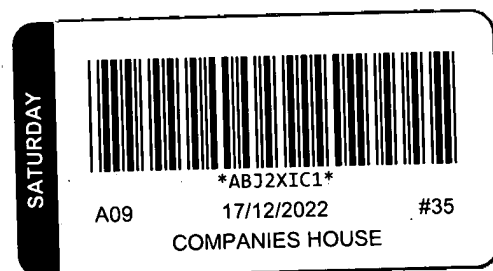


Company Registration No. 06042225 (England and Wales)

PAYSTREAM MY MAX LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022



PAYSTREAM MY MAX LIMITED

COMPANY INFORMATION

Director	J Ball
Company number	06042225
Registered office	Mansion House Manchester Road Altrincham Cheshire WA14 4RW
Auditor	Saffery Champness LLP Trinity 16 John Dalton Street Manchester M2 6HY

PAYSTREAM MY MAX LIMITED

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PAYSTREAM MY MAX LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2022

The director of PayStream My Max Limited presents the annual report containing a strategic report, directors' report and the financial statements for the year ended 31 March 2022.

Principal activities

The principal activity of the company continues to be the provision of consultancy services.

General business review - statement of income

Turnover increased in the year by 165%. This growth is directly attributable to the increased number of contractors choosing to work via an umbrella following the introduction of changes to 'off-payroll working' for the private sector which took effect in April 2021. The effect of these changes has been complimented by the preferred supplier status with an increasing number of recruitment businesses and a strong sales effort.

The number of employees has increased by 120%.

Operating profit increased by 98% during the year.

The profit for the year after taxation amounted to £7,257k (2021: £3,290k).

General business review - statement of financial position

Total assets increased during the year by £178,327k to £288,528k (2021: £110,201k), an increase of 162% (2021: +111%). The movement was primarily driven by an increase in trade debtors of £101,196k due to the timing of cash receipts at year end.

Total creditors at the year-end amounted to £285,973k (2021: £109,408k) an increase of 161% (2021: +112%). The movement primarily consists of an increase in payments due to be paid to contractors post year end of £73,420k and an increase in taxes there-on of £100,478k.

General business review - statement of cashflows

The overall cash position increased in the year by £77,131k to £124,055k (2021 £46,924k).

Dividends of £5,485k have been made to PayStream My Max Holdings Limited in the year to support the parent company's dividend policy.

Key performance indicators

	2022 £'000s	2021 £'000s	Change %
Turnover	1,731,850	652,394	165
Operating profit	8,036	4,058	98
Profit after tax	7,257	3,290	121
Equity shareholders' funds	2,549	777	228
Average number of employees	17,168	7,808	120

PayStream My Max Limited measures its performance on a number of key performance indicators, including revenue and profit from operations as disclosed above. The director does not monitor non-financial KPIs as it is not necessary for an understanding of the development, performance, position or future prospects of the company's business.

PAYSTREAM MY MAX LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Section 172 and corporate governance

This report sets out how the Directors comply with the requirements of Section 172 of the Companies Act 2006 and how these requirements have impacted the Directors activities and decision making during the financial year ended 31 March 2022.

The Directors consider that they have acted in good faith to promote the success of the group on behalf of the stakeholders, in relation to matters set out in s172 of the Act. The stakeholders of the business include the employees, clients, suppliers and shareholders of the business.

The Directors also recognise the importance of delivering effective corporate governance in supporting the long-term success and sustainability of the Company and have considered the UK Corporate Governance Code – July 2018.

Decision making

The Directors monitor and review strategic objectives against business plans on a regular basis. The Operational Board support the Directors with the planning and execution of long-term plans and are experienced in the successful implementation of strategic business decisions with an average length of service of over 13 years.

Employee interests

The Directors recognise the vital importance of the Groups employees and the key role they play in the on-going success of the business. Engagement with operational employees is high and is maintained through regular company briefings and employee surveys. Employees are supported with training and development through both professional qualifications and coaching programmes.

Business relationships

The Directors and Operational Board regularly review how the Group maintains positive relationships with all its stakeholders including suppliers, customers and others. The Group has built its reputation on high levels of customer service and uphold this through accreditations such as Customer Service Excellence.

Community and environment

The Group has made Mental Health a priority and are supporting employees in a variety of ways including training further Mental Health First Aiders, promoting Mental Health Awareness Week and providing access to well-being classes.

High standards of business conduct

The Directors take the reputation of the Group very seriously. High standards of governance are upheld through PayStreams Core Values of Excellence, Agility, Empowerment and Integrity are central to the culture of the organisation.

Treating members fairly

The Directors ensure relevant information and key results are made available to all shareholders on a monthly basis.

PAYSTREAM MY MAX LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

STATEMENT OF CORPORATE GOVERNANCE

The company's Board is committed to the highest standards of corporate governance and believes that these high standards are central to the effective management of PayStream My Max Limited and to maintaining the confidence of its members.

For the period ended 31 March 2022, under the companies (Miscellaneous Reporting) Regulations 2018, PayStream My Max Limited has applied the Wates Corporate Governance Principles, for Large Private Companies, published by the Financial Reporting Council (FRC) in December 2018, which are available on the FRC website, as an appropriate framework when making a disclosure regarding corporate governance arrangements.

Purpose and leadership

The board determines the long-term strategy, direction and performance of PayStream My Max Limited. The board considers all economic, geographical and environmental factors to ensure appropriate strategy decisions are made. Our vision is to be the leading umbrella company in the UK, conducting business with integrity and with respect for the interests of our employees, clients, suppliers and wider community. High standards of governance are upheld through PayStreams Core Values of Excellence, Agility, Empowerment and Integrity and are central to the culture of the organisation with staff awards linked to the demonstration of these values.

Board composition

The Executive director is supported by the Operational Board of the wider PayStream Group comprising of Operational Directors and Seniors Managers from the key areas of Finance, Operations, Legal, IT, HR and Business Improvement. The size and composition of the Board is considered to be appropriate with all members contributing to a wide variety of experience.

Director responsibilities

Effective risk management is central to achieving the company's strategic objectives and is a core responsibility of the Board. The board receives regular reports on business, financial performance, operational KPI's and management of key business risks. Operational KPI's are updated on a weekly basis with all Directors and Seniors Managers meeting to discuss them and actions thereon.

Opportunity and risk

The board seeks out opportunity while mitigating risk, following a clear framework that places emphasis on compliance with business relevant laws and regulations. Operational and safety risks are regularly reviewed by the Operational Board. Please refer to page 4 which includes a list of all emerging and principal risks including mitigations which are relevant to the Company.


Remuneration

The remuneration policy is designed to attract, retain and motivate executives of the highest quality, encouraging them to deliver exceptional business performance aligned to the strategy of the Company. Its structure and individual remuneration elements align with the design of the Company's remuneration policy for the wider organisation.

Stakeholder relationships and engagement

PayStream My Max Limited was a wholly owned subsidiary of PayStream My Max Holdings Limited. All of the Board of PayStream My Max Limited also reside on the Board of PayStream My Max Holdings Limited. The Board consider good governance and effective communication to be key in achieving our purpose and protecting the brand and reputation of the wider PayStream Group. Please refer to our Section 172 statement on page 2.

On behalf of the board


J Ball (Nov 30, 2022 08:59 GMT)

J Ball
Director

Date: 30/11/2022

PAYSTREAM MY MAX LIMITED

DIRECTOR'S REPORT

FOR THE YEAR ENDED 31 MARCH 2022

The director presents his annual report and financial statements for the year ended 31 March 2022.

Principal activities

The principal activity of the company continues to be the provision of consultancy services.

Results and dividends

The results for the year are set out on page 9.

Director

The director who held office during the year and up to the date of signature of the financial statements was as follows:

J Ball

Financial risk management and policies

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulties in meeting obligations associated with financial liabilities. The company aims to mitigate liquidity risk by managing the cash generation of its operations with strong focus on cash collection and regular and detailed cashflow forecasting.

The business has no material exposure to non-basic financial instruments.

Credit risk

Credit risk is the risk that customers or counterparties will not be able to meet their obligations to the company. The company has policies aimed at minimising such losses and require that deferred payment terms are only granted to customers who demonstrate an appropriate payment history and satisfy credit worthiness procedures.

Regulatory risk

The most significant risk faced by the business is the regulatory risk relating to changes to employment and tax legislation. The company actively engages in the consultation phase of any proposed legislative changes, and positively embraces the final legislation. The company is committed to investing in both the resources and system changes necessary to ensure full compliance with such legislative changes.

Disabled persons

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the company continues and that the appropriate training is arranged. It is the policy of the company that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Employee involvement

During the year, the company has worked to ensure that its employees are well informed about issues affecting them and the company. The company distributes regular newsletters and provides regular updates on its website and through direct communication with employees.

Future developments

The director aims to continue with the strategy of increasing market share by developing future preferred supplier relationships.

Auditor

Saffery Champness LLP have expressed their willingness to continue in office as auditors of the company and in accordance with the company's articles, a resolution proposing that Saffery Champness LLP be re-appointed as auditors of the company will be put at a General Meeting.

PAYSTREAM MY MAX LIMITED

DIRECTOR'S REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022


Energy and carbon report

The company is committed to making careful assessments of its levels of energy consumption and impact of carbon dioxide emissions on the environment. This includes, for example, the installation of low-energy lighting in our office buildings and encouraging employees to carefully consider the necessity of travel for business purposes. Carbon emissions reporting has been included in the consolidated financial statements of PayStream My Max Holdings Limited.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board


J Ball (Nov 30, 2022 08:59 GMT)

J Ball
Director

Date: 30/11/2022

PAYSTREAM MY MAX LIMITED

DIRECTOR'S RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 MARCH 2022

The director is responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the director must not approve the financial statements unless he is 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 director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is 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. He is 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.

PAYSTREAM MY MAX LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF PAYSTREAM MY MAX LIMITED

Opinion

We have audited the financial statements of PayStream My Max Limited (the 'company') for the year ended 31 March 2022 which comprise the statement of income and retained earnings, the statement of financial position and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the Company's ability to continue to adopt the going concern basis of accounting included;

- obtaining, critically appraising and checking the arithmetical accuracy of the cashflow forecasts prepared by management supporting their formal going concern assessment;
- appraising the key assumptions made by management, including working capital assumptions;
- discussing events after the end of the reporting period with management to assess their impact on the going concern assumption and corroborating by reviewing board minutes and management accounts; and
- reviewing disclosures in the annual report and financial statements relating to the going concern basis of preparation to ensure it is an accurate reflection of the basis for which the company is a going concern.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The director are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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 in this regard.

PAYSTREAM MY MAX LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF PAYSTREAM MY MAX LIMITED

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the director's report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the director's report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the director's report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of director

As explained more fully in the director's responsibilities statement, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the director determines 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 director is 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 director either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditor's 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the company's financial statements to material misstatement and how fraud might occur, including through discussions with the director, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the company by discussions with director and by updating our understanding of the sector in which the company operates.

Laws and regulations of direct significance in the context of the company include The Companies Act 2006, Employment law and UK Tax legislation.

PAYSTREAM MY MAX LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF PAYSTREAM MY MAX LIMITED

Audit response to risks identified

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.


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

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's member in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's member those matters we are required to state to him in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's member for our audit work, for this report, or for the opinions we have formed.

Simon Kite BSc FCA (Senior Statutory Auditor)
For and on behalf of Saffery Champness LLP


.....

Chartered Accountants
Statutory Auditor

Trinity
16 John Dalton Street
Manchester
M2 6HY

PAYSTREAM MY MAX LIMITED

STATEMENT OF INCOME AND RETAINED EARNINGS FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022 £'000	2021 £'000
Turnover	3	1,731,850	652,394
Cost of sales		(1,713,282)	(649,916)
Gross profit		18,568	2,478
Administrative expenses		(10,532)	(3,765)
Other operating income		-	5,345
Operating profit	4	8,036	4,058
Interest receivable and similar income	7	38	5
Profit before taxation		8,074	4,063
Tax on profit	8	(817)	(773)
Profit for the financial year		7,257	3,290
Retained earnings brought forward		777	712
Dividends	9	(5,485)	(3,225)
Retained earnings carried forward		<u>2,549</u>	<u>777</u>

The income statement has been prepared on the basis that all operations are continuing operations.


PAYSTREAM MY MAX LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2022

		2022		2021	
	Notes	£'000	£'000	£'000	£'000
Fixed assets					
Intangible assets	10		1		1
Current assets					
Debtors	11	164,472		63,276	
Cash at bank and in hand		124,055		46,924	
		<u>288,527</u>		<u>110,200</u>	
Creditors: amounts falling due within one year	12	(285,973)		(109,408)	
Net current assets			2,554		792
Total assets less current liabilities			2,555		793
Provisions for liabilities					
Provisions	13	6	(6)	16	(16)
Net assets			<u>2,549</u>		<u>777</u>
Capital and reserves					
Profit and loss reserves			<u>2,549</u>		<u>777</u>

The financial statements were approved and signed by the director and authorised for issue on 30/11/2022


J Ball (Nov 30, 2022 08:59 GMT)

J Ball
Director

Company Registration No. 06042225

PAYSTREAM MY MAX LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

Company information

Paystream My Max Limited is a private company limited by shares incorporated in England and Wales. The registered office is Mansion House, Manchester Road, Altrincham, Cheshire, WA14 4RW.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £'000.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 4 'Statement of Financial Position': Reconciliation of the opening and closing number of shares
- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues: Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment': Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of PayStream My Max Holdings Limited. These consolidated financial statements are available from its registered office, Mansion House, Manchester Road, Altrincham, Cheshire WA14 4RW.

1.2 Going concern

At the time of approving the financial statements, the director has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the director continues to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for services provided in the normal course of business, and is shown net of VAT and other sales related taxes.

Revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period provided that the outcome can be reliably estimated. When the outcome cannot be reliably estimated, revenue is recognised only to the extent that the expenses recognised are recoverable.

The accounts have been prepared up to 1 April 2022 (2021: 1 April 2021) with the revenue received in the last working week of the year being pro-rated for the number of working days.

PAYSTREAM MY MAX LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.4 Intangible fixed assets other than goodwill

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses. Any intangible assets carried at revalued amounts, are recorded at the fair value at the date of revaluation, as determined by reference to an active market, less any subsequent accumulated amortisation and subsequent accumulated impairment losses.

Intangible assets acquired as part of a business combination are recorded at the fair value at the acquisition date.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Customer list	10% straight line
---------------	-------------------

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

1.6 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

PAYSTREAM MY MAX LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Other financial liabilities, including debt instruments that do not meet the definition of a basic financial instrument, are measured at fair value through profit or loss.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.8 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

PAYSTREAM MY MAX LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

1.9 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.10 Provisions

Provisions are recognised when the company has a legal or constructive present obligation as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

PAYSTREAM MY MAX LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.12 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.13 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

1.14 Related party transactions

The company discloses transactions with related parties which are not wholly owned with the same group. It does not disclose transactions with members of the same group that are wholly owned.

1.15 Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

2 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 amount 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.

Management do not consider the company to have any critical accounting judgements or key sources of estimation uncertainty which require disclosure to give a true and fair view of the financial statements.

3 Turnover and other revenue

	2022 £'000	2021 £'000
Turnover analysed by class of business		
Rendering of services	1,731,850	652,394
	<u> </u>	<u> </u>
	2022 £'000	2021 £'000
Other significant revenue		
Interest income	38	5
Grants received	-	5,345
	<u> </u>	<u> </u>

PAYSTREAM MY MAX LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

3 Turnover and other revenue (Continued)

	2022 £'000	2021 £'000
Turnover analysed by geographical market		
United Kingdom	1,731,850	652,394

4 Operating profit

	2022 £'000	2021 £'000
Operating profit for the year is stated after (crediting):		
Government grants	-	(5,345)

Included in 2021 were government grants claimed under the CJRS Scheme, these were not claimed in the year ended 31 March 2022.

5 Auditor's remuneration

	2022 £'000	2021 £'000
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the company	19	17

6 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2022 Number	2021 Number
Contractors	17,168	7,808

Their aggregate remuneration comprised:

	2022 £'000	2021 £'000
Wages and salaries	1,469,717	563,515
Social security costs	172,125	64,748
Pension costs	69,578	20,918
	1,711,420	649,181

PAYSTREAM MY MAX LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

6 Employees

(Continued)

The director was not remunerated by the company during the current or prior year. The director is also a director of PayStream Accounting Services Limited, a fellow subsidiary of PayStream My Max Holdings Limited. The director received remuneration of £771,624 during the year (2021 - £611,749) from PayStream Accounting Services Limited for his services to PayStream My Max Holdings Limited and its subsidiary undertakings. The director is accruing benefits under the PayStream Accounting Services Limited pension scheme which is a defined contribution scheme, amounting to £7,200 (2021 - £7,200). The element of remuneration that is attributable to this company cannot be reliably estimated.

7 Interest receivable and similar income

	2022 £'000	2021 £'000
Interest income		
Interest on bank deposits	38	5

8 Taxation

	2022 £'000	2021 £'000
Current tax		
UK corporation tax on profits for the current period	3,021	1,403
Deferred tax		
Origination and reversal of timing differences	(2,204)	(630)
Total tax charge	817	773

The Chancellor confirmed in the Autumn Statement 2022, reversals to the mini-Budget 2022 that the rate of corporation tax will increase from 19% to 25% from 1 April 2023, as originally planned in the 2021 Budget. At the same time, a small companies' rate of 19% will be introduced and marginal relief given for intermediate companies. The main rate applies to companies with profits over £250,000; the small companies' rate to those with profits of £50,000 or less, with marginal tapering for profits in between the thresholds.

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2022 £'000	2021 £'000
Profit before taxation	8,074	4,063
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	1,534	772
Tax effect of expenses that are not deductible in determining taxable profit	1,487	636
Retirement benefits obligations	(2,204)	(635)
Taxation charge for the year	817	773

PAYSTREAM MY MAX LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

9 Dividends

	2022 £'000	2021 £'000
Final paid	5,485	3,225

10 Intangible fixed assets

	Customer list £'000
Cost	
At 1 April 2021 and 31 March 2022	2
Amortisation and impairment	
At 1 April 2021 and 31 March 2022	1
Carrying amount	
At 31 March 2022	1
At 31 March 2021	1

The customer list has a remaining amortisation period of 4 years 11 months at 31 March 2022.

11 Debtors

	2022 £'000	2021 £'000
Amounts falling due within one year:		
Trade debtors	147,104	56,157
Amounts owed by group undertakings	14,284	6,287
Other debtors	97	49
	161,485	62,493
Deferred tax asset (note 14)	2,987	783
	164,472	63,276

During the year impairment of trade debtors was recognised totalling £126,761 (2021: £41,678).

PAYSTREAM MY MAX LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

12 Creditors: amounts falling due within one year

	2022 £'000	2021 £'000
Trade creditors	204	93
Amounts owed to group undertakings	5	5
Corporation tax	1,036	402
Other taxation and social security	162,991	62,513
Other creditors	119,251	45,831
Accruals and deferred income	2,486	564
	<u>285,973</u>	<u>109,408</u>

13 Provisions for liabilities

	2022 £'000	2021 £'000
Other	<u>6</u>	<u>16</u>

Movements on provisions:

	Other £'000
At 1 April 2021	15
Additional provisions in the year	(9)
At 31 March 2022	<u>6</u>

Other provisions include miscellaneous contractual obligations for which the payment date and value is considered to be uncertain.

14 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Assets 2022 £'000	Assets 2021 £'000
Balances:		
Retirement benefit obligations	<u>2,987</u>	<u>783</u>

PAYSTREAM MY MAX LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

14	Deferred taxation	(Continued)
		2022
	Movements in the year:	£'000
	Asset at 1 April 2021	(783)
	Credit to profit or loss	(2,204)
	Asset at 31 March 2022	<u>(2,987)</u>

The deferred tax asset set out above is expected to reverse within 12 months.

15	Retirement benefit schemes	2022	2021
	Defined contribution schemes	£'000	£'000
	Charge to profit or loss in respect of defined contribution schemes	<u>69,578</u>	<u>20,918</u>

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

The pension creditor at 31 March 2022 was £8,281,525 (2021 - £2,809,192).

16	Share capital	2022	2021	2022	2021
	Ordinary shares of £1 each	100	100	-	-

17 Events after the reporting date

The directors confirmed there were sufficient distributable reserves to distribute dividends of £4,120,000 after the year end.

18 Related party transactions

Transactions with related parties

During the year the company entered into the following transactions with related parties:

	Sales	
	2022	2021
	£'000	£'000
Other related parties	<u>521,015</u>	<u>113,199</u>

The controlling party is a shareholder of a company, referred to above as 'other related parties', with whom PayStream My Max Limited has traded during the year.

PAYSTREAM MY MAX LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

19 Ultimate controlling party

The entire share capital of PayStream My Max Limited is owned by PayStream My Max Holdings Limited, a company incorporated in the United Kingdom. This is the smallest and largest group in which this company is consolidated. Copies of the PayStream My Max Holdings Limited financial statements are available from Mansion House, Manchester Road, Altrincham, Cheshire WA14 4RW. The director considers Mr Paul Bell to be the controlling party.

20 Security

The company is party to a cross guarantee and debenture between the PayStream My Max Holdings Limited group and another party, related by common control, in favour of Barclays Bank Plc dated 3 November 2015. There are no bank liabilities within the group with Barclays Bank Plc at the year end.