

Commando Joes Fun and Fitness Ltd

Registered number: 06824659

Directors' report and financial statements

For the period ended 31 August 2022

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COMMANDO JOES FUN AND FITNESS LTD

COMPANY INFORMATION

Directors	A Calder W Roberts D Starling M Hamilton W Moore
Registered number	06824659
Registered office	Unit 5 Meadowcroft Way Leigh Lancashire WN7 3XZ
Independent auditor	Mazars LLP Chartered Accountants & Statutory Auditor Park View House 58 The Ropewalk Nottingham NG1 5DW

COMMANDO JOES FUN AND FITNESS LTD

CONTENTS

	Page
Directors' report	1 - 3
Independent auditor's report	4 - 7
Statement of comprehensive income	8
Balance sheet	9 - 10
Statement of changes in equity	11
Notes to the financial statements	12 - 23

COMMANDO JOES FUN AND FITNESS LTD

DIRECTORS' REPORT FOR THE PERIOD ENDED 31 AUGUST 2022

The Directors present their report and the financial statements for the period ended 31 August 2022.

Directors' responsibilities statement

The Directors are responsible for preparing the directors' 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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, the Directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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 to 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.

Results and dividends

The profit for the period, after taxation, amounted to £429k (2021 as restated - £118k).

Dividends of £50k (2021 - £20k) were paid during the period/year.

Directors

The Directors who served during the period were:

A Calder (appointed 9 September 2021)
W Roberts (appointed 9 September 2021)
D Starling (appointed 9 September 2021)
M Hamilton
W Moore

COMMANDO JOES FUN AND FITNESS LTD

DIRECTORS' REPORT (CONTINUED) FOR THE PERIOD ENDED 31 AUGUST 2022

Economic impact of global events

UK businesses are currently facing many uncertainties such as the consequences of Brexit, Covid 19, environmental sustainability and geopolitical events such as the Russian invasion of Ukraine. These uncertainties have contributed to an environment where there exists a range of issues and risks, including inflation, rising interest rates, labour shortages, disrupted supply chains and new ways of working.

The Directors have carried out an assessment of the potential impact of these uncertainties on the business, including the impact of mitigation measures, and have concluded that these are non-adjusting events with the greatest impact on the business expected to be from the economic ripple effect on the global economy. The Directors have taken account of these potential impacts in their going concern assessment.

Commando Joes Fun and Fitness Ltd continues to work with its partners to minimise any impacts of these events and maximise the realisation of any opportunities they may provide to the business.

Future developments

The education sector remains highly competitive with continued pressure on school budgets, but an increased need for temporary staff in schools. To mitigate these factors actions have been taken to enable a quick response to these challenges. These actions include investment in information technology, new team members and continuous training.

Going concern

Below is a summary of the Directors' assessment of the Company's going concern position:

The Directors confirm that having reviewed the Company's cash requirements for the next 12 months from the date of signing the financial statements, they have a reasonable expectation that the Company has adequate resources to continue in operational existence and meet its liabilities as and when they fall due for the foreseeable future. The Directors have considered their current cash flow projections, including the financing costs of the invoice discounting facility. Having due regard to these factors the Directors have adopted the going concern basis in preparing these financial statements.

The uncertainty as to the future impact on the Company of COVID-19 has been considered as part of the Company's adoption of the going concern basis. The most significant impact for the Company arises on the potential closure of schools and the impact that this could have on school and teacher behaviour. Schools remain open and government policy has shifted to place more emphasis on schools remaining open as a priority. The Board to consider the risk from school closures as low.

The Board has prepared a forecast for the remainder of the FY23 financial year, and this has continued into the longer term forecast to FY24. There are no banking covenants to meet in the Company, it is only available cash that needs to be considered, and there would have to be a prolonged period of school closures longer than we have recently seen to cause any issues. The government has stressed that education is a top priority, and when schools are open the Company can continue to supply services to schools.

In consideration of the above factors, we do not believe that there is a scenario that would result in the Company reaching a point where it may run out of available cash headroom. However, it is unclear for how long there will remain a risk of school closures and possible disruption to our business due to COVID-19. The consolidated financial statements do not include the adjustments that would result if the Company was unable to continue as a going concern.

**DIRECTORS' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 AUGUST 2022**

Disclosure of information to auditor

Each of the persons who are Directors at the time when this directors' report is approved has confirmed that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

The auditor, Mazars LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Small companies note

In preparing this report, the Directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

allan calder

A Calder
Director

Date: 02-May-2023

COMMANDO JOES FUN AND FITNESS LTD

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMMANDO JOES FUN AND FITNESS LTD

Opinion

We have audited the financial statements of Commando Joes Fun and Fitness Ltd (the 'Company') for the period ended 31 August 2022 which comprise the profit and loss account, the balance sheet, the statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

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

Basis for opinion

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

Other matter

Without qualifying our opinion, we draw attention to note 2.1 of the financial statements and the fact that the comparative information in the accounts was unaudited as the Company was small and entitled to exemption from audit.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

COMMANDO JOES FUN AND FITNESS LTD

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMMANDO JOES FUN AND FITNESS LTD

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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 directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report and from the requirement to prepare a strategic report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMMANDO JOES FUN AND FITNESS LTD

Responsibilities of Directors

As explained more fully in the directors' responsibilities statement set out on page 1, 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Based on our understanding of the Company and its industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: employment regulation, health and safety regulation and anti-money laundering regulation.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the Company is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the Company which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation, pension legislation, the Companies Act 2006.

COMMANDO JOES FUN AND FITNESS LTD

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMMANDO JOES FUN AND FITNESS LTD

Auditor's responsibilities for the audit of the financial statements (continued)

In addition, we evaluated the Directors' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to, revenue recognition (which we pinpointed to the cut-off assertion) and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:


- Making enquiries of the directors and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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

Use of the audit 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.



Andrew Hickson (Senior Statutory Auditor)

for and on behalf of

Mazars LLP
Chartered Accountants and Statutory Auditor
Park View House
58 The Ropewalk
Nottingham
NG1 5DW

Date: 02-May-2023

COMMANDO JOES FUN AND FITNESS LTD

**PROFIT AND LOSS ACCOUNT
FOR THE PERIOD ENDED 31 AUGUST 2022**

	17 month period ended 31 August 2022 £000	Unaudited and as restated Year ended 31 March 2021 £000
Turnover	2,796	1,329
Cost of sales	(1,055)	(764)
Gross profit	1,741	565
Administrative expenses	(1,276)	(579)
Other operating income	-	162
Operating profit	465	148
Interest receivable and similar income	42	1
Interest payable and similar expenses	(6)	(3)
Profit before tax	501	146
Tax on profit	(72)	(28)
Profit for the financial period	429	118
Other comprehensive income	-	-
Total comprehensive income for the period	429	118

The notes on pages 12 to 23 form part of these financial statements.

COMMANDO JOES FUN AND FITNESS LTD
REGISTERED NUMBER: 06824659

BALANCE SHEET
AS AT 31 AUGUST 2022

		31 August 2022 £000	Unaudited and as restated 31 March 2021 £000
	Note		
Fixed assets			
Intangible assets	6	8	19
Tangible assets	7	59	72
		<u>67</u>	<u>91</u>
Current assets			
Stocks		69	54
Current asset investments		3	3
Debtors	8	1,261	475
Cash at bank and in hand		186	658
		<u>1,519</u>	<u>1,190</u>
Creditors: Amounts falling due within one year	9	(569)	(640)
Net current assets		<u>950</u>	<u>550</u>
Total assets less current liabilities		<u>1,017</u>	<u>641</u>
Creditors: Amounts falling due after more than one year	10	(8)	(14)
Provisions for liabilities			
Deferred tax	12	(7)	(14)
Net assets		<u>1,002</u>	<u>613</u>
Capital and reserves			
Called up share capital	13	10	10
Share premium account	14	46	21
Profit and loss account	14	946	582
		<u>1,002</u>	<u>613</u>

COMMANDO JOES FUN AND FITNESS LTD
REGISTERED NUMBER: 06824659

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2022

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

allan calder

A Calder
Director

Date: 02-May-2023

The notes on pages 12 to 23 form part of these financial statements.

COMMANDO JOES FUN AND FITNESS LTD

**STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 AUGUST 2022**

	Called up share capital £000	Share premium account £000	Profit and loss account £000	Total equity £000
At 1 April 2021 (as restated and unaudited)	10	21	582	613
Profit for the period	-	-	429	429
Total comprehensive income for the period	-	-	429	429
Contributions by and distributions to owners				
Dividends: Equity capital	-	-	(20)	(20)
Shares issued during the period	-	40	-	40
Purchase of own shares	-	(15)	(25)	(40)
Discount on share issue	-	-	(20)	(20)
Total transactions with owners	-	25	(65)	(40)
At 31 August 2022	10	46	946	1,002

**STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 MARCH 2021**

	Called up share capital £000	Share premium account £000	Profit and loss account £000	Total equity £000
At 1 April 2020 (unaudited)	10	21	514	545
Profit for the year (as restated and unaudited)	-	-	118	118
Dividends: Equity capital	-	-	(50)	(50)
At 31 March 2021 (as restated and unaudited)	10	21	582	613

The notes on pages 12 to 23 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2022**

1. General information

Commando Joes Fun and Fitness Ltd, registered number: 06824659, presents its financial statements for the period ended 31 August 2022.

The period end has been extended to align with the period end of the new parent undertaking, The Edwin Group Ltd.

The Company is a private company, limited by shares and is registered in England and Wales. The address of the registered office is Unit 5 Meadowcroft Way, Leigh, Lancashire, WN7 3XZ.

The principal activity of the Company is the delivery of character-building training to schools for both staff and children.

The presentation currency for the financial statements is Pound Sterling (£'000) as this is the currency of the primary economic environment in which the Company operates and is rounded to the nearest thousand.

A summary of the Company's accounting policies, which have been consistently applied, are set out below:

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies.

The 2021 comparative figures were unaudited as the Directors took exemption under section 477 of Companies Act 2006 to not have the financial statements audited as the Company qualified as a small company. While the Company does still qualify as small, it now belongs to an ineligible group and hence the 2022 financial statements are the first ones subject to audit.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2022**

2. Accounting policies (continued)

2.2 Going concern

Below is a summary of the Directors' assessment of the Company's going concern position:

The Directors confirm that having reviewed the Company's cash requirements for the next 12 months from the date of signing the financial statements, they have a reasonable expectation that the Company has adequate resources to continue in operational existence and meet its liabilities as and when they fall due for the foreseeable future. The Directors have considered their current cash flow projections, including the financing costs of the invoice discounting facility. Having due regard to these factors the Directors have adopted the going concern basis in preparing these financial statements.

The uncertainty as to the future impact on the Company of COVID-19 has been considered as part of the Company's adoption of the going concern basis. The most significant impact for the Company arises on the potential closure of schools and the impact that this could have on school and teacher behaviour. Schools remain open and government policy has shifted to place more emphasis on schools remaining open as a priority. The Board to consider the risk from school closures as low.

The Board has prepared a forecast for the remainder of the FY23 financial year, and this has continued into the longer term forecast to FY24. There are no banking covenants to meet in the Company, it is only available cash that needs to be considered, and there would have to be a prolonged period of school closures longer than we have recently seen to cause any issues. The government has stressed that education is a top priority, and when schools are open the Company can continue to supply services to schools.

In consideration of the above factors, we do not believe that there is a scenario that would result in the Company reaching a point where it may run out of available cash headroom. However, it is unclear for how long there will remain a risk of school closures and possible disruption to our business due to COVID-19. The consolidated financial statements do not include the adjustments that would result if the Company was unable to continue as a going concern.

2.3 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP and the financial statements are presented as such.

2.4 Turnover

Revenue represents net invoiced sale of services, excluding value added tax, and is recognised in the month when the service to the customer has been completed.

Where the revenue relates to a subscription service the amount is recognised in equal monthly instalments over the length of the contractual agreement.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2022**

2. Accounting policies (continued)

2.5 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.6 Government grants

The UK government has offered a range of financial support packages to help companies, including government backed financing arrangements, furlough schemes, deferment of VAT payments and, for some sectors, business rates holidays. Of the offered schemes, the Company used the furlough scheme in the comparative period. The income from the furlough scheme has been recognised within 'Other operating income'. The income has been recognised when the entity has reasonable assurance that they will comply with the conditions attaching the grant, and that the grant will be received.

2.7 Interest income

Finance income is recognised using the effective interest method. When a loan or receivable is impaired, the Company reduced the carrying value to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues to unwind the discount as interest income.

2.8 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.9 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2022**

2. Accounting policies (continued)

2.10 Current and deferred taxation

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

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

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.11 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2022**

2. Accounting policies (continued)**2.12 Tangible fixed assets**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Leasehold improvements	-	33%
Motor vehicles	-	25%
Fixtures and fittings	-	33%
Office equipment	-	33%

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.13 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a weighted average basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.14 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at transaction value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.15 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.16 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at transaction value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2022**

2. Accounting policies (continued)

2.17 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

2.18 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3. Prior year adjustment

The prior year adjustment relates to subscription income that had been recognised in the incorrect period. The effect of the adjustment was to reduce the value of revenue in 2021 by £158,162 together with a corresponding reduction in accrued income by the same amount. The tax effect of this adjustment was to include a debtor amounting to £30,051 with a corresponding reduction in the tax expense in profit and loss by the same amount.

4. Auditor's remuneration

The Company has taken advantage of the exemption not to disclose amounts paid for non-audit services as these are disclosed in the consolidated accounts of the Parent Company.

5. Employees

The average monthly number of employees, including Directors, during the period was 35 (2021 - 27).

COMMANDO JOES FUN AND FITNESS LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2022**

6. Intangible assets

	Other intangibles £000
Cost	
At 1 April 2021 (unaudited)	24
At 31 August 2022	<u>24</u>
Amortisation	
At 1 April 2021 (unaudited)	5
Charge for the period	11
At 31 August 2022	<u>16</u>
Net book value	
At 31 August 2022	<u><u>8</u></u>
At 31 March 2021 (unaudited)	<u><u>19</u></u>

COMMANDO JOES FUN AND FITNESS LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2022**

7. Tangible fixed assets

	Leasehold improvements £000	Motor vehicles £000	Fixtures and fittings £000	Office equipment £000	Total £000
Cost or valuation					
At 1 April 2021 (unaudited)	22	89	15	84	210
Additions	-	38	-	12	50
Disposals	-	(29)	-	(1)	(30)
At 31 August 2022	22	98	15	95	230
Depreciation					
At 1 April 2021 (unaudited)	22	43	15	58	138
Charge for the period	-	38	-	16	54
Disposals	-	(20)	-	(1)	(21)
At 31 August 2022	22	61	15	73	171
Net book value					
At 31 August 2022	-	37	-	22	59
At 31 March 2021 (unaudited)	-	46	-	26	72

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	31 August 2022 £000	Unaudited 31 March 2021 £000
Motor vehicles	37	40

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2022**

8. Debtors

	31 August 2022 £000	Unaudited and as restated 31 March 2021 £000
Trade debtors	156	193
Amounts owed by group undertakings	668	-
Other debtors	39	50
Prepayments and accrued income	398	232
	<u>1,261</u>	<u>475</u>

Amounts owed by group undertakings are unsecured, interest free and repayable on demand.

9. Creditors: Amounts falling due within one year

	31 August 2022 £000	Unaudited and as restated 31 March 2021 £000
Trade creditors	35	9
Corporation tax	79	60
Other taxation and social security	50	96
Obligations under finance leases (note 11)	15	22
Other creditors	2	399
Accruals and deferred income	388	54
	<u>569</u>	<u>640</u>

10. Creditors: Amounts falling due after more than one year

	31 August 2022 £000	Unaudited 31 March 2021 £000
Obligations under finance leases (note 11)	<u>8</u>	<u>14</u>

COMMANDO JOES FUN AND FITNESS LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2022**

11. Finance leases

Minimum lease payments under finance leases fall due as follows:

	31 August 2022 £000	Unaudited 31 March 2021 £000
Within one year	10	22
Between 1-5 years	13	7
	<u>23</u>	<u>29</u>

Obligations under finance leases are secured on the assets to which they relate.

12. Deferred taxation

	2022 £000	Unaudited 2021 £000
At beginning of year	(14)	(16)
Credited to profit or loss	7	2
At end of year	<u>(7)</u>	<u>(14)</u>

The provision for deferred taxation is made up as follows:

	31 August 2022 £000	31 March 2021 £000
Fixed asset timing differences	<u>(7)</u>	<u>(14)</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2022**

13. Share capital

	31 August 2022 £	Unaudited 31 March 2021 £
Allotted, called up and fully paid		
9,600 (2021 - 10,000) Ordinary shares of £1.00 each	9,600	10,000
400 (2021 - 0) Ordinary B shares of £1.00 each	400	-
	<hr/>	<hr/>
	10,000	10,000
	<hr/>	<hr/>

On 24 May 2021, the Company purchased 400 Ordinary shares for consideration of £40,000.

On 9 June 2021, the Company issued 400 Ordinary B shares at a premium of £99 per share.

All shares rank pari passu.

14. Reserves**Profit and loss account**

The profit and loss account represents the cumulative profits and losses of the Company.

15. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £16k (2021 - £29k). Contributions totalling £2k (2021 - £2k) were payable to the fund at the balance sheet date and are included in creditors.

16. Commitments under operating leases

At 31 August 2022 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	31 August 2022 £000	Unaudited 31 March 2021 £000
Not later than 1 year	6	25
	<hr/>	<hr/>

COMMANDO JOES FUN AND FITNESS LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2022**

17. Controlling party

At the period end the immediate and ultimate parent undertaking is The Edwin Group Limited, a Company registered in England and Wales.

Copies of the smallest and largest parent in the Group, The Edwin Group Limited consolidated financial statements, which include the Company, are available from the Company Secretary, The Edwin Group Limited, First Floor (South) Cathedral Buildings, Dean Street, Newcastle Upon Tyne, NE1 1PG.

The Directors do not consider there to be an ultimate controlling party of The Edwin Group Limited by virtue of the fact that no single shareholder has more than 50% of the voting rights.