

Registered No. 10238788

Mobility Group Topco Limited
Annual Report and Financial Statements
For the financial period ended 31 August 2022

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Mobility Group Topco Limited
Annual Report and Financial Statements
Contents

	Page
Company information	2
Strategic report	3
Directors' report	7
Independent auditor's report	11
Consolidated statement of comprehensive income	16
Consolidated balance sheet	17
Company balance sheet	18
Consolidated statement of changes in equity	19
Company statement of changes in equity	20
Consolidated cash flow statement	21
Notes to the financial statements	22

Mobility Group Topco Limited

Company information

Company number	10238788
Registered office	Unit 20-21 Padgets Lane Redditch Worcestershire B98 0RA
Directors	L Ellis B Evans G Farmiloe R Finegan S Murray
Auditors	Grant Thornton UK LLP 17 th Floor 103 Colmore Row Birmingham B3 3AG

Mobility Group Topco Limited

Strategic report

For the financial period ended 31 August 2022

The directors present their strategic report for the financial year ended 31 August 2022. Prior year statements were for the period 1 September 2020 to 3 September 2021.

Principal activity

The group's principal activity is the sale and installation of assisted bathroom equipment and ancillary services.

The group represents the largest nationwide supplier of assisted bathing solutions, having previously brought together two of the leading brands in the market; Mobility Bathing Group Limited (formerly Mobility Plus Limited) and Care in Bathing Limited. The group also comprises Bathing Mobility Advisory Service Limited; a company whose services complement the offering of the two larger brands to the assisted bathing market. During the previous financial period, Cassellie Limited, a supplier of bathroom products, was also a member of the group. Cassellie Limited was placed into administration on 3 September 2021 following a decline in that company's trading performance brought about by Covid-freight disruption and a significant escalation of shipping rates (seven-fold).

The market in which the Group operates continues to be extremely attractive with the ageing trend of the population continuing, along with the wishes of individuals to continue living in their own homes. The group continues to pursue the opportunities presented by this attractive, growing market in achieving its objective of revenue and profit growth, along with continued and sustainable cash generation.

Review of the business

The directors use a range of performance measures to monitor and manage the business. Key performance indicators are set out below:

	2022	2021*
Turnover	£31,768,000	£26,183,000
Gross profit	£5,049,000	£4,156,000
Gross profit %	15.9%	15.9%
Operating loss pre impairment	£(653,000)	£(6,546,000)
Operating loss pre impairment %	(2.1)%	(25.0)%
Net liabilities	£(42,181,000)	£(39,277,000)

*Continuing operations have been used for 2021 to provide a better comparison.

Full period results for 2021 are effected by the placing of Cassellie Limited into administration which had an impact on the group's ability to access materials supplies, and the cost of materials, in the early months of the period. This had a knock on impact on installation volumes and margins. The impact of this was mitigated by careful management of the cost base and working capital.

Mobility Group Topco Limited

Strategic report (continued)

For the financial period ended 31 August 2022

Review of the business (continued)

In August 2022, following discussions with funding providers, additional funding of £1.3m was given to the business to enhance and grow EBITDA, including an agreement with the bank to extend facilities and reset all covenants.

Under the revised terms, the first bank debt repayment of £550,000 is not due until August 2023. Post the period end the Group has extended loans which were due to expire on 31st March 2024 to 30th September 2024. This provides further support to the going concern status of the company and group.

Future developments

The group continues to pursue its business objectives of achieving growth in revenue and profitability, along with continued and sustainable cash generation. Delivering a high level of customer service is at the forefront of the strategy underpinning these objectives.

Future investment in more retail shops under the Bathing Mobility Advisory Services Limited ("BMAS") umbrella will continue over the next few years with a desire to significantly increase market share by targeting key urban areas. Post period end BMAS is excited to announce the imminent opening of a new site near Solihull. The lease was signed on the 31st March 2023. This will continue to add to the Bathing Mobility Advisory Services Limited brand and expand our ability to support customers on a local level.

Principal risks and uncertainties

The directors meet regularly and formally review the principal risks facing the business. The principal risks and uncertainties identified by the directors are as follows:

Inflationary pressures

The directors acknowledge the risks associated with increasing inflationary pressures and prices increases across the supply chain. The directors actively engage with suppliers on a regular basis to ensure that the best possible prices are achieved.

Supply chain risk

The group has taken a low risk strategy in acquiring product by using UK distributors to support the supply of product to the warehouse at Mobility Bathing Group or showrooms in BMAS. Within the main business they have identified key suppliers who are given forward forecasts and regular discussions are held in relation to any upcoming supply issues. Where possible the group has also identified substitute products from primary, secondary and tertiary suppliers. The group feels that this risk is minimal.

Mobility Group Topco Limited

Strategic report (continued)

For the financial period ended 31 August 2022

Principal risks and uncertainties (continued)

Demand risk

The group's main customer base comprises the elderly, infirm and disabled. These are insulated against most of the current macro-economic factors that the UK is currently experiencing, with the group supplying a needs based purchase rather than a discretionary purchase. Alongside this, the group understands its market place and works with 3 main marketing suppliers who support the business with data on trends on consumer purchases which drives overall decision making on where to invest marketing.

Financial risk management

Cash flow and credit risk

The group's principal financial assets are bank balances, trade and other receivables. The group has no significant concentration of credit risk, with exposure spread over a large number of individual customers. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

Liquidity risk

Management actively monitor working capital to ensure that the company has sufficient available funds for operations and for meeting its debts as they fall due. The company has access to a revolving credit facility and continues to operate within its available facilities.

Interest rate risk

The company maintains debt at agreed margins to ensure certainty of future cash flows.

Price risk

The group is exposed to limited commodity price risk but does not manage this exposure due to cost benefit considerations.

S172(1) statement

The directors recognise their duty to act in the way they consider, in good faith, would be most likely to promote the success of the Group for the benefit of all key stakeholders. To this end, monthly board meetings are held to discuss all financial and operational matters.

The group's policies and procedures are kept under constant review. Any changes require discussion and approval at the board meeting prior to implementation. This ensures that the potential short and longer term consequences of any decision on customers, suppliers, employees and other partners to the business are fully considered. Furthermore, the group's reputation is considered to be key to the ongoing success of the business, so the reputational impact of any decisions is also carefully considered.

Financial performance against budget is scrutinised on a monthly basis, ensuring timely recognition of risks and opportunities, and allowing any required action to be identified. Financial performance is reported to shareholders and the bank each month.

Mobility Group Topco Limited

Strategic report (continued)

For the financial period ended 31 August 2022

S172(1) statement (continued)

The group is highly focussed on the customer journey. Feedback is actively sought and acted upon, allowing continual improvement of our products and services.

The directors recognise the importance of engagement with staff and provide regular updates on matters affecting the business.

The group is aware of its responsibility to the community and the environment. An agreement is in place with a national healthcare charity to donate a fixed amount for each sale from a particular product range, and the group is continually looking at ways of reducing energy consumption and the impact of its operations on the environment.

Streamlined Energy and Carbon Reporting

The group is exempt from the requirement to disclose information under Streamlined Energy and Carbon Reporting legislation as none of the subsidiaries within the group are large companies

Approved by the Board of Directors on 26 May 2023 and signed on its behalf by



S Murray
Director

Mobility Group Topco Limited

Directors' report

For the financial period ended 31 August 2022

The directors present their report together with the audited financial statements of the company and the group For the financial period ended 31 August 2022.

Directors

The directors who served the company during the financial period and up to the date of signing these financial statements unless otherwise stated were:

L Ellis
B Evans
R Finegan
G Farmiloe
J Ling (resigned 16 November 2021)
S Murray (appointed 18 October 2021)

Results and dividends

The trading results for the period and financial position of the group and the company at the period end are shown in the attached financial statements, and are discussed further in the business review.

The financial statements are presented for the period 4 September 2021 to 31 August 2022. The financial statements for the preceding period were presented for the period 1 September 2020 to 3 September 2021.

The financial statements for the period ended 31 August 2022 consolidate the results of Mobility Bathing Group Limited, Bathing Mobility Advisory Service Limited and Mobility Group Limited for the year ended 31 August 2022 and the results of Mobility Group Topco Limited year ended 31 August 2022. The balance sheet consolidates the position of Mobility Bathing Group Limited, Bathing Mobility Advisory Service Limited and Mobility Group Limited at 31 August 2022 and the position of Mobility Group Topco Limited at 31 August 2022.

The financial statements for the period ended 3 September 2021 consolidate the results of Mobility Bathing Group Limited, Bathing Mobility Advisory Service Limited and Mobility Group Limited for the period ended 31 August 2021 and the results of Mobility Group Topco Limited and Cassellie Limited for the period ended 3 September 2021. The balance sheet as at 3 September 2021 consolidates the position of Mobility Bathing Group Limited, Bathing Mobility Advisory Service Limited and Mobility Group Limited as at 31 August 2021 and the position of Mobility Group Topco Limited as at 3 September 2021.

No dividend was declared or paid during the financial period (2021 - £nil). The directors do not recommend the payment of a final dividend.

Events since the balance sheet date and future developments

Details of events since the balance sheet date and details of the likely future developments of the business of the company are provided in the Strategic Report.

Mobility Group Topco Limited

Directors' report (continued)

For the financial period ended 31 August 2022

Financial instruments

Details of financial risk management procedures are provided in the Strategic Report.

Going concern

The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic Report on pages 2 to 5 and include the section entitled "Principal Risks and Uncertainties". The Review of the Business section on page 2 describes the financial position of the company as of the 31 August 2022.

Along with many other businesses, the group experienced the impacts of the unprecedented emergence of the Coronavirus pandemic throughout 2020 and 2021. Whilst the group was able to successfully mitigate many of the impacts of the pandemic, for one of its trading subsidiaries Cassellie Limited, the continued disruption to sea freight combined with a seven-fold increase in freight costs meant that the business was unable to fulfil several major customer contracts due to product availability. As such, the directors put Cassellie Limited into Administration on 3 September 2021.

For the other trading companies in the group, 2021 - 2022 was a challenging period. However, through a combination of proactive cash management activities, tight cost control and the UK Government easing lockdown restrictions, the businesses were able to trade throughout this difficult period.

In August 2022, following three successive quarters of delivering positive EBITDA, albeit it against the backdrop of liquidity challenges driven by a combination of ongoing lockdowns and the Cassellie Administration, the group's investors injected a capital contribution of £1.3 million into the business. In May 2023, the group's banking facilities were extended to September 2024. The directors also completed a forecast as at March 2023 for 18 months and noted that no covenants were expected to be breached with the bank over this time period. The directors consider that these commitments from the group's stakeholders demonstrate the continuing confidence and support our bank and investors have in the business and its potential for growth.

Despite the current challenging macro-economic environment, the group continues to deliver record volume levels and is tracking significantly ahead on EBITDA of its FY23 Budget to date. Add this to a customer base that continues to grow due to a combination of the aging population, longer life expectancy and a propensity for people to adapt their homes, the directors consider that the business is well placed to capitalise on future growth opportunities.

The directors have produced a forecasting model for the going concern period to 31 August 2024. Following a detailed review of the model (which were used as a basis for the aforementioned capital injection and extension of funding facilities), the directors have a reasonable expectation that the group has adequate resources to continue to trade for not less than 12 months from the date of signing the financial statements and, as such, the directors believe that it remains appropriate to prepare the financial statements on a going concern basis.

Mobility Group Topco Limited
Directors' report (continued)
For the financial period ended 31 August 2022

Political donations

No political donations were made during the period (2021 - £nil).

Disabled employees

Applications for employment from disabled persons are always fully considered, bearing in mind the aptitudes of the applicant involved. In the event of members of staff becoming disabled, every effort is made to ensure that their employment with the group continues and that appropriate training is arranged. It is the policy of the group that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Employee consultation

The group places considerable value on the involvement of its employees and has continued to keep them informed on matters affecting them as employees and on the various factors affecting the performance of the group. This is achieved through formal and informal meetings. Employee representatives are consulted regularly on a wide range of matters affecting their current and future interests.

Statement of directors' responsibilities

The directors are responsible for preparing the Strategic Report, the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial period. 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) including FRS102 "The Financial Reporting Standard 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 the group, and of the profit or loss of the company and the group for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Mobility Group Topco Limited

Directors' report (continued)

For the financial period ended 31 August 2022

Statement as to disclosure of information to the auditors

Each director has taken the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the auditors of the company and the group are aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditors of the company and the group are unaware.

Approved by the Board of Directors on 26 May 2023 and signed on its behalf by


S Murray
Director

Independent auditor's report to the members of Mobility Group Topco Limited

Opinion

We have audited the financial statements of Mobility Group Topco Limited (the 'parent company') and its subsidiaries (the 'group') for the period ended 31 August 2022, which comprise the Consolidated statement of comprehensive income, the Consolidated balance sheet, the Company balance sheet, the Consolidated statement of changes in equity, the Company statement of changes in equity, the Consolidated 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 Financial Reporting Standard 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 group's and of the parent company's affairs as at 31 August 2022 and of the group's loss 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.

Conclusions relating to going concern

We are responsible for concluding on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the company to cease to continue as a going concern.

In our evaluation of the directors' conclusions, we considered the inherent risks associated with the company's business model including effects arising from macro-economic uncertainties such as the impact of supply chain and inflationary pressures on the results of the company, we assessed and challenged the reasonableness of estimates made by the directors and the related disclosures and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period. 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.

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 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 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 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.

Matter on which we are required to report under the Companies Act 2006

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.

Matters on which we are required to report by exception

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, 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 group and the parent 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 group or 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

- We obtained an understanding of the legal and regulatory frameworks applicable to the group and the industry in which it operates through our general commercial and sector experience, discussions with management and review of board minutes. We determined that the following laws and regulations were most significant: FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Companies Act 2006 and the relevant tax compliance regulations in the UK. In addition, we concluded that there are certain laws and regulations that may have an effect on the determination of the amounts and disclosures in the financial statements such as health and safety and employee matters.
- We enquired of management concerning the company's policies and procedures relating to:
 - The identification, evaluation and compliance with laws and regulations;
 - The detection and response to the risks of fraud; and
 - The establishment of internal controls to mitigate risks related to fraud or non-compliance with laws and regulations.
- We enquired of management and those charged with governance, whether they were aware of any instances of non-compliance with laws and regulations or whether they had any knowledge of actual, suspected or alleged fraud.
- We communicated relevant laws and regulations and potential fraud risks to all engagement team members including the potential for fraud in revenue recognition. We remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur and the risk of management override of controls. Audit procedures performed by the engagement team included:
 - Identifying and assessing design effectiveness of controls management has in place to prevent and detect fraud;
 - Challenging assumptions and judgments made by management in its significant accounting estimates;
 - Assessing the extend of compliance with the relevant laws and regulations as part of our procedures on the related financial statement item;
 - Performing audit procedures to conclude on the compliance of disclosures in the annual report and accounts with applicable financial reporting requirements;
 - Assessing the appropriateness of the collective competence and capabilities of the engagement team including consideration of the engagement team's understanding of, and practical experience with, audit engagements of a similar nature and complexity through appropriate training and participation; and
 - Understanding of the legal and regulatory requirements specific to the entity including the provisions of the applicable legislation and the applicable statutory provision.
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it.
- The engagement partner has assessed the appropriateness of the collective competence and capabilities of the engagement team, including consideration of the engagement team's knowledge and understanding of the industry in which the company operates and their practical experience through training and participation

with audit engagement of a similar nature. All team members are qualified accountants or working towards that qualification, and are considered to have sufficient knowledge and experience of companies of a similar size and complexity, appropriate to their role within the team.

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 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.



John Coates BSc BFP FCA
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Birmingham
26 May 2023

Mobility Group Topco Limited**Consolidated statement of comprehensive income****For the period ended 31 August 2022**

		Period ended 31 August 2022	Period ended 3 September 2021		
	Note	Continuing Operations £'000	Continuing Operations £'000	Discontinued Operations £'000	Total £'000
Turnover	3	31,768	26,183	15,772	41,955
Cost of sales		(26,719)	(22,027)	(13,728)	(35,755)
Gross profit		5,049	4,156	2,044	6,200
Administrative expenses:					
Before exceptional items		(7,900)	(10,834)	(5,289)	(16,123)
Credit in respect of onerous lease and dilapidation provision		2,198	-	-	-
		(5,702)	(10,834)	(5,289)	(16,123)
Other operating income	4	-	132	78	210
Operating loss	5	(653)	(6,546)	(3,167)	(9,713)
Loss on disposal of operations	6	-	-	(5,596)	(5,596)
Interest payable and similar charges	9	(2,435)	(2,415)	-	(2,415)
Loss before tax		(3,088)	(8,961)	(8,763)	(17,724)
Tax credit/(charge) on loss	10	184	(135)	-	(135)
Loss for the financial period		(2,904)	(9,096)	(8,763)	(17,859)
Total comprehensive loss for the financial period		(2,904)	(9,096)	(8,763)	(17,859)

The notes on pages 21 to 51 form part of these financial statements

Mobility Group Topco Limited**Consolidated balance sheet****As at 31 August 2022**

	Note	2022 £'000	2021 £'000
Fixed assets			
Goodwill	11	3,135	3,832
Intangible assets	12	3,091	3,834
Tangible assets	13	612	686
		<hr/>	<hr/>
		6,838	8,352
Current assets		<hr/>	<hr/>
Stocks	15	828	459
Debtors – amounts falling due within one year	16	4,406	3,159
– amounts falling due after one year	16	998	998
Cash at bank and in hand		1,499	1,804
		<hr/>	<hr/>
		7,731	6,420
Creditors: amounts falling due within one year	17	<hr/> (18,302)	<hr/> (32,247)
Net current liabilities		<hr/> (10,571)	<hr/> (25,827)
Total assets less current liabilities		<hr/> (3,733)	<hr/> (17,475)
Creditors: amounts falling due after more than one year	18	(35,013)	(15,580)
Provisions for liabilities	20	(3,435)	(6,222)
		<hr/>	<hr/>
Net liabilities		<hr/> (42,181)	<hr/> (39,277)
Capital and reserves			
Called up share capital	21	102	102
Share premium account		11,331	11,331
Profit and loss account		(53,614)	(50,710)
		<hr/>	<hr/>
Deficit on shareholders' funds		<hr/> (42,181)	<hr/> (39,277)

The financial statements on pages 16 to 51 were approved by the Board of Directors on 26 May 2023 and signed on its behalf by

S Murray

Director

Stephen Murray

The notes on pages 21 to 51 form part of these financial statements

Mobility Group Topco Limited**Company balance sheet****As at 31 August 2022**

	Note	2022 £'000	2021 £'000
Fixed assets			
Investments	14	-	-
Current assets			
Debtors – amounts falling due within one period	16	10,584	11,052
– amounts falling due after one period	16	998	998
		11,582	12,050
Creditors: amounts falling due within one period	17	(617)	(617)
Net current assets		10,965	11,433
Total assets less current liabilities		10,965	11,433
Provisions for liabilities	20	(2,179)	(4,782)
Net assets		8,786	6,651
Capital and reserves			
Called up share capital	21	102	102
Share premium account		11,331	11,331
Profit and loss account		(2,647)	(4,782)
Total shareholders' funds		8,786	6,651

The company made a profit of £2,135,000 during the financial period (2021 – loss of £4,782,000).

The financial statements on pages 15 to 51 were approved by the Board of Directors on 26 May 2023 and signed on its behalf by

Stephen Murray
S Murray
Director

The notes on pages 21 to 51 form part of these financial statements

Mobility Group Topco Limited

Consolidated 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 £'000
At 1 September 2020	102	11,331	(32,851)	(21,418)
Loss for the financial period ended 3 September 2021	-	-	(17,859)	(17,859)
Other comprehensive income for the financial period ended 3 September 2021	-	-	-	-
Total comprehensive loss for the financial period ended 3 September 2021	-	-	(17,859)	(17,859)
At 3 September 2021	102	11,331	(50,710)	(39,277)
Loss For the financial period ended 31 August 2022	-	-	(2,904)	(2,904)
Other comprehensive income for the financial period ended 31 August 2022	-	-	-	-
Total comprehensive loss for the financial period ended 31 August 2022	-	-	(2,904)	(2,904)
At 31 August 2022	102	11,331	(53,614)	(42,181)

The notes on pages 21 to 51 form part of these financial statements

Mobility Group Topco Limited**Company 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 £'000
At 1 September 2020	102	11,331	-	11,433
Loss for the financial period ended 3 September 2021	-	-	(4,782)	(4,782)
Other comprehensive income for the financial period ended 3 September 2021	-	-	-	-
Total comprehensive loss for the financial period ended 3 September 2021	-	-	(4,782)	(4,872)
At 3 September 2021	102	11,331	(4,782)	6,651
Profit For the financial period ended 31 August 2022	-	-	2,135	2,135
Other comprehensive income for the financial period ended 31 August 2022	-	-	-	-
Total comprehensive profit for the financial period ended 31 August 2022	-	-	2,135	2,135
At 31 August 2022	102	11,331	(2,647)	8,786

The notes on pages 21 to 51 form part of these financial statements

Mobility Group Topco Limited

Consolidated cash flow statement

For the financial period ended 31 August 2022

	2022	2021
	£'000	£'000
Cash flows from operating activities		
Loss for the period	(2,904)	(17,859)
Adjustments for:		
Depreciation, amortisation and impairment	1,608	2,190
Interest payable and similar charges	2,435	2,415
Loss on disposal of discontinued operations	-	5,642
Taxation	(184)	135
	<hr/>	<hr/>
	955	(7,477)
(Increase)/decrease in trade and other debtors	(1,181)	2,491
Increase in stocks	(369)	(961)
Increase in trade and other creditors	1,918	5,952
Decrease in provisions for liabilities	(2,602)	(152)
	<hr/>	<hr/>
	(1,279)	(147)
Tax received	-	207
	<hr/>	<hr/>
Net cash from operating activities	(1,279)	60
	<hr/>	<hr/>
Cash flows from investing activities		
Acquisition of fixed assets	(94)	(77)
Cash outflow on disposal of discontinued operation	-	(191)
	<hr/>	<hr/>
Net cash outflow from investing activities	(94)	(268)
	<hr/>	<hr/>
Cash flows from financing activities		
Draw down of loans	1,300	500
Repayment of borrowings	-	(549)
Interest paid	(232)	(396)
	<hr/>	<hr/>
Net cash inflow/(outflow) from financing activities	1,068	(445)
	<hr/>	<hr/>
Net decrease in cash and cash equivalents	(305)	(653)
Cash and cash equivalents at 3 September 2021	1,804	2,457
	<hr/>	<hr/>
Cash and cash equivalents at 31 August 2022	1,499	1,804
	<hr/>	<hr/>

The notes on pages 21 to 51 form part of these financial statements

Mobility Group Topco Limited

Notes to the financial statements

For the period ended 31 August 2022

1. Accounting policies

Statement of compliance

Mobility Group Topco Limited is a company limited by shares, incorporated and domiciled in England and Wales with registration number 10238788. The address of its registered office is:

Units 20-21
Padgets Lane
Redditch
B98 0RA

The financial statements of Mobility Group Topco Limited have been prepared in accordance with the requirements of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' ("FRS102") and the Companies Act 2006.

The financial statements are presented for the period 4 September 2021 to 31 August 2022. The financial statements for the preceding period were presented for the period 1 September 2020 to 3 September 2021.

Basis of preparation

The financial statements of the company and the group have been prepared on the going concern basis and under the historical cost convention.

The financial statements are prepared in Pounds Sterling, which is the functional currency of the company, and are rounded to the nearest £'000.

The principal accounting policies of the company and the group, which are set out below, have been consistently applied to all the periods presented, unless otherwise stated.

Going concern

The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic Report on pages 3 to 6 and include the section entitled "Principal Risks and Uncertainties". The Review of the Business section on page 3 describes the financial position of the company as of the 31 August 2022.

Along with many other businesses, the group experienced the impacts of the unprecedented emergence of the Coronavirus pandemic throughout 2020 and 2021. Whilst the group was able to successfully mitigate many of the impacts of the pandemic, for one of its trading subsidiaries Cassellie Limited, the continued disruption to sea freight combined with a seven-fold increase in freight costs meant that the business was unable to fulfil several major customer contracts due to product availability. As such, the directors put Cassellie Limited into Administration on 3 September 2021.

Mobility Group Topco Limited

Notes to the financial statements

For the period ended 31 August 2022

1. Accounting policies (continued)

For the other trading companies in the group, 2021 - 2022 was a challenging period. However, through a combination of proactive cash management activities, tight cost control and the UK Government easing lockdown restrictions, the businesses were able to trade throughout this difficult period.

In August 2022, following three successive quarters of delivering positive EBITDA, albeit it against the backdrop of liquidity challenges driven by a combination of ongoing lockdowns and the Cassellie Administration, the group's investors injected a capital contribution of £1.3 million into the business. In May 2023, the group's banking facilities were extended to September 2024. The directors also completed a forecast as at March 2023 for 18 months and noted that no covenants were expected to be breached with the bank over this time period. The directors consider that these commitments from the group's stakeholders demonstrate the continuing confidence and support our bank and investors have in the business and its potential for growth.

Despite the current challenging macro-economic environment, the group continues to deliver record volume levels and is tracking significantly ahead on EBITDA of its FY23 Budget to date. Add this to a customer base that continues to grow due to a combination of the aging population, longer life expectancy and a propensity for people to adapt their homes, the directors consider that the business is well placed to capitalise on future growth opportunities.

The directors have produced a forecasting model for the going concern period to 31 August 2024. Following a detailed review of the model (which were used as a basis for the aforementioned capital injection and extension of funding facilities), the directors have a reasonable expectation that the group has adequate resources to continue to trade for not less than 12 months from the date of signing the financial statements and, as such, the directors believe that it remains appropriate to prepare the financial statements on a going concern basis.

Basis of consolidation

The financial statements for the period ended 31 August 2022 consolidate the results of Mobility Bathing Group Limited, Bathing Mobility Advisory Service Limited and Mobility Group Limited for the period ended 31 August 2022 and the results of Mobility Group Topco Limited for the period 4 September 2021 to 31 August 2022. The balance sheet consolidates the position of Mobility Bathing Group Limited, Bathing Mobility Advisory Service Limited and Mobility Group Limited at 31 August 2022 and the position of Mobility Group Topco Limited at 31 August 2022.

Mobility Group Topco Limited

Notes to the financial statements

For the period ended 31 August 2022

1. Accounting policies (continued)

Basis of consolidation (continued)

The financial statements for the period ended 3 September 2021 consolidate the results of Mobility Bathing Group Limited, Bathing Mobility Advisory Service Limited and Mobility Group Limited for the period ended 31 August 2021 and Mobility Group Topco Limited and Cassellie Limited for the period 1 September 2020 to 3 September 2021. The balance sheet as at 3 September 2021 consolidates the position of Mobility Bathing Group Limited, Bathing Mobility Advisory Service Limited and Mobility Group Limited as at 31 August 2021 and Mobility Group Topco Limited as at 3 September 2021.

No profit and loss account is presented for Mobility Group Topco Limited as permitted by Section 408 of the Companies Act 2006. The Company, as a qualifying entity, has also taken advantage of the exemption available within FRS102 not to present a cash flow statement.

Subsidiaries are consolidated from the date of their acquisition, being the date on which the group obtains control, and continue to be consolidated until the date that such control ceases. Control comprises the power to govern the financial and operating policies of the investee so as to obtain benefit from its activities.

Subsidiaries are included in the group financial statements using the purchase method of accounting, with the group statement of comprehensive income and statement of cash flows including the results of subsidiaries from the date of acquisition. Purchase consideration is allocated to assets and liabilities on the basis of fair value at the date of acquisition.

Goodwill

Positive goodwill acquired on each business combination is capitalised, classified as an asset on the balance sheet and amortised on a straight line basis over its useful life of 10 periods. If a subsidiary or business is subsequently sold or discontinued, any goodwill arising on acquisition that has not been amortised through the statement of comprehensive income is taken into account in determining the profit or loss on sale or discontinuance.

Intangible assets

Intangible assets acquired separately from a business are capitalised at cost. Intangible assets acquired as part of an acquisition of a business are capitalised separately from goodwill if the fair value can be measured reliably on initial recognition. Intangible assets acquired as part of an acquisition are not recognised where they arise from legal or other contractual rights and there is no history of exchange transactions. Intangible assets, excluding development costs, created within the business are not capitalised and expenditure is charged against profits in the period in which it is incurred.

Mobility Group Topco Limited
Notes to the financial statements (continued)
For the period ended 31 August 2022

1. Accounting policies (continued)

Intangible assets (continued)

Subsequent to initial recognition, intangible assets are stated at cost less accumulated amortisation and accumulated impairment. Intangible assets are amortised on a straight-line basis over their estimated useful economic lives, as follows:

Computer software	3 to 5 periods
Brands	10 periods
Orderbook	To fulfilment of orders

If there are indicators that the residual value or useful life of an intangible asset has changed since the most recent annual reporting period, previous estimates are reviewed and, if current expectations differ, the residual value, amortisation period or useful life are amended. Changes in the expected useful life or expected pattern of consumption of benefit are accounted for as a change in accounting estimate.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Land is not depreciated. Depreciation is provided on all other tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset on a straight-line basis over its expected useful life.

The expected useful lives of assets are as follows:

Freehold buildings	25 periods
Fixtures and fittings	3 periods
Equipment	3 – 10 periods
Motor vehicles	4 – 5 periods
Leasehold property improvements	Term of the lease

The carrying values of tangible fixed assets are reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable.

Investments

Investments in subsidiaries are held at cost. Provision is made for impairment of investments where required.

The carrying values of investments are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

Mobility Group Topco Limited

Notes to the financial statements (continued)

For the period ended 31 August 2022

1. Accounting policies (continued)

Impairment of non-financial assets

The group assesses at each reporting date whether an asset may be impaired. If any such indication exists, the group estimates the recoverable amount of the asset. If it is not possible to estimate the recoverable amount of the individual asset, the group estimates the recoverable amount of the cash-generating unit to which the asset belongs. The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs to sell and its value in use. If the recoverable amount is less than its carrying amount, the carrying amount of the asset is impaired and it is reduced to its recoverable amount through an impairment in profit and loss.

An impairment loss recognised for all assets, including goodwill, is reversed in a subsequent period if and only if the reasons for the impairment loss have ceased to apply.

Revenue recognition

Revenue is measured at the fair value of consideration received or receivable in respect of the sale of goods and services in the ordinary course of the group's activities. It is stated net of returns, rebates, discounts and Value Added Tax.

Revenue is recognised at the point at which the significant risks and rewards of ownership of goods have transferred to the customer. In the case of product installations, this is the point at which the installation is complete. In the case of contracts for supply only, this is the point at which the goods are delivered to the customer.

Revenue is only recognised when it is probable that economic benefits will flow to the group, when the amount of revenue can be measured reliably, and when the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Government grants

Government grants are recognised on an accruals basis, when it is reasonable to expect that the grants will be received and that all related conditions will be met.

The group does not receive grants in respect of capital expenditure.

Grants of a revenue nature are credited to income so as to match them with the expenditure to which they relate.

Stocks

Stocks are stated at the lower of cost and net realisable value. Cost is measured on a first-in first-out basis and comprises the purchase price of materials and import duties, transport and handling costs directly attributable to bringing the stock to its present location and condition. Net realisable value is based on estimated selling price less costs expected to be incurred to completion and disposal.

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

Mobility Group Topco Limited

Notes to the financial statements (continued)

For the period ended 31 August 2022

1. Accounting policies (continued)

Research and development

Research and development expenditure is written off as incurred, except that development expenditure incurred on an individual project is capitalised as an intangible asset when the group can demonstrate:

- the technical feasibility of completing the asset so that it will be available for use or sale;
- its intention to complete the intangible asset;
- its ability to use or sell the asset;
- how the asset will generate future economic benefits;
- the availability of resources to complete the asset; and
- the ability to measure reliably the expenditure during development.

Following initial recognition of the development expenditure as an asset, the cost model is applied requiring the asset to be carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised on a straight-line basis over the period of expected future benefit. During the period of development, the asset is tested for impairment annually.

Provisions for liabilities

Provisions are recognised where the group has a legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and the amount of the obligation can be reliably estimated.

Provisions are charged as an expense in the profit and loss account in the period that the company becomes aware of the obligation, and are measured as the best estimate of the amount required to settle the obligation at the balance sheet date, taking into account relevant risks and uncertainties.

Installations by the company carry a twelve-month warranty. Provision is made for the costs arising as a result of customer claims under warranty based on historical levels of claims.

Where the group has an onerous contract, the present obligation under the contract is recognised and measured as a provision.

Provision is also made for the present value of future cashflows in relation to obligations on leased properties known dilapidation.

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the profit and loss account, except that a charge or credit attributable to an item of expense recognised in other comprehensive income is also recognised directly in other comprehensive income.

The current tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date.

Mobility Group Topco Limited

Notes to the financial statements (continued)

For the period ended 31 August 2022

1. Accounting policies (continued)

Tax (continued)

Deferred tax is accounted for to recognise the impact of timing differences between the recognition of gains and losses in the financial statements and their recognition for tax purposes. A deferred tax liability is recognised where a transaction or event that occurred prior to the reporting date results in the company having an obligation to pay tax in future periods in excess of the amount which would be payable if the transaction or event had not occurred. A deferred tax asset is recognised where a transaction or event that occurred prior to the reporting date gives the company the right to pay less tax in the future than would have been payable if the transaction or event had not occurred.

Where there are differences between amounts that can be deducted for tax for assets (other than goodwill) and liabilities compared with the amounts that are recognised for those assets and liabilities in a business combination a deferred tax liability or asset is recognised. The amount attributed to goodwill is adjusted by the amount of the deferred tax recognised.

Deferred tax assets are only recognised if it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured at the tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the period end.

Foreign currencies

Transactions in foreign currencies are translated to the group's functional currency at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. All differences are taken to the profit and loss account.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

Financial instruments

Basic financial assets, including trade debtors, amounts due from group undertakings, other debtors and cash at bank and in hand are initially measured at cost and are subsequently measured at amortised cost using the effective interest method. At the end of each reporting period, financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired, an impairment loss, being the difference between the carrying amount of the asset and the present value of the estimated cash flows discounted at the asset's original effective interest rate, is recognised in the profit and loss account.

Basic financial liabilities, including payments on account, trade creditors, amounts owed to group undertakings and other creditors are initially measured at cost. Debt instruments are subsequently carried at amortised cost using the effective interest method.

Derivatives, including forward foreign currency contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date the group is bound by the terms of the relevant contract and are subsequently measured at fair value. Changes in fair value are recognised in profit and loss.

Mobility Group Topco Limited

Notes to the financial statements (continued)

For the period ended 31 August 2022

1. Accounting policies (continued)

Loan notes

Loan notes which are basic financial instruments are initially recorded at the present value of future payments discounted at a market rate of interest for a similar loan. Subsequently they are measured at amortised cost using the effective interest method.

Cash at bank and in hand

Cash comprises cash in hand and deposits at banks which are repayable without penalty on notice of not more than 24 hours.

Bank overdrafts that are repayable on demand and form an integral part of the group's cash management are included as a component of cash for the purpose only of the cash flow statement.

Trade debtors

Trade debtors are assets arising from the recognition of turnover and relate to amounts due from customers in respect of goods sold and services provided in the ordinary course of business.

Trade debtors are recognised at the transaction price less provision for impairment. A provision for impairment of trade debtors is established where there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables. Any losses arising from impairment are recognised in profit and loss.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade creditors are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and are subsequently measured at amortised cost using the effective interest method.

Payments on account

In the case of product installation sales, payments on account are received from customers on order and on delivery of goods. Revenue is recognised in respect of such sales on the date on which the installation is complete. In the case of contracts for supply only, payments on account are received on order and revenue is recognised on delivery of the goods.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the consideration received or receivable, net of the direct costs incurred in issuing the equity instruments. If consideration is deferred and the time value of money is material, initial recognition is at the present value of consideration receivable.

Mobility Group Topco Limited

Notes to the financial statements (continued)

For the period ended 31 August 2022

1. Accounting policies (continued)

Leases

Rental payments under operating leases are charged in the consolidated statement of comprehensive income on a straight-line basis over the lease term. Lease incentives are recognised on a straight-line basis over the term of the lease.

Pensions

The group operates defined contribution pension schemes. Contributions are recognised in the consolidated statement of comprehensive income in the period to which they relate. Contributions outstanding at the balance sheet date are included in other creditors.

Advertising expenditure

Advertising costs are charged in the consolidated statement of comprehensive income as cost of sales in the period in which they are incurred.

2. Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements requires the directors to make judgements, estimates and assumptions that affect the amounts reported as assets and liabilities at the balance sheet date and the amounts reported as revenues and expenses during the period. However, the nature of estimation means that actual outcomes could differ from those estimates.

The directors have considered whether there are any critical judgements involved in the application of the company's accounting policies and have concluded that there are no such material judgements.

The following are the company's key sources of estimation uncertainty:

Bad debt provision

The group has recognised a provision for bad debts relating to trade debtors. This is based on a review of the ageing of debtor balances and other risk indicators. At 31 August 2022, trade debtors are stated net of a provision of £302,000 (2021 - £238,000).

Goodwill and intangible assets

The Group establishes a reliable estimate of the useful life of goodwill and intangible assets on acquisition based on a variety of factors such as the expected use of assets acquired, brand life cycle and legal, regulatory or contractual provisions that can limit useful life. At 31 August 2022, the group's balance sheet included goodwill and intangible assets with a net book value of £6,226,000 (2021 - £7,666,000).

Mobility Group Topco Limited

Notes to the financial statements (continued)

For the period ended 31 August 2022

2. Critical accounting judgements and key sources of estimation uncertainty (continued)

Impairment of non-financial assets

Where there are indicators of impairment of individual assets, the group performs impairment tests based on fair value less costs to sell or a value in use calculation. The value in use calculation is based on the present value of estimated future cash flows, with the key assumptions relating to expected business performance and the discount rate applied in calculating the present value.

At 31 August 2022, in performing the required impairment tests, management have considered expected business performance over the remaining useful life of the non-financial assets, assumed a long-term growth rate of 2% beyond period 5, and applied a discount rate of 20.12% (considered to be the weighted average cost of capital of the group) in calculating the present value. Sensitivities of reasonably possible changes have been considered, resulting in the carrying amount not exceeding the recoverable amount. As a result it has not been considered necessary to recognise any provision for impairment of non-financial assets.

Onerous lease provision

Provision is made for the present value of obligations under onerous contracts. At 31 August 2022, the company and the group were party to operating leases in respect of properties which were not expected to generate future economic benefit for the group. On reviewing the legal position regarding those leases, management have satisfied themselves that the unavoidable costs of meeting the obligations under those contracts at 31 August 2022 exceed the economic benefits to be received. Management have estimated the present value of the unavoidable cost to be £2,179,000, and provision has been made for this amount. The figure of £2,179,000 includes £116,000 being the present value of the estimated cost of dilapidations. The directors engaged an independent surveyor to estimate the cost of the dilapidations. The directors have revalued the provision as the lease can be terminated in June 2024 which is considered to be the most likely outcome. If the break clause is not exercised the obligation would be £4,282,000.

Mobility Group Topco Limited

Notes to the financial statements (continued)

For the period ended 31 August 2022

3. Turnover

Turnover represents amounts derived from the provision of goods and services falling within the group's ordinary activities after deducting discounts and, where applicable, value added (or similar) taxes.

During the period, the group's principal activity was the installation of bathroom products in the home of the end user. During the period ended 3 September 2021, the group also supplied bathroom products to the trade through its subsidiary Cassellie Limited. Cassellie Limited entered administration on 3 September 2021 and from that date the supply of products to the trade ceased to form part of the group's operations.

Analysis of turnover by class of business is as follows:

	Installation of bathroom supplies		Trade supplies		Total	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Group turnover						
Continuing operations:						
Sales to third parties	31,768	26,183	-	-	31,768	26,183
Discontinued operations:						
Sales to third parties	-	-	-	15,772	-	15,772
	31,768	26,183	-	15,772	31,768	41,955

All of the group's turnover from continuing operations is attributable to the UK market.

Mobility Group Topco Limited

Notes to the financial statements (continued)

For the period ended 31 August 2022

4. Other operating income

	2022	2021
	£'000	£'000
Government grants receivable	-	210

Government grants include amounts receivable from the UK Government as compensation for payroll costs associated with employees who were required to take temporary leave of absence as a result of the impact of the Covid-19 pandemic during the period, and amounts receivable from local government as compensation for other costs incurred in trading during the Covid-19 pandemic.

There were no unfulfilled conditions or other contingencies attached to the income recognised during the period

5. Operating loss

	2022	2021
	£'000	£'000
Operating loss is stated after charging:		
Depreciation of owned tangible fixed assets	168	344
Amortisation of goodwill	697	810
Amortisation of intangible fixed assets	743	1,036
Impairment of trade receivables	69	441
Inventory recognised as an expense	6,370	15,677
Operating lease charges	929	569
Foreign exchange losses	3	140
Fees payable to the group's auditor for the audit of the company's financial statements	15	10
Fees payable to the group's auditor for the audit of the company's subsidiaries financial statements	65	53
Fees payable to the group's auditor in respect of tax compliance services	17	14
Fees payable to the group's auditor in respect of taxation advisory services	-	13

Mobility Group Topco Limited

Notes to the financial statements (continued)

For the period ended 31 August 2022

6. Discontinued operations and loss on disposal of operations

On 3 September 2021, the subsidiary undertaking Cassellie Limited was placed into administration. During the period ended on that date, the group recognized a loss on disposal of £5.6m in respect of Cassellie Limited, of which £4.8m related to a provision for payments required under leases for properties which were no longer generating economic benefit for the group. In the period to 31 August 2022 2.2m of the provision relating to properties was released (refer to note 20).

7. Staff costs

Group

Aggregate payroll costs (including directors' remuneration) were as follows:

	2022 £'000	2021 £'000
Wages and salaries	4,206	5,204
Social security costs	463	568
Pension costs	91	77
	<hr/> 4,760	<hr/> 5,849

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

	2022 Number	2021 Number
Average number of persons directly employed	<hr/> 111	<hr/> 153

The company had no employees during the period or the preceding financial period.

Mobility Group Topco Limited
Notes to the financial statements (continued)
For the period ended 31 August 2022

8. Directors' remuneration

Remuneration was paid to the company's directors as follows:

	2022	2021
	£'000	£'000
Aggregate remuneration in respect of qualifying services	370	481
Contributions to defined contribution pension scheme	17	8
	<hr/>	<hr/>
	387	489
	<hr/>	<hr/>

The above includes the following in respect of the highest paid director:

	2022	2021
	£'000	£'000
Aggregate remuneration in respect of qualifying services	248	266
Contributions to defined contribution pension scheme	13	-
	<hr/>	<hr/>
	261	266
	<hr/>	<hr/>

Post-employment benefits accrued for 2 directors under a defined contribution scheme during the period (2021 – 1).

There are no key management personnel other than the directors, whose remuneration is given above.

9. Interest payable and similar charges

	2022	2021
	£'000	£'000
Bank interest payable	1,193	1,107
Other interest payable	1,045	1,002
Amortisation of debt issue costs	197	306
	<hr/>	<hr/>
	2,435	2,415
	<hr/>	<hr/>

Mobility Group Topco Limited
Notes to the financial statements (continued)
For the period ended 31 August 2022

10. Tax on loss

	2022 £'000	2021 £'000
Current tax		
Adjustments in respect of prior periods	-	-
Total current tax charge	-	-
Deferred tax		
Origination and reversal of timing differences	(186)	135
Adjustments in respect of prior periods	2	-
Total deferred tax charge/(credit)	(184)	135
Tax charge/(credit) on loss	(184)	135

The tax credit on the loss for the period is lower than (2021 – lower than) the standard rate of Corporation tax in the UK of 19% (2021 – 19%). The differences are explained below:

	2022 £'000	2021 £'000
Loss before taxation	(2,904)	(17,724)
Corporation tax at standard rate	(552)	(3,368)
<i>Effect of:</i>		
Prior period adjustment – deferred tax	6	-
Change in tax rate	(1)	318
Fixed asset differences	(192)	554
Expenses not deductible for tax purposes	41	1,602
Deferred tax not recognised	514	1,029
Tax charge/(credit) on loss	(184)	135

The deferred tax asset not recognised is £2,445,000 (2021: £1,931,000).

Mobility Group Topco Limited
Notes to the financial statements (continued)
For the period ended 31 August 2022

10. Tax on loss (continued)

Deferred tax

The group's deferred tax liability comprises the following:

	2022 £'000	2021 £'000
Accelerated capital allowances	17	15
Losses and other deductions	-	-
Arising on business combinations	1,125	1,311
	<hr/> 1,142	<hr/> 1,326

Factors that may affect future current and total tax charges

In the 2021 Spring Budget, the Government announced that from 1 April 2023 the corporation tax rate will increase to 25%. This was substantively enacted in 2021 and is therefore used to measure UK deferred taxes in both 2021 and 2022, to the extent the related timing differences are expected to reverse in 2023 or later.

Deferred tax balances expected to reverse after April 2023 have been calculated at 25%.

Mobility Group Topco Limited
Notes to the financial statements (continued)
For the period ended 31 August 2022

11. Goodwill

Group	Goodwill £'000
<i>Cost</i>	
At 4 September 2021 and 31 August 2022	16,757
<i>Accumulated amortisation and impairment losses</i>	
At 4 September 2021	12,925
Amortisation charge for the period	697
At 31 August 2022	13,622
<i>Net book value</i>	
At 31 August 2022	3,135
At 3 September 2021	3,832

Goodwill is being amortised over the directors' estimate of its useful life of 10 periods

The directors have considered whether there is any indication that goodwill balances may be impaired. Where such indicators have been identified, the directors have carried out an impairment review of the relevant balance. Based on the results of the review, the directors have concluded that no adjustment is required to the impairment provision which was in place at 3 September 2021.

As part of the review for impairment indicators, management have calculated the present value of estimated future cash flows associated with Bathing Mobility Advisory Services Limited ("BMAS"). The key assumptions underlying the calculation relate to expected business performance to perpetuity, with long-term growth rates of 3% beyond year 2 and the discount rates applied of 20.12% assumed to be the weight average cost of capital of BMAS.

Company

The company had no goodwill at 31 August 2022 or 3 September 2021

Mobility Group Topco Limited
Notes to the financial statements (continued)
For the period ended 31 August 2022

12. Intangible assets

Group

	Brands £'000	Orderbook £'000	Total £'000
<i>Cost</i>			
At 4 September 2021 and 31 August 2022	7,434	1,699	9,133
<i>Accumulated amortisation</i>			
At 4 September 2021	3,600	1,699	5,299
Charge for the period	743	-	743
At 31 August 2022	4,343	1,699	6,042
<i>Net book value</i>			
At 31 August 2022	3,091	-	3,091
At 3 September 2021	3,834	-	3,834

No impairment has been recognised during the period (2021 – no impairment recognised).

Company

The company had no intangible assets during the financial period or the preceding financial period.

Mobility Group Topco Limited
Notes to the financial statements (continued)
For the period ended 31 August 2022

13. Tangible fixed assets

Group

	Fixtures and fittings £'000	Equipment £'000	Motor vehicles £'000	Leasehold improve- ments £'000	Total £'000
<i>Cost</i>					
At 4 September 2021	7	682	63	617	1,369
Additions	-	94	-	-	94
At 31 August 2022	7	776	63	617	1,463
<i>Accumulated depreciation</i>					
At 4 September 2021	7	461	63	152	683
Charge for the period	-	108	-	60	168
At 31 August 2022	7	569	63	212	851
<i>Net book value</i>					
At 31 August 2022	-	207	-	405	612
At 3 September 2021	-	221	-	465	686

Company

The company had no tangible fixed assets at 31 August 2022 or 3 September 2021.

Mobility Group Topco Limited

Notes to the financial statements (continued)

For the period ended 31 August 2022

14. Investments

Group

The group held no investments at 31 August 2022 or 3 September 2021

Company

	Shares in subsidiary undertaking £
<i>Cost and carrying amount</i>	
At 4 September 2021 and 31 August 2022	1

Details of investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Subsidiary undertakings	Country of incorporation	Holding	Proportion of voting rights and shares held		Nature of business
			2022	2021	
Mobility Group Limited	England and Wales	Ordinary	100%	100%	Holding company
Mobility Bathing Group Limited ⁽¹⁾	England and Wales	Ordinary	100%	100%	Sale of specialist bathing equipment
Bathing Mobility Advisory Service Limited ⁽¹⁾	Scotland	Ordinary	100%	100%	Sale of specialist bathing equipment
Cassellie Limited ⁽⁶⁾	England and Wales	Ordinary	100%	100%	In administration
Balnea Limited ⁽²⁾	England and Wales	Ordinary	100%	100%	Dormant company
HC1264 Limited ⁽¹⁾	England and Wales	Ordinary	100%	100%	Dormant company
Mobility Plus Bathing Limited ⁽⁴⁾	England and Wales	Ordinary	100%	100%	Dormant company
Care in Bathing Limited ⁽³⁾	England and Wales	Ordinary	100%	100%	Dormant company
Opus Bathing Limited ⁽³⁾	England and Wales	Ordinary	100%	100%	Dormant company
Laymax Limited ⁽⁵⁾	Scotland	Ordinary	100%	100%	Dormant company

(1) These companies are owned by Mobility Group Limited

(2) This company was owned by Cassellie Limited until 17 December 2021. On that date, ownership of the company was transferred to Mobility Bathing Group Limited

(3) These companies are owned by HC1264 Limited

(4) This company is owned by Mobility Bathing Group Limited

(5) This company is owned by Bathing Mobility Advisory Service Limited

(6) This company is owned by Mobility Group Limited. On 3 September 2021, this company was placed in administration

Mobility Group Limited, Mobility Bathing Group Limited, HC1264 Limited, Mobility Plus Bathing Limited, Care in Bathing Limited and Opus Bathing Limited have the same registered office as the company.

Mobility Group Topco Limited

Notes to the financial statements (continued)

For the period ended 31 August 2022

14. Investments (continued)

On 20 September 2021, the registered office of Cassellie Limited was changed to C/O Teneo Restructuring Limited, 156 Great Charles Street Queensway, Birmingham, B3 3HN. Prior to that date, the registered office of that company was Unit 1-6 Howden Way, Morley, Leeds, LS27 0TF.

On 10 February 2022, the registered office of Balnea Limited was changed to that of the company. Prior to that date, the registered office of that company was Unit 1-6 Howden Way, Morley, Leeds, LS27 0TF.

The registered office of Bathing Mobility Advisory Service Limited and Laymax Limited is 7a Grange Road, Edinburgh, EH9 1UH.

15. Stocks

Group

	2022	2021
	£'000	£'000
Finished goods	828	459

There is no significant difference between the replacement cost of stock and its carrying amount.

No impairment provision was recognised in respect of stock at 31 August 2022 (2021 - £nil).

The company held no stock at 31 August 2022 or 3 September 2021.

Mobility Group Topco Limited
Notes to the financial statements (continued)
For the period ended 31 August 2022

16. Debtors

Group

	2022	2021
	£'000	£'000
<i>Amounts falling due within one period:</i>		
Trade debtors	448	439
Corporation tax	4	-
Other debtors	2,541	1,636
Prepayments and accrued income	1,413	1,084
	<hr/>	<hr/>
	4,406	3,159
	<hr/>	<hr/>
<i>Amounts falling due after one period:</i>		
Other debtors	998	998
	<hr/>	<hr/>

Trade debtors are stated after provision for impairment of £302,000 (2021 - £238,000).

Company

	2022	2021
	£'000	£'000
<i>Amounts falling due within one period:</i>		
Amounts owed by group undertakings	10,584	11,052
	<hr/>	<hr/>
<i>Amounts falling due after more than one period:</i>		
Other debtors	998	998
	<hr/>	<hr/>

Included in amounts owed by group undertakings is £5,545,000 on which interest is payable at 5.00% per annum. All other amounts owed by group undertakings are interest free.

All amounts owed by group undertakings are unsecured and repayable on demand.

Mobility Group Topco Limited
Notes to the financial statements (continued)
For the period ended 31 August 2022

17. Creditors: amounts falling due within one period

Group	2022	2021
	£'000	£'000
Bank loans	4,351	21,025
Payments received on account	6,605	5,803
Trade creditors	3,128	2,761
Other taxation and social security	2,730	1,718
Other creditors	115	37
Accruals and deferred income	1,373	903
	18,302	32,247
Company		
	2022	2021
	£'000	£'000
Amounts owed to group undertakings	617	617

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

Mobility Group Topco Limited
Notes to the financial statements (continued)
For the period ended 31 August 2022

18. Creditors : amounts falling due after more than one period

Group	2022 £'000	2021 £'000
Accrued interest relating to loan notes	5,046	3,999
Loan notes	11,581	11,581
Bank loans	18,386	-
	<u>35,013</u>	<u>15,580</u>

The company had no creditors falling due after more than one period at 31 August 2022 (2021 - £nil)

19. Interest bearing loans and borrowings

Group	2022 £'000	2021 £'000
<i>Creditors: amounts falling due after more than one period:</i>		
Loan notes	16,627	15,580
Bank loans	18,386	-
	<u>35,013</u>	<u>15,580</u>
<i>Creditors: amounts falling due within one period:</i>		
Bank debt	<u>4,351</u>	<u>21,025</u>

All of the loan notes included above are owed to shareholders of the Group.

The bank debt figures above are shown net of capitalised debt issuance costs which are being amortised over the term of the debt. The unamortised balance at the period end was £391,000 (2021: £588,000).

Mobility Group Topco Limited

Notes to the financial statements (continued)

For the period ended 31 August 2022

19. Interest bearing loans and borrowings (continued)

Terms and debt repayment schedule

	Interest rate	Period of maturity	2022 £'000	2021 £'000
Investor loan notes	4.75-10.00%	2026	5,758	5,758
Vendor (rollover) loan notes	0.00%	2026	986	986
Consideration loan notes	5.00%	2026	998	998
Other loan notes	10.00%	2026	439	439
10% fixed rate secured 2019 funding loan notes	10.00%	2029	3,400	3,400
Revolving credit facility	5.20%	2024*	4,000	4,000
Term loan – facility A	-	-	-	2,611
Term loan – facility B	7.31%	2024*	9,929	9,929
Term loan – facility C	-	-	-	131
Term loan – facility D	-	-	-	546
Term loan – facility E	6.81%	2024*	7,900	4,396
Term loan – facility F	7.31%	2024*	1,300	-
			34,710	33,194

Mobility Bathing Group Limited, Mobility Group Limited and Bathing Mobility Advisory Services Limited (subsidiaries of Mobility Group Topco Limited) have in place across guarantee arrangement, whereby the above companies within the group provide financial support or assurance for the obligations of other group entities which is supported by debentures over the assets of the above companies.

*Due to expire in September 2024

Mobility Group Topco Limited

Notes to the financial statements (continued)

For the period ended 31 August 2022

20. Provisions for liabilities

Group

	Warranty provision £'000	Other provisions £'000	Deferred tax provision £'000	Total £'000
At 4 September 2021	114	4,782	1,326	6,222
Profit and loss account charge/(credit)	114	-	(184)	(70)
Provision utilised	(114)	(2,603)	-	(2,717)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 August 2022	114	2,179	1,142	3,435
	<hr/>	<hr/>	<hr/>	<hr/>

The warranty provision represents the estimated cost of dealing with any customer claims under warranties provided in respect of the installation of goods. The provision is expected to be utilised within twelve months of the balance sheet date.

Other provisions at 4 September 2021 and 31 August 2022 relate to amounts payable in respect of rent, rates and dilapidations under the terms of property leases where the property in question is not expected to generate economic benefit over the remainder of the lease term. The provision is expected to be fully utilised by June 2024.

Company

	Other provisions £'000
At 4 September 2021	4,782
Provision utilised	(2,603)
	<hr/>
At 31 August 2022	2,179
	<hr/>

Other provisions at 4 September 2021 and 31 August 2022 relate to amounts payable in respect of rent, rates and dilapidations under the terms of property leases where the property in question is not expected to generate economic benefit over the remainder of the lease term. The provision is expected to be fully utilised by June 2024.

Mobility Group Topco Limited

Notes to the financial statements (continued)

For the period ended 31 August 2022

21. Share capital

Allotted, called-up and fully paid shares:

	2022	2022	2021	2021
	No.	£	No.	£
A Ordinary shares of £0.0001 each	4,448,468	445	4,448,468	445
B Ordinary shares of £0.0001 each	1,424,808	142	1,424,808	142
Ordinary 1 shares of £0.01 each	10,033,700	100,337	10,033,700	100,337
Ordinary 2 shares of £0.01 each	11,300	113	11,300	113
Ordinary 3a shares of £0.02 each	6,368	127	6,368	127
Ordinary 3b shares of £0.10 each	1,763	176	1,763	176
Ordinary 3c shares of £0.03 each	6,566	197	6,566	197
Ordinary 3d shares of £0.0001 each	1,797,612	180	1,797,612	180
Ordinary 4a shares of £0.001 each	2,271	2	2,271	2
Ordinary 4b shares of £0.001 each	1,662	2	1,662	2
Ordinary P shares of £0.001 each	2	-	2	-
	17,734,520	101,721	17,734,520	101,721

A summary of the rights attached to each class of share are as follows:

	Voting rights	Dividend rights
A Ordinary shares	None	Full
B Ordinary shares	None	Full
Ordinary 1 shares	1 per share	None
Ordinary 2 shares	1 per share	None
Ordinary 3a shares	1 per share	Reduced
Ordinary 3b shares	1 per share	None
Ordinary 3c shares	1 per share	Reduced
Ordinary 3d shares	1 per share	Reduced
Ordinary 4a shares	1 per share	None
Ordinary 4b shares	None	None
Ordinary P shares	None	Reduced

Mobility Group Topco Limited
Notes to the financial statements (continued)
For the period ended 31 August 2022

22. Operating lease commitments

Group

Future minimum rentals payable under non-cancellable operating leases are as follows:

	2022	2021
	£'000	£'000
Within one period	929	493
In two to five periods	3,536	1,950
After five periods	533	1,270
	<hr/>	<hr/>
	4,998	3,713
	<hr/>	<hr/>

Mobility Group Topco Limited
Notes to the financial statements (continued)
For the period ended 31 August 2022

22. Operating lease commitments (continued)

Company

Future minimum rentals payable under non-cancellable operating leases are as follows:

	2022	2021
	£'000	£'000
Within one period	453	429
In two to five periods	1,726	1,838
After five periods	-	1,243
	<hr/>	<hr/>
	2,179	3,510
	<hr/>	<hr/>

23. Employee benefits

The group operates defined contribution retirement benefit schemes for all qualifying employees. The total expense charged to profit or loss in the period ended 31 August 2022 was £80,000 (2021 - £77,000). Unpaid contributions included in other creditors at the balance sheet date amounted to £9,000 (2021 - £8,000).

Mobility Group Topco Limited

Notes to the financial statements (continued)

For the period ended 31 August 2022

24. Analysis of changes in net debt

	At 4 September 2021 £'000	Cash flow £'000	Non-cash movement £'000	At 31 August 2022 £'000
Cash at bank and in hand	1,804	(305)	-	1,499
Debt due within one period	(21,025)	-	16,674	(4,351)
Debt due after one period	(11,581)	(1,300)	(17,086)	(29,967)
	<u>(30,802)</u>	<u>(1,605)</u>	<u>(412)</u>	<u>(32,819)</u>

Non-cash movements arose as a result of the deferral of interest payments in accordance with the terms of the Group's banking facilities, the reclassification of debt previously repayable on demand now repayable in instalments within two periods of the balance sheet date, and a reduction in outstanding debt as a result of amounts paid by a third party.

25. Related party transactions

The group had balances outstanding with related parties as follows:

	2022 £'000	2021 £'000
Lonsdale Capital Partners L.P.	9,017	9,017
S Hannah	1,211	1,211
Y Hannah	1,211	1,211
G Farmiloe	199	199

All of the above are shareholders of the company and the associated costs relate to loans and shareholdings in the company.

Mobility Group Topco Limited

Notes to the financial statements (continued)

For the period ended 31 August 2022

26. Contingent liabilities

The group has provided a guarantee in respect of the bank borrowings of the company. At 31 August 2022, the value of the company's bank borrowings was £22,737,000. This arrangement is reinforced by debentures secured against the company assets of Mobility Bathing Group Limited, Mobility Group Limited and Bathing Mobility Advisory Services Limited.

27. Post balance sheet event

Post the year end the Group has extended loans which were due to expire on 31st March 2024 to 30th September 2024. This provides further support to the going concern status of the company and group.

In December 2022, a lease related to a property no longer generating economic benefit for the group was renegotiated to provide the group with the ability to terminate the lease in June 2024.

28. Ultimate controlling party

The group's ultimate controlling party by virtue of their majority shareholding is Lonsdale Capital Partners L.P. and Lonsdale Capital Partners (Friends and Family) L.P.

The registered office of Lonsdale Capital Partners L.P. and Lonsdale Capital Partners (Friends and Family) L.P. is:

21 Upper Brook Street
Mayfair
London
W1K 7PY