

# Automated Intelligence Limited

Annual Report and Audited Financial Statements

for the Period from 1 July 2021 to 31 December 2022

# Automated Intelligence Limited

## Contents

Balance Sheet	<a href="#">1</a>
Notes to the Financial Statements	<a href="#">2</a> to <a href="#">10</a>

**Automated Intelligence Limited**  
**(Registration number: NI603151)**  
**Balance Sheet as at 31 December 2022**

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Intangible assets	<a href="#">4</a>	17,979	27,479
Tangible assets	<a href="#">5</a>	6,176	12,004
		24,155	39,483
<b>Current assets</b>			
Debtors	<a href="#">6</a>	932,218	1,150,611
Cash at bank and in hand		147,887	970,901
		1,080,105	2,121,512
<b>Creditors: Amounts falling due within one year</b>	<a href="#">7</a>	(657,425)	(946,826)
<b>Net current assets</b>		422,680	1,174,686
<b>Total assets less current liabilities</b>		446,835	1,214,169
<b>Creditors: Amounts falling due after more than one year</b>	<a href="#">7</a>	(320,000)	(1,908,230)
<b>Net assets/(liabilities)</b>		126,835	(694,061)
<b>Capital and reserves</b>			
Called up share capital	<a href="#">8</a>	985,199	530,459
Share premium reserve		5,274,354	3,264,546
Retained earnings		(6,132,718)	(4,489,066)
Shareholders' funds/(deficit)		126,835	(694,061)

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland.'

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime. As permitted by section 444 (5A) of the Companies Act 2006, the directors have not delivered to the registrar a copy of the Profit and Loss Account.

Approved and authorised by the Board on 21 December 2023 and signed on its behalf by:

.....  
Edward Morris Hughes Phillips  
Director

.....  
Niall Olden  
Director

The notes on pages [2](#) to [10](#) form an integral part of these financial statements.

# Automated Intelligence Limited

## Notes to the Financial Statements for the Period from 1 July 2021 to 31 December 2022

### 1 General information

The company is a private company limited by share capital, incorporated in Northern Ireland.

The address of its registered office is:

Unit 4  
Innovation Centre  
Queens Road  
Belfast  
BT3 9DT  
Northern Ireland

The presentational currency is £ Sterling.

The level of rounding is to the nearest £.

These financial statements were authorised for issue by the Board on 21 December 2023.

### 2 Accounting policies

#### Summary of significant accounting policies

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 smaller entities - 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' and the Companies Act 2006 (as applicable to companies subject to the small companies' regime).

#### Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

#### Disclosure of long or short period

The period covered in the financial statements is 1 July 2021 to 31 December 2022, hence the comparatives are not entirely comparable.

# Automated Intelligence Limited

## Notes to the Financial Statements for the Period from 1 July 2021 to 31 December 2022

### Going concern

The company incurred a loss after tax of £1,643,652 during the year. At 31 December 2022, the company had £147,887 cash at bank, net current assets of £422,680 and net assets of £126,835.

The company's core source of finance is in the form of convertible loan agreements with a number of lenders and the company has the ongoing support of these lenders along with the company's shareholders to continue as a going concern. The Company's principal shareholders have provided additional financing after the balance sheet date and have confirmed they are willing to consider future investment requests by the Company and will make a decision at that time on the merits of such proposal should it be required.

As at 31 December 2022, there were £320,000 of convertible loans outstanding. Further convertible loans totalling £1,090,000 were issued during 2023.

The directors have prepared forecasts which, whilst containing inherent uncertainties in the range of outcomes, do demonstrate that the company has sufficient funds to meet its obligations as they fall due. Accordingly, the directors have adopted the going concern basis of preparing the financial statements.

### Audit report

The Independent Auditor's Report was unqualified. . The name of the Senior Statutory Auditor who signed the audit report on 21 December 2023 was , who signed for and on behalf of RBCA Limited.

.....

### Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

- The amount of revenue can be reliably measured;
- it is probable that future economic benefits will flow to the entity;
- and specific criteria have been met for each of the company's activities.

### Government grants

Government grant income is released to the profit and loss account in the year in which they are received.

### Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rate on the date when the fair value is re-measured.

Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

# Automated Intelligence Limited

## Notes to the Financial Statements for the Period from 1 July 2021 to 31 December 2022

### Tax

The tax expense for the period comprises current tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Deferred tax is recognised on timing differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognised for all taxable timing differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that

taxable profits will be available against which those deductible timing differences can be utilised. The carrying amount of deferred tax assets is reviewed at the end of each reporting period 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 assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have

been enacted or substantively enacted by the end of the reporting period. Deferred tax liabilities are presented within provisions for liabilities and deferred tax assets within debtors. The measurement of deferred tax liabilities and asset reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

### Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

### Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Fixtures and fittings	20% straight line
Computer equipment	33% straight line

### Intangible assets

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses.

### Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

<b>Asset class</b>	<b>Amortisation method and rate</b>
Intangible assets	20% straight line

# Automated Intelligence Limited

## Notes to the Financial Statements for the Period from 1 July 2021 to 31 December 2022

### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

### Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

### Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

### Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the profit and loss account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

### Leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

### Research and development

Research and development expenditure is written off in the period in which it is incurred.

### Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

# Automated Intelligence Limited

## Notes to the Financial Statements for the Period from 1 July 2021 to 31 December 2022

### Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

### 3 Staff numbers

The average number of persons employed by the company (including directors) during the period, was 30 (2021 - 39).

# Automated Intelligence Limited

## Notes to the Financial Statements for the Period from 1 July 2021 to 31 December 2022

### 4 Intangible assets

	Internally generated software development costs £	Total £
<b>Cost or valuation</b>		
At 1 July 2021	31,580	31,580
At 31 December 2022	31,580	31,580
<b>Amortisation</b>		
At 1 July 2021	4,101	4,101
Amortisation charge	9,500	9,500
At 31 December 2022	13,601	13,601
<b>Carrying amount</b>		
At 31 December 2022	17,979	17,979
At 30 June 2021	27,479	27,479

### 5 Tangible assets

	Computer equipment £	Fixtures and fittings £	Total £
<b>Cost or valuation</b>			
At 1 July 2021	151,721	31,592	183,313
Additions	5,215	-	5,215
At 31 December 2022	156,936	31,592	188,528
<b>Depreciation</b>			
At 1 July 2021	142,200	29,109	171,309

Charge for the period	<u>9,050</u>	<u>1,993</u>	<u>11,043</u>
At 31 December 2022	<u>151,250</u>	<u>31,102</u>	<u>182,352</u>
<b>Carrying amount</b>			
At 31 December 2022	<u>5,686</u>	<u>490</u>	<u>6,176</u>
At 30 June 2021	<u>2,471</u>	<u>9,533</u>	<u>12,004</u>

# Automated Intelligence Limited

## Notes to the Financial Statements for the Period from 1 July 2021 to 31 December 2022

### 6 Debtors

<b>Current</b>	<b>Note</b>	<b>2022 £</b>	<b>2021 £</b>
Trade debtors		374,151	486,365
Corporation tax repayable		535,796	579,765
Prepayments		22,271	65,481
Other debtors		-	19,000
		<u>932,218</u>	<u>1,150,611</u>

### 7 Creditors

#### Creditors: amounts falling due within one year

<b>Due within one year</b>	<b>Note</b>	<b>2022 £</b>	<b>2021 £</b>
Loans and borrowings	<a href="#">9</a>	134,950	115,943
Trade creditors		128,687	86,022
Taxation and social security		93,738	363,730
Accruals and deferred income		296,808	356,791
Other creditors		3,242	24,340
		<u>657,425</u>	<u>946,826</u>

#### Creditors: amounts falling due after more than one year

<b>Due after one year</b>	<b>Note</b>	<b>2022 £</b>	<b>2021 £</b>
Loans and borrowings	<a href="#">9</a>	<u>320,000</u>	<u>1,908,230</u>

Loans in the prior year included £1,750,000 of convertible loan notes which were secured by a fixed and floating charge over the company's assets. These loan notes converted to equity during the period end 31 December 2022, and were replaced by the issue of new convertible loans totalling £320,000 in December 2022.

### 8 Share capital

The share capital of the company is presented as equity.

# Automated Intelligence Limited

## Notes to the Financial Statements for the Period from 1 July 2021 to 31 December 2022

### 9 Loans and borrowings

	2022 £	2021 £
<b>Non-current loans and borrowings</b>		
Other borrowings	320,000	1,908,230
	<u>320,000</u>	<u>1,908,230</u>
	2022 £	2021 £
<b>Current loans and borrowings</b>		
Other borrowings	134,950	115,943
	<u>134,950</u>	<u>115,943</u>

### 10 Obligations under leases and hire purchase contracts

#### Operating leases

The total of future minimum lease payments is as follows:

	2022 £	2021 £
Not later than one year	-	82,500
Later than one year and not later than five years	-	41,250
	<u>-</u>	<u>41,250</u>
	<u>-</u>	<u>123,750</u>

### 11 Related party transactions

There are no transactions with related parties that are required to be disclosed with related parties under FRS 102 Section 1A.

# Automated Intelligence Limited

## Notes to the Financial Statements for the Period from 1 July 2021 to 31 December 2022

### 12 Controlling party

The ultimate controlling parties of the company are its shareholders.

### 13 Other services

In common with many other businesses of our size and nature we use our auditors to provide tax advice, prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.

### 14 Contingent liabilities

As with all such claims, there exists a contingent liability to repay all or some of the research and development tax credits claimed by the company in the event that HMRC successfully challenges any such claims. It is impracticable to estimate the financial effect, possibility of reimbursement or indicate the uncertainties that relate to the timing or amount of the potential liability.

### 15 Events occurring after the balance sheet date

During 2023 the company undertook an internal restructuring exercise which resulted in several changes to key management personnel, together with a rationalisation of the cost base. The directors believe that this exercise has put the company in a stronger position to take advantage of future opportunities. This restructure and cost reduction programme has the full support of the company's directors and principal shareholders who are supportive of the company.

### 16 Auditor's Information

The auditor's report on the financial statements for the period ended 31 December 2022 contained a note highlighting a material uncertainty relating to going concern but the opinion was unmodified in respect of that matter. The auditor's report was unqualified.

The auditor's report was signed on \_\_\_\_\_ by Brian Stewart (Senior Statutory Auditor) on behalf of RBCA Limited.