 31 December 2020 financial statements. Our opinion is not modified in respect of this matter.

The senior statutory auditor was Barry Masson and the auditor was Johnston Carmichael LLP.

12 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:

	2021	2020
	£	£
	101,210	111,574
	<u> </u>	<u> </u>

13 Related party transactions

Transactions with related parties

The company has taken advantage of the exemption available in FRS 102 1A whereby it has not disclosed transactions with the immediate parent or any wholly owned subsidiary undertaking of the group.

14 Prior period adjustment

The company has reviewed the application of its revenue recognition policy in the year in respect to the finite period licence agreements. Under the application of the new interpretation, the business is recognising revenue from licence agreements on a straight-line basis over the period of the licence. In contrast, the previous interpretation would recognise a significant proportion of revenue upfront on the start of the contract, and only the residual over the term of the licence. This revenue recognition basis was changed with effect from the beginning of the 2019 financial year to capture all revenue from multi-year contracts. Please see reconciliation below for the impact of the changes to the revenue and deferred revenue and equity amounts for the FY2020 financial year.

Secondly, the company has recognised an unrecorded accrual for staff costs that had been omitted in error in the 2020 financial year in the accounts. Please see reconciliation below for the impact of the changes to the expenses and equity amounts for the FY2020 financial year.

Lastly, the tax impact of the adjustments have been effected.

ALTIA SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

14 Prior period adjustment	(Continued)	
Reconciliation of changes in equity		
	1 January	31 December
	2020	2020
	£	£
Adjustments to prior year		
Revenue recognition adjustment	(680,062)	(1,048,754)
Accrual of staff costs	-	(185,132)
Tax impact of prior period restatements	129,212	234,438
Impact of prior period tax error	-	115,035
	<hr/>	<hr/>
Total adjustments	(550,850)	(884,413)
Equity as previously reported	833,927	1,435,809
	<hr/>	<hr/>
Equity as adjusted	283,077	551,396
	<hr/> <hr/>	<hr/> <hr/>
Analysis of the effect upon equity		
Profit and loss reserves	(550,850)	(884,413)
	<hr/> <hr/>	<hr/> <hr/>
Reconciliation of changes in profit for the previous financial period		
		2020
		£
Adjustments to prior year		
Revenue recognition adjustment		(368,692)
Accrual of staff costs		(185,132)
Tax impact of prior period restatements		105,226
Impact of prior period tax error		115,035
		<hr/>
Total adjustments		(333,563)
Profit as previously reported		595,762
		<hr/>
Profit as adjusted		262,199
		<hr/> <hr/>

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