
ISMART GROUP LIMITED

UNAUDITED
FINANCIAL STATEMENTS
INFORMATION FOR FILING WITH THE REGISTRAR
FOR THE YEAR ENDED 31 MARCH 2019



ISMART GROUP LIMITED

COMPANY INFORMATION

Directors	D A Pritchett D Fitzjohn
Company secretary	D A Haycock
Registered number	05302247
Registered office	Regents Pavilion Summerhouse Road Moulton Park Industrial Estate Northampton NN3 6BJ
Accountants	Grant Thornton UK LLP Chartered Accountants 300 Pavilion Drive Northampton Business Park Northampton NN4 7YE
Bankers	HSBC Bank Plc 47 Market Street Wellingborough Northants NN8 1AE



Grant Thornton

Report to the directors on the preparation of the unaudited statutory financial statements of Ismart Group Limited for the year ended 31 March 2019

We have compiled the accompanying financial statements of Ismart Group Limited based on the information you have provided. These financial statements comprise the Balance Sheet of Ismart Group Limited as at 31 March 2019, and a summary of significant accounting policies and other explanatory information.

We performed this compilation engagement in accordance with International Standard on Related Services 4410 (Revised), Compilation Engagements.

We have applied our expertise in accounting and financial reporting to assist you in the preparation and presentation of these financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard in the UK and Republic of Ireland'. As a member firm of the Institute of Chartered Accountants in England and Wales, we are subject to its ethical and other professional requirements which are detailed at www.icaew.com.

These financial statements and the accuracy and completeness of the information used to compile them are your responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on whether these financial statements are prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

This report is made solely to the Board of Directors of Ismart Group Limited, as a body, in accordance with the terms of our engagement letter dated 27 November 2017. Our work has been undertaken solely to prepare for your approval the financial statements of Ismart Group Limited and state those matters that we have agreed to state to the Board of Directors of Ismart Group Limited, as a body, in this report in accordance with our engagement letter dated 27 November 2017. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Ismart Group Limited and its Board of Directors, as a body, for our work or for this report

Grant Thornton UK LLP

Grant Thornton UK LLP

Chartered Accountants

Northampton

Date: 19 December 2019

ISMART GROUP LIMITED
REGISTERED NUMBER:05302247

BALANCE SHEET
AS AT 31 MARCH 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	5	5,395	55,257
Investments	6	200	200
		<u>5,595</u>	<u>55,457</u>
Current assets			
Debtors: amounts falling due within one year	7	50,705	26,240
Cash at bank and in hand	8	85,119	272,556
		<u>135,824</u>	<u>298,796</u>
Creditors: amounts falling due within one year	9	(140,797)	(211,447)
Net current (liabilities)/assets		<u>(4,973)</u>	<u>87,349</u>
Total assets less current liabilities		<u>622</u>	<u>142,806</u>
Net assets		<u>622</u>	<u>142,806</u>
Capital and reserves			
Called up share capital		225	225
Profit and loss account		397	142,581
		<u>622</u>	<u>142,806</u>

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

ISMART GROUP LIMITED
REGISTERED NUMBER:05302247

BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2019

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

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

18 DECEMBER 2019



D Fitzjohn
Director

The notes on pages 4 to 10 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

1. General information

The company is a private company, limited by shares and registered in England and Wales.

Registered number: 05302247

Registered office:
Regents Pavilion
Summerhouse Road
Moulton Park Industrial Estate
Northampton
NN3 6BJ

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Going concern

The directors have prepared the financial statements on a going concern basis. They consider this to be appropriate due to the ongoing support from other members within the group.

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue 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 revenue is recognised:

Rendering of services

Revenue 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 revenue 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.

2.4 Operating leases: the Company as lessee

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

2. Accounting policies (continued)

2.5 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.

2.6 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.

2.7 Tangible fixed assets

Tangible fixed 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

2. Accounting policies (continued)

2.7 Tangible fixed assets (continued)

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:

Motor vehicles	- 5 years
Computer equipment	- 3 years

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.

2.8 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.9 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.

2.10 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.

2.11 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.

2.12 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 MARCH 2019

2. Accounting policies (continued)

2.13 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 the future cash flow 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.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

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.

2.14 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3. Employees

The average monthly number of employees, including directors, during the year was 9 (2018 - 6).

ISMART GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

4. Dividends

	2019 £	2018 £
Dividends paid	2,249,000	1,426,000

5. Tangible fixed assets

	Motor vehicles £	Computer equipment £	Total £
Cost or valuation			
At 1 April 2018	142,884	33,364	176,248
Disposals	(120,084)	(17,217)	(137,301)
At 31 March 2019	22,800	16,147	38,947
Depreciation			
At 1 April 2018	98,470	22,521	120,991
Charge for the year	28,577	5,383	33,960
Disposals	(104,247)	(17,152)	(121,399)
At 31 March 2019	22,800	10,752	33,552
Net book value			
At 31 March 2019	-	5,395	5,395
At 31 March 2018	44,414	10,843	55,257

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2019 £	2018 £
Motor vehicles	-	9,232

ISMART GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

6. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 April 2018	200
At 31 March 2019	<u>200</u>

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Class of shares	Holding
I-Smart Consumer Services Limited	Ordinary	100%
Direct Debt Recovery Limited	Ordinary	100%

7. Debtors

	2019 £	2018 £
Trade debtors	12,193	-
Other debtors	28,498	14,745
Prepayments and accrued income	-	1,621
Deferred taxation	10,014	9,874
	<u>50,705</u>	<u>26,240</u>

8. Cash and cash equivalents

	2019 £	2018 £
Cash at bank and in hand	<u>85,119</u>	<u>272,556</u>

ISMART GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

9. Creditors: Amounts falling due within one year

	2019	2018
	£	£
Trade creditors	240	10,760
Amounts owed to group undertakings	100,000	62,649
Corporation tax	-	110,074
Other taxation and social security	27,328	13,773
Obligations under finance lease and hire purchase contracts	-	3,825
Other creditors	629	366
Accruals and deferred income	12,600	10,000
	140,797	211,447

10. 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 £4,371 (2018: £61,791). Contributions totaling £629 (2018: £366) were payable to the fund at the balance sheet date.

11. Related party transactions

As a wholly owned subsidiary, the company is exempt from the requirements of Para 33.1A of FRS 102 to disclose transactions with its parent and other wholly owned members of the group on the grounds that the group is small.

The company's immediate parent undertaking is DS John Holdings Limited.