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Registered number: 08997297

**AGILE SOLUTIONS (GB) LTD
REPORT AND FINANCIAL STATEMENTS
FOR THE 18-MONTH PERIOD ENDED 30 SEPTEMBER 2020**



Agile Solutions (GB) Ltd
Report and Financial Statements
For the 18-Month period ended 30 September 2020

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Agile Solutions (GB) Ltd
Company Information
For the 18-Month period ended 30 September 2020

Directors	Mr Steven Whiting Mr Owen Lewis
Company Number	08997297
Registered Office	454 Exchange House Midsummer Boulevard Milton Keynes MK9 2EA
Independent Auditors	RSM UK Audit LLP Third Floor Centenary House 69 Wellington Street Glasgow G2 6HG
Bankers	Royal Bank of Scotland Kirkstane House 139 St Vincent Street Glasgow G2 5JF

Agile Solutions (GB) Ltd
Strategic Report
For the 18-month period ended 30 September 2020

The directors present the strategic report for the 18 months ending 30 September 2020.

Business Performance

During the 18 months ending 30 September 2020, the Company made a loss before tax of £349,219 compared to a profit before tax of £358,112 (restated) in the 12 months ending 31 March 2019.

During 2019 market changes in technology requirements were changing and demand on a number of key accounts reduced rapidly. New business which had been expected was also delayed, so that consultants who had been engaged on these accounts were not able to be re-allocated to other accounts due to changes in market requirements. Utilisation therefore dropped, and the Company made significant monthly losses.

In response, the business carried out restructuring during Q2 and Q3 2019, making redundancies across all departments with a view to reshaping in line with the market. Customer demand then began to increase and revenues grew steadily from August 2019 until March 2020. Due to the increased operational efficiency and reduction of back-office costs alongside a growth in revenues, the Company had returned to profitability by September 2019, and continued profitable until March 2020.

In early 2020 before COVID-19 had become a significant risk, this revenue growth was forecasted to continue during Q2 and Q3 2020, in both new and existing accounts. New consultants were recruited to fulfil the expected growth in demand and align the company capability with newer technology trends.

Immediately following the start of the lockdown, there was a sharp drop in demand as clients paused running projects, delayed new projects or were unable to immediately allow remote working. In response, the Company utilised the Coronavirus Job Retention Scheme (CJRS) for a limited number of staff initially and with a gradual reduction as home-based working allowed our customers to restart projects. By June 2020 most staff had returned to work as a result of projects resuming and working from home arrangements being put in place. During Q3 2020 revenues were stable and were higher than in Q1 2020 with continual monthly profits being recorded during the period.

Key Performance Indicators

The directors measure Company performance using a number of Key Performance Indicators (KPIs). These are reviewed at the monthly Board and Senior Leadership Team meetings.

KPI	Average for the 18 months ended 30 September 2020	Average for the year ended 31 March 2019	Target
Utilisation of consulting employees: Percentage of total available hours which were billable	71.6%	78.7%	80%
Contractor usage: Percentage of total billable hours which were delivered by independent contractors	33.1%	43.6%	30%
Billable employees: Percentage of total employees in a billable consulting role	68.8%	67.9%	75%

Utilisation of consultant employees was, on average, lower than target during the period. Utilisation fell sharply in early 2019 prior to restructuring. Following redundancies and growth in demand utilisation improved, reaching 79% on average by Q3 2020.

Contractor usage was lower during this period than the previous period. In the previous period, rapid growth in client demand meant that the Company was unable to fill all roles with employees and met demand with independent contractors. As demand reduced during this period, the Company was able to fill a higher proportion of roles with employees and reduce reliance on contractors.

The billable employee % was, on average, below target during the period. During the period the Company made changes to improve efficiency and has reduced the number of back-office roles, which has resulted in an improvement in this measure. By September 2020, 74% of employees were in billable revenue generating roles.

Principal Risks and Uncertainties

Coronavirus

The Company's clients are spread across a wide range of industry verticals and the impact of coronavirus on clients has been variable. In the immediate aftermath of the lockdown there was a sharp drop in customer demand across all sectors, however by June 2020 many of these projects had restarted.

Revenues from clients in the public sector, banking and defence sectors have subsequently been generally stable or indeed growing despite coronavirus. However, clients in retail, manufacturing and leisure sectors have been significantly affected, and in several cases have cancelled or delayed projects.

Nevertheless, the longer-term impacts of the pandemic on client demand are hard to predict and may spread more widely across all sectors. Public sector spending in particular may see cuts in the future.

The Company's capabilities in relation to data focused services does position it firmly in a marketplace which is forecast to return to growth within a K shaped recovery of the economy. This focuses in data and technology being utilised to build back with more efficiency and this is already being seen in the market even in challenged business sectors such as retail. Travel and hospitality being the main sectors falling into the slow recovery of the K model.

Committed revenue

The majority of the Company's work for clients is on projects rather than business-as-usual or managed service activity. The nature of this work means that demand can be unpredictable. While some work is committed for a year or more ahead, many engagements are contractually committed only for shorter periods. Forecasting demand and revenue more than a few months ahead is therefore very difficult.

Reducing this risk by increasing the average length of contracts is a key focus. A number of recent renewals have been for periods of 6 or 12 months.

Dependence on key clients

Growth during the year ended 31 March 2019 was driven largely by growth in a small number of key accounts. Rapid shrinkage on these accounts in early 2019 led to the Company having surplus capacity and making significant losses.

The Company's revenues are now spread more evenly across accounts, with lower reliance on a single customer. However, loss of a key customer would still have a significant impact on revenues and profitability. The Company continues efforts to broaden the customer base to reduce this risk.

Market changes

The IT services industry and related software space continues to go through very rapid change with Cloud and open-source technologies now eating into the core business of previously successful software companies. This in turn is disrupting the IT service industry with new development methods and engagements which are producing an all change scenario across almost all industry verticals.

The restructuring of the Company has been aligned to the changes in the marketplace and for the first time utilised significant research from leading analysts in the technical arena Gartner. The industry analyst market forecast and requirements have been consolidated with the Company executives' experience to build an operating structure that is more cost effective and also market effective.

Additionally Agile is investing to mitigate rapid technology change risk through a drive towards the leading cloud technologies that are disrupting the market in every sector by offering services to help companies move towards gaining more value from data and cloud combined. The sales and marketing investment will both promote and help customers engage with the Company through new service models and longer duration engagements.

As noted in the business update there has been a recognition that the rapid change of technology had meant that certain skills were no longer in demand in the market and the Company has had to adjust its training and recruitment plans in line with market demands. This has been done through guidance and market research from technology leaders such as Microsoft, Amazon AWS in addition to the industry specialists Gartner. This account period has accounted for costs in changing staff and engaging in new partner programmes to support higher demand new technologies and the next era of the Company's growth.

Partner Performance

Traditionally the Company has accessed a considerable proportion of its revenue stream through niche high volume large enterprise orientated software for integration and data management. In particular there had been a focus on premise data integration and processing from leading software vendors in that sector and it is this market that has seen significant reduction during 2019. Additionally there was an abundance of smaller software partners who delivered limited revenue to the company who have since been disengaged with. During 2020 the Company intensified its efforts to engage in more cloud-orientated services and software with a particular focus on the leading cloud software vendors Amazon AWS and Azure and the much larger marketplace they offer. Cloud software business now delivers the underlying revenue for the business and broadens the opportunities available to the business going forward.

Staff

As a professional services organisation the Company is dependent on the skill, experience and commitment of its consulting workforce. The performance of the Company could be adversely affected if skilled staff are not retained although with an expected reduction in traditional technologies this risk can be reduced through upskilling new graduate intake with new technologies. This has been aligned with market changes.

Liquidity

Professional services businesses are working capital intensive, with a natural lag between the timings of payment to employees and contractors, and the timing of payments from clients. The Company also frequently experiences delays in payment from clients. Liquidity risk is managed through credit control procedures and use of banking facilities, and can also be balanced by a greater customer base.

Future Outlook

In the short term, there is some continuing disruption and therefore uncertainty given the unpredictable nature of the coronavirus pandemic. The company will continue to use government support as a matter of diligence, where available and appropriate.

However, the medium- and long-term prospects for the Company are positive. Most element of the pandemic will drive investment in data and technology. Market research indicates that organisations are continuing to invest in technology, and are indeed accelerating modernisation or replacement of systems, which will drive demand for the Company's services. That the Company revenues for Q3 2020 were greater than for Q1 2020 demonstrates this continuing demand, given the impact of the pandemic on the economy as a whole.

Expected skills shortages around Cloud development will drive opportunities for Agile and this is a fundamental part of the restructuring that has taken place in relation to bringing in new skills but also engaging on official best practice enablement plans as defined by and expected by the software partners.

Going Concern

As noted above, the overall loss for the period was due to significant losses and restructuring costs sustained during the first half of 2019. However, cost reductions and revenue growth have meant that the Company has been profitable since September 2019.

Following the end of the reporting period, revenue and profits have continued to increase and the directors remain confident in the long-term prospects for the Company. Given the uncertainty in the market as a result of coronavirus, the Company has modelled a range of scenarios to understand the impact on both profitability and cashflow, should there be a drop in demand. This modelling has demonstrated that there is sufficient headroom within the cashflow to be able to sustain a moderately severe drop in demand.

Short-term and long-term financing facilities are in place, which provide stability to the cashflow. Based on the modelling carried out, the directors do not anticipate that additional financing will be required.

On behalf of the board

Mr Owen Lewis



21 June 2021

Directors' Report for the 18-month period ended 30 September 2020

The directors present their report and the financial statements for the 18-month period ended 30 September 2020.

Principal Activities

The Company is a provider of technology consulting services to government and medium to large commercial enterprises typically of FTSE 350 size. The majority of revenues (88% for the 18-month period ended 30 September 2020) are for professional services. These services are delivered mainly by employees of the Company with some specialist activities delivered by independent contractors. In addition, the Company also offers continuous services and support contracts for the software it sells.

Results and Dividends

The results for the year are set out on page 8.
No dividends were paid during the year (y/e 31-3-19 £844,000). Details are included in note 16 of the financial statements.
The directors considered that the uncertainties facing the Company as a result of the worldwide Coronavirus pandemic and extended the accounting period from 12 to 18 months. As a result of this the comparative accounts presented in the Financial Statements including the Notes are not entirely comparable.

Statement of Directors' Responsibilities

The directors are responsible for preparing the Strategic Report, 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

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 the financial statements the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments 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 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.

Statement regarding Disclosure of Information to Auditors

All of the directors as at the date of this report have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the Company's auditor is unaware.

Directors

The directors who held office during the year were as follows:

Mr Steven Whiting
Mr Owen Lewis

Auditor

RSM UK Audit LLP have indicated their willingness to continue in office having been appointed for the 18-month period ended 30 September 2020 and the subsequent accounting period.

On behalf of the board



Mr Owen Lewis

21 June 2021

Agile Solutions (GB) Ltd
Independent Auditor's Report
For the 18-month period ended 30 September 2020

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AGILE SOLUTIONS (GB) LIMITED

Opinion

We have audited the financial statements of Agile Solutions (GB) Limited (the 'Company') for the 18-month period ended 30 September 2020 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Changes in Equity, the Cash Flow Statement 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 30 September and of its loss for the 18-month period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the 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.

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. 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 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 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.

Matters on which we are required to report by exception

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 material misstatements in the strategic report or 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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 4, 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 Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Agile Solutions (GB) Ltd
Independent Auditor's Report (continued)
For the 18-month period ended 30 September 2020

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.

RSM UK AUDIT LLP

Christopher Docherty BA (Hons) CA (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP
Statutory Auditor
Chartered Accountants
Third Floor
Centenary House
69 Wellington Street
Glasgow G2 6HG

23 June 2021

Agile Solutions (GB) Ltd
Profit and Loss Account
For the 18-month period ended 30 September 2020

		18-month period ended 30 September 2020	RESTATED Year ended 31 March 2019
	Notes	£	£
TURNOVER	2	15,398,503	16,562,942
Cost of sales		(12,609,603)	(13,455,861)
GROSS PROFIT		2,788,900	3,107,081
Administrative expenses		(3,205,725)	(2,704,908)
OPERATING PROFIT / (LOSS)	3	(416,825)	402,173
Profit on disposal of fixed assets		319	292
Other interest receivable and similar income		186	191
Grant income		99,709	-
Interest payable and similar charges	5	(32,608)	(44,544)
PROFIT / (LOSS) BEFORE TAXATION		(349,219)	358,112
Tax on Profit	6	76,402	(79,003)
PROFIT / (LOSS) FOR THE FINANCIAL PERIOD		(272,817)	279,109

Agile Solutions (GB) Ltd
Balance Sheet
As at 30 September 2020

		30 September 2020		RESTATE 31 March 2019	
	Notes	£	£	£	£
FIXED ASSETS					
Tangible Assets	7		110,387		147,582
			110,387		147,582
CURRENT ASSETS					
Debtors	8	1,965,409		3,177,075	
Cash at bank and in hand		81,324		250,403	
		2,046,733		3,427,478	
Creditors: Amounts Falling Due Within One Year	9	(1,953,293)		(3,164,470)	
NET CURRENT ASSETS			93,440		263,008
TOTAL ASSETS LESS CURRENT LIABILITIES			203,827		410,590
Creditors: Amounts Falling Due After One Year	10		(142,648)		(71,309)
PROVISIONS FOR LIABILITIES					
Deferred Taxation	12		(2,966)		(8,251)
NET ASSETS			58,213		331,030
CAPITAL AND RESERVES					
Called up share capital	13		10,000		10,000
Profit and Loss Account			48,213		321,030
SHAREHOLDERS' FUNDS			58,213		331,030

These financial statements were approved by the Board of Directors and authorised for issue on 21 June 2021 and are signed on its behalf by:



Owen Lewis

Director

Agile Solutions (GB) Ltd
Statement of Changes in Equity
For the 18-month period ended 30 September 2020

		Called up Share Capital	RESTATED Profit and Loss Account	Total
	Notes	£	£	£
AT 1 APRIL 2018		10,000	885,921	895,921
Profit for the year		-	279,109	279,109
Dividends paid	16	-	(844,000)	(844,000)
AT 1 APRIL 2019		10,000	321,030	331,030
Profit/ (loss) for the year		-	(272,817)	(272,817)
Dividends paid	16	-	-	-
AT 30 SEPTEMBER 2020		10,000	48,213	58,213

Agile Solutions (GB) Ltd
Cash Flow Statement
For the 18-month period ended 30 September 2020

	Notes	18-month period ended 30 September 2020 £	Year ended 31 March 2019 £
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash receipts from customers		16,709,840	17,709,394
Cash paid to suppliers and employees		(16,841,920)	(16,520,457)
Cash generated from operations	17	(132,080)	1,188,937
Interest paid		(32,608)	(44,544)
Corporation tax paid		-	(126,025)
Net cash from operating activities		(164,688)	1,018,368
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of tangible fixed assets		(4,952)	(37,651)
Proceeds on disposal of tangible fixed assets		375	292
Interest received		186	191
Net cash used in investing activities		(4,391)	(37,168)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividends paid	16	-	(844,000)
Net cash used in financing activities		-	(844,000)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		(169,079)	137,200
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD		250,403	113,203
CASH AND CASH EQUIVALENTS AT END OF PERIOD		81,324	250,403

Agile Solutions (GB) Ltd
Notes to the Financial Statements
For the 18-month period ended 30 September 2020

I. Accounting Policies

General Information

Agile Solutions (GB) Ltd is a private company limited by shares, and is registered, domiciled and incorporated in England.

The address of the Company's registered office and principal place of business is 454 Exchange House, Midsummer Boulevard, Milton Keynes MK9 2EA.

The Company's principal activities are set out in the Directors' Report.

Basis of Preparation of Financial Statements

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006, including the provisions of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, and under the historical cost convention.

Going Concern

After reviewing the Company's forecasts and projections, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company has continued to be profitable following the end of the reporting period. The Directors remain confident in the long-term prospects of the Company and therefore continues to adopt the going concern basis in preparing its financial statements.

Functional and Presentational Currencies

The financial statements are presented in sterling which is also the functional currency of the Company.

Turnover

Revenue arising from professional services is recognised in the accounting period in which the services are performed.

Revenue arising from the sale of software licences is recognised in the accounting period in which the invoice is raised and the sale concluded. At this date the risk and rewards of ownership of the software licence are transferred to the purchaser.

Government Grants

Income from the Coronavirus Job Retention Scheme (CJRS) is included within other income and is recognised as income on a systematic basis over the periods in which the entity recognises the related costs for which the grant is intended to compensate.

Employee Benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or are capitalised as an intangible fixed asset or a tangible fixed asset.

The holiday year for the Company ends at 31 December. The cost of the pro-rata entitlement accrued for the period from 1 January to 30 September, less the amounts used, is recognised in the period ending 30 September.

Retirement Benefits

The Company operates a defined contribution scheme. The amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

Tangible Fixed Assets and Depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of the fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Leasehold Improvements	10% straight line	(2019: 20% straight line)
Fixtures & Fittings	10% straight line	(2019: 20% straight line)
Computer Equipment	33.33% straight line	(2019: 33.33% straight line)

Impairment of Fixed Assets

An assessment is made at each reporting date of whether there are indications that a fixed asset may be impaired or that an impairment loss previously recognised has fully or partially reversed. If such indications exist, the Company estimates the recoverable amount of the asset.

Shortfalls between the carrying value of fixed assets and their recoverable amounts, being the higher of fair value less costs to sell and value-in-use, are recognised as impairment losses and recognised in profit or loss.

Leases

The annual rental on operating leases is charged to profit or loss on a straight-line basis over the lease term.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of comprehensive income because of items of income or expense that are taxable or deductible in other year and items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on timing differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable timing differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible timing differences can be utilised. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. Deferred tax liabilities are presented within provisions for liabilities and deferred tax assets within debtors. The measurement of deferred tax liabilities and asset reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current or deferred tax for the year is recognised in profit or loss, except when they related to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax is also recognised in other comprehensive income or directly in equity respectively.

Agile Solutions (GB) Ltd
Notes to the Financial Statements (continued)
For the 18-month period ended 30 September 2020

Financial Instruments

Trade debtors and other debtors

Trade debtors and other debtors (including accrued income) which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being transaction price less any amounts settled and any impairment losses.

Trade creditors and other creditors

Trade creditors and other creditors (including accruals) payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being transaction price less any amounts settled.

Bank overdrafts

Bank overdrafts are presented within creditors: amounts falling due within one year.

Borrowings

Borrowings are initially recognised at the transaction price, including transaction costs, and subsequently measured at amortised cost using the effective interest method. Interest expense is recognised on the basis of the effective interest method and is included in interest payable and other similar expenses.

Key judgements and sources of estimation uncertainty

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. There are not considered to be any judgements or estimates which could potentially have a material impact on the financial statements.

2. Turnover

	18-month period ended 30 September 2020	Year ended 31 March 2019
	£	£
Turnover by class of business		
Professional services	13,235,935	14,660,983
Software licences	2,088,049	1,675,611
Other	74,519	226,348
	<u>15,398,503</u>	<u>16,562,942</u>

All turnover originates from the United Kingdom.

3. Operating Profit

The operating profit is stated after charging/ (crediting):

	18-month period ended 30 September 2020	Year ended 31 March 2019
	£	£
Bad debts	(11,600)	2,000
Auditors' remuneration for audit services	10,860	7,000
Depreciation of tangible fixed assets	41,451	57,927
Operating lease charges	137,044	82,756

4. Staff Costs

	18-month period ended 30 September 2020	Year ended 31 March 2019
	£	£
Wages and salaries	7,406,583	6,321,023
Social security costs	848,633	727,827
Other pension costs	307,943	230,882
	<u>8,563,159</u>	<u>7,279,732</u>

The average number of employees, including directors, during the period was as follows:

	18-month period ended 30 September 2020	Year ended 31 March 2019
Office and administration	14	16
Sales, marketing and distribution	68	92
	<u>82</u>	<u>108</u>

Agile Solutions (GB) Ltd
Notes to the Financial Statements (continued)
For the 18-month period ended 30 September 2020

Directors' Remuneration

	18-month period ended 30 September 2020	Year ended 31 March 2019
	£	£
Directors' salaries	440,812	300,000
Directors' pensions	16,319	21,600
Healthcare	2,175	1,734
	<u>459,306</u>	<u>323,334</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 2 (2019: 2). During the year both directors waived emoluments totalling £12,500 per director (2019: Nil)

Information regarding the highest paid director is as follows:

	18-month period ended 30 September 2020	Year ended 31 March 2019
	£	£
Salary	215,672	150,000
Pensions	14,519	10,800
	<u>230,191</u>	<u>160,800</u>

The directors of the Company are considered to be Key Management Personnel. National Insurance contributions made on their behalf totalled £56,022 (2019: £39,073)

5. Interest

	18-month period ended 30 September 2020	Year ended 31 March 2019
	£	£
Bank interest payable	32,608	44,544
	<u>32,608</u>	<u>44,544</u>

6. Tax on Profit

	Tax Rate		18-month period ended 30 September 2020	Year ended 31 March 2019
	2020	2019	£	£
UK Corporation Tax	19.0	19.0	(71,115)	97,622
Adjustments in respect of prior periods			-	(8,420)
Total Current Tax Charge			(71,115)	89,202
Deferred Taxation			(5,287)	(10,199)
Total tax charge for the period			(76,402)	79,003
Profit before tax			(349,219)	418,374
Breakdown of Tax Charge is:				
Tax on profit at 19% (UK standard rate)			(66,351)	79,491
Goodwill/depreciation not allowed for tax			7,815	10,951
Expenses not deductible for tax purposes			34	14,426
Capital allowances			(1,165)	(7,245)
Short term timing differences			(5,285)	(10,200)
Adjustments in respect of prior periods			(11,450)	(8,420)
Total tax charge for the period			(76,402)	79,003

Agile Solutions (GB) Ltd
Notes to the Financial Statements (continued)
For the 18-month period ended 30 September 2020

7. Tangible Assets

	Leasehold Improvements £	Fixtures & Fittings £	Computer Equipment £	Total £
Cost				
As at 31 March 2019	72,621	60,570	141,637	274,828
Additions	-	-	4,952	4,952
Disposals	-	-	(5,988)	(5,988)
As at 30 September 2020	72,621	60,570	140,601	273,792
Depreciation				
As at 31 March 2019	19,365	20,700	87,181	127,246
Provided during the period	1,211	(1,513)	41,753	41,451
Disposals	-	-	(5,292)	(5,292)
As at 30 September 2020	20,576	19,187	123,642	163,405
Net Book Value				
As at 30 September 2020	52,045	41,383	16,959	110,387
As at 31 March 2019	53,256	39,870	54,456	147,582

8. Debtors

	30 September 2020 £	RESTATED 31 March 2019 £
Due within one year		
Trade debtors	1,753,509	2,765,589
Accrued sales	115,408	411,486
Other debtors	88,992	-
Directors' loan account	7,500	-
	<u>1,965,409</u>	<u>3,177,075</u>

The directors' loan is to S Whiting and represents amounts advanced in the year (2019: Nil)

9. Creditors: Amounts Falling Due Within One Year

	30 September 2020 £	31 March 2019 £
Trade creditors	308,560	1,043,902
Bank loans and overdrafts (Note 11)	255,316	1,093,484
Corporation tax	26,441	97,596
Other taxes and social security	773,977	534,061
Net wages	-	17,583
Other creditors	34,501	46,901
Accruals and deferred income	554,498	330,943
	<u>1,953,293</u>	<u>3,164,470</u>

10. Creditors: Amounts Falling Due After One Year

	30 September 2020 £	31 March 2019 £
Bank loans and overdrafts (Note 11)	142,648	71,309
	<u>142,648</u>	<u>71,309</u>

Agile Solutions (GB) Ltd
Notes to the Financial Statements (continued)
For the 18-month period ended 30 September 2020

11. Borrowings

	30 September 2020	31 March 2019
	£	£
Creditors: amounts falling due within one year:		
Invoice finance facility	154,537	1,020,201
Fixed term loan	99,119	66,132
Credit card	1,660	7,151
	<u>255,316</u>	<u>1,093,484</u>
Creditors: amounts falling due after more than one year:		
Fixed term loan	142,648	71,309
	<u>142,648</u>	<u>71,309</u>

The invoice finance facility is secured by a fixed charge against the Company's trade receivables. The interest rate on the facility is 2.75%.

The fixed term loan is unsecured. The Company makes fixed quarterly repayments. The annual interest rate implicit in the loan is between 5.75% and 7.62%.

12. Deferred Tax Liability

	30 September 2020	31 March 2019
	£	£
Movements on deferred tax liability during the year:		
At 1 April	8,251	18,450
Credit / (debit) to the Profit and Loss Account	(5,285)	(10,199)
At 30 September	<u>2,966</u>	<u>8,251</u>
Analysis of deferred tax:		
Difference between capital allowances and depreciation	11,082	17,505
Other timing differences	(8,116)	(9,254)
	<u>2,966</u>	<u>8,251</u>

13. Share Capital

	30 September 2020	31 March 2019
	£	£
Allotted, called up and fully paid		
Ordinary shares: 50 shares of £100 each (2019: 58 shares of £100 each)	5,000	5,800
A Ordinary shares: 50 shares of £100 each (2019: 33 shares of £100 each)	5,000	3,300
B Ordinary shares: NIL (2019: 3 shares of £100 each)	-	300
C Ordinary shares: NIL (2019: 3 shares of £100 each)	-	300
D Ordinary shares: NIL (2019: 3 shares of £100 each)	-	300
	<u>10,000</u>	<u>10,000</u>

None of the Company's shares carry a right to a fixed income.

The Ordinary and A Ordinary shares each carry the right to one vote at the general meetings of the Company. The B, C and D Ordinary shares did not carry voting rights and have now been cancelled.

Agile Solutions (GB) Ltd
Notes to the Financial Statements (continued)
For the 18-month period ended 30 September 2020

14. Commitments Under Operating Leases

At 30 September 2020 the Company had commitments under non-cancellable operating leases as follows:

	30 September 2020	31 March 2019
	£	£
Land and buildings		
Within one year	80,910	80,910
Between two and five years	268,730	323,640
In over five years	13,000	79,455
	<u>362,640</u>	<u>484,005</u>

15. Related Party Transactions

	18-month period ended 30 September 2020	Year ended 31 March 2019
	£	£
Sales to related parties during the period	32,151	12,250
Purchases from related parties during the period	3,207,786	5,856,015
Rent due to related parties for the period	39,000	26,000
Balance owed to related parties at 30 September 2020	235,231	536,195
Amounts due from related parties at 30 September 2020	2,100	0
Loan received and repaid during the year from related party	75,000	0

16. Dividends

	18-month period ended 30 September 2020	Year ended 31 March 2019
	£	£
Dividends paid	-	844,000

Dividends paid during the year were £NIL per Ordinary share (2019: 7,275.86) and £NIL per A Ordinary share (2019: £12,787.88)

17. Operating Profit Reconciliation

	18-month period ended 30 September 2020	RESTATE Year ended 31 March 2019
	£	£
Cash flows from operating activities		
Profit before taxation	(349,219)	358,112
Adjustments for:		
Depreciation	41,451	57,927
Investment income	(186)	(191)
Interest expense	32,608	44,544
(Profit) / Loss on the sale of property, plant and equipment	321	(292)
Working capital changes:		
(Increase) / Decrease in trade and other receivables	1,211,628	1,306,714
Increase / (Decrease) in trade payables	(1,068,683)	(477,877)
Cash generated from operations	<u>(132,080)</u>	<u>1,188,937</u>

18. Controlling Party

There is no overall controlling party in the Company.