

VTIME LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

VTIME LIMITED
REGISTERED NUMBER: 08620816

BALANCE SHEET
AS AT 31 JULY 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	4	30,589	41,955
		<u>30,589</u>	<u>41,955</u>
Current assets			
Debtors: amounts falling due within one year	5	689,104	535,643
Cash at bank and in hand	6	142,927	269,758
		<u>832,031</u>	<u>805,401</u>
Creditors: amounts falling due within one year	7	(14,146,056)	(12,291,988)
Net current liabilities		<u>(13,314,025)</u>	<u>(11,486,587)</u>
Total assets less current liabilities		<u>(13,283,436)</u>	<u>(11,444,632)</u>
Creditors: amounts falling due after more than one year	8	(2,612,040)	(2,754,006)
Net liabilities		<u>(15,895,476)</u>	<u>(14,198,638)</u>
Capital and reserves			
Called up share capital		100	100
Profit and loss account		(15,895,576)	(14,198,738)
		<u>(15,895,476)</u>	<u>(14,198,638)</u>

VTIME LIMITED
REGISTERED NUMBER: 08620816

BALANCE SHEET (CONTINUED)
AS AT 31 JULY 2023

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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 have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

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

.....
M Kenwright
Director

Date: 17 October 2023

The notes on pages 3 to 9 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

1. General information

The Company was incorporated in England as a limited liability company with share capital. The registered address of the Company is at 5th Floor, Elevator Studios, 27 Parliament Street, Liverpool L8 5RN.

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 following principal accounting policies have been applied:

2.2 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2.3 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight-line basis over their useful economic lives, which range from 3 to 6 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

2.4 Interest income

Interest income is recognised in profit or loss using the effective interest method.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

2. Accounting policies (continued)

2.5 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.

2.6 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.

2.7 Taxation

Tax is recognised in profit or loss 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.

2.8 Development costs

Research and development costs are written off as incurred through the statement of comprehensive income.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

2. Accounting policies (continued)

2.9 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:

Computer equipment	-	33%	On cost
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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.

2.10 Debtors

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

2.11 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.

2.12 Creditors

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

2. Accounting policies (continued)

2.13 Financial instruments

The Company has elected to apply the provisions of Section 11 "Basic Financial Instruments" of FRS 102 to all of its financial instruments.

Basic financial assets

Basic financial assets, which include trade and other receivables, cash and bank balances, are initially measured at their transaction price including transaction costs and are subsequently carried at their amortised cost using the effective interest method, less any provision for impairment, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Discounting is omitted where the effect of discounting is immaterial. The Company's cash and cash equivalents, trade and most other receivables due with the operating cycle fall into this category of financial instruments.

Financial liabilities

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

Basic financial liabilities, which include trade and other payables, bank loans and other loans are initially measured at their transaction price after transaction costs. When this constitutes a financing transaction, whereby the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Discounting is omitted where the effect of discounting is immaterial.

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

Trade payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if the payment is due within one year. If not, they represent non-current liabilities. Trade payables are initially recognised at their transaction price and subsequently are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

3. Employees

The average monthly number of employees, including directors, during the year was 44 (2022 - 43).

VTIME LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

4. Tangible fixed assets

	Computer equipment £
Cost or valuation	
At 1 August 2022	100,694
Additions	7,271
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At 31 July 2023	107,965
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Depreciation	
At 1 August 2022	58,739
Charge for the year on owned assets	18,637
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At 31 July 2023	77,376
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Net book value	
At 31 July 2023	<u>30,589</u>
<i>At 31 July 2022</i>	<u>41,955</u>

5. Debtors

	2023 £	2022 £
Trade debtors	143,335	12,025
Other debtors	24,048	-
Prepayments and accrued income	6,936	5,983
Tax recoverable	514,785	517,635
	<hr/>	<hr/>
	<u>689,104</u>	<u>535,643</u>

VTIME LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

6. Cash and cash equivalents

	2023	2022
	£	£
Cash at bank and in hand	142,927	269,758
	<u>142,927</u>	<u>269,758</u>

7. Creditors: Amounts falling due within one year

	2023	2022
	£	£
Trade creditors	161,666	65,242
Amounts owed to group undertakings	11,462,271	9,875,880
Other taxation and social security	54,594	93,435
Other creditors	11,454	26,006
Accruals and deferred income	2,456,071	2,231,425
	<u>14,146,056</u>	<u>12,291,988</u>

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

	2023	2022
	£	£
Other creditors	2,612,040	2,754,006
	<u>2,612,040</u>	<u>2,754,006</u>

The following liabilities were secured:

	2023	2022
	£	£
Other creditors	2,612,040	2,754,006
	<u>2,612,040</u>	<u>2,754,006</u>

Details of security provided:

Other creditors are secured by fixed and floating charges held against the assets of the Company.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

9. 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 £37,543 (2022 - £30,455). Contributions totalling £7,810 (2022 - £14,425) were payable to the fund at the balance sheet date and are included in creditors.

10. Related party transactions

There is a balance due to the director, Martin Kenwright, of £2,612,040 as at 31 July 2023 (2022 - £2,754,006). The loan is unsecured, and has no fixed repayment terms. Interest of £240,000 (2022 - £240,000) was charged during the year.

Loans of £1,586,391 were advanced by the Company's parent undertaking during the year. At 31 July 2022 the balance outstanding was £11,462,271 (2022 - £9,875,880). This loan is repayable on demand and no interest was charged on the outstanding balance.

11. Controlling party

The Company is a wholly owned subsidiary of Vtime Holdings Limited which is also the ultimate parent undertaking. The directors believe that the Company is controlled by Mr. Martin Kenwright, a director and shareholder of the ultimate parent undertaking.

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