

Company registration number 09218225 (England and Wales)

WIT FITNESS LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2022
PAGES FOR FILING WITH REGISTRAR

WIT FITNESS LIMITED

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WIT FITNESS LIMITED

BALANCE SHEET

AS AT 31 JANUARY 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Intangible assets	3		150,263		174,619
Tangible assets	4		599,192		646,614
Investments	5		77		77
			<u>749,532</u>		<u>821,310</u>
Current assets					
Stocks		543,871		1,216,446	
Debtors falling due after more than one year	6	121,280		101,098	
Debtors falling due within one year	6	2,046,495		1,499,828	
Cash at bank and in hand		85,658		74,585	
		<u>2,797,304</u>		<u>2,891,957</u>	
Creditors: amounts falling due within one year	7	<u>(7,449,590)</u>		<u>(3,066,736)</u>	
Net current liabilities			<u>(4,652,286)</u>		<u>(174,779)</u>
Total assets less current liabilities			<u>(3,902,754)</u>		<u>646,531</u>
Creditors: amounts falling due after more than one year	8		<u>(42,264)</u>		<u>(52,635)</u>
Net (liabilities)/assets			<u><u>(3,945,018)</u></u>		<u><u>593,896</u></u>
Capital and reserves					
Called up share capital	10		383		383
Share premium account			5,430,055		5,430,055
Share-based payment reserve			332,865		238,388
Profit and loss reserves			<u>(9,708,321)</u>		<u>(5,074,930)</u>
Total equity			<u><u>(3,945,018)</u></u>		<u><u>593,896</u></u>

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

For the financial year ended 31 January 2022 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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 members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

WIT FITNESS LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 JANUARY 2022

The financial statements were approved by the board of directors and authorised for issue on 30 January 2023 and are signed on its behalf by:

Mr A J Lister
Director

Company Registration No. 09218225

WIT FITNESS LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 JANUARY 2022

	Notes	Share capital £	Share premium account £	Share-based payment reserve £	Profit and loss reserves £	Total £
Balance at 1 February 2020		337	4,005,625	-	(3,468,081)	537,881
Year ended 31 January 2021:						
Loss and total comprehensive income for the year		-	-	-	(1,606,849)	(1,606,849)
Issue of share capital	10	46	1,424,430	-	-	1,424,476
Credit to equity for equity settled share-based payments		-	-	-	238,388	238,388
Transfers		-	-	238,388	(238,388)	-
Balance at 31 January 2021		383	5,430,055	238,388	(5,074,930)	593,896
Year ended 31 January 2022:						
Loss and total comprehensive income for the year		-	-	-	(4,633,391)	(4,633,391)
Credit to equity for equity settled share-based payments		-	-	-	94,477	94,477
Transfers		-	-	94,477	(94,477)	-
Balance at 31 January 2022		383	5,430,055	332,865	(9,708,321)	(3,945,018)

WIT FITNESS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2022

1 Accounting policies

Company information

WIT Fitness Limited is a private company limited by shares incorporated in England and Wales. The registered office is 1 One New Change, London, England, ECAM 9AF.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

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

The company has taken advantage of the exemption under section 399 of the Companies Act 2006 not to prepare consolidated accounts, on the basis that the group of which this is the parent qualifies as a small group. The financial statements present information about the company as an individual entity and not about its group.

1.2 Going concern

The directors have prepared forecasts to January 2024. After considering the forecasts and making appropriate enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and for at least one year from the date of these financial statements. For these reasons, they continue to adopt the going concern basis in preparing the financial statements.

1.3 Turnover

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

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

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

1.4 Intangible fixed assets other than goodwill

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

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Website development costs

Straight line over five years

WIT FITNESS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2022

1 Accounting policies

(Continued)

1.5 Tangible fixed assets

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

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	Over period of lease or the expected life of the underlying asset, whichever is shorter
Fixtures and fittings	20 % straight line
Computers	33 % straight line

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

1.6 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.7 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.9 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

WIT FITNESS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2022

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

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

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's contractual obligations are discharged, cancelled, or they expire.

WIT FITNESS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2022

1 Accounting policies

(Continued)

1.10 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.11 Taxation

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

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.12 Employee benefits

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

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

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

1.14 Share-based payments

Equity-settled share-based payments are measured at fair value at the date of grant by reference to the fair value of the equity instruments granted using the Black-Scholes model. The fair value determined at the grant date is expensed on a straight-line basis over the vesting period, based on the estimate of shares that will eventually vest. A corresponding adjustment is made to equity.

WIT FITNESS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2022

1 Accounting policies

(Continued)

When the terms and conditions of equity-settled share-based payments at the time they were granted are subsequently modified, the fair value of the share-based payment under the original terms and conditions and under the modified terms and conditions are both determined at the date of the modification. Any excess of the modified fair value over the original fair value is recognised over the remaining vesting period in addition to the grant date fair value of the original share-based payment. The share-based payment expense is not adjusted if the modified fair value is less than the original fair value.

Cancellations or settlements (including those resulting from employee redundancies) are treated as an acceleration of vesting and the amount that would have been recognised over the remaining vesting period is recognised immediately.

1.15 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

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

1.16 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.17 Foreign exchange

Transactions in currencies other than the functional currency (foreign currency) are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction, or, if the asset or liability is measured at fair value, the rate when that fair value was determined.

All translation differences are taken to profit or loss, except to the extent that they relate to gains or losses on non-monetary items recognised in other comprehensive income, when the related translation gain or loss is also recognised in other comprehensive income.

WIT FITNESS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2022

2 Employees

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

	2022 Number	2021 Number
Total	46	34

3 Intangible fixed assets

	Website development costs £
Cost	
At 1 February 2021	328,856
Additions	70,527
At 31 January 2022	399,383
Amortisation and impairment	
At 1 February 2021	154,237
Amortisation charged for the year	94,883
At 31 January 2022	249,120
Carrying amount	
At 31 January 2022	150,263
At 31 January 2021	174,619

WIT FITNESS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2022

4 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 February 2021	770,427	401,522	1,171,949
Additions	65,706	60,724	126,430
	<u>836,133</u>	<u>462,246</u>	<u>1,298,379</u>
At 31 January 2022			
Depreciation and impairment			
At 1 February 2021	236,115	289,220	525,335
Depreciation charged in the year	87,873	85,979	173,852
	<u>323,988</u>	<u>375,199</u>	<u>699,187</u>
At 31 January 2022			
Carrying amount			
At 31 January 2022	512,145	87,047	599,192
	<u>534,312</u>	<u>112,302</u>	<u>646,614</u>
At 31 January 2021			

5 Fixed asset investments

	2022 £	2021 £
Shares in group undertakings and participating interests	77	77

6 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Trade debtors	69,660	94,599
Amounts owed by group undertakings	1,493,340	736,326
Other debtors	483,495	668,903
	<u>2,046,495</u>	<u>1,499,828</u>
Amounts falling due after more than one year:		
Other debtors	121,280	101,098
	<u>2,167,775</u>	<u>1,600,926</u>
Total debtors		

WIT FITNESS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2022

6 Debtors (Continued)

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

7 Creditors: amounts falling due within one year

	2022 £	2021 £
Bank loans and overdrafts	113,600	-
Trade creditors	3,284,403	2,184,469
Taxation and social security	715,058	366,169
Other creditors	3,336,529	516,098
	<u>7,449,590</u>	<u>3,066,736</u>

Included within other creditors are convertible loans from shareholders amounting to £2,014,738 (2021: £Nil), all of which were subsequently converted to equity after the year end.

Other creditors include HP liabilities due within one year amounting to £11,395 (2021: £15,604). Security in the form of a first charge over the fixed assets of the company has been given in respect of finance lease obligations.

Last year the company entered into a Bounce Back Loan Scheme for 6.5 years with full government backed guarantee. The amount of the loan is £50,000 which is interest free in the first 18 months and after that an interest of 2.5% per annum will be charged. The loan will be repaid in monthly instalments commencing from February 2023 onwards. Included within bank loans and overdrafts is an amount of £10,000 (2021: £Nil) falling due within one year.

8 Creditors: amounts falling due after more than one year

	2022 £	2021 £
Bank loan	41,874	50,000
Other creditors	390	2,635
	<u>42,264</u>	<u>52,635</u>

Other creditors include HP liabilities due over more than one year amounting to £390 (2021: £2,635). Security in the form of a first charge over the fixed assets of the company has been given in respect of finance lease obligations.

Last year the company entered into a Bounce Back Loan Scheme for 6.5 years with full government backed guarantee. The amount of the loan is £50,000 which is interest free in the first 18 months and after that an interest of 2.5% per annum will be charged. The loan will be repaid in monthly instalments commencing from February 2023 onwards. The amount falling due after more than one year is £41,874 (2021: £50,000).

WIT FITNESS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2022

9 Retirement benefit schemes

	2022	2021
Defined contribution schemes	£	£
Charge to profit or loss in respect of defined contribution schemes	34,869	26,977

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions totalling £7,550 (2021: £5,321) were payable to the fund at the year end and are included in creditors.

10 Called up share capital

	2022	2021	2022	2021
	Number	Number	£	£
Ordinary share capital				
Issued and fully paid				
A Ordinary shares of 0.001p each	24,180,806	24,180,806	242	242
B Investment shares of 0.001p each	637,306	637,306	6	6
	<u>24,818,112</u>	<u>24,818,112</u>	<u>248</u>	<u>248</u>
Preference share capital				
Issued and fully paid				
C Preference shares of 0.001p each	13,478,864	13,478,864	135	135
	<u>13,478,864</u>	<u>13,478,864</u>	<u>135</u>	<u>135</u>
Preference shares classified as equity			135	135
			<u>135</u>	<u>135</u>
Total equity share capital			<u>383</u>	<u>383</u>

A Ordinary shares carry full voting and dividend rights and carry no redemption rights or rights to fixed income.

B Investment shares carry full dividend rights and carry no voting, redemption rights or rights to fixed income.

C Preference shares carry full voting and dividend rights and a discretionary 6% fixed cash preferential dividend. They carry no redemption rights.

WIT FITNESS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2022

11 Operating lease commitments

Lessee

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

	2022 £	2021 £
Within one year	274,741	323,446
Between two and five years	1,192,500	1,069,741
In over five years	-	397,400
	<u>1,467,241</u>	<u>1,790,587</u>

12 Related party transactions

Included within other creditors are convertible loans from shareholders amounting to £2,014,738 (2021: £Nil), all of which were subsequently converted to equity after the year end.

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.