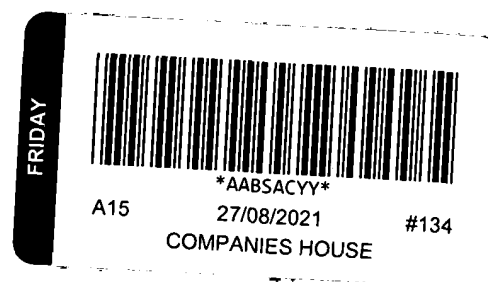


Registered number: 03009356

VISTA RETAIL SUPPORT LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020



VISTA RETAIL SUPPORT LIMITED

CONTENTS

	Page(s)
Company Information	1
Strategic Report	2 - 3
Directors' Report	4 - 6
Independent Auditors' Report to the Members of Vista Retail Support Limited	7 - 9
Statement of Comprehensive Income	10
Balance Sheet	11
Statement of Changes in Equity	12
Notes to the Financial Statements	13 - 27

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 Clydesdale

VISTA RETAIL SUPPORT LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 AUGUST 2020

The directors present the Strategic Report of Vista Retail Support Limited (the "Company") for the year ended 31 August 2020.

Business review and future developments

The principal activities are the provision of business-critical IT support services including break-fix maintenance support, helpdesk, IMAC and projects within the retail, healthcare, hospitality, and public sectors.

The financial statements for the year show revenues of £14,612,000 (2019: £19,250,000) and profit before taxation at £778,000 (2019: £2,370,000). The reason for the reduction in revenue and profitability is due to the impact of COVID-19, which caused a proportion of our customers to close during the lockdown periods. Despite most of our customers being in a maintenance contract, we chose to support our customers and agreed to reductions in their costs for periods where they could not use our services. Whilst this has caused a temporary reduction in revenues and profitability, it has strengthened the relationships with our customers, who are now trading again with the associated revenues having returned.

The sales team have been very successful with significant new annuity maintenance contracts and projects secured and transitioned towards the end of the 2020 financial year and into 2021. 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.

The delivery of the retail strategy means that the business is more resilient, with diversification into other sectors and services. We have been successful in increasing our market share within the grocery, convenience, and pharmacy sectors, as well as being added to several public sector frameworks and growing our helpdesk and managed services offering.

During the year and since year end, the business has invested in several new senior management positions within Business Development, Account Management and Project Services. The business also achieved ISO20000 and maintained its ISO27001 and P2Pe accreditation along with IIP accreditation against the 6th generation standard.

There were exceptional costs of £168,000 relating to compensation for loss of office and COVID-19. A breakdown of these can be found in note 6 on page 20 of these financial statements.

Net assets increased by £793,000 to £14,935,000 at the end of the financial year (2019: £14,142,000). Cash increased by £759,000 to £3,317,000 (30%) and with a strong balance maintained throughout the Pandemic due to close management.

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, a first-rate working environment for its staff, as well as long-term shareholder value enhancement through sustained incremental profitable growth. There are a number of 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 entire share capital of the ultimate parent Vista Technology Support Group Limited was acquired by Scenic Topco Limited in a management buyout backed by LDC, supported by senior debt facilities provided by HSBC, in 2017. 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, investing in customer relationships and internal monitoring and reporting procedures.

VISTA RETAIL SUPPORT LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

Financial key performance indicators

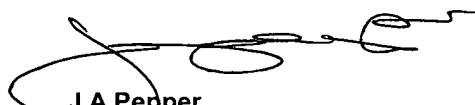
Particulars	2020 (£000)	2019 (£000)
EBITDA (pre-exceptional costs)	1,237	2,770
Operating profit	778	2,370

In typical years, the main financial KPI is EBITDA which this year has decreased by 55% year on year due to the impact of the COVID-19, as detailed above. There was less emphasis on this KPI in 2020 due to the temporary reduction in this number as a result of the lockdowns, and the fact that this KPI does not reflect the run rate of the business.

Cash generation from operating activities (excluding non-operating costs and exceptional items) was 140% of EBITDA in 2020 (2019: 89%) which was as a result of careful cash management during the uncertain time.

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 2020, Vista Retail Support Limited achieved 104.5% (2019: 105.3%) performance against customer SLAs.

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



J A Pepper
Director

Date: 26 August 2021

VISTA RETAIL SUPPORT LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2020

The directors present their annual report and the audited financial statements of Vista Retail Support Limited (the "Company") for the year ended 31 August 2020.

Results and dividends

The profit for the financial year amounted to £793,000 (2019: £2,311,000).

Interim dividends of £Nil (2019: £Nil) have been paid during the year. No final dividends have been paid or proposed at 31 August 2020 (2019: £Nil).

Directors

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

L Mayer-Page
J A Pepper
E C Rickus
I K Smith (appointed 1 February 2021)

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 accounts have been prepared on a Going Concern basis. This is on the basis that, Vista has grown the underlying business during the Pandemic, all customers are now back open and trading, cash has remained strong throughout and there is sufficient forecast headroom on all banking covenants.

Future developments

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

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020**

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.

Directors' responsibilities statement

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 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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; 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 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 to 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.

VISTA RETAIL SUPPORT LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020**

Disclosure of information to auditors

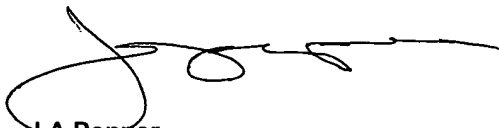
Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are 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 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 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: 26 August 2021

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 2020 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, comprising 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 2020; the Statement of Comprehensive Income and the 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

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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

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.

**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 the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require 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 2020 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 Directors' responsibilities statement set out on page 5, 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.

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.

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

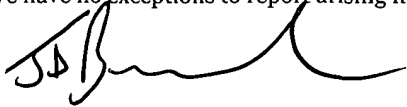
Other required reporting

Companies Act 2006 exception reporting

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

- we have not received 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.



Jonathan Bound (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Cardiff
26 August 2021

VISTA RETAIL SUPPORT LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 AUGUST 2020**

	Note	2020 £000	2019 £000
Turnover	4	14,612	19,250
Cost of sales		(10,949)	(13,856)
Exceptional cost of sales	6	(120)	(66)
Gross profit		3,543	5,328
Administrative expenses		(3,102)	(2,939)
Exceptional administrative expenses	6	(48)	(19)
Other operating income	5	385	-
Operating profit	7	778	2,370
Profit before taxation		778	2,370
Tax on profit	11	15	(59)
Profit for the financial year		793	2,311
Total comprehensive income for the financial year		793	2,311

The notes on pages 13 to 27 form part of these financial statements.

VISTA RETAIL SUPPORT LIMITED
REGISTERED NUMBER: 03009356

BALANCE SHEET
AS AT 31 AUGUST 2020

	Note	2020 £000	2019 £000
Fixed assets			
Intangible assets	12	124	-
Tangible assets	13	811	1,032
		<u>935</u>	<u>1,032</u>
Current assets			
Stocks	14	891	993
Debtors	15	14,918	13,686
Cash at bank and in hand	16	3,317	2,558
		<u>19,126</u>	<u>17,237</u>
Creditors: amounts falling due within one year	17	(5,099)	(4,086)
Net current assets		<u>14,027</u>	<u>13,151</u>
Total assets less current liabilities		<u>14,962</u>	<u>14,183</u>
Provisions for liabilities			
Deferred taxation	18	(27)	(41)
Net assets		<u>14,935</u>	<u>14,142</u>
Capital and reserves			
Called up share capital	19	72	72
Share premium account	20	20	20
Profit and loss account	20	14,843	14,050
Total shareholders' funds		<u>14,935</u>	<u>14,142</u>

The financial statements on pages 10 to 27 were approved and authorised for issue by the board and were signed on its behalf by:



E C Rickus
Director

Date: 26 August 2021

The notes on pages 13 to 27 form part of these financial statements.

VISTA RETAIL SUPPORT LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 AUGUST 2020**

	Called up share capital £000	Share premium account £000	Profit and loss account £000	Total shareholders' funds £000
At 1 September 2018	72	20	11,739	11,831
Comprehensive income for the financial year				
Profit for the financial year	-	-	2,311	2,311
Total comprehensive income for the financial year	-	-	2,311	2,311
At 31 August 2019 and 1 September 2019	72	20	14,050	14,142
Comprehensive income for the financial year				
Profit for the financial year	-	-	793	793
Total comprehensive income for the financial year	-	-	793	793
At 31 August 2020	72	20	14,843	14,935

The notes on pages 13 to 27 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

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. 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 2020 and these financial statements may be obtained from Unit 1B, Wharfedale Road, Cardiff, CF23 7HB.

2.3 Going concern

These accounts have been prepared on a Going Concern basis. This is on the basis that, Vista has grown the underlying business during the Pandemic, all customers are now back open and trading, cash has remained strong throughout and there is sufficient forecast headroom on all banking covenants.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

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 2020**

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 profit or loss 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 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 profit or loss.

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 2020**

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 non-puttable 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 the case of an out-right short-term loan 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 2020**

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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

2. Accounting policies (continued)

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.

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 2020**
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.

4. Turnover

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

	2020	2019
	£000	£000
Sale of goods	442	3,159
Supply of services	14,170	16,091
	14,612	19,250

Analysis of turnover by country of destination:

	2020	2019
	£000	£000
United Kingdom	14,269	18,871
Rest of Europe	343	379
	14,612	19,250

5. Other operating income

	2020	2019
	£000	£000
Furlough grant income	385	-

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

6. Exceptional costs

	2020 £000	2019 £000
Compensation for loss of office and related fees	120	41
New service set up costs	-	25
Costs incurred due to Covid-19	17	-
Other exceptional costs	31	19
	<u>168</u>	<u>85</u>

The Company incurred costs relating to compensation for loss of office and related fees totalling £120,000 (2019: £41,000).

The Company incurred costs relating to the set up of the new Helpdesk service totalling £Nil (2019: £25,000).

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 business continuity. These include costs for Personal Protective Equipment, enhanced cleaning costs and other related costs.

The Company incurred other exceptional costs totalling £31,000 (2019: £19,000).

7. Operating profit

The operating profit is stated after charging:

	2020 £000	2019 £000
Amortisation of intangible assets	73	-
Depreciation of tangible assets	218	280
Exchange differences	7	1
Operating lease rentals	372	441
	<u>670</u>	<u>722</u>

8. Auditors' remuneration

	2020 £000	2019 £000
Fees payable to the Company's auditors for the audit of the Company's annual financial statements	24	23
	<u>24</u>	<u>23</u>

Fees payable to the Company's auditors in respect of:

Taxation compliance services	9	9
All other services	4	1
	<u>13</u>	<u>10</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

9. Employees

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

	2020	2019
	£000	£000
Wages and salaries	6,088	5,992
Social security costs	642	596
Other pension costs	144	129
Furlough grant income (note 5)	(385)	-
	6,489	6,717

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

	2020	2019
	Number	Number
Administration	14	14
Sales	10	10
Technical	165	166
Warehouse	10	10
	199	200

10. Directors' remuneration

	2020	2019
	£000	£000
Aggregate directors' remuneration	337	360
Directors pension costs	24	26
	361	386

During the year retirement benefits were accruing to 3 directors (2019: 3) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £120,000 (2019: £127,000).

The value of the Company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £15,000 (2019: £3,000).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**
11. Tax on profit

	2020 £000	2019 £000
Corporation tax		
Current tax on profits for the financial year	-	72
Adjustments in respect of prior years	(1)	(9)
Total current tax	<u>(1)</u>	<u>63</u>
Deferred tax		
Origination and reversal of timing differences	(18)	(5)
Changes to tax rates	4	1
Total deferred tax	<u>(14)</u>	<u>(4)</u>
Total tax	<u><u>(15)</u></u>	<u><u>59</u></u>

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2019: lower than) the standard rate of corporation tax in the UK of 19.00% (2019: 19.00%). The differences are explained below:

	2020 £000	2019 £000
Profit before taxation	<u>778</u>	<u>2,370</u>
Profit before taxation multiplied by standard rate of corporation tax in the UK of 19.00% (2019: 19.00%)	148	450
Effects of:		
Expenses not deductible for tax purposes	9	3
Adjustment from previous periods	(2)	(10)
Effects of other tax rates/credits	5	1
Group relief	(175)	(385)
Total tax (credit)/charge for the financial year	<u><u>(15)</u></u>	<u><u>59</u></u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

11. Tax on profit (continued)

Factors that may affect future tax charges

In the Spring Budget 2021, the government announced that from 1 April 2023 the headline corporation tax rate will increase to 25%. As the proposal to increase the rate to 25% had not been substantively enacted at the Balance Sheet date, its effects are not included in these financial statements. However, it is likely that the overall effect of the change, had it been substantively enacted by the Balance Sheet date, would not be material to disclose.

12. Intangible assets

	Software £000	Goodwill £000	Total £000
Cost			
At 1 September 2019	-	1,862	1,862
Additions	67	-	67
Transfer from tangibles	558	-	558
At 31 August 2020	625	1,862	2,487
Accumulated amortisation			
At 1 September 2019	-	1,862	1,862
Charge for the year	73	-	73
Transfer from tangibles	428	-	428
At 31 August 2020	501	1,862	2,363
Net book value			
At 31 August 2020	124	-	124
At 31 August 2019	-	-	-

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

13. Tangible assets

	Long term Leasehold Property £000	Motor vehicles £000	Fixtures and fittings £000	Computer equipment £000	Total £000
Cost					
At 1 September 2019	983	10	481	848	2,322
Additions	4	-	36	87	127
Transfer to intangibles	-	-	-	(558)	(558)
At 31 August 2020	987	10	517	377	1,891
Accumulated depreciation					
At 1 September 2019	422	7	241	620	1,290
Charge for the year	71	3	61	83	218
Transfer to intangibles	-	-	-	(428)	(428)
At 31 August 2020	493	10	302	275	1,080
Net book value					
At 31 August 2020	494	-	215	102	811
At 31 August 2019	561	3	240	228	1,032

14. Stocks

	2020 £000	2019 £000
Maintenance spares	608	558
Other stocks - consumables	283	435
	891	993

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 2020

15. Debtors

	2020 £000	2019 £000
Trade debtors	2,451	2,130
Amounts owed by group undertakings	11,321	10,747
Other debtors	-	31
Prepayments and accrued income	1,104	744
Tax recoverable	42	34
	<u>14,918</u>	<u>13,686</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

	2020 £000	2019 £000
Cash at bank and in hand	<u>3,317</u>	<u>2,558</u>

17. Creditors: amounts falling due within one year

	2020 £000	2019 £000
Trade creditors	657	713
Amounts owed to group undertakings	36	36
Taxation and social security	1,191	388
Other creditors	24	30
Accruals and deferred income	3,191	2,919
	<u>5,099</u>	<u>4,086</u>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

18. Deferred taxation

	2020 £000
At beginning of year	41
Credited to profit or loss	14
At end of year	27

The provision for deferred taxation is made up as follows:

	2020 £000	2019 £000
Accelerated capital allowances	36	43
Short term timing differences	(9)	(2)
	27	41

19. Called up share capital

	2020 £000	2019 £000
Allotted, called up and fully paid		
7,239,130 (2019: 7,239,130) Ordinary shares of £0.01 (2019: £0.01) each	72	72

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 2020, the liabilities covered by these guarantees totalled £12,406,810 (2019: £12,487,500).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

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 £144,000 (2019: £129,000).

23. Commitments under operating leases

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

	2020	2019
	£000	£000
Not later than 1 year	408	469
Later than 1 year and not later than 5 years	277	677
	<u>685</u>	<u>1,146</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.