

Company Registration No. 05760628 (England and Wales)

INTELLIGENT HEALTH LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

INTELLIGENT HEALTH LIMITED

COMPANY INFORMATION

Directors	Dr C W H Bird G T Sewell I R H Simpkin K Knight D J Walters Mr K McDonnell	(Appointed 27 July 2021)
Secretary	I R H Simpkin	
Company number	05760628	
Registered office	Reading Enterprise Centre Reading University Earley Gate Reading Berkshire RG6 6BU	
Accountants	Bruton Charles The Coach House Greys Green Business Centre Henley on Thames OXON RG9 4QG	

INTELLIGENT HEALTH LIMITED

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INTELLIGENT HEALTH LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2021

The directors present their annual report and financial statements for the year ended 30 June 2021.

Principal activities

The principal activity of the company continued to be that of the development of solutions for the health sector relating to increasing physical activity through the use of technology.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Dr C W H Bird

G T Sewell

Mercia Fund Management (Nominees) Limited (Resigned 20 June 2021)

I R H Simpkin

K Knight

D J Walters

Mr K McDonnell

(Appointed 27 July 2021)

Small companies exemption

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board

.....

Dr C W H Bird

Director

Date:

INTELLIGENT HEALTH LIMITED

CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF INTELLIGENT HEALTH LIMITED FOR THE YEAR ENDED 30 JUNE 2021

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Intelligent Health Limited for the year ended 30 June 2021 set out on pages 3 to 12 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 at <http://www.icaew.com/en/members/regulations-standards-and-guidance>.

This report is made solely to the Board of Directors of Intelligent Health Limited, as a body, in accordance with the terms of our engagement letter dated 26 March 2013. Our work has been undertaken solely to prepare for your approval the financial statements of Intelligent Health Limited and state those matters that we have agreed to state to the Board of Directors of Intelligent Health Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Intelligent Health Limited and its Board of Directors as a body, for our work or for this report.

It is your duty to ensure that Intelligent Health Limited 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 Intelligent Health Limited. You consider that Intelligent Health Limited 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 Intelligent Health Limited. 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.

Bruton Charles

.....

Chartered Accountants

The Coach House
Greys Green Business Centre
Henley on Thames
OXON
RG9 4QG

INTELLIGENT HEALTH LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30 JUNE 2021

	2021	2020
Turnover	2,326,187	2,088,920
Cost of sales	(769,605)	(714,678)
	<hr/>	<hr/>
Gross profit	1,556,582	1,374,242
Administrative expenses	(1,223,015)	(1,458,006)
Other operating income	96,027	67,022
	<hr/>	<hr/>
Operating profit/(loss)	429,594	(16,742)
Interest receivable and similar income	108	1,090
Interest payable and similar expenses	(43,198)	(18,558)
	<hr/>	<hr/>
Profit/(loss) before taxation	386,504	(34,210)
Tax on profit/(loss)	57	28,383
	<hr/>	<hr/>
Profit/(loss) for the financial year	<u>386,561</u>	<u>(5,827)</u>

INTELLIGENT HEALTH LIMITED

BALANCE SHEET

AS AT 30 JUNE 2021

	Notes	2021	2020
Fixed assets			
Intangible assets	3	235,968	220,549
Tangible assets	4	22,114	40,201
		<u>258,082</u>	<u>260,750</u>
Current assets			
Stocks		121,551	5,298
Debtors	5	60,224	149,117
Cash at bank and in hand		973,192	1,317,555
		<u>1,154,967</u>	<u>1,471,970</u>
Creditors: amounts falling due within one year	6	<u>(1,621,764)</u>	<u>(2,377,501)</u>
Net current liabilities		<u>(466,797)</u>	<u>(905,531)</u>
Total assets less current liabilities		<u>(208,715)</u>	<u>(644,781)</u>
Creditors: amounts falling due after more than one year	7	(40,278)	(78,333)
Provisions for liabilities		30,000	30,000
Net liabilities		<u>(218,993)</u>	<u>(693,114)</u>
Capital and reserves			
Called up share capital	8	2,274	2,212
Share premium account		1,499,500	1,412,002
Profit and loss reserves		(1,720,767)	(2,107,328)
Total equity		<u>(218,993)</u>	<u>(693,114)</u>

For the financial year ended 30 June 2021 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 in accordance with the provisions applicable to companies subject to the small companies regime.

INTELLIGENT HEALTH LIMITED

BALANCE SHEET (CONTINUED)

AS AT 30 JUNE 2021

	2021	2020
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The financial statements were approved by the board of directors and authorised for issue on
and are signed on its behalf by:

.....
Dr C W H Bird
Director

Company Registration No. 05760628

INTELLIGENT HEALTH LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2021

		Share capital	Share premium account	Profit and loss reserves	Total
	Notes				
Balance at 1 July 2019		2,212	1,412,002	(2,101,501)	(687,287)
Year ended 30 June 2020:					
Loss and total comprehensive income for the year		-	-	(5,827)	(5,827)
Balance at 30 June 2020		<u>2,212</u>	<u>1,412,002</u>	<u>(2,107,328)</u>	<u>(693,114)</u>
Year ended 30 June 2021:					
Profit and total comprehensive income for the year		-	-	386,561	386,561
Issue of share capital	8	62	87,498	-	87,560
Balance at 30 June 2021		<u><u>2,274</u></u>	<u><u>1,499,500</u></u>	<u><u>(1,720,767)</u></u>	<u><u>(218,993)</u></u>

INTELLIGENT HEALTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

1 Accounting policies

Company information

Intelligent Health Limited is a private company limited by shares incorporated in England and Wales. The registered office is Reading Enterprise Centre, Reading University, Earley Gate, Reading, Berkshire, RG6 6BU.

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 balance sheet is showing net liabilities of £218,993 as at the year end. The company is therefore reliant on continued support from its directors and shareholders to continue trading. The directors and shareholders have no intention of withdrawing this support in the foreseeable future.

1.3 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.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

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

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

INTELLIGENT HEALTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

1 Accounting policies

(Continued)

Amortisation 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:

Beat the Street mobile application; to write off over 5 years straight line, post launch	
Beat the Street CMS and database; My activity tracker	Written off over 5 years straight line on cost

1.6 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:

Plant and machinery	Straight line on cost over 3 years
Fixtures, fittings & equipment	25% straight line on cost

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.

1.7 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.

1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

1.9 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.

INTELLIGENT HEALTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 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 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.

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, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. 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 Compound instruments

The component parts of compound instruments issued by the company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangement. At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for a similar non-convertible instrument. This amount is recorded as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date. The equity component is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognised and included in equity net of income tax effects and is not subsequently remeasured.

1.12 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.

INTELLIGENT HEALTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

1 Accounting policies

(Continued)

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.

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.

1.15 Retirement benefits

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

1.16 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:

	2021 Number	2020 Number
Total	30	25

INTELLIGENT HEALTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

3 Intangible fixed assets

	Other
Cost	
At 1 July 2020	771,583
Additions	102,929
	<hr/>
At 30 June 2021	874,512
	<hr/>
Amortisation and impairment	
At 1 July 2020	551,034
Amortisation charged for the year	87,510
	<hr/>
At 30 June 2021	638,544
	<hr/>
Carrying amount	
At 30 June 2021	235,968
	<hr/> <hr/>
At 30 June 2020	220,549
	<hr/> <hr/>

4 Tangible fixed assets

	Plant and machinery etc
Cost	
At 1 July 2020	894,596
Additions	2,779
	<hr/>
At 30 June 2021	897,375
	<hr/>
Depreciation and impairment	
At 1 July 2020	854,395
Depreciation charged in the year	20,866
	<hr/>
At 30 June 2021	875,261
	<hr/>
Carrying amount	
At 30 June 2021	22,114
	<hr/> <hr/>
At 30 June 2020	40,201
	<hr/> <hr/>

INTELLIGENT HEALTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

5 Debtors

	2021	2020
Amounts falling due within one year:		
Trade debtors	48,093	88,156
Corporation tax recoverable	-	28,383
Other debtors	12,131	32,578
	<u>60,224</u>	<u>149,117</u>

6 Creditors: amounts falling due within one year

	Notes	2021	2020
Convertible loans		175,000	175,000
Other borrowings		116,528	44,167
Trade creditors		176,715	68,971
Taxation and social security		44,740	143,697
Deferred income		882,060	1,720,080
Other creditors		45,847	62,269
Accruals and deferred income		180,874	163,317
		<u>1,621,764</u>	<u>2,377,501</u>

7 Creditors: amounts falling due after more than one year

	2021	2020
Other creditors	40,278	78,333
	<u>40,278</u>	<u>78,333</u>

8 Called up share capital

	2021 Number	2020 Number	2021	2020
Ordinary share capital Issued and fully paid				
Ordinary of 1p each	114,700	114,700	1,147	1,147
A ordinary shares of 1p each	112,719	106,496	1,127	1,065
	<u>227,419</u>	<u>221,196</u>	<u>2,274</u>	<u>2,212</u>

INTELLIGENT HEALTH LIMITED
MANAGEMENT INFORMATION
FOR THE YEAR ENDED 30 JUNE 2021

INTELLIGENT HEALTH LIMITED

DETAILED TRADING AND PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30 JUNE 2021

		2021		2020
Turnover				
Sales		2,326,187		2,088,920
Cost of sales				
<i>Opening stocks</i>				
Opening stock of finished goods	5,298		3,764	
	<hr/>		<hr/>	
Total opening stocks	5,298		3,764	
	<hr/>		<hr/>	
<i>Purchases and other direct costs</i>				
Purchases	252,790		106,263	
Wages and salaries - projects	192,897		203,168	
Employers NI - projects	23,276		18,710	
Subcontract labour	173,397		188,188	
Advertising & marketing - projects	214,958		147,204	
Rent - projects	1,529		1,380	
Travelling expenses - projects	696		5,682	
Telecommunications - projects	228		-	
Events prizes & gifts	26,087		45,617	
	<hr/>		<hr/>	
Total purchases and other direct costs	885,858		716,212	
	<hr/>		<hr/>	
<i>Closing stocks</i>				
Closing stock of finished goods	121,551		5,298	
	<hr/>		<hr/>	
Total closing stocks	121,551		5,298	
	<hr/>		<hr/>	
Total cost of sales		(769,605)		(714,678)
		<hr/>		<hr/>
Gross profit	66.92%	1,556,582	65.79%	1,374,242
Other operating income				
Sundry income		96,027		67,022

INTELLIGENT HEALTH LIMITED

DETAILED TRADING AND PROFIT AND LOSS ACCOUNT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

		2021	2020
Administrative expenses			
Wages and salaries	442,877	455,143	
Employers National Insurance	45,108	42,288	
Staff welfare	1,363	-	
Staff training	1,657	2,376	
Staff pension costs defined contribution	32,251	23,031	
Recruitment costs	5,421	2,433	
Directors' remuneration	228,994	221,683	
Directors' social security costs	27,965	23,342	
Directors' fees	20,705	54,117	
Commissions payable	4,375	25,876	
Virtual office costs	48,844	71,301	
Rates	10,729	9,877	
Cleaning	332	-	
Insurance	17,347	20,138	
Equipment repairs	594	-	
Computer & Internet	89,133	82,519	
Travelling expenses	3,428	22,648	
Subscriptions	-	168	
Legal and professional fees	26,375	26,141	
Consultancy fees	43,903	49,665	
Bookkeeping & accountancy	3,875	3,319	
Charitable donations	1,350	3,400	
Bank charges	1,611	3,905	
Printing, postage and stationery	665	13,567	
Advertising & promotion	31,283	63,782	
Telecommunications	10,726	22,337	
Sundry expenses	13,727	9,767	
Amortisation	87,510	109,090	
Depreciation	20,867	94,757	
Profit or loss on foreign exchange	-	1,336	
		(1,223,015)	(1,458,006)
Operating profit/(loss)		429,594	(16,742)
Interest receivable and similar income			
Bank interest received	108	1,090	
		108	1,090
Interest payable and similar expenses			
Other loan interest		(43,198)	(18,558)
Profit/(loss) before taxation	16.62%	386,504	(34,210)