

MendiT Computer Repairs Limited
Annual Report and Financial Statements
Year Ended
31 March 2022

Company Number 07423708

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Company Information

Directors	S A Brenchley R D Winsland
Registered number	07423708
Registered office	Unit One Magnesium Way Hapton Burnley Lancashire England BB12 7BF
Independent auditor	RSM UK Audit LLP Chartered Accountants 3 Hardman St Manchester M3 3HF

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**Strategic Report
For the Year Ended 31 March 2022**

The directors present their strategic report and the financial statements for the year ended 31 March 2022.

Business review

MendIT Computer Repairs Limited ("the Company") is a service company which provide warranties and repair services for a wide range of electrical products to consumers and businesses. Acquired by Tactus Holdings Limited in June 2021, it became the sole provider of warranty and repair services for the Tactus Group, as well as being an authorised repair centre for leading gaming brand, Gigabyte.

During the year, the Company grew by expanding its book of warranties, both external and internal within the Tactus Group. Total warranties sold increased from 75,883 in the prior year to 87,736 in the current year. Typical warranties run for anywhere from 12 months to 60 months and hence there has been a significant increase in the deferred income balance, from £1.1m to £1.3m which will be recognised as revenue in the coming years.

The number of repairs performed reduced from 11,672 to 10,539, which reflected both a reopening of competitor physical repair locations post COVID-19 and a change in the underlying mix of products being serviced.

Gross margins improved largely due to alignment of accounting policies with Group, which had no net impact to the income statement, but resulted in lower revenues and lower cost of sales by £133,000.

Overheads increased as a result of a one-off pension contribution to a former director and the cessation of the furlough scheme.

Financial key performance indicators

The Company uses a number of financial KPIs to monitor performance. During the period, these were:

Performance measure	2022 £	2021 £	Change
Revenue	£1.4m	£1.3m	+10.5%
Gross margin	74.2%	53.5%	+2,080pts
EBITDA	£0.5m	£0.3m	+54.7%

Strategic Report (continued)
For the Year Ended 31 March 2022

Principal risks and uncertainties

The Company is exposed to a variety of financial and non-financial risks including demand risk, warranty risk and product risk.

Demand risk

The Company operates in a fast-paced, technology-led market where there is increased competition from both manufacturers and other repair businesses to provide repair and warranty services. For this reason, the Company focuses on corporates and resellers as its target customer rather than the consumer market.

Warranty risk

The Company provides warranties which range in length from 12 months to 60 months. These expose the Company to the risk if the level of claims under these warranties exceeds the levels forecast and commercially priced. This risk is mitigated by only providing warranties for recognised brands where fault rates are low and forecastable.

Product risk

The Company provides a service which exposes it to the risk of claims from customers if repaired products develop further faults or cause injury. This risk is managed by ensuring that all technicians are highly trained, devices are rigorously tested and that only approved parts are used in repairs.

Statement by the directors in respect of s172(1) reporting requirements

The directors consider, both individually and together, that they have acted in a way they consider would be most likely to promote the success of the Company for the benefit of its members as a whole (having regard for the for the matters set out in s172(1) (a)-(f) of the Companies Act 2006 in the decisions taken during the year).

The Company's strategic plan has been created to ensure key decisions always include a view of multiple time horizons, with decisions never made for short term gains at the expense of long-term shareholder value.

This flows in to how we treat our customers. Our mission is to build brands that transform technology markets, offering better value and more rewarding buying experiences for customers all over the world. We regular seek customer feedback as to our product offering and customer service, with the ultimate aim to make it simple to buy complicated technology products.

Our relationships with suppliers are fundamental to our success; we believe strongly in building relationships that create value for all parties and the spirit of partnership is key to this. We regularly perform external reviews to ensure that our suppliers have no involvement in modern slavery, corruption, bribery or breaches of competition law, as well as ensuring the highest quality standards.

We believe strongly in creating a working environment where people can flourish. We have a high performance culture but this is equally matched by exceptional reward and progression opportunities and a strong sense of fun. We are currently undertaking a full review of our people strategy to ensure we can hire and retain the best talent going forward; including employee surveys, working closely with local talent providers and education establishments to understand the market and benchmarking benefits packages against the wider offering.

We have invested significant time and effort in ensuring that the interests of our shareholders and broader stakeholders are aligned. It is for this reason that we're confident that in executing our plan, we can treat all shareholders equally and fairly.

Strategic Report (continued)
For the Year Ended 31 March 2022

Carbon and environmental reporting

Whilst not formally required to report at this stage, the directors take their responsibilities in respect of the environment and the Company's carbon footprint particularly seriously and are developing an overarching plan to achieve Net Zero Carbon status (through definitive actions to reduce usage as well as offset) in an appropriate timescale.

Future developments

The Company continues to target growth through onboarding new corporate customers and expanding the range of products that it is able to repair to provide a broader service to its customers.

This report was approved by the board on 31 March 2023 and signed on its behalf by



S A Brenchley
Director

**Directors' Report
For the Year Ended 31 March 2022**

The directors present their report and the financial statements for the year ended 31 March 2022.

Principal activity

The principal activity of the Company is operating as a technology warranty provider.

Results and dividends

The profit for the year, after taxation, amounted to £286,869 (2021: £266,387).

There were no dividends paid in the year (2021: £Nil). The directors do not recommend the payment of a final dividend.

Directors

The directors who served during the year were:

S A Brenchley	(Appointed on 8 June 2021)
R D Winsland	(Appointed on 8 June 2021)
S J Ackers	(Resigned on 8 June 2021)
T Ackers	(Resigned on 8 June 2021)

Going concern

The Directors have performed an assessment of the Group's ability to continue as a going concern, for a period of at least 12 months from the date of approval of these financial statements. Management have produced cash flow forecasts and trading projections for a 24 month period from the date of approval of these financial statements. As part of this review, the Directors have prepared reasonable downside cash flow scenarios and have considered these alongside the current available cash balance, committed and available banking facilities. In doing so, the Directors have considered the current economic climate and industry backdrop. As at the date of the approval of these financial statements, £3.25m is drawn on the Group's £10.0m banking facilities. Future forecasts completed by management show the ability to operate within this facility, whilst continuing to meet quarterly covenant testing. There remains headroom under all reasonable scenarios in terms of both cash and compliance with the Group's banking covenants. The Directors therefore believe there is a reasonable expectation that the Group can continue as a going concern for at least the next 12 months from the date of approval of the financial statements. The Group has provided a letter of support to the Company. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Qualifying third party indemnity provisions

The Company has entered into qualifying third-party indemnity arrangements for the benefit of the Directors in a form and scope which comply with the requirements of the Companies Act 2006.

Matters covered in the strategic report

For the business review and future developments please see the Strategic Report on pages 4 to 6.

Directors' Report (continued)
For the Year Ended 31 March 2022

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Post balance sheet events

There have been no events post balance sheet that need to be disclosed.

Auditor

RSM UK Audit LLP were appointed as auditors to the Company and will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on [●] March 2023 and signed on its behalf.



S A Brenchley
Director 31/03/23

**Directors' Responsibilities Statement
For the Year Ended 31 March 2022**

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 101: Reduced Disclosure Framework ("FRS 101"). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MENDIT COMPUTER REPAIRS LIMITED

Opinion

We have audited the financial statements of MendIT Computer Repairs Limited (the 'company') for the year ended 31 March 2022 which comprise statement of total comprehensive income, statement of financial position, statement of change in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework"(United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MENDIT COMPUTER REPAIRS LIMITED (continued)

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 9, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MENDIT COMPUTER REPAIRS LIMITED (continued)

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the company operates in and how the company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 101, the Companies Act 2006 and tax compliance regulations. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures and review of tax computations..

The audit engagement team identified the risk of management override of controls and recognition of revenue as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to using data analytics to identify unusual transactions and transactions entered into outside the normal course of business. Revenue testing including matching transactions against expected cycles using data analytics, investigating exceptions and agreeing a sample to supporting documentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities> This description forms part of our auditor's report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MENDIT COMPUTER REPAIRS LIMITED (continued)

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Jonathan Lowe

JONATHAN LOWE (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
3 Hardman St
Manchester
M3 3HF
Date 31/03/23

Statement of total comprehensive income
For the year ended 31 March 2022

		Year Ended 31 March 2022	(unaudited) Year Ended 31 March 2021
	Note	£	£
Revenue	4	1,444,478	1,307,428
Cost of sales	5	(372,068)	(608,567)
Gross profit		1,072,410	698,861
Administrative expenses	5	(656,593)	(431,359)
Other operating income	6	208	-
Operating profit		416,025	267,502
Interest payable and similar expenses	8	(1,608)	(1,115)
Profit/(loss) before taxation		414,417	266,387
Income tax	9	(127,549)	-
Profit and total comprehensive income for the year		286,869	266,387

All results derive from continuing operations. There are no recognised gains and losses other than those passing through the income statement.

Profit and total comprehensive income is attributable to equity holders of the Company.

		Year Ended 31 March 2022	Year Ended 31 March 2021
	Note	£	£
Operating (loss)/profit		416,025	267,502
Adjustments for:			
Depreciation	18 & 25	41,268	28,005
Adjusted EBITDA*		457,293	295,507

Note 1: Adjusted EBITDA, which is defined as operating profit before depreciation, amortisation and exceptional items (as defined in Note 8) is a non-GAAP metric used by management and is not an FRS 101 disclosure.

Statement of financial position
As at 31 March 2022

			(unaudited)
		31 March	31 March
		2022	2021
	Note	£	£
Non-current assets			
Property, plant and equipment	10	15,973	41,178
Right of use assets	16	17,340	18,173
Deferred tax asset	17	-	-
Total non-current assets		33,313	59,351
Current assets			
Inventories	11	36,490	39,630
Trade and other receivables	12	2,240,841	1,723,348
Cash and cash equivalents	13	179,448	253,157
Total current assets		2,456,779	2,016,135
Total assets		2,490,092	2,075,486
Liabilities			
Current liabilities			
Borrowings	15	-	7,906
Lease liability	16	12,423	7,730
Trade and other payables	14	970,739	829,275
Corporation tax		84,448	23,233
Total current liabilities		1,067,610	868,144
Net current assets		1,389,169	1,147,991
Non-current liabilities			
Borrowings	15	-	42,094
Lease liability	16	6,031	11,335
Other payables		814,462	774,045
Deferred tax liability	17	7,510	8,732
Total non-current liabilities		828,003	836,206
Total liabilities		1,895,613	1,704,350
Net assets		594,479	371,136
Equity			
Share capital	18	90	100
Capital redemption reserve	18	10	-
Retained earnings		594,379	371,036
Total equity		594,479	371,136

The notes on pages 17 to 35 form part of these financial statements.

The financial statements on pages 14 to 35 were approved by the Board of Directors and authorised for issue on 31 March 2023, and were signed on its behalf by:



S A Brenchley
 Director

Registered number: 07042860

Statement of changes in equity
For the year ended 31 March 2022

	Share Capital	Capital redemption reserve	Retained earnings	Total equity
	£	£	£	£
As at 31 March 2020 (unaudited)	100	-	104,649	104,749
Profit for the year	-	-	266,387	266,387
Total comprehensive income for the year	-	-	266,387	266,387
As at 31 March 2021 (unaudited)	100	-	371,036	371,136
Profit for the period	-	-	286,869	286,869
Total comprehensive income for the period	-	-	286,869	286,869
Transactions with owners				
Capital redemption	(10)	10	(63,526)	(63,526)
Total transactions with owners	(10)	10	(63,526)	(63,526)
As at 31 March 2022	90	10	594,380	594,480

Notes to the financial statements

1. General Information

MendIT Computer Repairs Limited is a private company limited by shares, incorporated in England and Wales under the Companies Act 2006. The address of the registered office is Unit One Magnesium Court, Hapton, Burnley, BB12 7BF. The nature of the Company's operations and its principal activities are outlined in the Strategic report.

2. Summary of significant accounting policies

2.1 Basis of preparation of financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 101: Reduced Disclosure Framework ("FRS 101"), on the going concern basis under the historical cost convention, and in accordance with the Companies Act 2006 as applicable to companies reporting under FRS 101.

In preparing these financial statements, the company applies the recognition and measurement requirements of UK-adopted International Financial Reporting Standards ("IFRS"), amended where necessary in order to comply with Companies Act 2006.

For periods up to and including the year ended 31 March 2021, the Company prepared its financial statements in accordance with Financial Reporting Standard 102 – The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102"). These financial statements for the year ended 31 March 2021 are the first the Company has prepared in accordance with FRS 101. The Company's deemed transition date to FRS 101 is 1 April 2020, being the first day of the earliest period presented in these financial statements. The principles and requirements for first time adoption of FRS 101 are set out in IFRS 1. IFRS 1 allows certain exemptions in the application of particular standards to prior periods in order to assist companies with the transition process. Details of the transitional adjustments are set out in note 25. The Company has adopted the FRS 101 accounting principles on a consistent basis from the date of transition.

The financial information is presented in the Company's functional and presentational currency, being Sterling, and has been rounded to the nearest pound (£).

The principal accounting policies, which have been applied consistently to all the years presented.

2.2 Financial Reporting Standard 101 – reduced disclosure exemptions

The following exemptions under FRS 101 have been applied in the preparation of these financial statements:

- IFRS 7, "Financial Instruments: Disclosures".
- The following paragraphs of IAS 1, "Presentation of financial statements":
 - 10(d) (statement of cash flows);
 - 16 (statement of compliance with all IFRS);
 - 38A (requirement of minimum of two primary statements, including cash flow statements);
 - 38B-D (additional comparative information);
 - 111 (statement of cash flows information); and
 - 134-136 (capital management disclosures).
- IAS 7, "Statement of cash flows".
- Paragraphs 30 and 31 of IAS 8, "Accounting policies, changes in accounting estimates and errors" (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective).
- Paragraph 17 of IAS 24, "Related party disclosures" (key management compensation).
- The requirements in IAS 24, "Related party disclosures", to disclose the related party transactions entered into between two or more members of a group.
- Paragraphs 130(f)(ii)(iii), 134(d)-(f) and 135(c)-(e) of IAS 36, "Impairment of assets"
- Paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 and the second sentence of paragraph 110 of IFRS 15

Notes to the financial statements

Summary of significant accounting policies (continued)

2.2 Financial Reporting Standard 101 – reduced disclosure exemptions (continued)

This information is included in the consolidated financial statements of Tactus Holdings Limited as at 31 March 2022 and these financial statements may be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.

2.3 Going concern

The Directors have performed an assessment of the Group's ability to continue as a going concern, for a period of at least 12 months from the date of approval of these financial statements. Management have produced cash flow forecasts and trading projections for a 24 month period from the date of approval of these financial statements. As part of this review, the Directors have prepared reasonable downside cash flow scenarios and have considered these alongside the current available cash balance, committed and available banking facilities. In doing so, the Directors have considered the current economic climate and industry backdrop. As at the date of the approval of these financial statements, £3.25m is drawn on the Group's £10.0m banking facilities. Future forecasts completed by management show the ability to operate within this facility, whilst continuing to meet quarterly covenant testing. There remains headroom under all reasonable scenarios in terms of both cash and compliance with the Group's banking covenants. The Directors therefore believe there is a reasonable expectation that the Group can continue as a going concern for at least the next 12 months from the date of approval of the financial statements. The Group has provided a letter of support to the Company. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

2.5 Revenue recognition

Revenue arises from the provision of service-type warranties on electrical devices.

To determine whether to recognise revenue, the Company follows the 5-step process as set out within IFRS 15:

- Identifying the contract with a customer
- Identifying the performance obligations
- Determining the transaction price
- Allocating the transaction price to the performance obligations
- Recognising revenue when/as performance obligation(s) are satisfied

Revenue is measured at transaction price, stated net of VAT, rebates and other sales related taxes.

Contracts with customers take the form of service-type warranties or device repairs. There are two distinct performance obligation, being the provision of the warranty over the warranty period or the repair of the customers device. The transaction price is clearly identified on the order. Revenue is recognised over the warranty period, (i.e. when the warranty obligation has been performed) or when the device has been repaired. Warranty periods tend to last between one and five years from the date of activation.

2.6 Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to restore the underlying asset, less any lease incentives received.

Notes to the financial statements

Summary of significant accounting policies (continued)

2.6 Leases (continued)

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liabilities.

The lease liability is initially measured at the present value of lease payments that were not paid at the commencement date, discounted using the Company's incremental borrowing rate.

The lease liability is measured at amortised cost using the effective interest method. If there is a remeasurement of the lease liability, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded directly in profit or loss if the carrying amount of the right of use asset is zero.

Short term leases and low value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less or leases of low value assets. These lease payments are expensed on a straight-line basis over the lease term.

2.8 Government grants

Grants received from the government in relation to the coronavirus job retention scheme and loan interest are recognised in the statement of total comprehensive income in the period in which the benefit is received.

2.9 Finance income

Finance income is recognised in the statement of comprehensive income using the effective interest method.

2.10 Finance costs

Finance costs are charged to the statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.11 Pension costs

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the statement of comprehensive income when they fall due. Amounts not paid are shown in other creditors as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

2.12 Income tax

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Consolidated Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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 income.

Notes to the financial statements

Summary of significant accounting policies (continued)

2.12 Income tax (continued)

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.13 Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives on the following bases:

Fixtures and fittings	25% per annum straight line
Computer equipment	25% per annum straight line

Depreciation is presented within "administrative expenses".

2.14 Impairment of property, plant and equipment and intangible assets

Assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGUs) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non financial assets that have been previously impaired are reviewed at each reporting date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

2.15 Inventories

Inventories are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the actual cost of purchase, which includes product costs, license costs, and associated freight and duty costs for imported goods, calculated on a first-in, first-out basis. Inventories includes goods in transit when the Company has taken responsibility of the product in line with the associated incoterms.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss within cost of goods sold.

Notes to the financial statements

Summary of significant accounting policies (continued)

2.16 Foreign currencies

Functional and presentational currency

Items included in the Company financial statements are measured using the currency of the primary economic environment in which the Company operates ("the functional currency") which is UK sterling (£). The Company financial statements are presented in UK sterling.

Transactions and balances

Foreign currency transactions are translated into the functional currency using a standard exchange rate for a period if the rates do not fluctuate significantly. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

2.17 Share capital and reserves

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds of issue.

Capital redemption reserve

The fair value of consideration given for shares repurchased by the Company is deducted from equity.

Retained earnings

Retained earnings includes all current and prior period retained profits and losses. All transactions with owners of the parent are recorded separately within equity.

2.18 Financial instruments

Financial assets and financial liabilities are recognised in the Company's Statement of Financial Position when the Company becomes party to the contractual provisions of the instrument. Financial assets are de-recognised when the contractual rights to the cash flows from the financial asset expire or when the contractual rights to those assets are transferred. Financial liabilities are de-recognised when the obligation specified in the contract is discharged, cancelled or expired.

Trade and other receivables

Trade and other receivables are initially measured at transaction price less provisions for expected credit losses. The Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance. This lifetime expected credit losses is used in cases where the credit risk on other receivables has increased significantly since initial recognition. In cases where the credit risk has not increased significantly, the Company measures the loss allowance at an amount equal to the 12-month expected credit loss. This assessment is performed on a collective basis considering forward-looking information.

IFRS 9's impairment requirements use forward-looking information to recognise expected credit losses – the 'expected credit loss (ECL) model'.

Recognition of credit losses is determined by considering a broad range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions and reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Notes to the financial statements

Summary of significant accounting policies (continued)

2.18 Financial instruments (continued)

Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, demand 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 changes in value.

Trade and other payables

Trade and other payables are initially measured at their fair value and are subsequently measured at their amortised cost using the effective interest rate method; this method allocates interest expense over the relevant period by applying the "effective interest rate" to the carrying amount of the liability.

Borrowings

Interest-bearing overdrafts are classified as other liabilities. They are initially recorded at fair value, which represents the fair value of the consideration received, net of any direct transaction costs associated with the relevant borrowings. Borrowings are subsequently stated at amortised cost and finance charges are recognised in the Statement of Comprehensive Income over the term of the instrument using an effective rate of interest. Finance charges, including premiums payable on settlement or redemption, are accounted for on an accruals basis and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise. Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs. The excess of proceeds of a share issue over the nominal value is presented within share premium.

Derivatives

Derivatives are initially recognised at the fair value on the date the derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in the statement of comprehensive income within cost of sales, on the basis that is where the related expense is recognised, unless they are included in a hedging arrangement. Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

2.19 Provision

Provisions are recognised where the company has a present legal or constructive obligation as a result of a past event; it is probably that an outflow of economic resources will be required to settle the obligation, and the amount has been reliably estimated.

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

Notes to the financial statements

Summary of significant accounting policies (continued)

2.20 Dividends

Dividends are recognised as a liability and deducted from equity at the time they are approved. Otherwise dividends are disclosed if they have been proposed or declared before the relevant financial statements are approved.

3. Critical accounting estimates and judgements

The preparation of this Company financial statements requires management to make judgements and estimates that affect the reported amounts of assets and liabilities at each Statement of Financial Position date and the reported amounts of revenue during the reporting periods. Actual results could differ from these estimates. Information about such judgements and estimations are contained in individual accounting policies. The key judgements and sources of estimation uncertainty that could cause an adjustment to be required to the carrying amount of asset or liabilities within the next accounting period are outlined below:

Accounting judgements

Revenue recognition

Management makes use of judgements in determining the date of initial revenue recognition for warranty sales. When warranty care packs are sold, the warranties are judged to start on the date of sale of the care pack despite the warranty period beginning from the date of activation. The date of activation is at latest 30 days from the date of sale of the product on which the warranty is attached. This judgement determines the revenue and deferred income recognised during the financial year. At the year end, deferred income of £1,525,252 (2021: £1,289,191) was recognised.

Right of use assets – discount rate

Management make use of judgements in determining the discount rate to be applied to the IFRS 16 'Leases' right of use asset and liability. This judgement determines the carrying value of the assets and liabilities, and the resulting depreciation and interest charge that is incurred. The discount rate used during the financial year was 5.1% (2021: 5.1%).

Accounting estimates

No estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities have been identified.

4. Revenue

Analysis of revenue by class of business:

	Year Ended 31 March 2022	(unaudited) Year Ended 31 March 2021
	£	£
Warranty sale	1,125,266	836,866
Device repairs	319,212	470,562
	<u>1,444,478</u>	<u>1,307,428</u>

All Company revenues are derived from within the United Kingdom.

Notes to the financial statements

5. Expenses by nature

	Year Ended 31 March 2022 £	(unaudited) Year Ended 31 March 2021 £
Operating profit is stated after charging expenses as follows:		
Inventories recognised as an expense	337,569	580,147
Staff costs – Note 6	403,292	267,264
Impairment of trade receivables	2,210	-
Depreciation – property, plant and equipment	32,715	20,095
Depreciation – right of use assets	8,553	7,910
Management recharge	44,513	-
Auditor's remuneration (see below)	20,000	-
Other operating expenses	179,809	164,510
Total cost of sales and administration expenses	<u>1,028,661</u>	<u>1,039,926</u>

Auditor's remuneration

	Year Ended 31 March 2022 £	(unaudited) Year Ended 31 March 2021 £
Fees payable to the Company's Auditor and their associates for:		
The audit of the Company's financial statements	20,000	-
	<u>20,000</u>	<u>-</u>

6. Employees and Directors

	Year Ended 31 March 2022 £	(unaudited) Year Ended 31 March 2021 £
Aggregate remuneration of staff (including Directors):		
Wages and salaries	303,443	238,179
Social security costs	20,409	22,640
Other pension costs	79,440	6,445
	<u>403,292</u>	<u>267,264</u>

The average monthly number of employees, including the directors, during the year was as follows:

Notes to the financial statements

6. Employees and Directors (continued)

	Year Ended 31 March 2022 No.	(unaudited) Year Ended 31 March 2021 No.
Administrative	3	3
Production	5	6
Sales	1	1
Employees	10	9

Directors' remuneration

	Year Ended 31 March 2022 £	(unaudited) Year Ended 31 March 2021 £
Directors' emoluments	3,000	12,000
Company contributions to defined contribution pension schemes	77,522	360
	80,522	12,360

During the year retirement benefits were accruing to 1 directors (2021: 1) in respect of defined contribution pension schemes.

Some Directors of the Company received emoluments for their services from other Group companies. The Directors' services to Company are allocated by the parent company via the management recharge detailed in note 5.

7. Other operating income

	Year Ended 31 March 2022 £	(unaudited) Year Ended 31 March 2021 £
Government grants	208	-

8. Finance expense

	Year Ended 31 March 2022 £	(unaudited) Year Ended 31 March 2021 £
Interest on lease liabilities	831	1,115
Bank loan interest	777	-
	1,608	1,115

Notes to the financial statements

9. Taxation

	Year Ended 31 March 2022 £	(unaudited) Year Ended 31 March 2021 £
Current tax		
UK Corporation tax	84,448	-
Adjustment in respect of prior periods	44,323	-
Total current tax	128,771	-
Deferred tax		
Origination and reversal of timing differences	(3,979)	-
Effect of tax rates on opening balance	2,757	-
Total deferred tax	(1,222)	-
Total tax charge/(credit)	127,549	-

Factors affecting the charge

	Year Ended 31 March 2022 £	(unaudited) Year Ended 31 March 2021 £
Profit/(Loss) before taxation	414,418	266,387
Tax at the UK corporation tax rate of 19% (2020: 19%)	78,739	50,614
Expenses not deductible for tax purposes	602	-
Fixed asset timing difference	(462)	-
Adjustments in respect of prior periods	44,323	(50,614)
Remeasurement of deferred tax for changes in tax rates	1,802	-
Movement in deferred tax not recognised	2,545	-
Total tax charge/(credit)	128,615	-

Factors that may affect future tax charges

In the Spring Budget 2021, the Government announced an increase in the corporation tax rate from 19% to 25% from 1 April 2023. As the new law has been substantively enacted by the balance sheet date, its impact has been reflected in the financial statements.

Notes to the financial statements

Notes to the financial statements

10. Property, plant and equipment

	Fixture and fittings £	Computer equipment £	Total £
Cost or valuation			
At 31 March 2021 (unaudited)	30,647	157,265	187,912
Additions	1,503	6,008	7,511
At 31 March 2022	32,150	163,273	195,423
Depreciation			
At 31 March 2021 (unaudited)	26,771	119,963	146,734
Depreciation charged in the year	4,019	28,696	32,715
At 31 March 2022	30,790	148,659	179,449
Net book value			
At 31 March 2021 (unaudited)	3,876	37,302	41,178
At 31 March 2022	1,360	14,613	15,973

The depreciation charge for the year has been included in administrative expenses in the Statement of Comprehensive Income.

11. Inventories

	(unaudited)	
	As at 31 March 2022 £	As at 31 March 2021 £
Finished goods on hand	36,490	39,630
	36,490	39,630

The Directors believe that the replacement value of inventories at would not be materially different than book value.

Inventories at 31 March 2022 are stated after provisions for impairment of £Nil (2021: £Nil).

12. Trade and other receivables

	(unaudited)	
	As at 31 March 2022 £	As at 31 March 2021 £
Trade receivables	132,957	564,257
Other receivables	-	235,140
Amounts owed by group undertakings	2,107,077	915,033
Prepayments and accrued income	807	8,917
	2,240,841	1,723,348

Notes to the financial statements

12. Trade and other receivables (continued)

The Directors believe that the carrying value of trade and other receivables represents their fair value. In determining the recoverability of trade receivables, the Company considers any change in the credit quality of the receivable from the date credit was granted up to the reporting date.

Trade receivables are written off where there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan.

Impairment losses on trade receivables are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item. There is a provision of £2,210 at 31 March 2022 for impairment loss against trade receivables (2021: nil).

The Company does not hold any collateral as security for its trade and other receivables.

Amounts owed by group undertakings are unsecured, interest free, and are repayable on demand.

13. Cash and cash equivalents

	(unaudited)	
	As at	As at
	31 March	31 March
	2022	2021
	£	£
Cash at bank and in hand	179,448	253,157

14. Trade and other payables

	(unaudited)	
	As at	As at
	31 March	31 March
	2022	2021
	£	£
Trade payables	53,640	95,070
Other taxation & social security	148,759	142,795
Other payables	12,709	37,260
Accruals and deferred income	755,631	554,150
Current trade and other payables	970,739	829,275
Accruals and deferred income	814,462	774,045
Non-current other payable	814,462	774,045
Total trade and other payables	1,785,201	1,603,320

The Directors consider that the carrying value of trade and other payables approximates their fair value.

Amounts owed to group undertakings are unsecured, interest free, and are repayable on demand.

Notes to the financial statements

15. Loans and borrowings

	As at 31 March 2022 £	(unaudited) As at 31 March 2021 £
Bank loans	-	50,000
	-	50,000
Current	-	7,906
Non-current	-	42,094
	-	50,000

The bank loan was repaid early in November 2021.

The earliest that the lenders of the above borrowings require repayment is as follows:

	As at 31 March 2022 £	(unaudited) As at 31 March 2021 £
In less than one year	-	7,906
Between two and five years	-	40,325
In more than five years	-	1,769
	-	50,000

The interest rates on the borrowings at the year end are as follows:

	As at 31 March 2022	(unaudited) As at 31 March 2021
Bank loan	n/a	2.1%

16. Leases

The Company leases vehicles. Rental contracts are typically made for fixed periods of three to five years. There are no judgements over the length of the lease term for any of the Company's leases. There are no variable lease payments in any of the Company's leases.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases of the Company, the incremental borrowing rate is used, being the rate that the Company would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Notes to the financial statements

16. Leases (continued)

Amounts recognised in the Statement of Financial Position

The balance sheet shows the following amounts relating to leases:

Right-of-use assets	£
Balance at 1 April 2020 (unaudited)	26,083
Depreciation charge for the year	(7,910)
Balance at 31 March 2021 (unaudited)	18,173
New leases recognised in the year	7,720
Depreciation charge for the year	(8,553)
Balance at 31 March 2022	17,340

The net book value of the right of use assets relates to the following:

	(unaudited)
	As at
	31 March
Right-of-use assets	2022
	£
Vehicles	17,340
	18,173
	17,340

	(unaudited)
	As at
	31 March
Lease liabilities	2021
	£
Maturity analysis – contractual undiscounted cash flows	
Less than one year	10,446
More than one year, less than two years	6,832
More than two years, less than three years	2,073
More than five years	-
Total undiscounted lease liabilities at year end	19,351
Finance costs	(897)
Total discounted lease liabilities at year end	18,454
Lease liabilities included in the statement of financial position	
Current	12,423
Non-current	6,031
	18,454
	20,219
	(1,154)
	19,065

Notes to the financial statements

16. Leases (continued)

Amounts recognised in the Statement of Comprehensive Income

The Statement of Comprehensive Income shows the following amounts relating to leases:

	Year Ended 31 March 2022	(unaudited) Year Ended 31 March 2021
	£	£
Depreciation charge (within administration expenses)	8,553	7,910
Interest expense (within finance costs)	831	1,115

The total cash outflow for leases was £9,162 (2021: £8,470).

17. Deferred tax

	As at 31 March 2022	(unaudited) As at 31 March 2021
	£	£
Deferred tax asset	-	-
Deferred tax liability	(7,510)	(8,732)
	<u>7,510</u>	<u>8,732</u>

Deferred tax consists of the following timing differences

	As at 31 March 2022	(unaudited) As at 31 March 2021
	£	£
Fixed asset temporary differences	7,510	8,732
	<u>7,510</u>	<u>8,732</u>

Movement in deferred tax in the year

	As at 31 March 2022	(unaudited) As at 31 March 2021
	£	£
Balance brought forward	(8,732)	(8,732)
Credited to profit or loss	1,222	-
Balance carried forward	<u>(7,510)</u>	<u>(8,732)</u>

Notes to the financial statements

18. Share capital

	As at 31 March 2022 £	(unaudited) As at 31 March 2021 £
Allotted, called up and fully paid		
90 (2021: 100) Ordinary shares of £1 each	90	100
	<u>90</u>	<u>100</u>

The Company's Ordinary shares carry full voting, dividend and capital rights, including on winding up, but do not confer any rights on redemption.

On 17 March 2021, the Company repurchased 10 of its own shares for a consideration of £63,525. This resulted in a reduction in the number of outstanding shares, a cash outflow and reduction of retained earnings of £63,525

19. Pension commitments

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and are disclosed in note 6. Contributions totalling £1,540 (2021: £Nil) were payable to the fund at the reporting date and are included in creditors.

20. Financial commitments, guarantees and contingent liabilities

A revolving credit facility of £10,000,000 (2021: £Nil) is held by a company within the same group and is secured by a fixed and floating charge over all current and future assets of this company, via a cross-company guarantee.

21. Related party transactions

The Company has taken advantage of the available exemptions conferred by Paragraph 17 of IAS 24, "Related party disclosures" (key management compensation) and the requirements in IAS 24, "Related party disclosures", to disclose the related party transactions entered into between two or more members of a group.

22. Ultimate controlling party

The Company is a subsidiary undertaking of Tactus Holdings Limited, which is the ultimate parent company.

The largest and smallest group in which the results of the company are consolidated is that headed by Tactus Holdings Limited, incorporated in England and Wales. The consolidated accounts of this company are available to the public and may be obtained from its registered office: Tactopia, Building One Olympic Way, Olympic Park, Warrington, Cheshire, WA2 0YL.

There is no ultimate controlling party of the Group.

23. Post balance sheet events

There have been no events post balance sheet that need to be disclosed.

Notes to the financial statements

24. Transition to FRS 101

From 1 April 2020 the Company has adopted FRS 101 in the preparation of the Financial Statements. The main items contributing to the change in financial information compared with that reported under UK GAAP as at the transition date are shown below. There were no other accounting policy changes other than the impact of the below items.

IFRS 16 – Leases

As explained in accounting policy 2.5 the Company has adopted IFRS 16. This has resulted in the recognition of right of use assets and liabilities on the statement of financial position. The statement of comprehensive income has been adjusted to remove the rent expense and replace it with depreciation charged on the right of use asset and interest accrued on the right of use liability.

The figures included as previously reported have been re-presented to better reflect the nature of certain items within the financial statements as follows:

STATEMENT OF COMPREHENSIVE INCOME RECONCILIATIONS

	(Unaudited) As previously reported Year Ended 31 March 2020 £	IFRS 16 £	(Unaudited) Under IFRS Year Ended 31 March 2020 £
Revenue	1,307,428	-	1,307,428
Cost of sales	(608,567)	-	(608,567)
Gross profit	698,861	-	698,861
Administration expenses	(431,919)	560	(431,359)
Operating profit	266,942	560	267,502
Finance costs	-	(1,115)	(1,115)
Profit before taxation	266,942	(555)	266,387
Income tax	-	-	-
Profit and total comprehensive income for the year	266,942	(555)	266,387

Notes to the financial statements

24. Transition to FRS 101 (continued)

STATEMENT OF FINANCIAL POSITION RECONCILIATIONS

	(Unaudited) As previously reported at 31 March 2020 £	IFRS 16 £	(Unaudited) Under IFRS as at 31 March 2020 £
Non-current assets			
Property, plant and equipment	61,273	-	61,273
Right of use assets	-	26,083	26,083
Total non-current assets	61,273	26,083	87,356
Current assets			
Inventories	54,818	-	54,818
Trade and other receivables	955,839	-	955,839
Cash and cash equivalents	16,044	-	16,044
Total current assets	1,026,701	-	1,026,701
Total assets	1,087,974	26,083	1,114,057
Liabilities			
Current liabilities			
Lease liability		7,355	7,355
Trade and other payables	69,293	-	69,293
Total current liabilities	69,293	7,355	76,648
Non-current liabilities			
Lease liability	-	19,065	19,065
Trade and other payables	892,828	-	892,828
Total non-current liabilities	892,828	19,065	911,893
Total liabilities	962,121	26,420	988,541
Net assets	125,853	(337)	125,516
Equity			
Share capital	100	-	100
Accumulated reserves	125,753	(337)	125,416
Total deficit	125,853	(337)	125,516

Notes to the financial statements

24. Transition to FRS 101 (continued)

STATEMENT OF FINANCIAL POSITION RECONCILIATIONS

	(Unaudited) As previously reported at 31 March 2021 £	IFRS 16 £	(Unaudited) Under IFRS as at 31 March 2021 £
Non-current assets			
Property, plant and equipment	41,178	-	41,178
Right of use asset	-	18,173	18,173
Total non-current assets	41,178	18,173	59,351
Current assets			
Inventories	39,630	-	39,630
Trade and other receivables	1,723,347	-	1,723,347
Cash and cash equivalents	253,157	-	253,157
Total current assets	2,016,134	-	2,016,134
Total assets	2,057,312	18,173	2,075,485
Liabilities			
Current liabilities			
Lease liability	-	7,730	7,730
Trade and other payables	132,329	-	132,329
Total current liabilities	132,329	7,730	140,059
Non-current liabilities			
Borrowings	50,000	-	50,000
Lease liability	-	11,335	11,335
Trade and other payables	1,502,955	-	1,502,955
Total non-current liabilities	1,552,955	11,335	1,564,290
Total liabilities	1,685,284	19,065	1,704,349
Net liabilities	372,028	(892)	371,136
Equity			
Share capital	100	-	100
Retained earnings	371,928	(892)	371,036
Total deficit	372,028	(892)	371,136