Registered number
04077681

Enate Ltd

Annual Report and Financial Statements

30 September 2021

Enate Ltd
Registered number: 04077681
Balance Sheet
as at 30 September 2021

	Notes		2021		2020
			£		£
Fixed assets					
Tangible assets	4		2,985		4,766
Investments	5		981		981
			3,966		5,747
Current assets					
Debtors	6	423,087		433,062	
Cash at bank and in hand		524,989		1,668,173	
		948,076		2,101,235	
Creditors: amounts falling due within one year	7	(1,584,190)		(1,235,365)	
Net current (liabilities)/assets			(636,114)		865,870
Total assets less current liabilities			(632,148)		871,617
Creditors: amounts falling due after more than one year	7		(49,649)		(49,649)
Net (liabilities)/assets			(681,797)		821,968
Capital and reserves					
Called up share capital	10		4,259		4,259
Share premium			4,283,313		4,283,313
Profit and loss account			(4,969,369)		(3,465,604)
Shareholders' funds			(681,797)		821,968

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

The option not to file the Profit and Loss Account with the Registrar of Companies has been taken.

Mr C M Cox
Director
Approved by the board on 10 December 2021

1 Accounting policies

Summary of significant accounting policies and key accounting estimates
The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance
These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Going concern
The directors have reviewed a range of detailed financial forecasts prepared for the year, together with the strategic plan, and believe that Enate has sufficient resources and liquidity available to continue to meet its liabilities as they fall due.

Enate is financed by a combination of equity and retained earnings. The nature of the business is such that non-discretionary spend could be funded indefinitely from repeatable revenue. The directors are currently targeting the remainder, combined with equity funding, on discretionary customer acquisition expenditure which could quickly be stopped if necessary. Written assurances have been received from existing investors that they will continue to be supportive investors for at least the next 12 months and that they have sufficient funds readily available.

The impact of COVID-19 on financial performance of Enate remains low.

The directors therefore believe that it is appropriate to prepare the accounts on a going concern basis.

Basis of preparation
These financial statements have been prepared using the historical cost convention except for, where disclosed in these accounting policies, certain items that are shown at fair value.

The presentational currency of the financial statements is Pounds Sterling, being the functional currency of the primary economic environment in which the company operates. Monetary amounts in these financial statements are rounded to the nearest Pound.

Group accounts not prepared
The company has taken advantage of the exemption from preparing consolidated financial statements available to small groups under s397 of the Companies Act 2006 and presents the company's results and position at the year-end as a single entity.

Turnover
Turnover is measured at the fair value of the consideration received or receivable for goods and services provided, net of discounts and value added taxes. Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have transferred to the buyer. Revenue from the rendering of services is recognised by reference to the stage of completion of the contract. The stage of completion of a contract is measured by comparing the costs incurred for work performed to date to the total estimated contract costs.

Research and development

Research expenditure is written off to the profit and loss in the period in which it is incurred. Development expenditure is written off in the same way unless the directors are satisfied that it is probable that the expected future economic benefits attributable to the intangible asset created will flow to the company and the cost of the intangible asset can be measured reliably. Where these criteria are met, the expenditure is deferred and amortised over the period during which the company is expected to benefit.

Tangible fixed assets

Tangible fixed assets are measured at cost less accumulative depreciation and any accumulative impairment losses. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Computer Equipment	over 2 years

Investments

Investments in subsidiaries are measured at cost less any accumulated impairment losses.

Debtors

Short term debtors are measured at transaction price (which is usually the invoice price), less any impairment losses for bad and doubtful debts. Loans and other financial assets are initially recognised at transaction price including any transaction costs and subsequently measured at amortised cost determined using the effective interest method, less any impairment losses for bad and doubtful debts.

Creditors

Short term creditors are measured at transaction price (which is usually the invoice price). Loans and other financial liabilities are initially recognised at transaction price net of any transaction costs and subsequently measured at amortised cost determined using the effective interest method.

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants relating to revenue are recognised in income over the period in which the income is receivable.

During the previous year the Company benefited from the Government's Coronavirus Job Retention Scheme (CJRS).

Taxation

A current tax liability is recognised for the tax payable on the taxable profit of the current and past periods. A current tax asset is recognised in respect of either reclaimable SME R&D relief or a tax loss that can be carried back to recover tax paid in a previous period. Deferred tax is recognised in respect of all timing differences between the recognition of income and expenses in the financial statements and their inclusion in tax assessments. 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference, except for revalued land and investment property where the tax rate that applies to the sale of the asset is used. Current and deferred tax assets and liabilities are not discounted.

Foreign currency translation
Transactions in foreign currencies are initially recognised at the rate of exchange ruling at the date of the transaction. At the end of each reporting period foreign currency monetary items are translated at the closing rate of exchange. Non-monetary items that are measured at historical cost are translated at the rate ruling at the date of the transaction. All differences are charged to profit or loss.

Leased assets
A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. All other leases are classified as operating leases. The rights of use and obligations under finance leases are initially recognised as assets and liabilities at amounts equal to the fair value of the leased assets or, if lower, the present value of the minimum lease payments. Minimum lease payments are apportioned between the finance charge and the reduction in the outstanding liability using the effective interest rate method. The finance charge is allocated to each period during the lease so as to produce a constant periodic rate of interest on the remaining balance of the liability. Leased assets are depreciated in accordance with the company's policy for tangible fixed assets. If there is no reasonable certainty that ownership will be obtained at the end of the lease term, the asset is depreciated over the lower of the lease term and its useful life. Operating lease payments are recognised as an expense on a straight line basis over the lease term.

Share-based payments
Equity-settled share-based payments are measured at fair value at the date of grant by reference to the fair value of the equity instruments granted. The fair value determined at the grant date is expensed in the year, based on the estimate of shares that will eventually vest. A corresponding adjustment is made to equity.

When the terms and conditions of equity-settled share-based payments at the time they were granted are subsequently modified, the fair value of the share-based payment under the original terms and conditions and under the modified terms and conditions are both determined at the date of the modification. Any excess of the modified fair value over the original fair value is recognised over the remaining vesting period in addition to the grant date fair value of the original share-based payment. The share-based payment expense is not adjusted if the modified fair value is less than the original fair value.

Cancellations or settlements (including those resulting from employee redundancies) are treated as an acceleration of vesting and the amount that would have been recognised over the remaining vesting period is recognised immediately.

Pensions
Contributions to defined contribution plans are expensed in the period to which they relate.

2 Audit information

The Independent Auditor's Report, which includes a material uncertainty related to going concern paragraph in relation to the uncertainties highlighted in the Directors' Report, was unqualified.

Senior statutory auditor:	Ryan Hancock
Firm:	Hazlewoods LLP
Date of audit report:	13 December 2021

Enate Ltd
Notes to the Accounts
for the year ended 30 September 2021

3 Employees

	2021 Number	2020 Number
Average number of persons employed by the company	28	28

4 Tangible fixed assets

	Computer Equipment £
Cost	
At 1 October 2020	21,604
Additions	4,551
Disposals	(6,723)
At 30 September 2021	19,432
Depreciation	
At 1 October 2020	16,838
Charge for the year	5,624
On disposals	(6,015)
At 30 September 2021	16,447
Net book value	
At 30 September 2021	2,985
At 30 September 2020	4,766

5 Investments

	Investments in subsidiary undertakings £
Cost	
At 1 October 2020	981
At 30 September 2021	981

Enate Technologies Private (India) Ltd, a company incorporated in India is a wholly owned subsidiary of Enate Ltd.

6 Debtors

	2021 £	2020 £
Trade debtors	128,664	108,969
Amounts owed by group undertakings and undertakings in which the company has a participating interest	-	85,495
Deferred tax asset	137,881	71,812
Other debtors	7,526	7,717
Prepayments and accrued income	149,016	159,069
	423,087	433,062

7 Creditors

	2021	2020
	£	£
Amounts falling due within one year		
Trade creditors	69,019	90,038
Amounts owed to group undertakings and undertakings in which the company has a participating interest	365,756	-
Taxation and social security costs	50,284	39,582
Accruals and deferred income	1,025,222	1,033,875
Other creditors	73,909	71,870
	1,584,190	1,235,365

	2021	2020
	£	£
Amounts falling due after one year		
Other creditors	49,649	49,649

8 Other financial commitments

	2021	2020
	£	£
Total future minimum payments under non-cancellable operating leases	18,080	54,240

9 Related party transactions

In a previous year loans were advanced to the company by the directors and connected persons. As at 30 September 2021, the aggregate balance owed to the directors and connected persons was £49,649 (2020 - £49,649). The loans are repayable upon demand and interest is incurred on £10,000 of the balance at 1.5% with the remaining loans being interest free. Interest was paid to the directors and connected persons in the year of £150 (2020 - £150).

During the year no loans were advanced by directors or repaid to them. In 2020 a loan of £100,000 was advanced to the company from a Director and repaid during the year. In that year the sum of £6,517 interest was paid against the loan balance.

During the year sales of £112,218 (2020: £42,108) and purchases of £822,698 (2020: £510,417) in the usual course of business were made to / from the company's subsidiary, Enate Technologies Private (India) Ltd. As at 30 December 2021 £43,619 (2020: £12,850) of these sales were deferred. At the year end the company owed a net balance relating to these transactions of £365,756 (2020: £85,495 owed by).

During the year purchases of £24,447 (2020: £45,775) were made from related parties under common control. At the year end the company owed £2,200 (2020: £4,587).

10 Called up share capital

	2021	2020
	£	£
Authorised, allotted and fully paid:		
Ordinary shares of £0.01 each	3,447	3,447
A Ordinary shares of £0.01 each	731	731
B Ordinary shares of £0.01 each	81	81
	4,259	4,259

A and B Ordinary shares rank pari passu to Ordinary shares except regarding the appointment of directors and in certain other limited circumstances such as insolvency, winding up of the company, material or persistent breach of agreements by either a Director or shareholder holding more than 5% of allotted share capital. In these limited circumstances the rights of A and B Ordinary shares are significantly enhanced.

	Ordinary	A Ordinary	B Ordinary
	#	#	#
At 1 October 2020	344,676	73,081	8,120
At 30 September 2021	344,676	73,081	8,120

11 Share options

At the end of the year there were 66,830 options available for exercise (10,193 vested and 56,637 unvested). During the year no options were issued and 3,519 were either cancelled or expired. None of the unvested options vest before the sale of either the share capital of the company or substantially the whole of the business. Options are valued at fair value by external accountants at grant date. If their terms and conditions are subsequently modified, any incremental fair value increase (but not decrease) is recognised at the point of modification.

12 Other information

Enate Ltd is a private company limited by shares and incorporated in England. Its registered office is:
7 Rockfield Business Park
Old Station Drive
Cheltenham
Gloucestershire
GL53 0AN