

GLORY GLOBAL SOLUTIONS (HOLDINGS) LIMITED

Annual Report and Financial Statements

For the year ended 31 March 2020

(Registered Number: 06569609)



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OFFICERS AND PROFESSIONAL ADVISERS

Registered Address

Infinity View
1 Hazelwood
Lime Tree Way
Chineham
Basingstoke
Hampshire
England
RG24 8WZ

Directors

Tomoko Fujita
Akihiro Harada
Martin Rose
Michael Williams

Company Secretary

Martin Rose

Bankers

Lloyds Bank plc
2 Winchester Street
Basingstoke
Hampshire
RG21 7EB

Auditor

Deloitte LLP
Statutory Auditor
1 New Street Square
London
EC4A 3HQ
United Kingdom

Strategic Report

PRINCIPAL ACTIVITIES AND REVIEW OF THE BUSINESS

Glory Global Solutions (Holdings) Limited ("the Company") is a holding company owning, directly or indirectly, the trading companies in the Glory Global Solutions group ("the group"). These trading companies operate in the cash handling market and taken together they trade directly or indirectly in more than 100 countries.

RESULTS AND DIVIDENDS

Results are presented for the year ended 31 March 2020. During the year an impairment charge was recognised in respect of investments in subsidiary undertakings of \$3,004,000 (2019: £Nil).

Finance income for the year was \$315,000 (2019: \$4,651,000). Total finance expense for the year was \$7,000 (2019: \$2,515,000), primarily relating to interest payable on intercompany loans. The main reason for this change is due to loans that have been novated to the Company's direct subsidiary Glory Global Solutions (International) Limited.

After financing income and costs the Company made a loss after tax of \$2,696,000 (2019: profit of \$2,136,000) which has been taken to reserves.

No dividends were declared during the year (2019: \$Nil).

During the year, a direct subsidiary of the Company acquired 100% of the issued capital of Group Sortek S.A de C.V, the leading provider of cash sorting solutions in Mexico, for consideration of \$14.9m.

159,087,960 shares were issued to the immediate parent company, Glory Global Solutions (Midco) Limited on 31 March 2020 to fund the acquisition of Acrelec Group S.A.S. by a subsidiary.

Key performance indicators:

	2020	2019
	\$000	\$000
(Loss)/Profit before tax	(2,696)	2,136

SECTION 172(1) STATEMENT

Section 172 of the Companies Act 2006 requires Directors to take into consideration the interests of stakeholders in their decision making. Whilst the Company does not fall under the requirements of Section 426A of the Companies Act 2006 the statement below describes the endeavours of the Main Board of Glory Global Solutions Limited ("the Board") as a whole, and therefore applies to the whole Glory Global Solutions Limited Group ("GGS or the "Group") group, including the Company, as well as those Directors of the Company who are not Directors of GGS.

The Directors aim to promote the long-term success of GGS for the benefit of our parent company, GLORY Limited ("Glory") and in accordance with GLORY's direction. GGS has always recognised the importance of the Group's employees and other stakeholders, including the impact of its activities on the community, the environment and the reputation of GGS, in order to succeed in its business aims, as well as echoing its corporate values. GGS proactively engages with its key stakeholders in order to understand their needs, build mutually beneficial relationships and to ensure that all stakeholder insights and interests are heard when making decisions.

The groups considered to be the principal stakeholders of GGS, and the key ways in which the Group encourages participation with these parties and considers their interests, are set out below:

Strategic Report

SECTION 172(1) STATEMENT (CONTINUED)

Shareholder (GLORY Limited) <p>As sole shareholder, communications with GLORY Limited are frequent and collaborative. Financial and operational reporting occurs monthly and information is shared to enable the Directors to assess the ways in which they can promote the success of the Group. Board meetings with the Japanese business are held bi-monthly and two of the Directors of Glory Global Solutions Limited sit on the GLORY Limited Board. This enables our shareholder to evaluate and provide input into the Group's financial and operational performance, strategic direction and controls structure, as well as incorporating GGS results in their consolidated reporting to the stock market.</p>	Employees <p>GGS recognises that its employees are vital in achieving our business aims and that their concerns include compensation, career development and wellbeing. GGS promotes an open communication culture including the 'Great Place To Work' scheme and employee forums/work councils whereby elected employees represent broader employee interests which facilitate the consideration of the employee perspective. As an example, in the past year a new Wellbeing Programme has been introduced in direct response to the results of employee surveys.</p>
Customers <p>Satisfaction of customers is essential to GGS business and customer relationships are developed and maintained through direct communications and continued high quality service. We recognise that customers are interested in improving their efficiency in cash management and we strive to create value for our customers by understanding the specific challenges of each business and designing custom solutions to best meet their needs. Maintaining product quality and service levels remain a priority and are consistently monitored and developed. Direct engagement with customers occurs at various levels from service engineers, sales managers, product development staff and regional Directors, with relevant information informing decisions. GGS also widely participates in tradeshow and industry events and is at the forefront of thought leadership in the cash technology solutions industry as further ways of gathering current and potential customer views and trends.</p>	Community and the Environment <p>GGS strives to play an active role in social and community issues and to act as a responsible corporate citizen when making decisions, including consideration of the impact on the environment of the Group's activities. GGS has committed to a process of continual improvement in environmental efficiency, thus environmental implications form part of the assessment of Board decisions where relevant. In addition, in order to promote an environment of trust and integrity, as well as maintaining the reputation of GGS, the Group ensures all outcomes not only comply with relevant legislation but will also fit with our culture of integrity and the Glory Spirits that shape our conduct.</p>

PRINCIPAL RISKS AND UNCERTAINTIES

The Directors are responsible for the identification and management of key business risks. A risk management policy for the Glory Global Solutions group has been approved by the Main Board of Glory Global Solutions Limited. The Company has adopted this policy. The key aspects of this policy can be summarised as follows:

Risk management is the systematic process to positively identify, assess, treat and manage risks – which either threaten the Company's resources or provide beneficial opportunities – in order to enable the Company's business objectives to be achieved.

Risks are owned and managed at the designated functions where the risk resides. A common Risk Management System and reporting procedures have been implemented to allow overall risk to be identified and managed.

The operation of the Risk Management System enables the Company to understand and communicate the risks which the Company faces and accepts in order to ensure that these are positively managed at every level.

The key risks facing the Company are analysed into four categories below:

Strategic Report

PRINCIPAL RISKS AND UNCERTAINTIES (CONTINUED)

Market risks

The subsidiary undertakings operate in competitive markets. They address the associated risks by actively promoting the brand, predominantly via marketing collateral and customer events, designing and developing market leading hardware and software solutions and close contact with the end customer to fully understand their requirements. One trading subsidiary is based in the UK, however, despite the uncertainty over the outcome of Brexit, no significant impact is expected as there are limited physical movements of products between UK and EU. The main effect will be any movements on GBP : USD exchange rates as some local costs (most significantly payroll) are incurred in GBP, but these remain a small proportion of total costs.

Financing risks

The Company carries a substantial amount of intercompany finance. At 31 March 2020, of the intercompany loans outstanding, loans totalling \$69,000 incur interest at LIBOR + 3.86% while all other loans are non-interest bearing. Given the value of interest bearing loans, any interest rate risk is deemed to be minimal.

Operational risks

The Company's subsidiary undertakings face a number of manufacturing and supply chain challenges.

The Company assists its subsidiary undertakings by enabling them to benefit from the shared efficiencies resulting from the group's global approach to managing the supply chain management processes.

Control risks

A number of key powers are reserved for the Glory Global Solutions Main Board and GLORY Limited, the group's ultimate parent company in Japan.

Authority is then delegated to senior management via minuted delegated authority, powers of attorney and the Company authority schedule. Senior management have significant industry experience and possess the relevant technical qualifications to perform their roles. Additional technical and legal training is provided as required by changes in the external environment.

Covid-19

Covid-19 presents the biggest risk to the global economy and to individual companies since the Global Financial Crisis and has had a severe impact on economic growth forecasts worldwide. The ultimate impact on the Company and the wider Glory Group will only be fully understood over time, as the length and extent of the crisis become clearer.

Like all businesses, we continue to adapt to the Covid-19 pandemic. Our primary concerns are to act as good global and local citizens, minimise the risk of spreading infection, and protect our people, customers and partners. We are also working very hard to minimise the impact to our customers, who continue delivering vital services in our communities.

We are following closely the evolving guidance from governmental and health authorities across the world, both to ensure that we are complying with changing working rules as well as implementing strategies to combat spread of the virus.

While we continue to deliver all allowed services during the crisis we are working closely with our customers, suppliers and employees to support each other during the crisis and its associated restrictions on global trade.

We have undertaken many protection, prevention, and sustainment measures, including implementing a Covid-19 taskforce that brings together senior management across the Glory Group; activating new hygiene focused policies for field service engineers, managing stock levels in forward storage locations to reduce dependency on centralised single warehouses; aligning our service delivery plans to our customers' current business situations; end to end review of supply chain to ensure continuity of supply; implementing remote working for all employees where possible; shift working to ringfence staff in distribution or service facilities and establishing new clear rules for employees to minimise any risks from having to work outside of a remote working location.

Strategic Report

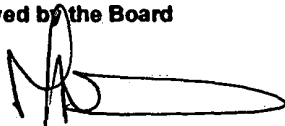
PRINCIPAL RISKS AND UNCERTAINTIES (CONTINUED)

Covid-19 (Continued)

We are confident that the measures now in place deliver on our commitment to the safety of our customers and our own team members. We remain focused on delivering services in as timely a manner as possible given the continuously changing business and social environment. Our response will continue to evolve as the crisis evolves.

Further detail on Glory's response to the Covid-19 pandemic can be found on the Company's website; <https://www.glory-global.com/en-gb/glory-covid-19-statement/>.

Approved by the Board

A handwritten signature in black ink, appearing to be 'M Williams', with a long horizontal stroke extending to the right.

Michael Williams
Director
14 December 2020

Directors' Report

The Directors present the annual report and audited financial statements for year ended 31 March 2020 for the Company.

OWNERSHIP

The equity is made up of 132,899,777 \$1.25 ordinary shares in addition to 121,399,915 preference shares consisting of 13,290 \$1.25 preference shares and 280,474,585 \$1.00 A preference shares.

Glory Global Solutions (Midco) Limited owns 99.99% and Glory Global Solutions Limited 0.01% of the total share capital of the Company.

DIRECTORS

The Directors of the Company since 1 April 2019 to the date of these financial statements are as follows:

Tomoko Fujita
Akihiro Harada
Martin Rose
Michael Williams
Michael Bielamowicz (resigned 31 March 2020)

ENVIRONMENTAL MATTERS

The Company's subsidiary undertakings have a very good foundation in environmental management and the Company has asked them to continue improving their environmental performance and has previously been recognised by winning the Oracle Sustainability Innovation award.

In respect of product design, the group continues to retain the services of a world renowned eco consultancy business and works actively to reduce the carbon burden generated by our products, supply chain, and services.

Initiatives have been undertaken to reduce packaging levels and to ensure that parts used in the manufacturing process are shipped more efficiently. Within the supply chain processes used by the group, major tier one partners also hold ISO14001 registration.

FUTURE DEVELOPMENTS

The Directors expect the general level of activity to remain constant with this year as the level of activity from the group undertakings and distributions expected will remain at a similar level to this year.

PAYMENTS TO SUPPLIERS

The Company's policy is that suppliers are paid on the basis of agreed terms. The Company had no external trade creditors at 31 March 2020.

DIRECTORS' QUALIFYING INDEMNITY PROVISIONS

The Glory Global Solutions Group has granted an indemnity that includes the Company to one or more of its Directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third party indemnity provision remains in force as at the date of approving the Directors' Report.

Directors' Report

DISCLOSURE OF INFORMATION TO THE AUDITOR

Each current Director has made enquiries of their fellow Directors and the Company's auditor and taken all the steps that they are obliged to take as a Director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Relevant audit information is that information needed by the auditor in connection with preparing its report. So far as each Director approving this report is aware, and based on the above steps, there is no relevant audit information of which the auditor is unaware.

GOING CONCERN

The Company's business activities and factors likely to affect its future development, performance and position are set out earlier in the Strategic Report. In addition, the financial statements include notes on the Company's debt and other risk factors.

At the reporting date, the Company had net current liabilities of \$24,332,000 including \$24,333,000 borrowings due to group undertakings. This comprises of \$2,015,000 owed to parent undertakings, \$22,249,000 owed to direct subsidiary undertakings and \$69,000 owed to indirect subsidiary undertakings. The Directors of the Company are also the appointed Directors of the parent undertaking and some of the subsidiary undertakings. As appointed Directors of Glory Global Solutions (International) Limited, the parent company of those indirect subsidiary undertakings, the Directors can directly manage and influence the decisions made by the indirect subsidiary undertakings. The Directors are therefore confident that amounts payable to these entities will not be called within 12 months of the date that these financial statements are approved. The Directors believe that sufficient control exists over the subsidiary undertakings for which they are not appointed Directors, such that amounts payable to these entities will also not be called for a period of 12 months following the date these financial statements are approved. Excluding these amounts the Company has net current assets of \$1,000.

The Company's performance is also linked with the factors affecting the business activities of the Glory group.

On 30 January 2020, the World Health Organization declared the outbreak of coronavirus ("Covid-19") to be a public health emergency of international concern. Covid-19 presents the biggest risk to the global economy and to individual companies since the 2008 financial crisis and has had a severe impact on economic growth forecasts worldwide. The impacts of Covid-19 are not all apparent already, and the position will remain fluid until the length and extent of the crisis becomes clearer. Clearly, however not all industries or companies will be impacted to the same degree.

The full extent to which the Covid-19 pandemic may impact the Company's, and the wider Glory Group results, operations and liquidity is uncertain. When considering the going concern assumption, management have considered the impact of Covid-19 on the Company's and wider Glory Group's outlook by modelling different scenarios to assess the impact on the future performance, liquidity and solvency of the Company and the wider Glory Group.

After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they have adopted the going concern basis in preparing the financial statements.

EVENTS AFTER THE REPORTING PERIOD

On 3 April 2020, a direct subsidiary of the Company acquired 80% of the issued share capital of Acrelec Group S.A.S., headquartered in France, a provider of self-service kiosks, digital menu boards and other restaurant and retail store solutions for initial consideration of \$223 million.

As at the 31 March 2020 balance sheet date, the World Health Organization had declared the Covid-19 outbreak as a pandemic on 11 March, the UK Government moved to a 'delay' phase on 12 March, announced social distancing measures on 16 March, and unprecedented 'stay at home' restrictions on 23 March. Subsequent to the balance sheet date, the unprecedented restrictions have started to be reduced slightly but there are still considerable restrictions on daily life and subsequently the UK economy. Such restrictions are being seen across the globe and the disruption caused has been reflected in the expectations of many forecasters that economies across the globe will contract in 2020 and potentially into 2021. This will impact the Company and the wider Glory Group.

No post balance sheet events have been identified as a result of Covid-19 as detailed in note 17.

Directors' Report

RE-APPOINTMENT OF AUDITOR

Deloitte LLP were re-appointed as auditor by the members of the Board in accordance with section 485 of the Companies Act 2006.

Other required information has been disclosed in the Strategic Report.

By order of the Board

A handwritten signature in black ink, appearing to be 'Michael Williams', written over a horizontal line.

Michael Williams
Director
14 December 2020

Statement of Directors' Responsibilities

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. Under company law the Directors must not approve the financial statements unless they are 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, International Accounting Standard 1 requires that Directors:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRSs is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the Company's ability to continue as a going concern.

The Directors are 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. They are 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.

Independent auditor's report to the members of Glory Global Solutions (Holdings) Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Glory Global Solutions (Holdings) Limited (the 'Company'):

- give a true and fair view of the state of the Company's affairs as at 31 March 2020 and of its loss for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the income statement;
- the statement of comprehensive income;
- the statement of financial position;
- the statement of changes in equity;
- the statement of cash flows; and
- the related notes 1 to 17.

The financial reporting framework that has been applied in their preparation is applicable law and IFRSs as adopted by the European Union.

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 Financial Reporting Council's (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

We are required by ISAs (UK) to report in respect of the following matters where:

- the Directors' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

Other information

The Directors 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 respect of these matters.

Independent auditor's report to the members of Glory Global Solutions (Holdings) Limited

Responsibilities of Directors

As explained more fully in the Directors' responsibilities statement, the Directors are 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 Directors determine 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 Directors are 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 Directors either intend to liquidate the Company or to cease operations, or have 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.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Report on other legal and regulatory requirements

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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

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 any material misstatements in the Strategic Report or the Directors' Report.

Matters on which we are required to report by exception

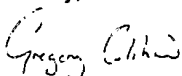
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- 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 Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

Use of our report

This report is made solely to the Company's members, as a body, 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 members those matters we are required to state to them 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 members as a body, for our audit work, for this report, or for the opinions we have formed.



Gregory Culshaw ACA (Senior Statutory Auditor)

for and on behalf of Deloitte LLP

Statutory Auditor

London, United Kingdom

14 December 2020

Income statement

For the year ended 31 March

		2020	2019
		\$000	\$000
Continuing Operations	Note		
Impairment of subsidiary undertakings	8	(3,004)	-
Operating loss		(3,004)	-
Finance income	5.1	315	4,651
Finance expenses	5.2	(7)	(2,515)
(Loss)/Profit before tax		(2,696)	2,136
Taxation	7	-	-
(Loss)/Profit for the year		(2,696)	2,136

Statement of comprehensive income

for the year ended 31 March 2020

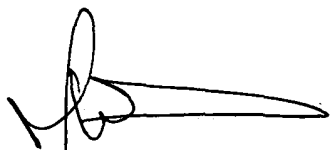
	2020	2019
	\$000	\$000
(Loss)/Profit for the year	(2,696)	2,136
Total comprehensive income	(2,696)	2,136

Statement of Financial Position

As at 31 March 2020

	Note	2020	2019
		\$000	\$000
Assets			
Non-current assets			
Investments in subsidiary undertakings	8	406,195	250,111
Loans due from group undertakings	9	1,195	1,144
		407,390	251,255
Current assets			
Cash and short-term deposits	10	1	1
Total assets		407,391	251,256
Liabilities			
Current liabilities			
Borrowings due to group undertakings	11	(24,333)	(24,585)
Trade and other payables	12	-	(5)
Total liabilities		(24,333)	(24,590)
Net assets		383,058	226,666
Equity			
Ordinary share capital	13	166,125	166,125
Preference share capital	13	280,491	121,403
Foreign translation reserve		14,503	14,503
Retained earnings		(78,061)	(75,365)
Total equity		383,058	226,666

The financial statements of Glory Global Solutions (Holdings) Limited (registered number 06569609) were approved by the Board of Directors and authorised for issue on 14 December 2020 and signed on its behalf by:



Michael Williams
Director

Statement of Changes in Equity

For the year ended 31 March 2020

	Ordinary share capital \$000	Preference share capital \$000	Retained earnings \$000	Foreign translation reserve \$000	Total \$000
At 1 April 2019	166,125	121,403	(75,365)	14,503	226,666
Issue of preference shares (note 13)	-	159,088	-	-	159,088
Total comprehensive income	-	-	(2,696)	-	(2,696)
At 31 March 2020	166,125	280,491	(78,061)	14,503	383,058

For the year ended 31 March 2019

	Ordinary share capital \$000	Preference share capital \$000	Retained earnings \$000	Foreign translation reserve \$000	Total \$000
At 1 April 2018	166,125	121,403	(77,501)	14,503	224,530
Total comprehensive income	-	-	2,136	-	2,136
At 31 March 2019	166,125	121,403	(75,365)	14,503	226,666

Statement of Cash Flows

For the year ended 31 March

	Note	2020 \$000	2019 \$000
Operating activities			
Net cash flows used in operating activities	16	(4)	(1,556)
Financing activities			
Purchase of investment	8	(159,088)	-
Proceeds from issue of preference shares	13	159,088	-
Increase in loans due from fellow group undertakings		(61)	(38,904)
Increase in loans due to fellow group undertakings		11	41,634
Interest on loans due to subsidiary undertakings	5.2	(7)	(2,515)
Interest received on loans due from fellow group undertakings	5.1	61	992
Net cash flows from financing activities		4	1,207
Net decrease in cash and cash equivalents		-	(349)
Net foreign exchange difference		-	(4)
Total decrease in cash and cash equivalents		-	(353)
Cash and cash equivalents at 1 April	10	1	354
Cash and cash equivalents at 31 March	10	1	1

Notes to the Financial Statements

1. CORPORATE INFORMATION

The financial statements of Glory Global Solutions (Holdings) Limited ('the Company') for the year ended 31 March 2020 were authorised for issue in accordance with a resolution of the Directors. The Company is a limited company incorporated and domiciled in England and Wales. The registered office is located at Infinity View, 1 Hazelwood, Lime Tree Way, Chineham, Basingstoke, Hampshire, RG24 8NZ, England.

2 BASIS OF PREPARATION

The financial statements have been prepared on a historical cost basis. The financial statements are presented in United States Dollars and all values are rounded to the nearest thousand (\$000) except when otherwise indicated.

The following accounting policies have been applied consistently in dealing with items which are considered material to the Company's financial statements.

Statement of compliance

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ('IFRS') as adopted by the EU and the Companies Act 2006.

Consolidated financial information

The Company has not prepared consolidated financial statements. The Company has taken advantage of section 401 of the Companies Act 2006 not to prepare consolidated financial statements. The results of the subsidiary undertaking are included in the consolidated financial statements of GLORY Limited of Japan, the parent undertaking for which consolidated financial statements have been prepared.

Going concern

The Company's business activities and factors likely to affect its future development, performance and position are set out earlier in the Strategic Report. In addition, the financial statements include notes on the Company's debt and other risk factors.

At the reporting date, the Company had net current liabilities of \$24,332,000 including \$24,333,000 borrowings due to group undertakings. This comprises of \$2,015,000 owed to parent undertakings, \$22,249,000 owed to direct subsidiary undertakings and \$69,000 owed to indirect subsidiary undertakings. The Directors of the Company are also the appointed Directors of the parent undertaking and some of the subsidiary undertakings. As appointed Directors of Glory Global Solutions (International) Limited, the parent company of those indirect subsidiary undertakings, the Directors can directly manage and influence the decisions made by the indirect subsidiary undertakings. The Directors are therefore confident that amounts payable to these entities will not be called within 12 months of the date that these financial statements are approved. The Directors believe that sufficient control exists over the subsidiary undertakings for which they are not appointed Directors, such that amounts payable to these entities will also not be called for a period of 12 months following the date these financial statements are approved. Excluding these amounts the Company has net current assets of \$1,000.

The Company's performance is also linked with the factors affecting the business activities of the Glory group.

On 30 January 2020, the World Health Organization declared the outbreak of coronavirus ("Covid-19") to be a public health emergency of international concern. Covid-19 presents the biggest risk to the global economy and to individual companies since the 2008 financial crisis and has had a severe impact on economic growth forecasts worldwide. The impacts of Covid-19 are not all apparent already, and the position will remain fluid until the length and extent of the crisis becomes clearer.

The full extent to which the Covid-19 pandemic may impact the Company's, and the wider Glory Group results, operations and liquidity is uncertain. When considering the going concern assumption, management have considered the impact of Covid-19 on the Company's and wider Glory Group's outlook by modelling different scenarios to assess the impact on the future performance, liquidity and solvency of the Company and the wider Glory Group.

After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they have adopted the going concern basis in preparing the financial statements.

Notes to the Financial Statements

2.1 CHANGES IN ACCOUNTING POLICY AND DISCLOSURE

The following new and revised Standards and Interpretations have been adopted in the current year. Their adoption has not led to any changes to the Company's accounting policies or had any other material impact on the financial position or performance of the Company.

- IFRS 16 Leases.
- Annual improvements to IFRS Standards 2015-2017 Cycle.
- Amendments to IFRS 9 Financial instruments, on prepayment features with negative compensation.
- Amendments to IAS 28 Investments in associates, on long term interests in associates and joint ventures.
- Amendments to IAS 19 Employee benefits on plan amendment, curtailment or settlement.
- IFRIC 23 Uncertainty over Income Tax Treatments.

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Foreign currency translation

The Company's financial statements are presented in United States Dollars, which is the Company's functional and presentational currency. Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange ruling at the balance sheet date.

Taxes

The tax expense included in the income statement comprises current and deferred tax. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted by the balance sheet date.

Tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case the applicable taxes on such items are recognised in equity.

Deferred tax is provided using the balance sheet liability method providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured using tax rates that have been enacted or substantively enacted by the balance sheet date and that are expected to apply when the asset is realised or the liability is settled.

Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

Financial instruments

Non-derivative financial instruments

Non-derivative financial instruments comprise investments in equity, loans receivable, cash and cash equivalents, trade and other payables and borrowings. Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand form an integral part of the group's cash management and are included as a component of cash and cash equivalents for the purposes of the statement of cash flows. Other non-derivative financial instruments are measured at amortised cost using the effective interest method, less any impairment losses.

Impairment

Financial assets

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset. An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate.

Notes to the Financial Statements

Individually significant assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics. All impairment losses are recognised in the income statement.

Investments

Investments are valued at cost less any impairment. Investments are assessed at each reporting date to determine whether there is any objective evidence that they are impaired. An investment is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset. An impairment loss in respect of an investment measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate.

Borrowings

Obligations for loans and borrowings are recognised when the Company becomes party to the related contracts and are measured initially at the fair value of consideration received less directly attributable transaction costs. After initial measurement, interest bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate method (EIR). Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance expense in the income statement.

Revenue recognition

Interest is recognised as it accrues using the effective interest rate.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

In the process of applying the Company's accounting policies, the most significant judgement that management makes is to determine whether there are any indicators of impairment in the Company's investments.

4. NEW ACCOUNTING STANDARDS AND INTERPRETATIONS

At the date of authorisation of these financial statements, there are no other new standard or amendments to existing standards that are effective that had a material impact on the Company, nor does the Company anticipate any new or revised standards and interpretations that are effective from 1 April 2020 and beyond to have a material impact on its results or financial position.

5. FINANCE INCOME AND EXPENSE

5.1 Finance income

	2020	2019
	\$000	\$000
Interest receivable on loans due from fellow subsidiary undertakings	61	992
Foreign exchange revaluation gain	254	3,659
Total finance income	315	4,651

The reduction in finance income is due to loans that were novated to Glory Global Solutions International Limited at the end of the preceding financial year.

Notes to the Financial Statements

5. FINANCE INCOME AND EXPENSE (CONTINUED)

5.2 Finance expense

	2020	2019
	\$000	\$000
Interest payable on amounts due to fellow subsidiary undertakings	7	2,515
Total finance costs	7	2,515

The reduction in finance expense is due to loans that were novated to Glory Global Solutions International Limited at the end of the preceding financial year.

6. DIRECTORS' and AUDITOR REMUNERATION

The Directors of the Company received no remuneration for their services to the Company during the year (2019: \$nil), as they are not deemed to have performed their qualifying services for the Company. The Directors received emoluments for their services provided to other group undertakings where they are deemed to have performed qualifying services, as disclosed in the financial statements of those companies.

The Company had no employees during the year (2019: nil).

Auditor's fees are borne by subsidiary undertakings.

	2020	2019
	\$000	\$000
Amounts paid to auditor and their associates in respect of:		
Audit of these financial statements	6	6

7. TAXATION

The tax on the Company's profit before tax is equal to the UK tax rate of 19% (2019: 19%) as follows:

	2020	2019
	\$000	\$000
(Loss)/Profit before tax	(2,696)	2,136
Tax (credit)/charge calculated at the UK rate of 19% (2019: 19%)	(512)	406
Expenses not deductible for tax	571	-
Utilisation of losses brought forward	(59)	(406)
Tax charge	-	-

Deferred income tax assets are recognised for tax loss carry-forwards to the extent that the realisation of the related tax benefit through future taxable profits is probable. A deferred tax asset has not been recognised on the losses carried forward of \$9,298,000 (2019: \$9,492,000).

Notes to the Financial Statements

8. INVESTMENTS

Investments in Subsidiary Undertakings

	2020	2019
	\$000	\$000
Cost	278,645	278,645
Additions	159,088	-
Accumulated impairment	(31,538)	(28,534)
Net book value	406,195	250,111

159,087,960 direct shares were acquired in the direct subsidiary, Glory Global Solutions International Limited on 31 March 2020 in relation to the acquisition of Acrelec Group S.A.S.

An annual impairment review was performed on the investments, this resulted in an impairment charge of \$3,004,000 (2019: \$Nil) being recognised in the year due to the investment value being higher than the assessed recoverable value of its investments.

The percentage ownership of the subsidiary undertakings owned directly and indirectly by the Company is as follows:

Name	Country of incorporation	% equity interest	Ownership relationships	Nature of business
GGs (Cyprus) Limited <i>Andrea Patsalidi 1, Optimum House, 2362 Nicosia, Cyprus</i>	Cyprus	100%	Direct	Holding
Glory Currency Automation India Pvt. Ltd <i>401 - 403 Vaibhav Chambers, Bandra Kurla Complex, Bandra East, Mumbai 400051, India</i>	India	95%	Indirect	Trading
Glory Global Solutions (Australia) Pty Ltd <i>Suite 1, 2-4 Giffnock Avenue, Macquarie Park, NSW 2113</i>	Australia	100%	Indirect	Trading
Glory Global Solutions (Belgium) NV / SA <i>Doomveld 20, 1731 Zellik, Belgium</i>	Belgium	100%	Indirect	Trading
Glory Global Solutions (Brasil) Máquinas e Equipamentos Ltda <i>Av. Fagundes Filho de Oliveira, 538 - Galpão 23B - Piraporinha, Diadema/SP Brazil</i>	Brazil	100%	Indirect	Trading
Glory Global Solutions (Canada) Inc <i>(Houser Henry & Syron LLP) Suite 2701 - 145 King Street West, Toronto, Ontario M5H 1J8, Canada</i>	Canada	100%	Indirect	Trading
Glory Global Solutions (Colombia) SA <i>Offices 501 & 502, Calle 79 Building, 79A Street, number 8-63, Bogota, Colombia</i>	Colombia	100%	Indirect	Trading
Glory Global Solutions (Flen) AB <i>Infinity View, 1 Hazelwood, Lime Tree Way, Chineham, Basingstoke, Hampshire, RG24 8WZ, UK</i>	Sweden	100%	Direct	Holding
Glory Global Solutions (France) SAS <i>15 rue des Vieilles Vignes, BP87 Croissy-Beaubourg 77314, Marne La Vallée Cedex 02, France</i>	France	100%	Indirect	Trading
Glory Global Solutions (Germany) GmbH <i>Thomas-Edison-Platz 1, 63263 Neu-Isenburg, Germany</i>	Germany	100%	Indirect	Trading
Glory Global Solutions (Holdings) Limited <i>Infinity View, 1 Hazelwood, Lime Tree Way, Chineham, Basingstoke, Hampshire, RG24 8WZ, UK</i>	England and Wales	100%	Direct	Trading
Glory Global Solutions (International) Limited <i>Infinity View, 1 Hazelwood, Lime Tree Way, Chineham, Basingstoke, Hampshire, RG24 8WZ, UK</i>	Ireland	100%	Indirect	Trading
Glory Global Solutions (Malaysia) Sdn. Bhd. <i>S-2-61 & S-3-62 (2nd & 3rd floor), The Scott Garden, Kompleks Rimbun Scott, 289, Jalan Kelang Lama, 58000 Kuala Lumpur, Malaysia</i>	Malaysia	100%	Indirect	Trading
Glory Global Solutions (Netherlands) B.V. <i>Sportlaan 14, Vianen 4131 NN Netherlands</i>	Netherlands	100%	Indirect	Trading
Glory Global Solutions (New Zealand) Limited <i>666 Great South Road, Simpl Building, Ground Floor, Central Park, Penrose, Auckland 1051, New Zealand</i>	New Zealand	100%	Indirect	Trading
Glory Global Solutions (Portugal) S.A. <i>Rua Manuel Martinho Lote 1-11, Zona Ind.da Cruz do Barro, 2560-241 Torres Vedras, Portugal</i>	Portugal	100%	Indirect	Trading

Notes to the Financial Statements

Name	Country of incorporation	% equity interest	Ownership relationships	Nature of business
Glory Global Solutions (Singapore) PTE Ltd. 438A Alexandra Road #08-01/02, Alexandra Technopark Singapore 119967	Singapore	100%	Indirect	Trading
Glory Global Solutions (South Asia) Private Limited 401 - 403 Vaibhav Chambers, Bandra Kurla Complex, Bandra East, Mumbai 400051, India	India	99%	Direct	Trading
Glory Global Solutions (Sweden) AB Advokatfirman Vinge KB, Smålandsgatan 20, Box 1703, SE-111 87, Stockholm	Sweden	100%	Indirect	Trading
Glory Global Solutions (Switzerland) A.G. Meriedweg 11, Postfach, CH 3172, Niederwangen, Switzerland	Switzerland	100%	Direct	Trading
Glory Global Solutions (Topco) Limited Infinity View, 1 Hazelwood, Lime Tree Way, Chineham, Basingstoke, Hampshire, RG24 8WZ, UK	England and Wales	100%	Indirect	Trading
Glory Global Solutions Inc 705 S. 12th Street, Watertown, WI 53094	United States of America	100%	Indirect	Trading
Grupo Sortek S.A. de C.V. Rio Mississippi, No. 58, Col. Cuauhtémoc, Alcaldía Cuauhtémoc, C.P. 06500	México	100%	Indirect	Trading
Glory Global Solutions Nakit Otomasyon Teknolojileri Limited Şirketi Turkey Bayer Caddesi Gülbahar Sokak Perdehane Plaza No:17/71-72-73-74- 75-76 Kozyatağı 34742 Kadıköy/İstanbul	Turkey	100%	Indirect	Trading
Glory Global Solutions RUS Limited Liability Company 68-70, Butyrsky Val Str., bld. 1, room 85, Moscow 127055, Russia	Russia	25%	Indirect	Trading
Glory Global Solutions RUS, LLC Russian Federation 127055 Moscow, Butyrskiy Val Str., 68/70, bld. 1, floor 1, room II, office 96	Russia	100%	Indirect	Trading
Glory Global Solutions (Hong Kong) Ltd. 26th floor, Aitken Vanson Center, no.61 Hoi Yuen Road, Kwun Tong, Hong Kong	Hong Kong	100%	Indirect	Trading
PT Glory Global Solutions Indonesia Equity Tower Lt.45 Suite B, Jl. Jend. Sudirman Kav.52-53, Senayan, Kebayoran Baru, Jakarta Selatan, 12190	Indonesia	1%	Indirect	Trading
Glory Global Solutions (Sweden) AB Advokatfirman Vinge KB, Smålandsgatan 20, Box 1703, SE-111 87, Stockholm	England and Wales	100%	Direct	Holding

All investments are in the Ordinary Shares. In addition, the Company holds or indirectly holds preference shares in companies that have issued these.

9. LOANS RECEIVABLE

	2020	2019
	\$000	\$000
Loans due from parent undertaking	27	27
Loans due from fellow group undertakings	1,168	1,117
Total loans receivable	1,195	1,144

The loan facilities between the Company and other group companies are repayable on demand but are not expected to be called within 12 months of the date of these financial statements and are therefore classified as non-current.

10. CASH AND SHORT-TERM DEPOSITS

	2020	2019
	\$000	\$000
Cash at banks and on hand	1	1

Cash at banks earns interest at floating rates based on daily bank deposit rates.

Notes to the Financial Statements

11. LOANS AND BORROWINGS

	2020	2019
	\$000	\$000
Balances due to parent undertakings	2,015	2,015
Balances due to subsidiary undertakings	22,318	22,570
	24,333	24,585

The loan facilities between the Company and other group companies are repayable on demand and the loans outstanding at the year-end are either interest free or incur interest at LIBOR + 3.86%.

Fair values

The fair values of the Company's financial assets and liabilities are not considered to be materially different to their carrying values.

Fair value has been calculated using level 3 measurement in the fair value hierarchy under IFRS 13.

The financial assets of the Company are all classified as loans and receivables.

The financial liabilities of the Company are all classified as amortised cost.

Estimation of fair values

The following summarises the methods and assumptions of estimating the fair values of the above financial instruments:

Cash and trade and other payables:

Approximate their carrying amounts largely due to the short-term maturities of these instruments.

Borrowings and loans receivable:

Valued at amortised cost using the effective interest method.

Investments:

Valued at cost less provision for any permanent diminution in value. The fair value information has not been disclosed because it cannot be measured reliably.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the currency denomination of the borrowings from other group undertakings. The Glory Global Solutions Group monitors movements in the exchange rates closely and actively manages the denomination of intercompany borrowings to mitigate the foreign currency risk within the group.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates is limited as although some loans are interest bearing, the principal outstanding at 31 March 2020 is \$69,000 resulting in minimal risk of fluctuating interest rates.

Notes to the Financial Statements

11. LOANS AND BORROWINGS (CONTINUED)

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Company. As the Company does not enter into significant trading transactions and has no external debt, credit risk is limited to the custodians of the Company's cash balances and group undertakings. The credit risk on liquid funds is limited because the counterparties engaged by the Company are banks with high credit-ratings assigned by international credit-rating agencies whilst the Company monitors the credit worthiness of other group undertakings.

Liquidity risk

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has established an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company maintains adequate liquidity by continuously monitoring forecast and actual cash flows.

12. TRADE AND OTHER PAYABLES

	2020	2019
	\$000	\$000
Current liabilities		
Amounts payable to fellow group undertakings	-	5
	-	5

13. SHARE CAPITAL

Ordinary Shares authorised, issued and fully paid

Ordinary shares of \$1.25 each

	2020 Number	2020 \$	2019 Number	2019 \$
At 1 April and 31 March	132,899,777	166,124,721	132,899,777	166,124,721

Preference Shares issued, called up and fully paid

Preference shares of \$1.25 each, irredeemable and fully paid:

	2020 Number	2020 \$	2019 Number	2019 \$
At 1 April and 31 March	13,290	16,313	13,290	16,613

'A' Preference shares of \$1.00 each, irredeemable and fully paid:

	2020 Number	2020 \$	2019 Number	2019 \$
At 1 April	121,386,625	121,386,625	121,386,625	121,386,625
Issued during the year	159,087,960	159,087,960	-	-
At 31 March	280,474,585	280,474,585	121,386,625	121,386,625

Notes to the Financial Statements

13. SHARE CAPITAL (CONTINUED)

The preference and 'A' preference shares have the same rights. The preference shares represent fully paid irredeemable preference shares. The shares are held by Glory Global Solutions (Midco) Limited who are entitled to a dividend at the discretion of the Directors of the Company. The shares have attached to them full voting dividend and capital distribution rights, including on a winding up; they confer the rights of redemption at the option of the shareholder.

159,087,960 shares were issued to the immediate parent company, Glory Global Solutions (Midco) Limited on 31 March 2020 in relation to the acquisition of Acrelec Group S.A.S.

14. RELATED PARTY DISCLOSURES

Immediate parent company

Glory Global Solutions (Midco) Limited, a company registered in England and Wales, is the immediate parent company.

Ultimate parent company

GLORY Limited registered in Japan is the ultimate parent entity and the smallest and largest undertaking for which group financial statements are drawn up. The consolidated financial statements for GLORY Limited of Japan can be obtained from the GLORY Limited head office at 1-3-1, Shimoteno, Himeji City, Hyogo 670-8567, Japan or directly from the GLORY Limited website (<http://www.glory-global.com>).

Related party transactions

During the year the Company entered into the following trading transactions with related parties.

Year ended 31 March 2020	Interest income	Interest expense
	\$000	\$000
Fellow subsidiary undertakings	61	(7)

Year ended 31 March 2019	Interest income	Interest expense
	\$000	\$000
Fellow subsidiary undertakings	992	(2,515)

Loans and balances with related parties

	2020	2020	2020	2019	2019	2019
	Loans receivable	Balances payable	Loans payable	Loans receivable	Balances payable	Loans payable
	\$000	\$000	\$000	\$000	\$000	\$000
Parent undertakings	27	-	(2,015)	27	-	(2,015)
Subsidiary undertakings	1,168	-	(22,318)	1,117	(5)	(22,570)
Fellow group undertakings	1,195	-	(24,333)	1,144	(5)	(24,585)

Notes to the Financial Statements

15. MOVEMENT IN ASSETS AND LIABILITIES ARISING FROM FINANCING ACTIVITIES

	2020	Cash inflow / (outflow)	Foreign exchange	2019
	\$000	\$000	\$000	\$000
Loans due from subsidiary undertakings	1,195	(61)	10	1,144
Borrowings from group undertakings	(24,333)	11	(263)	(24,585)
Interest received	-	61	-	-
Interest paid	-	(7)	-	-
Net cash flow from financing activities		4		

16. NOTES TO CASH FLOW STATEMENT

	2020	2019
	\$000	\$000
(Loss)/Profit before tax	(2,696)	2,136
Adjustment to reconcile profit before tax to cash generated from operations:		
Impairment of subsidiary undertakings	3,004	-
Finance income	(315)	(4,651)
Finance expenses	7	2,515
Decrease in trade and other payables	(4)	-
Change in balance due to and from group undertakings	-	(1,556)
Net cash flows used in operating activities	(4)	(1,556)

17. EVENTS AFTER THE REPORTING PERIOD

On 3 April 2020, direct subsidiaries of the Company acquired 80% of the issued share capital of Acrelec Group S.A.S., headquartered in France, a provider of self-service kiosks, digital menu board and other restaurant and retail store solutions for initial consideration of \$223 million.

Covid-19

As at the 31 March 2020 balance sheet date, the World Health Organization had declared the Covid-19 outbreak as a pandemic on 11 March, the UK Government moved to a 'delay' phase on 12 March, announced social distancing measures on 16 March, and unprecedented 'stay at home' restrictions on 23 March. Subsequent to the balance sheet date, the unprecedented restrictions have started to be reduced slightly but there are still considerable restrictions on daily life and subsequently the UK economy. Such restrictions are being seen across the globe and the disruption caused has been reflected in the expectations of many forecasters that economies across the globe will contract in 2020 and potentially into 2021. This will impact the Company and the wider Glory Group.

In response to this humanitarian crisis, governments and central banks across the world have ramped up their social and economic interventions to try and slow the spread of the outbreak and lay the foundations for economies and businesses to recover once the pandemic has passed.

In light of the rapidly escalating Covid-19 pandemic, the Company has considered whether any adjustments are required to reported amounts in the financial statements. No evidence of any conditions existing as at the balance sheet date were identified. Given the significance of Covid-19, further explanation of the key implications has been included below. This includes the impact of increased volatility of assumptions on sensitivities presented in the financial statements.

Impairment of non-current assets

Refer to note 2 and 11 for details of the Company's impairment methodology, impairment losses and reversals, key assumptions and impairment reviews. As at 31 March 2020, indicators observable at the balance sheet date, include those related to Covid-19, have been factored into the Company's impairment testing of investments. This includes Covid-19 adjusted forecasts for the future cashflow results of those entities.

Notes to the Financial Statements

17. EVENTS AFTER THE REPORTING PERIOD (CONTINUED)

Deferred tax asset

Deferred tax assets can only be recognised to the extent it is probable there will be future taxable profits. At, and subsequent to, the balance sheet date, the Company has reviewed the current impact of Covid-19 on those future taxable profits and concluded that as no deferred tax asset was being recognised there is no impact on the recognition decision.

Other payables

A review of any costs or liabilities arising after the balance sheet date was completed to identify if any provisions needed to be recognised as a direct result of Covid-19. No such additional provisions were identified.