

REGISTERED NUMBER: 06472420 (England and Wales)

**STRATEGIC REPORT, REPORT OF THE DIRECTORS AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022
FOR
TPXIMPACT LIMITED**



TPXIMPACT LIMITED (REGISTERED NUMBER: 06472420)

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FOR THE YEAR ENDED 31 MARCH 2022**

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TPXIMPACT LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2022

DIRECTORS:

S R Winters
B A P Conway

REGISTERED OFFICE:

20 St Thomas Street
Runway East (Second Floor)
London
SE1 9RG

REGISTERED NUMBER:

06472420 (England and Wales)

ACCOUNTANTS:

Galloways Accounting
Atlas Chambers
33 West Street
Brighton
East Sussex
BN1 2RE

TPXIMPACT LIMITED (REGISTERED NUMBER: 06472420)

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2022**

The directors present their strategic report for the year ended 31 March 2022.

REVIEW OF BUSINESS

TPXimpact Limited ('TPXimpact', 'the Company') is a wholly owned subsidiary of TPXimpact Holdings Plc ('the Group').

TPXimpact helps to deliver impactful, sustainable, digital transformation to enrich how individuals and society experience the world. The Directors consider the company's performance in the year to be satisfactory. This was the third year in which TPXimpact Limited was a part of the Group, and it has been able to grow its service offering to clients with the additional capabilities within the Group allowing us to win increasingly larger and more impactful projects.

The Covid-19 pandemic ('Covid-19') caused significant challenges for the sectors and our clients, however TPXimpact was able to respond swiftly to provide the support our clients needed. The pandemic demonstrated the importance of organisations to invest in their digital capabilities and the importance for digital service providers such as TPXimpact to be able to operate in an agile manner in addressing clients critical needs. We believe this is a key strength of TPXimpact, which has enabled the Company to deliver great work during this period.

TPXIMPACT LIMITED (REGISTERED NUMBER: 06472420)

STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2022**PRINCIPAL RISKS AND UNCERTAINTIES**

The success of the Company depends on the proper management of risk. The Company has a governance structure to identify and monitor relevant risks. The risks identified are ranked by likelihood and potential impact, then tracked through monthly board meetings. Once risks are identified, the Company will formulate and deploy mitigating strategies.

The principal risks and uncertainties that the Board believed could have a significant adverse impact on the Company's business are set out below. The table is not intended to be exhaustive and the principal risks are not listed in order of seriousness or potential impact. There may also be risks that are not currently considered to be serious or which are currently unknown and risks that are outside of the Company's control. Where reasonably possible, the Company has taken steps to manage or mitigate the risks, or potential risks, but it cannot entirely safeguard against all of them.

Risk	Impact	Mitigation
Impact of recession	Recession could impact the digital transformation spend of our customers and impact the revenue of the Company.	Our revenue is heavily weighted towards public sector spend and this should mitigate the risk of recession impacting revenue as we anticipate that government will continue to invest. Digital transformation is often a route to create business or government department. In the commercial sector failing to invest in digital transformation could negatively impact its ability to compete.
Inflation	Impact on inflation increasing cost of workforce (employees as well as contractors) putting pressure on margin.	We continue to provide good pay and benefits to our employees and have provided increases across the board to reflect the impact of inflation. We will continue to monitor the market. We believe that in the current year we will be able to maintain margins through efficiency gains from the integration of businesses and a professionalism of the organisation.
Inability to recruit and retain a diverse workforce	The quality of the services provided by the Company are fundamentally derived from the quality of the Company's people. The Company's performance could therefore be adversely affected if it is not able to recruit, train and retain key talent in the business.	Our goal is to have a diverse workforce that replicates the diversity of where we operate. The Company puts culture and purpose in the forefront of what we do to become an employer of choice for employees. We actively set our KPIs to focus on the diversity of our workforce and managed the KPIs with the same prominence as our financial KPIs.
Breach of legal, regulatory and contractual information security and data privacy legislation	Non-compliance could expose the Company to liability and fines (for example under GDPR), and negatively impact profit and cash flow in the short term, cause reputational damage and damage customer relationships and credibility in the market.	The Company reviews the impact of new information security and data privacy regulations and legislation on the Group and its customers. The output of these reviews influences the Company's internal controls and processes and the design of products, solutions and working practices.
Cyber security risk	The Company relies upon the confidentiality, integrity and availability of its IT systems internally and as part of its service offerings to customers. Cyber security events are occurring more frequently, and attacks are designed with greater complexity. A major cyber security event causing loss of availability or loss or customer data could limit the Company's operations, expose the Company to fines and cause reputational damage, and damage customer relationships due to reduced credibility in the market.	Cyber security threats are monitored by each individual company and any risks of cyber security are communicated throughout the whole group on a timely basis.

TPXIMPACT LIMITED (REGISTERED NUMBER: 06472420)**STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2022****KEY PERFORMANCE INDICATORS**

The board utilises several key performance indicators to enable a consistent method of analysing performance such as:

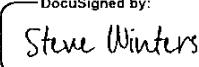
	2022	2021	Variance
Turnover (£'000)	17,129	13,585	3,544
Gross profit margin (%)	23%	30%	(7%)

The Company achieved turnover of £17.1m in FY2022, an increase of 26.1% on the prior year with an increase in the value of contracts being won. This includes the winning of one contract over £2m in the current period compared with two in the prior period.

Gross profit margins were at 23% against 30% in the prior year. The reduction was driven by a change in the makeup of the services that we provide, as the Company integrated capabilities from other TPXimpact Holding Plc Group companies into the Company during the year. This has enabled the Company to broaden our capabilities and provide a more holistic leading-edge service to our clients, to enable positive and sustainable change in the UK public sector.

The gross margin has also been impacted by some Covid-19 recruitment scaling challenges, exacerbated by our top line growth, which meant that we had an increased reliance on contractors at higher rates than full time employees. The Company, with support from the Group, has now reached a scale where we can address this through the newly formed centralised HR function and greater hiring of permanent employees.

ON BEHALF OF THE BOARD:

DocuSigned by:

ECA3B11B61F34CE
S R Winters - Director

17/03/2023
Date:

TPXIMPACT LIMITED (REGISTERED NUMBER: 06472420)

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2022**

The directors present their report with the financial statements of the company for the year ended 31 March 2022.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of a consultancy agency specialising in digital transformation, service design and community development work.

DIVIDENDS

Ordinary dividends were paid amounting to £1,000,000 (2021: £3,050,000). The directors do not recommend a payment of a final dividend.

FUTURE DEVELOPMENTS

The Company is proud of the financial performance achieved, despite the challenges of the pandemic. It is a testament to the dedication of our teams and the power of innovative thinking and the flexibility in our offer to help support clients. The Company continues to focus on delivering positive, sustainable change across public sector and private organisations.

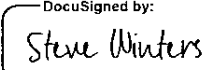
The Company has played an important part in simplifying our offer to clients by consolidating all of the Group's business into a single brand. We believe that this will provide our client's a modern, full service offering for our client's digital transformation needs. The Company is currently undergoing a Group wide change programme to achieve this - more detail can be found in the Group consolidated account of TPXimpact Holdings Plc which are available to the public and can be obtained as set out in note 18.

DIRECTORS

S R Winters and B A P Conway were appointed as directors after 31 March 2022 but prior to the date of this report.

S Murphy, M Skinner and O J Rigby ceased to be directors after 31 March 2022 but prior to the date of this report.

ON BEHALF OF THE BOARD:

DocuSigned by:

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S R Winters - Director

Date: 17/03/2023

TPXIMPACT LIMITED (REGISTERED NUMBER: 06472420)

**STATEMENT OF COMPREHENSIVE
INCOME
FOR THE YEAR ENDED 31 MARCH 2022**

	Notes	2022 £	2021 £
TURNOVER	3	17,129,124	13,584,906
Cost of sales		13,173,447	9,514,534
GROSS PROFIT		3,955,677	4,070,372
Administrative expenses		2,948,188	2,191,087
		1,007,489	1,879,285
Other operating income		77,310	64,314
OPERATING PROFIT	5	1,084,799	1,943,599
Interest receivable and similar income		21,556	2,322
		1,106,355	1,945,921
Amounts written off investments	6	1,386,880	-
		(280,525)	1,945,921
Interest payable and similar expenses	7	-	24,421
(LOSS)/PROFIT BEFORE TAXATION		(280,525)	1,921,500
Tax on (loss)/profit	8	(5,360)	85,527
(LOSS)/PROFIT FOR THE FINANCIAL YEAR		(275,165)	1,835,973

The notes form part of these financial statements

TPXIMPACT LIMITED (REGISTERED NUMBER: 06472420)

BALANCE SHEET
31 MARCH 2022

	Notes	2022 £	2021 £
FIXED ASSETS			
Tangible assets	10	101,399	61,485
Investments	11	-	1,386,880
		<u>101,399</u>	<u>1,448,365</u>
CURRENT ASSETS			
Debtors	12	3,595,345	2,695,319
Cash at bank and in hand		896,050	1,332,332
		<u>4,491,395</u>	<u>4,027,651</u>
CREDITORS			
Amounts falling due within one year	13	4,028,625	3,636,682
NET CURRENT ASSETS		<u>462,770</u>	<u>390,969</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>564,169</u>	<u>1,839,334</u>
CAPITAL AND RESERVES			
Called up share capital	15	149	149
Share premium	16	154	154
Capital redemption reserve	16	15	15
Share option reserve	16	23,066	11,538
Retained earnings	16	540,785	1,827,478
SHAREHOLDERS' FUNDS		<u>564,169</u>	<u>1,839,334</u>

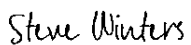
The company is entitled to exemption from audit under Section 479A of the Companies Act 2006 relating to subsidiary companies for the year ended 31 March 2022.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2022 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The financial statements were approved by the Board of Directors and authorised for issue on 17/03/2023 and were signed on its behalf by:

DocuSigned by:

 S R Winters - Director

The notes form part of these financial statements

TPXIMPACT LIMITED (REGISTERED NUMBER: 06472420)

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2022

	Called up share capital £	Retained earnings £	Share premium £
Balance at 1 April 2020	393	3,041,505	154
Changes in equity			
Issue of share capital	(244)	-	-
Dividends	-	(3,050,000)	-
Total comprehensive income	-	1,835,973	-
Balance at 31 March 2021	149	1,827,478	154
Changes in equity			
Dividends	-	(1,000,000)	-
Total comprehensive income	-	(286,693)	-
Balance at 31 March 2022	149	540,785	154
	Capital redemption reserve £	Share option reserve £	Total equity £
Balance at 1 April 2020	15	-	3,042,067
Changes in equity			
Issue of share capital	-	-	(244)
Dividends	-	-	(3,050,000)
Total comprehensive income	-	11,538	1,847,511
Balance at 31 March 2021	15	11,538	1,839,334
Changes in equity			
Dividends	-	-	(1,000,000)
Total comprehensive income	-	11,528	(275,165)
Balance at 31 March 2022	15	23,066	564,169

The notes form part of these financial statements

TPXIMPACT LIMITED (REGISTERED NUMBER: 06472420)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

1. STATUTORY INFORMATION

TPXimpact Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Financial Reporting Standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of paragraphs 26.18(b), 26.19 to 26.21 and 26.23;
- the requirement of paragraph 33.7.

Preparation of consolidated financial statements

The financial statements contain information about TPXimpact Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 400 of the Companies Act 2006 from the requirements to prepare consolidated financial statements as it and its subsidiary undertaking are included by full consolidation in the consolidated financial statements of its parent, TPXimpact Holdings Plc, 7 Savoy Court, London, England, WC2R 0EX.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	- 25% on cost
Computer equipment	- 25% on cost

Investments in subsidiaries

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

TPXIMPACT LIMITED (REGISTERED NUMBER: 06472420)

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

2. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Share based payments

The company participates in a group share-based payment plan and recognises and measures its share-based payment expense based on the closing price of the ultimate parent company's shares on the grant date.

Going concern

After reviewing the company's forecasts and projections, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence.

3. TURNOVER

All turnover arose from the Company's principal activity.

4. EMPLOYEES AND DIRECTORS

	2022 £	2021 £
Wages and salaries	6,321,773	5,165,929
Social security costs	822,141	599,773
Other pension costs	259,525	125,547
	<u>7,403,439</u>	<u>5,891,249</u>

The average number of employees during the year was as follows:

	2022	2021
Consultant staff	108	66
Administrative staff	19	14
Management	7	6
	<u>134</u>	<u>86</u>

	2022 £	2021 £
Directors' remuneration	260,350	510,974
Directors' pension contributions to money purchase schemes	<u>10,294</u>	<u>4,814</u>

The number of directors to whom retirement benefits were accruing was as follows:

	2022	2021
Money purchase schemes	<u>2</u>	<u>3</u>

Information regarding the highest paid director is as follows:

	2022 £	2021 £
Emoluments etc	141,500	247,820
Pension contributions to money purchase schemes	<u>5,600</u>	<u>1,312</u>

TPXIMPACT LIMITED (REGISTERED NUMBER: 06472420)

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

5. OPERATING PROFIT

The operating profit is stated after charging:

	2022	2021
	£	£
Depreciation - owned assets	29,760	17,141
Loss on disposal of fixed assets	1,106	190
Foreign exchange differences	6,728	38,645

6. AMOUNTS WRITTEN OFF INVESTMENTS

	2022	2021
	£	£
Impairment of investment in subsidiary	1,386,880	-

7. INTEREST PAYABLE AND SIMILAR EXPENSES

	2022	2021
	£	£
Bank loan interest	-	24,421

8. TAXATION

Analysis of the tax (credit)/charge

The tax (credit)/charge on the loss for the year was as follows:

	2022	2021
	£	£
Current tax:		
UK corporation tax	-	85,527
Adjustments in respect of prior period	(5,360)	-
Tax on (loss)/profit	(5,360)	85,527

Reconciliation of total tax (credit)/charge included in profit and loss

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2022	2021
	£	£
(Loss)/profit before tax	(280,525)	1,921,500
(Loss)/profit multiplied by the standard rate of corporation tax in the UK of 19% (2021 - 19%)	(53,300)	365,085
Effects of:		
Expenses not deductible for tax purposes	266,008	18,105
Income not taxable for tax purposes	(3,489)	(4,361)
Capital allowances in excess of depreciation	(11,828)	(3,952)
Adjustments to tax charge in respect of previous periods	(5,360)	(288,909)
Group relief claimed	(197,391)	(441)
Total tax (credit)/charge	(5,360)	85,527

TPXIMPACT LIMITED (REGISTERED NUMBER: 06472420)

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

9. DIVIDENDS

	2022 £	2021 £
Ordinary shares of £0.001 each		
Interim	<u>1,000,000</u>	<u>3,050,000</u>

10. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1 April 2021	29,454	121,600	151,054
Additions	-	70,781	70,781
Disposals	-	(5,956)	(5,956)
At 31 March 2022	<u>29,454</u>	<u>186,425</u>	<u>215,879</u>
DEPRECIATION			
At 1 April 2021	29,454	60,115	89,569
Charge for year	-	29,760	29,760
Eliminated on disposal	-	(4,849)	(4,849)
At 31 March 2022	<u>29,454</u>	<u>85,026</u>	<u>114,480</u>
NET BOOK VALUE			
At 31 March 2022	<u>-</u>	<u>101,399</u>	<u>101,399</u>
At 31 March 2021	<u>-</u>	<u>61,485</u>	<u>61,485</u>

11. FIXED ASSET INVESTMENTS

	Shares in group undertaking £
COST	
At 1 April 2021	1,386,880
Impairments	(1,386,880)
At 31 March 2022	<u>-</u>
NET BOOK VALUE	
At 31 March 2022	<u>-</u>
At 31 March 2021	<u>1,386,880</u>

The company's investments at the Balance Sheet date in the share capital of companies include the following:

US-Creates Ltd

Registered office: Runway East (Second Floor), 20 St. Thomas Street, London, England SE1 9RS

Nature of business: Dormant

Class of shares:	%
Ordinary	holding 100.00

TPXIMPACT LIMITED (REGISTERED NUMBER: 06472420)

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

11. FIXED ASSET INVESTMENTS - continued

FutureGov Australia Pty

Registered office: Level 30 Australia Square, 264 George Street, Sydney, Australia

Nature of business: Dormant

	%
Class of shares:	holding
Ordinary	100.00

During the year the Company's investment in US-Creates Limited was fully impaired as the company became dormant and the trade and assets of the company was transferred to fellow group undertakings.

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Trade debtors	1,137,953	2,510,434
Amounts owed by group undertakings	754,739	-
Other debtors	63,708	74,605
Tax	1,938	-
Prepayments and accrued income	1,637,007	110,280
	<u>3,595,345</u>	<u>2,695,319</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Trade creditors	1,028,247	813,796
Amounts owed to group undertakings	918,207	1,023,933
Corporation tax	-	366,364
Social security and other taxes	1,555,923	918,902
Other creditors	19,115	-
Accruals and deferred income	507,133	513,687
	<u>4,028,625</u>	<u>3,636,682</u>

14. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2022	2021
	£	£
Within one year	<u>120,000</u>	<u>107,100</u>

15. CALLED UP SHARE CAPITAL

Number:	Class:	Nominal value:	2022	2021
			£	£
148,646	Ordinary	£0.001	<u>149</u>	<u>149</u>

TPXIMPACT LIMITED (REGISTERED NUMBER: 06472420)

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

16. RESERVES

Share premium

Consideration received for shares issued above their nominal value net of transaction costs.

Capital redemption reserve

The nominal value of shares repurchased and still held at the end of the reporting period.

Share option reserve

The cumulative share-based payment expense.

Retained earnings

Cumulative profit and loss net of distributions to owners.

17. PENSION COMMITMENTS

The company operates a defined contribution scheme for its employees. The amount recognised as an expense in the year was £259,525 (2021: £120,733). Contributions payable at the year end were £18,502 (2021: £36,862).

18. ULTIMATE CONTROLLING PARTY

The ultimate parent undertaking is TPXimpact Holdings Plc, a company registered in England and Wales.

These financial statements are included in the consolidated group accounts for TPXimpact Holdings Plc available from Companies House.

19. CROSS GUARANTEES

The company has registered a fixed and floating charge over its assets in respect of the borrowings of a group company, TPXimpact Holdings Plc.