

AXI Limited

**Report and Financial Statements
for the year ended 28 February 2021**

Registered number: 05094579

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AXI Limited

Company Information

Directors

Lucy Woods
Richard Paul

Company secretary

Irfan Sadiq

Registered office

Unit 2
Liberty Park
Burton Old Road
Lichfield
Staffordshire
WS14 9HY

Registered number

05094579

AXI Limited

Directors' Report for the year ended 28 February 2021

The Directors present their report and the financial statements of AXI Limited ("the Company") for the year ended 28 February 2021.

The results for the year show a profit before taxation of £12,155 (2020: £42,458) and turnover of £370,190 (2020: £437,822)

No dividends were paid or proposed by the Company during the year ended 28 February 2021 (2020: £nil).

The profit for the financial year ended 28 February 2021 amounted to £12,155 (2020: £42,334).

Political donations

The Company did not make any political donations during the year (2020: £nil).

Future outlook

The Company's performance is expected to continue throughout the next financial period and it is anticipated that the current performance levels will be maintained.

Going concern

The Directors consider that the Company has adequate resources to remain in operation for the foreseeable future and have therefore continued to adopt the going concern basis in preparing the financial statements.

Research and development

The Company does not undertake any research and development activities (2020: none).

Directors and their interests

The following Directors served during the year and up to the date of signing the financial statements.

Richard Paul
Lucy Woods

None of the Directors had any disclosable interest in the Company during the year (2020: none).

Directors' and officers' insurance

The Company maintains insurance cover for the Directors and officers of the Company against liabilities which may be incurred by them whilst acting as directors or officers. This policy is a qualifying third-party indemnity provision.

Strategic report

The Directors have taken advantage of the exemption provided by section 414B of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 from preparing a Strategic Report.

AXI Limited

Directors' Report for the year ended 28 February 2021 (continued)

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 these 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 these 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, including 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 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.

On behalf of the Board 21 January 2022.



Richard Paul
Director
AXI Limited

Registered Number: 05094579

Registered Office: Unit 2, Liberty Park, Burton Old Road, Lichfield, Staffordshire, WS14 9HY

AXI Limited

Profit and Loss Account for the year ended 28 February 2021

		Year ended 28 February 2021 £	Year ended 29 February 2020 £
	Note		
Turnover	3	370,190	437,822
Cost of sales		(347,249)	(367,531)
Gross profit		22,941	70,291
Administrative expenses		(10,786)	(27,833)
Operating profit		12,155	42,458
Profit before taxation		12,155	42,458
Tax on profit	5	-	(124)
Profit for the financial year		12,155	42,334

There are no recognised gains or losses other than those shown in the Profit and Loss Account and therefore, no separate statement of comprehensive income is presented.

All results relate to continuing operations.

The notes on pages 8 to 13 form part of these financial statements.

AXI Limited

Balance Sheet as at 28 February 2021

	Note	2021 £	2020 £
Current assets			
Inventories		260,722	131,329
Debtors	6	20,039	115,657
Cash at bank and in hand		17,658	34,179
		298,419	281,165
Creditors: amounts falling due within one year	7	(212,823)	(207,724)
Net current assets and Total assets less current liabilities		85,596	73,441
Net assets		85,596	73,441
Capital and reserves			
Called-up share capital	8	1	1
Retained earnings		85,595	73,440
Total equity		85,596	73,441

The notes on pages 8 to 13 form part of these financial statements.

For the year ended 28 February 2021, the Company was entitled to exemption under section 479A of the Companies Act 2006 ("the Act") relating to subsidiary undertakings.

Directors' Responsibilities:

- The members have not required the Company to obtain an audit of its financial statements for the year ended 28 February 2021 in accordance with section 476 of the Act; and
- The Directors acknowledge their responsibilities for complying with the Act with respect to accounting records and the preparation of financial statements.

The financial statements on pages 5 to 13 were approved by the Board of Directors and authorised for issue 21 January 2022 and were signed on its behalf by:



Richard Paul
Director
AXI Limited

Registered Number: 05094579

Registered Office: Unit 2, Liberty Park, Burton Old Road, Lichfield, Staffordshire, WS14 9HY

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Statement of Changes in Equity for the year ended 28 February 2021

	Called-up share capital £	Retained earnings £	Total equity £
Balance as at 01 March 2019	1	31,106	31,107
Profit for the year	-	42,334	42,334
Total comprehensive income for the year	-	42,334	42,334
Balance as at 29 February 2020	1	73,440	73,441
Balance as at 01 March 2020	1	73,440	73,441
Profit for the year	-	12,155	12,155
Total comprehensive income for the year	-	12,155	12,155
Balance as at 28 February 2021	1	85,595	85,596

The notes on pages 8 to 13 form part of these financial statements.

AXI Limited

Notes to the Financial Statements for the year ended 28 February 2021

1. Authorisation of financial statements and statement of compliance with FRS 102

The financial statements of AXI Limited ("the Company") for the year ended 28 February 2021 were approved by the board of directors on 21 January 2022 and the balance sheet was signed on the board's behalf by Richard Paul. The Company is incorporated and domiciled in the United Kingdom and registered in England and Wales.

The financial statements of the Company have been prepared on the historical cost basis, in accordance with Financial Reporting Standard 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102"), and those parts of the Companies Act 2006 applicable to companies reporting under United Kingdom Generally Accepted Accounting Practice.

The Company's financial statements are presented in Sterling and all values are rounded to the nearest whole pound (£) except where otherwise indicated.

The principal accounting policies adopted by the Company are set out in note 2 to the financial statements. These policies have been consistently applied to all years presented unless otherwise stated.

2. Accounting policies

Basis of preparation

These financial statements have been prepared in accordance with FRS 102 and the Companies Act 2006. The historical cost convention has been used.

The Company is a qualifying entity for the purposes of FRS 102. Note 10 gives details on the Company's parent and from where its consolidated financial statements prepared in accordance with FRS 102 may be obtained. As such, the Company has taken advantage of the following disclosure exemptions conferred to it by FRS 102:

- i. A reconciliation of the number of shares outstanding at the beginning and end of the period. [4.12(a)(iv)].
- ii. The requirement to prepare a statement of cash flows. [Section 7 of FRS 102 and para 3.17(d)].
- iii. Key management personnel compensation in total. [33.7].

Going concern

The Directors consider that the Company has adequate resources to remain in operation for the foreseeable future and have therefore continued to adopt the going concern basis in preparing the financial statements.

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Notes to the Financial Statements for the year ended 28 February 2021 (continued)

2. Accounting policies (continued)

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

The following judgements and key sources of uncertainty have had the most significant effect on amounts recognised in the financial statements.

Taxation

Management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with an assessment of the effect of future tax planning strategies. Further details are contained in note 5.

Impairment of trade receivables

The company makes an estimate of the recoverable value of trade and other debtors; when assessing impairment of trade and other receivables, management considers factors including the credit rating of the receivable, the ageing profile of receivables and historical experience.

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Notes to the Financial Statements for the year ended 28 February 2021 (continued)

2. Accounting policies (continued)

Significant accounting policies

Income recognition

Turnover from the sale of telematics units is recognised, net of VAT, when the Company obtains the right to consideration in exchange for its goods. Monthly subscription charges are recognised in the month to which they relate.

Inventories

Inventories are valued at the lower of cost and estimated net realisable value. Provision is made where inventories are slow moving or obsolete, in order to reduce cost to its net realisable value.

Critical accounting estimates and judgments

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.

3. Turnover

The Company operates within the business segment of the import and distribution of telematics devices. The Company's turnover and operating profit relate entirely to its principal activities and arise in the United Kingdom and the rest of the world.

4. Directors' remuneration

	Year ended 28 February 2021 £	Year ended 29 February 2020 £
Sums paid to third parties for directors' services	4,436	4,433

The value of £4,436 (2020: £4,433) represents recharges from the Company's parent company for work performed by the Directors.

AXI Limited

Notes to the Financial Statements for the year ended 28 February 2021 (continued)

5. Tax on profit

(a) Analysis of tax charge for the financial year

The tax charge is based on the profit for the financial year and represents:

	Year ended 28 February 2021 £	Year ended 29 February 2020 £
Total current tax	-	124
Total tax expense included in profit and loss account	-	124

(b) Reconciliation of tax charge for the financial year

The average standard rate of corporation tax applicable to the Company during the financial year was 19% (2020: 19%).

The tax assessed for the year is different to (2020: is different to) that resulting from applying the average standard rate of corporation tax of 19% (2020: 19%) as shown below:

	Year ended 28 February 2021 £	Year ended 29 February 2020 £
Profit before tax	12,155	42,458
Profit multiplied by the standard effective rate of corporation tax in the UK of 19% (for the year ended 29 February 2020: 19%)	2,309	8,067
Effects of:		
Utilisation of losses brought forward	-	(1,146)
Current period group relief claimed	(1,074)	(5,668)
Transfer pricing adjustment	(1,235)	(1,129)
Tax charge for the year	-	124

(c) Changes in tax legislation

From 1 April 2017 the UK main rate of corporation tax has been 19%. At Budget 2020, the government announced that the Corporation Tax main rate for the years starting 1 April 2020 and 2021 would remain at 19%.

At Budget 2021, the government confirmed that the Corporation Tax main rate for the year beginning 1 April 2022 would still remain at 19%, but would increase to 25% for the following year starting 1 April 2023, albeit with the introduction of a small profits rate (19% for profits of £50,000 or less) and marginal rate relief for profits between £50,000 and £250,000.

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Notes to the Financial Statements for the year ended 28 February 2021 (continued)

6. Debtors

	2021	2020
	£	£
Trade debtors	7,560	98,282
Amounts owed by group undertakings	-	13,089
Prepayments and accrued income	12,479	4,286
	20,039	115,657

Trade debtors are stated after impairment of £4,471 (2020: £nil).

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

All debtors fall due within one year.

7. Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	49,067	-
Amounts owed to parent undertaking	20,185	131,856
Amounts owed to group undertakings	109,931	-
Taxation and social security	29,897	32,197
Corporation tax	124	124
Accruals and deferred income	3,619	43,547
	212,823	207,724

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

8. Called up share capital

	2021	2020
	£	£
Allotted and fully paid		
1 (2020: 1) Ordinary share of £1	1	1

9. Related party transactions

The Company has taken advantage of the exemption under paragraph 33.1A of FRS 102 not to disclose transactions with fellow wholly owned subsidiaries.

Under paragraph 1.12 of FRS 102 the Company is exempt from the requirement to disclose key management personnel compensation in total.

AXI Limited

Notes to the Financial Statements for the year ended 28 February 2021 (continued)

10. Controlling party and ultimate parent undertaking

As at the 28 February 2021 the Directors consider that:

- the Company's immediate parent undertaking is Accident Exchange Limited, a company incorporated in England and Wales. Accident Exchange Limited is the smallest and largest company to prepare consolidated financial statements;
- the Company's ultimate parent undertaking is Eight Bar Partners HC, Inc. a corporation incorporated in Delaware, United States of America; and
- the Company's ultimate controlling party is Eight Bar Financial Partners I, LP a limited partnership registered in the Cayman Islands by virtue of its shareholding in Eight Bar Financial International S.A.R.L.

The consolidated financial statements of Accident Exchange Limited are available from the Company Secretary Unit 2, Liberty Park, Burton Old Road, Lichfield, Staffordshire, WS14 9HY.