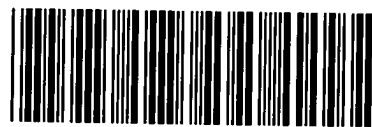


Registration number: 05885061

**PREPARED FOR THE REGISTRAR
PURPLE FACTORS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

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PURPLE FACTORS LIMITED

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PURPLE FACTORS LIMITED

COMPANY INFORMATION

Director D S Thornhill

Company secretary D S Thornhill

Registered office The Aspen Building
Vantage Point Business Village
Mitcheldean
Gloucestershire
GL17 0DD

Auditors Hazlewoods LLP
Staverton Court
Staverton
Cheltenham
GL51 0UX

PURPLE FACTORS LIMITED

(REGISTRATION NUMBER: 05885061)
BALANCE SHEET AS AT 31 MARCH 2023

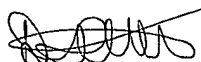
	Note	2023 £	2022 £
Fixed assets			
Investments	6	81,382	81,382
Current assets			
Debtors	7	53,115	774,010
Cash at bank and in hand		58,287	11,626
		<u>111,402</u>	<u>785,636</u>
Creditors: Amounts falling due within one year	8	<u>(111,561)</u>	<u>(187,411)</u>
Net current (liabilities)/assets		<u>(159)</u>	<u>598,225</u>
Total assets less current liabilities		81,223	679,607
Creditors: Amounts falling due after more than one year	8	(22,321)	(33,235)
Deferred tax liabilities		<u>(2,590)</u>	<u>-</u>
Net assets		<u>56,312</u>	<u>646,372</u>
Capital and reserves			
Called up share capital	10	100	100
Profit and loss account		<u>56,212</u>	<u>646,272</u>
Shareholders' funds		<u>56,312</u>	<u>646,372</u>

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

5/10/2023

Approved and authorised by the director on



D S Thornhill
 Company secretary and director

PURPLE FACTORS LIMITED**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2023**

	Share capital £	Profit and loss account £	Total £
At 1 March 2021	100	713,834	713,934
Loss for the year	-	(67,562)	(67,562)
At 31 March 2022	<u>100</u>	<u>646,272</u>	<u>646,372</u>

	Share capital £	Profit and loss account £	Total £
At 1 April 2022	100	646,272	646,372
Profit for the year	-	123,925	123,925
Dividends	-	(713,985)	(713,985)
At 31 March 2023	<u>100</u>	<u>56,212</u>	<u>56,312</u>

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

PURPLE FACTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

The Aspen Building
Vantage Point Business Village
Mitcheldean
Gloucestershire
GL17 0DD

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A smaller entities - 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' and the Companies Act 2006 (as applicable to companies subject to the small companies' regime).

Basis of preparation

These financial statements have been prepared using the historical cost convention except for, where disclosed in these accounting policies, certain items that are shown at fair value.

The presentational currency of the financial statements is Pounds Sterling, being the functional currency of the primary economic environment in which the company operates. Monetary amounts in these financial statements are rounded to the nearest Pound.

Name of parent of group

These financial statements are consolidated in the financial statements of Simplicity Tech Group Limited.

The financial statements of Simplicity Tech Group Limited may be obtained from the company's registered office.

Going concern

After reviewing the company's forecasts and projections, the director has a reasonable expectation that the company has adequate resources to continued in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the director is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements

No significant judgements have been made by management in preparing these financial statements.

PURPLE FACTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

Key sources of estimation uncertainty

No key sources of estimation uncertainty have been identified by management in preparing these financial statements other than those detailed in these accounting policies.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

- The amount of revenue can be reliably measured;
- it is probable that future economic benefits will flow to the entity;
- and specific criteria have been met for each of the company's activities.

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Fixtures and fittings	25% straight line

Investments

Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Dividends on equity securities are recognised in income when receivable.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. All trade debtors are repayable within one year and hence are included at the undiscounted cost of cash expected to be received. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the debtors.

PURPLE FACTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and all are repayable within one year and hence are included at the undiscounted amount of cash expected to be paid.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the profit and loss account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Financial instruments

Classification

Financial instruments are classified and accounted for according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability on the balance sheet. The corresponding dividends relating to the liability component are charged as interest expenses in the profit and loss account.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

PURPLE FACTORS LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023****Impairment**

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

A non financial asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

For financial assets carried at amortised cost, the amount of an impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

3 Staff numbers

The average number of persons employed by the company (including the director) during the year, was 3 (2022 - 6).

4 Auditors' remuneration

	2023 £	2022 £
Audit of the financial statements	<u>4,860</u>	<u>4,500</u>

PURPLE FACTORS LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023****5 Taxation**

Tax charged in the profit and loss account

	Year ended 31 March 2023 £	1 March 2021 to 31 March 2022 £
Current taxation		
UK corporation tax	49,015	-
Deferred taxation		
Arising from origination and reversal of timing differences	2,590	-
Tax expense in the profit and loss account	<u>51,605</u>	<u>-</u>

6 Investments

	31 March 2023 £	31 March 2022 £
Investments in subsidiaries	842	842
Interest in partnerships	<u>80,540</u>	<u>80,540</u>
	<u>81,382</u>	<u>81,382</u>
Subsidiaries		£
Cost		
At 1 April 2022		<u>842</u>
Interest in partnerships		£
Cost		
At 1 April 2022		<u>80,540</u>

Details of undertakings

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held	
			2023	2022
Infinity Skills Solutions Limited	England and Wales	Ordinary	100%	100%
Partner Together Limited	England and Wales	Ordinary	100%	100%
Pulse Centric Limited	England and Wales	Ordinary	60%	60%
Recruitment Media Limited	England and Wales	Ordinary	100%	100%
Simplicity Accounting Services Limited	England and Wales	Ordinary	100%	90%
Simplicity CIS Limited	England and Wales	Ordinary	100%	90%
Simplicity Resourcing Limited	England and Wales	Ordinary	100%	90%
Simplicity PEO Limited	England and Wales	Ordinary	90%	90%
Infinity Skills LLP	England and Wales	Designated member	50%	50%
Recruitment Staffing Solutions LLP	England and Wales	Designated member	50%	50%

PURPLE FACTORS LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023****7 Debtors**

	31 March 2022 £	31 March 2022 £
Trade debtors	44,653	42,085
Amounts owed by related parties	658	731,925
Other debtors	7,804	-
	<u>53,115</u>	<u>774,010</u>

8 Creditors

	Note	31 March 2022 £	31 March 2022 £
Due within one year			
Loans and borrowings	9	9,932	9,666
Trade creditors		19,383	55,992
Social security and other taxes		27,416	71,631
Outstanding defined contribution pension costs		-	475
Other creditors		1,816	42,647
Accrued expenses		3,999	7,000
Corporation tax liability		49,015	-
		<u>111,561</u>	<u>187,411</u>

	Note	31 March 2023 £	31 March 2022 £
Due after one year			
Loans and borrowings	9	<u>22,321</u>	<u>33,235</u>

9 Loans and borrowings

	31 March 2023 £	31 March 2022 £
Current loans and borrowings		
Bank borrowings	<u>9,932</u>	<u>9,666</u>

PURPLE FACTORS LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023**

	31 March 2023 £	31 March 2022 £
Non-current loans and borrowings		
Bank borrowings	22,321	33,235

Included in loan and borrowings is £32,253 (2022: £42,901) in relation to the Coronavirus Bounce Back Loan Scheme.

10 Share capital**Allotted, called up and fully paid shares**

	31 March 2023 No.	£	31 March 2022 No.	£
A Ordinary shares of £1 each	51	51	51	51
B Ordinary shares of £1 each	49	49	49	49
	100	100	100	100

All ordinary shares in issue rank pari-passu in all respects, other than dividend rights.

11 Related party transactions**Other transactions with directors**

During the year the company advanced and at the period end was owed £nil (2022: £382,741) by D S Thornhill in the form of a director's loan account. No interest was charged on this balance and were no fixed repayment terms.

**Keen Thinking Limited
(Fellow group company)**

During the year, the company received management charges of £360,000 (2022 - £311,040) from and paid rent of £nil (2022 - £34,026) to Keen Thinking Limited. At the balance sheet date, the amount owed from Keen Thinking Limited was £nil (2022 - 127,248)

**Simplicity Tech Group Limited
(The director has material interest)**

During the year, the directors loan account with David Thornhill was novated to parent company Simplicity Tech Group Limited. As at 31 March 2023 the balance owed was £nil (2022 - £382,741)

At the year end the company owed £658 to related parties (2022- £731,925)

12 Parent and ultimate parent undertaking

The company's immediate parent is Simplicity Tech Group Limited, incorporated in England and Wales.

13 Audit report

The Independent Auditor's Report was unqualified. The name of the Senior Statutory Auditor who signed the audit report on 06/10/2023 was Ryan Hancock, who signed for and on behalf of Hazlewoods LLP.