

Company registration number 06558606 (England and Wales)

SERVICING STOP LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 26 NOVEMBER 2023
PAGES FOR FILING WITH REGISTRAR

SERVICING STOP LIMITED

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SERVICING STOP LIMITED

BALANCE SHEET

AS AT 26 NOVEMBER 2023

		26 November 2023		27 November 2022	
	Notes	£	£	£	£
Fixed assets					
Intangible assets	5		1,287,297		1,152,404
Tangible assets	6		34,476		27,992
			<u>1,321,773</u>		<u>1,180,396</u>
Current assets					
Debtors	7	1,820,110		1,861,089	
Cash at bank and in hand		1,363,878		983,765	
		<u>3,183,988</u>		<u>2,844,854</u>	
Creditors: amounts falling due within one year	8	<u>(3,340,753)</u>		<u>(3,715,585)</u>	
Net current liabilities			<u>(156,765)</u>		<u>(870,731)</u>
Total assets less current liabilities			<u>1,165,008</u>		<u>309,665</u>
Creditors: amounts falling due after more than one year	9		<u>(15,300)</u>		<u>(26,624)</u>
Net assets			<u><u>1,149,708</u></u>		<u><u>283,041</u></u>
Capital and reserves					
Called up share capital			200		200
Share premium account			199,900		199,900
Profit and loss reserves	10		<u>949,608</u>		<u>82,941</u>
Total equity			<u><u>1,149,708</u></u>		<u><u>283,041</u></u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

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

The financial statements were approved by the board of directors and authorised for issue on 5 February 2024 and are signed on its behalf by:

Mr O J Richmond
Director

Company registration number 06558606 (England and Wales)

SERVICING STOP LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 26 NOVEMBER 2023

1 Accounting policies

Company information

Servicing Stop Limited is a private company limited by shares incorporated in England and Wales. The registered office is 57 London Road, Enfield, Middlesex, EN2 6DU.

1.1 Reporting period

The company prepares its annual financial statements to the Sunday closest to its Annual Reporting Date, November 28, each year. 2023 results are for the 52 weeks ended 26 November (2022: 52 weeks ended 27 November 2022).

1.2 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 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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 £.

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

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1.4 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Costs for new or principally improved products or processes are reported as an asset in the balance sheet only if the product or process is technically and commercially . Capitalisation may take place when a new platform or a new functionality is developed and includes costs for labour. Capitalised development costs are reported at acquisition cost minus accumulated amortisation and impairment losses. Amortisation is calculated on a straight-line basis over the estimated useful life of a project.

SERVICING STOP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 26 NOVEMBER 2023

1 Accounting policies

(Continued)

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:

Development costs	Over 10 years
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Previously the company amortised its intangible asset over a period of 7 years. During the prior year the directors reassessed the useful economic life of these assets to 10 years.

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation 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:

Leaschold land and buildings	10% on cost
Fixtures and fittings	15% on reducing balance
Motor vehicles	20% on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.6 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.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.7 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.

SERVICING STOP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 26 NOVEMBER 2023

1 Accounting policies

(Continued)

1.8 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 balance sheet 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.

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.

1.9 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.

1.10 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 profit and loss account 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.

SERVICING STOP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 26 NOVEMBER 2023

1 Accounting policies

(Continued)

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 profit and loss account, 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.

1.11 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.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are 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.

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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

SERVICING STOP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 26 NOVEMBER 2023

3 Auditor's remuneration

	2023	2022
	£	£
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the company	26,250	24,002
	<u>26,250</u>	<u>24,002</u>

4 Employees

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

	2023	2022
	Number	Number
Total	44	38
	<u>44</u>	<u>38</u>

5 Intangible fixed assets

	Development costs £
Cost	
At 28 November 2022	2,318,097
Additions	329,306
	<u>2,647,403</u>
At 26 November 2023	2,647,403
Amortisation and impairment	
At 28 November 2022	1,165,693
Amortisation charged for the year	194,413
	<u>1,360,106</u>
At 26 November 2023	1,360,106
Carrying amount	
At 26 November 2023	1,287,297
	<u>1,287,297</u>
At 27 November 2022	1,152,404
	<u>1,152,404</u>

SERVICING STOP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 26 NOVEMBER 2023

6 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 28 November 2022	39,637	15,046	54,683
Additions	10,450	2,645	13,095
Disposals	-	(1,750)	(1,750)
At 26 November 2023	50,087	15,941	66,028
Depreciation and impairment			
At 28 November 2022	20,738	5,953	26,691
Depreciation charged in the year	4,450	2,161	6,611
Eliminated in respect of disposals	-	(1,750)	(1,750)
At 26 November 2023	25,188	6,364	31,552
Carrying amount			
At 26 November 2023	24,899	9,577	34,476
At 27 November 2022	18,899	9,093	27,992

7 Debtors

	2023	2022
	£	£
Amounts falling due within one year:		
Trade debtors	36,754	32,513
Other debtors	1,702,151	1,724,249
	1,738,905	1,756,762
Deferred tax asset	81,205	104,327
	1,820,110	1,861,089

8 Creditors: amounts falling due within one year

	2023	2022
	£	£
Bank loans	10,533	9,209
Trade creditors	1,974,640	2,008,061
Corporation tax	51,719	381,650
Other taxation and social security	510,683	321,223
Other creditors	793,178	995,442
	3,340,753	3,715,585

SERVICING STOP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 26 NOVEMBER 2023

9 Creditors: amounts falling due after more than one year

	2023 £	2022 £
Bank loans and overdrafts	15,300	26,624

10 Profit and loss reserves

	2023 £	2022 £
At the beginning of the year	82,941	31,838
Profit for the year	866,667	701,103
Dividends declared and paid in the year	-	(650,000)
At the end of the year	949,608	82,941

11 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

Senior Statutory Auditor: Daniel Garfield
Statutory Auditor: Moore NHC Audit Limited

12 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2023 £	2022 £
	689,605	834,785

13 Directors' transactions

Loans have been granted by the company to its directors as follows:

Description	% Rate	Opening balance £	Interest charged £	Closing balance £
Loan	2.00	1,197,680	23,954	1,221,634
		1,197,680	23,954	1,221,634

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.