

Registered number: 03009356

VISTA RETAIL SUPPORT LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

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VISTA RETAIL SUPPORT LIMITED

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VISTA RETAIL SUPPORT LIMITED

COMPANY INFORMATION

Directors	L Mayer-Page J A Pepper E C Rickus I K Smith
Company secretary	K A Kerr
Registered number	03009356
Registered office	Unit 1b Pentwyn Business Centre Wharfedale Road Pentwyn Cardiff CF23 7HB
Independent auditors	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors One Kingsway Cardiff CF10 3PW
Bankers	HSBC Bank Plc Virgin Money

VISTA RETAIL SUPPORT LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 AUGUST 2022

The directors present the Strategic Report of Vista Retail Support Limited (the "Company") for the year ended 31 August 2022.

Business review and future developments

The principal activities are the provision of business-critical IT deployment and support services to large retail, hospitality, leisure and pharmacy businesses. Vista's suite of Managed IT services includes Corporate Service Desk, IT helpdesk, Break-fix Maintenance Support, Major IT and Network Infrastructure projects and IMaC activities.

The financial statements for the year show revenues of £24,893,000 (2021: £18,530,000) and profit before taxation at £2,597,000 (2021: £1,715,000).

The sales team have been very successful winning significant new annuity maintenance contracts and projects which transitioned part way through 2022. This, alongside a very successful tranche of renewals, has resulted in growth within the underlying business and strong visibility over the recurring revenues in the coming years. Vista's portfolio of customers spans a range of business sectors and now include the largest restaurant chain in the world, the UK's largest hotel chain and some of the fastest growing grocery and convenience businesses in the UK.

The delivery of the retail, hospitality and pharmacy support strategy means that the business is more resilient and continues with diversification into adjacent sectors and services. We have been successful in increasing our market share within the grocery, convenience, and quick service restaurant sectors, as well as being added to several public sector frameworks and growing our helpdesk and managed IT services offerings. Vista also launched its Corporate Service Desk providing on site IT services in Central London and Dublin to a major global business.

During the year, the business has significantly invested in People and has been successful in recruiting highly experienced professionals who have made a positive impact on both Vista's ability to deliver services to our customers and the range of services the business provides its customers. Within this period of growth, the business has created new management roles and strengthened the business, creating a more sophisticated operational structure with new roles focussed on quality, professional services, and continuous service improvement, with an overall increase of 30% in headcount during the year.

The business also maintained its ISO27001, ISO20000 and P2Pe accreditation along with IIP accreditation against the 6th generation standard.

Vista's strategy will continue to recognise the importance of our organisations Environmental and Social Governance (ESG). The business has made significant progress in this area and have defined our ESG mission as "To maintain a profitable and sustainable business built upon its strong culture of social responsibility, a desire to protect our environment and to have a positive impact on both our local community and the wider world." It is Vista's objective to maintain industry-leading ethical standards and in so doing, take good care of and develop our colleagues, promote fairness and equality, and demonstrate exemplary organisational governance.

Vista understands that to have a meaningful impact on our environment, it needs to introduce relevant measurements of organisational environmental impact and take decisive positive action to address environmental issues all organisations face.

As an IT services provider Vista does not manufacture any equipment, materials or substances that could negatively impact our environment. We do, however, procure, stage, deliver, install, and decommission technology for customers throughout the UK and Europe. Extensive information relating to Vista's ESG policy can be found as published on our website.

Net assets increased by £2,576,000 to £19,218,000 at the end of the financial year (2021: £16,642,000).

VISTA RETAIL SUPPORT LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

Business review and future developments (continued)

Cash at the year-end was £3,725,000 (2021: £2,974,000). Cash generation from operating activities has remained high at 78% (2021: 113%). Cash was very prudently managed during the Pandemic and has remained strong throughout. All deferred balances have been fully paid back during the financial year, with customer and supplier payment terms all reverted back to pre-Pandemic levels.

There were exceptional costs of £34,000 (2021: £110,000) relating mainly to COVID-19. A breakdown of these can be found in note 6 of these financial statements.

The directors regularly review the strategic objectives of the business including potential future developments. The long-term strategic objectives of the business continue to be to provide excellent service for customers, an industry leading working environment for its staff, as well as long-term shareholder value enhancement through sustained incremental profitable growth.

There are several key initiatives underway to underpin this strategy, including the recent and planned investment in business development, continued expansion into new services and sectors and the support of new emerging technologies, as well as the continued investment in our people, processes, and systems. The business also aims to capitalise on its experience and investment in the provision of major network infrastructure projects to its customers.

The entire share capital of the Vista Group was acquired by Scenic Topco Limited in 2017, in a management buyout backed by LDC, supported by senior debt facilities provided by HSBC. LDC and HSBC are highly supportive of the business and the future growth plans.

Principal risks and uncertainties

The biggest risk to the business continues to be that of significant customer contract loss. The directors consider that this risk is mitigated by the contractual arrangements in place, maintaining high service levels, and internal monitoring and reporting procedures, investing in customer relationships and services that add value to our customers.

Financial key performance indicators

Particulars	2022 £000	2021 £000
EBITDA (pre-exceptional costs)	3,005	2,150
Operating profit	2,597	1,715
Cash generated from operating activities	2,302	2,336
Cash generated from operating activities (%)	78%	113%

The main financial KPI is pre-exceptional EBITDA which has grown by 40% year on year.

Cash generation from operating activities (excluding non-operating costs and exceptional items) remained strong at 78% of EBITDA in 2022 (2021: 113%).

The directors believe that the key to the retention of existing customers and the winning of new customers is the delivery of excellent customer service. The key measure of this is the business' performance against its contracted service level agreements ("SLAs"). During 2022, Vista Retail Support Limited achieved 101% (2021: 104%) which means that our overall service performance remains above our contracted SLAs.

VISTA RETAIL SUPPORT LIMITED

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**

This report was approved by the board and signed on its behalf by:


J A Pepper
Director

Date: 31st May 2023

VISTA RETAIL SUPPORT LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2022

The directors present their annual report and the audited financial statements of Vista Retail Support Limited (the "Company") for the year ended 31 August 2022.

Results and dividends

The profit for the financial year amounted to £2,576,000 (2021: £1,707,000).

Interim dividends of £Nil (2021: £Nil) have been paid during the year. No final dividends have been paid or proposed at 31 August 2022 (2021: £Nil).

Directors

The directors who served during the year and up to the date of signing the financial statements were:

L Mayer-Page
J A Pepper
E C Rickus
I K Smith

Qualifying third party indemnity provisions

As permitted by the Articles of Association, the directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. The Company also purchased and maintained throughout the financial year Directors' and Officers' liability insurance in respect of itself and its directors.

Going concern

These financial statements have been prepared on a going concern basis. The Company is expected to remain profitable at EBITDA level and remain cash generative from its operating activities. The projections have also been assessed against what is considered a reasonable downside risk scenario and the adjusted projection continues to show that the Company has the ability to remain within its committed lending facilities. Therefore, the directors have prepared the financial statements on a going concern basis.

Future developments

Details of future developments have been included in the Strategic Report on page 2.

VISTA RETAIL SUPPORT LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

Financial risk management

The main financial risks arising from the Company's activities are credit risk, liquidity risk and cash flow risk.

Credit risk

The Company is mainly exposed to credit risk from credit sales and cash on deposit with financial institutions. It is Company policy to assess the credit risk of all customers and banking relationships and to factor the information from these assessments into future dealings with customers. The credit risk to the Company is also controlled and minimised, by ensuring that customers' contractual revenues are paid in advance for maintenance services. At the Balance Sheet date there were no significant issues with regard to credit risk.

Liquidity risk

The operations of the Company are financed by a mixture of retained profits and cash. The Company's policy to manage liquidity risk is to ensure that adequate funds are held in readily accessible current accounts, to meet the working capital requirements of the Company. The directors of the Company monitor these risks carefully and, when appropriate, steps are taken to ensure liquidity risk is reduced. At the Balance Sheet date there were no issues with liquidity risk.

Cash flow risk

The Company is part of a wider group of companies that operates within a group banking facility. The directors of the Company monitor these risks carefully and, when appropriate, steps are taken to ensure cash flow risk is reduced. At the Balance Sheet date there were no issues with cash flow risk.

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law).

Under company law, 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- 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 safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also 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.

VISTA RETAIL SUPPORT LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**

Directors' confirmations


In the case of each director in office at the date the Directors' Report is approved:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Independent auditors

Under section 487(2) of the Companies Act 2006, PricewaterhouseCoopers LLP will be deemed to have been reappointed as independent auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the financial statements with the registrar, whichever is earlier.

This report was approved by the board and signed on its behalf by:



J A Pepper
Director

- Date: 31st May 2023

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF VISTA RETAIL SUPPORT LIMITED

Report on the audit of the financial statements

Opinion

In our opinion, Vista Retail Support Limited's financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 August 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the Balance Sheet as at 31 August 2022; the Statement of Comprehensive Income and Statement of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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.

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.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the Company's ability to continue as a going concern.

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

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, 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 audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. 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 based on these responsibilities.

VISTA RETAIL SUPPORT LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF VISTA RETAIL SUPPORT LIMITED (CONTINUED)

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic Report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 31 August 2022 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities in respect of the financial statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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.

Auditors' 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 auditors' 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the Company and industry, we identified that the principal risks of non-compliance with laws and regulations related to health & safety and UK employment law, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006 and UK tax legislation. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the posting of inappropriate accounting entries designed to overstate the financial performance and/or position of the Company. Audit procedures performed by the engagement team included:

- enquiring of management whether they had any knowledge of any instances of actual or potential non-compliance with laws and regulations or fraud;
- reviewing Board minutes; and
- reviewing journal entries posted, particular with regard to those considered to have unusual account combinations.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

VISTA RETAIL SUPPORT LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF VISTA RETAIL SUPPORT LIMITED (CONTINUED)

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.



Bruan Treharne (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Cardiff

Date: 31 May 2023

VISTA RETAIL SUPPORT LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 AUGUST 2022

	Note	2022 £000	2021 £000
Turnover	4	24,893	18,530
Cost of sales		(18,348)	(13,595)
Exceptional cost of sales	6	(8)	(93)
Gross profit		6,537	4,842
Administrative expenses		(3,914)	(3,300)
Exceptional administrative expenses	6	(26)	(17)
Other operating income	5	-	190
Operating profit	7	2,597	1,715
Profit before taxation		2,597	1,715
Tax on profit	11	(21)	(8)
Profit and Total comprehensive income for the financial year		2,576	1,707

The notes on pages 14 to 29 form part of these financial statements.

VISTA RETAIL SUPPORT LIMITED
REGISTERED NUMBER: 03009356

BALANCE SHEET
AS AT 31 AUGUST 2022

	Note	2022 £000	2021 £000
Fixed assets			
Intangible assets	12	145	87
Tangible assets	13	717	689
		<u>862</u>	<u>776</u>
Current assets			
Stocks	14	940	862
Debtors	15	19,917	17,560
Cash at bank and in hand	16	3,725	2,974
		<u>24,582</u>	<u>21,396</u>
Creditors: amounts falling due within one year	17	(6,167)	(5,492)
Net current assets		<u>18,415</u>	<u>15,904</u>
Total assets less current liabilities		<u>19,277</u>	<u>16,680</u>
Provisions for liabilities			
Deferred taxation	18	(59)	(38)
Net assets		<u>19,218</u>	<u>16,642</u>
Capital and reserves			
Called up share capital	19	72	72
Share premium account	20	20	20
Profit and loss account	20	19,126	16,550
Total shareholders' funds		<u>19,218</u>	<u>16,642</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



E C Rickus
Director

Date: 31st May 2023

The notes on pages 14 to 29 form part of these financial statements.

VISTA RETAIL SUPPORT LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 AUGUST 2022**

	Called up share capital	Share premium account	Profit and loss account	Total shareholders' funds
	£000	£000	£000	£000
At 1 September 2020	72	20	14,843	14,935
Comprehensive income for the financial year				
Profit for the financial year	-	-	1,707	1,707
Total comprehensive income for the financial year	<u>-</u>	<u>-</u>	<u>1,707</u>	<u>1,707</u>
At 31 August 2021 and 1 September 2021	72	20	16,550	16,642
Comprehensive income for the financial year				
Profit for the financial year	-	-	2,576	2,576
Total comprehensive income for the financial year	<u>-</u>	<u>-</u>	<u>2,576</u>	<u>2,576</u>
At 31 August 2022	<u>72</u>	<u>20</u>	<u>19,126</u>	<u>19,218</u>

The notes on pages 14 to 29 form part of these financial statements.

VISTA RETAIL SUPPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

1. General information

Vista Retail Support Limited (the "Company") is involved in the provision of retail and business critical IT support services including helpdesk, hardware maintenance, IMAC and projects within the retail, leisure and hospitality sectors.

The Company is a private company limited by shares and is incorporated and domiciled in England and Wales, United Kingdom. The address of its registered office is Unit 1b Pentwyn Business Centre, Wharfedale Road, Pentwyn, Cardiff, CF23 7HB.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared on a going concern basis, under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied consistently throughout the year:

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Scenic Topco Limited as at 31 August 2022 and these financial statements may be obtained from Unit 1B, Wharfedale Road, Cardiff, CF23 7HB.

2.3 Going concern

These financial statements have been prepared on a going concern basis. The Company is expected to remain profitable at EBITDA level and remain cash generative from its operating activities. The projections have also been assessed against what is considered a reasonable downside risk scenario and the adjusted projection continues to show that the Company has the ability to remain within its committed lending facilities. Therefore, the directors have prepared the financial statements on a going concern basis.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

2. Accounting policies (continued)

2.4 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

Sale of goods

Turnover from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of turnover can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Turnover from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of turnover can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.5 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years. All intangible assets are amortised over 3 years using straight line method.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

2. Accounting policies (continued)

2.6 Tangible assets

Tangible assets under the cost model 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.

The Company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to the Statement of Comprehensive Income during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Long term Leasehold Property	- Over the terms of the lease
Motor vehicles	- 33% on a straight line basis
Fixtures and fittings	- 17% on a straight line basis
Computer equipment	- 33% on a straight line or reducing balance basis

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

2.7 Stocks

The cost of maintenance spares less residual value is spread over the length of the contract for which the spares have been purchased.

Other stocks 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 cost of purchase on a first in, first out basis.

At each Balance Sheet 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 the Statement of Comprehensive Income.

2.8 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

2. Accounting policies (continued)

2.9 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.10 Financial instruments

The Company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an 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.

2.11 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

2. Accounting policies (continued)

2.12 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'interest receivable and similar income' and 'interest payable and similar expenses'. All other foreign exchange gains and losses are presented in the Statement of Comprehensive Income within 'administrative expense'.

2.13 Operating leases

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight-line basis over the lease term.

2.14 Pensions

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 accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.15 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Comprehensive Income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

2. Accounting policies (continued)

2.16 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the 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 Balance Sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet 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 balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date.

2.17 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

3. Judgements in applying accounting policies and key sources of estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Maintenance stock

The cost of maintenance spares less residual value is spread over the length of the individual contract for which the spares have been purchased. The appropriateness of this model is assessed annually and deemed by management to be the most appropriate method. The carrying amount of maintenance stock as at 31 August 2022 was £705,000 (2021: £676,000).

Recoverability of amounts owed by group undertakings

Determining the recoverability of the debts owed by group undertakings requires an assessment of the future financial performance of the group undertakings. The value of the amounts owed by group undertakings are £14,955,000 (2021: £13,910,000). No provision was required (2021: £Nil).

4. Turnover

An analysis of turnover by class of business is as follows:

	2022	2021
	£000	£000
Sale of goods	2,114	1,264
Supply of services	22,779	17,266
	24,893	18,530

Analysis of turnover by country of destination:

	2022	2021
	£000	£000
United Kingdom	24,630	18,319
Rest of Europe	263	211
	24,893	18,530

VISTA RETAIL SUPPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

5. Other operating income

	2022 £000	2021 £000
Furlough grant income	-	190

6. Exceptional costs

	2022 £000	2021 £000
Compensation for loss of office and related fees	8	93
Costs incurred due to Covid-19	26	17
	<u>34</u>	<u>110</u>

The Company incurred costs relating to compensation for loss of office and related fees totalling £8,000 (2021: £93,000).

Costs incurred due to Covid-19 are costs which have been incurred as a direct result of the Pandemic and relate to costs incurred to ensure the safety of employees and business continuity for our customers. These include costs for Personal Protective Equipment, enhanced cleaning costs and other related costs.

7. Operating profit

The operating profit is stated after charging:

	2022 £000	2021 £000
Amortisation of intangible assets	79	90
Depreciation of tangible assets	261	235
Exchange differences	7	4
Operating lease rentals	<u>435</u>	<u>386</u>

VISTA RETAIL SUPPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

8. Auditors' remuneration

	2022 £000	2021 £000
Fees payable to the Company's auditors for the audit of the Company's annual financial statements	<u>30</u>	<u>25</u>
Fees payable to the Company's auditors in respect of:		
Taxation compliance services	10	9
All other services	5	5
	<u>15</u>	<u>14</u>

9. Employees

Staff costs, including directors' remuneration, were as follows:

	2022 £000	2021 £000
Wages and salaries	7,573	6,252
Social security costs	834	671
Other pension costs	186	153
Furlough grant income (note 5)	-	(190)
	<u>8,593</u>	<u>6,886</u>

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

	2022 Number	2021 Number
Administration	17	15
Sales	13	12
Technical	201	171
Warehouse	13	11
	<u>244</u>	<u>209</u>

VISTA RETAIL SUPPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

10. Directors' remuneration

	2022 £000	2021 £000
Aggregate directors' remuneration	477	397
Directors pension costs	34	34
	<u>511</u>	<u>431</u>

During the year retirement benefits were accruing to 4 directors (2021: 4) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £132,000 (2021: £118,000).

The value of the Company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £18,000 (2021: £24,000).

11. Tax on profit

	2022 £000	2021 £000
Corporation tax		
Adjustments in respect of prior years	-	(2)
Total current tax	<u>-</u>	<u>(2)</u>
Deferred tax		
Origination and reversal of timing differences	16	(6)
Changes to tax rates	5	9
Adjustments in respect of prior years	-	7
Total deferred tax	<u>21</u>	<u>10</u>
Total tax	<u>21</u>	<u>8</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

11. Tax on profit (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2021: lower than) the standard rate of corporation tax in the UK of 19% (2021: 19%). The differences are explained below:

	2022	2021
	£000	£000
Profit before taxation	2,597	1,715
Profit before taxation multiplied by standard rate of corporation tax in the UK of 19% (2021: 19%)	493	326
Effects of:		
Expenses not deductible for tax purposes	11	7
Adjustments in respect of prior years	-	5
Changes to tax rates	5	9
Group relief	(488)	(339)
Total tax charge for the financial year	21	8

Factors that may affect future tax charges

Changes to the UK corporation tax rates were substantively enacted as part of Finance Act 2021 (published on 24 May 2021, with royal assent received on 10 June 2021). This confirmed an increase to the corporation tax rate to 25% with effect from 1 April 2023. Deferred taxes at the Balance Sheet date have been calculated based on the corporation tax rate of 25% that is enacted at the reporting date.

VISTA RETAIL SUPPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

12. Intangible assets

	Software £000	Goodwill £000	Total £000
Cost			
At 1 September 2021	678	1,862	2,540
Additions	137	-	137
At 31 August 2022	815	1,862	2,677
Accumulated amortisation			
At 1 September 2021	591	1,862	2,453
Charge for the year	79	-	79
At 31 August 2022	670	1,862	2,532
Net book value			
At 31 August 2022	145	-	145
At 31 August 2021	87	-	87

VISTA RETAIL SUPPORT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

13. Tangible assets

	Long term Leasehold Property £000	Motor vehicles £000	Fixtures and fittings £000	Computer equipment £000	Total £000
Cost					
At 1 September 2021	987	10	547	460	2,004
Additions	-	3	104	182	289
At 31 August 2022	987	13	651	642	2,293
Accumulated depreciation					
At 1 September 2021	572	10	390	343	1,315
Charge for the year	71	-	90	100	261
At 31 August 2022	643	10	480	443	1,576
Net book value					
At 31 August 2022	344	3	171	199	717
At 31 August 2021	415	-	157	117	689

14. Stocks

	2022 £000	2021 £000
Maintenance spares	705	676
Other stocks - consumables	235	186
	940	862

The difference between purchase price or production cost of stocks and their replacement cost is not material.

VISTA RETAIL SUPPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

15. Debtors

	2022 £000	2021 £000
Trade debtors	2,736	2,695
Amounts owed by group undertakings	14,955	13,910
Tax recoverable	46	45
Prepayments and accrued income	2,180	910
	<u>19,917</u>	<u>17,560</u>

Amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

16. Cash at bank and in hand

	2022 £000	2021 £000
Cash at bank and in hand	<u>3,725</u>	<u>2,974</u>

17. Creditors: amounts falling due within one year

	2022 £000	2021 £000
Trade creditors	1,453	1,274
Amounts owed to group undertakings	36	36
Taxation and social security	458	703
Other creditors	64	31
Accruals and deferred income	4,156	3,448
	<u>6,167</u>	<u>5,492</u>

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

VISTA RETAIL SUPPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

18. Deferred taxation

	2022 £000
At beginning of year	38
Charged to profit or loss	21
At end of year	59

The provision for deferred taxation is made up as follows:

	2022 £000	2021 £000
Accelerated capital allowances	69	41
Short term timing differences	(10)	(3)
	<u>59</u>	<u>38</u>

19. Called up share capital

	2022 £000	2021 £000
Allotted, called up and fully paid		
7,239,130 (2021: 7,239,130) Ordinary shares of £0.01 (2021: £0.01) each	<u>72</u>	<u>72</u>

20. Reserves

Share premium account

Share premium account represents the amount subscribed for share capital in excess of the nominal value.

Profit and loss account

The profit and loss account represents the accumulated profits, losses and distributions of the Company.

21. Contingent liabilities

The Company entered into joint and several guarantees on 25 October 2017 with certain fellow group companies in relation to amounts owed to HSBC. At 31 August 2022, the liabilities covered by these guarantees totalled £9,712,500 (2021: £10,387,500).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

22. Pension commitments

The Company operates a defined contributions 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 amounted to £186,000 (2021: £150,000).

23. Commitments under operating leases

At 31 August the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2022	2021
	£000	£000
Not later than 1 year	307	317
Later than 1 year and not later than 5 years	934	135
Later than 5 years	9	-
	<u>1,250</u>	<u>452</u>

24. Ultimate parent undertaking and controlling party

The immediate parent company is Vista Retail Support Holdings Limited and the ultimate parent company is Scenic Topco Limited, which is the parent undertaking of the smallest and largest group to consolidate these financial statements. Copies of Scenic Topco Limited consolidated financial statements can be obtained from the Company Secretary at Unit 1b, Pentwyn Business Park, Wharfedale Road, Pentwyn, Cardiff, CF23 7HB.

Due to the shareholding in place at Scenic Topco Limited, the directors consider there to be no ultimate controlling party.