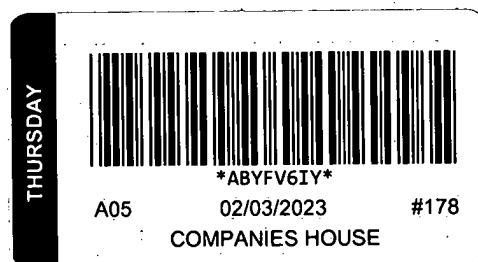


ACCOUNTAX 2018 LIMITED

Report of the Director and

Unaudited Financial Statements for the Year Ended 31 May 2022



ACCOUNTAX 2018 LIMITED

**Company Information
for the year ended 31 May 2022**

DIRECTOR: T D Loring

REGISTERED OFFICE: Mulberry Lodge
Ladygate Drive
Grayshott
Hindhead
GU26 6DR

REGISTERED NUMBER: 11239739 (England and Wales)

ACCOUNTANTS: Tudor John Limited
Nightingale House
46-48 East Street
Epsom
Surrey
KT17 1HQ

**Report of the Director
for the year ended 31 May 2022**

The director presents his report with the financial statements of the company for the year ended 31 May 2022.

DIRECTOR

T D Loring held office during the whole of the period from 1 June 2021 to the date of this report.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:


.....
T D Loring Director

22.2.23
Date:

**Income Statement
for the year ended 31 May 2022**

	Notes	2022 £	2021 £
TURNOVER		222,291	235,980
Cost of sales		<u>26,330</u>	<u>19,934</u>
GROSS PROFIT		195,961	216,046
Administrative expenses		<u>116,979</u>	<u>108,754</u>
OPERATING PROFIT and PROFIT BEFORE TAXATION	4	78,982	107,292
Tax on profit	5	<u>15,363</u>	<u>20,710</u>
PROFIT FOR THE FINANCIAL YEAR		<u><u>63,619</u></u>	<u><u>86,582</u></u>

The notes form part of these financial statements

ACCOUNTAX 2018 LIMITED (REGISTERED NUMBER: 11239739)

Other Comprehensive Income
for the year ended 31 May 2022

	Notes	2022 £	2021 £
PROFIT FOR THE YEAR		63,619	86,582
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>63,619</u>	<u>86,582</u>

The notes form part of these financial statements

Balance Sheet
31 May 2022

	Notes	£	2022 £	2021 £
FIXED ASSETS				
Tangible assets	7		2,701	3,562
CURRENT ASSETS				
Debtors	8	80,021	26,315	
Cash at bank		45,931	61,539	
		<u>125,952</u>	<u>87,854</u>	
CREDITORS				
Amounts falling due within one year	9	39,860	43,742	
NET CURRENT ASSETS			<u>86,092</u>	<u>44,112</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>88,793</u>	<u>47,674</u>
CAPITAL AND RESERVES				
Called up share capital	10		4,082	4,082
Retained earnings	11		84,711	43,592
SHAREHOLDERS' FUNDS			<u>88,793</u>	<u>47,674</u>

The company is entitled to exemption from audit under Section 479A of the Companies Act 2006 relating to subsidiary companies for the year ended 31 May 2022.

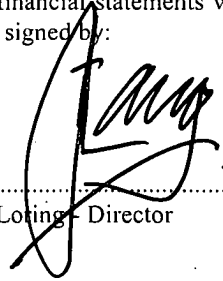
The members have not required the company to obtain an audit of its financial statements for the year ended 31 May 2022 in accordance with Section 476 of the Companies Act 2006.

The director acknowledges his responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

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

The financial statements were approved by the director and authorised for issue on 22.2.23 and were signed by:


.....
T D Loring - Director

The notes form part of these financial statements

**Statement of Changes in Equity
for the year ended 31 May 2022**

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 June 2020	-	41,535	41,535
Changes in equity			
Issue of share capital	4,082	-	4,082
Dividends	-	(84,525)	(84,525)
Total comprehensive income	-	86,582	86,582
Balance at 31 May 2021	<u>4,082</u>	<u>43,592</u>	<u>47,674</u>
Changes in equity			
Dividends	-	(22,500)	(22,500)
Total comprehensive income	-	63,619	63,619
Balance at 31 May 2022	<u>4,082</u>	<u>84,711</u>	<u>88,793</u>

The notes form part of these financial statements

Notes to the Financial Statements
for the year ended 31 May 2022

1. STATUTORY INFORMATION

Accountax 2018 Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

BASIS OF PREPARATION

These financial statements have been prepared in accordance with Financial Reporting Standard 101 "Reduced Disclosure Framework" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 101 "Reduced Disclosure Framework":

- the requirements of paragraphs 45(b) and 46 to 52 of IFRS 2 Share-based Payment;
- the requirements of paragraphs 62, B64(d), B64(e), B64(g), B64(h), B64(j) to B64(m), B64(n)(ii), B64(o)(ii), B64(p), B64(q)(ii), B66 and B67 of IFRS 3 Business Combinations;
- the requirements of paragraph 33(c) of IFRS 5 Non Current Assets Held for Sale and Discontinued Operations;
- the requirements of paragraph 24(6) of IFRS 6 Exploration for and Evaluation of Mineral Resources;
- the requirements of IFRS 7 Financial Instruments: Disclosures;
- the requirements of paragraphs 91 to 99 of IFRS 13 Fair Value Measurement;
- the requirements of paragraph 52, the second sentence of paragraph 89, and paragraphs 90, 91 and 93 of IFRS 16 Leases;
- the requirements of paragraph 58 of IFRS 16;
- the requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers;
- the requirement in paragraph 38 of IAS 1 Presentation of Financial Statements to present comparative information in respect of:
 - paragraph 79(a)(iv) of IAS 1;
 - paragraph 73(e) of IAS 16 Property, Plant and Equipment;
 - paragraph 118(e) of IAS 38 Intangible Assets;
 - paragraphs 76 and 79(d) of IAS 40 Investment Property; and
 - paragraph 50 of IAS 41 Agriculture;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D and 111 of IAS 1 Presentation of Financial Statements;
- the requirements of paragraphs 134 to 136 of IAS 1 Presentation of Financial Statements;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- the requirements of paragraphs 17 and 18A of IAS 24 Related Party Disclosures;
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group;
- the requirements of paragraphs 134(d) to 134(f) and 135(c) to 135(e) of IAS 36 Impairments of Assets.

Notes to the Financial Statements - continued
for the year ended 31 May 2022

2. ACCOUNTING POLICIES - continued

TURNOVER

Revenue is measured as the fair value of consideration received or receivable for satisfying performance obligations contained in contracts with clients, including expenses and disbursements but excluding discounts and Value Added Tax.

Variable consideration is included in the transaction price only to the extent that it is highly probable that a significant reversal will not be required when the uncertainties determining the level of variable consideration are subsequently resolved. Revenue is recognised when or as the company satisfies performance obligations by transferring control of services to clients. This occurs as follows for the company's various contract types:

- o Time-and-materials contracts are recognised over time as services are provided at the fee rate agreed with the client where there is an enforceable right to payment for performance completed to date.

- o Fixed-fee contracts are recognised over time based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided where there is an enforceable right to payment for performance completed to date. This is determined based on the actual inputs of time and expenses relative to total expected inputs.

- o Performance-fee contracts are recognised when the right to consideration arises on having met the relevant performance related elements.

- o Contingent-fee contracts, over and above any agreed minimum fee, are recognised at the point in time that the contingent event occurs and the company has become entitled to the revenue.

Where contracts include multiple performance obligations, the transaction price is allocated to each performance obligation based on its stand-alone selling price. Where these are not directly observable, they are estimated based on expected cost plus margin. Adjustments are made to allocate discounts proportionately relative to the stand-alone selling price of each performance obligation.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in the income statement in the period in which the circumstances that give rise to the revision become known.

For time-and-materials, fixed-fee and licence-fee contracts, fees are usually billed on account based on a payment schedule.

For performance-fee and contingent-fee contracts, fees are usually billed and paid when entitlement to the revenue has been established. If the revenue recognised by the company exceeds the amounts billed, a contract asset is recognised. If the amounts billed exceed the revenue recognised, a contract liability is recognised. Contract assets are reclassified as receivables when billed and the consideration has become unconditional because only the passage of time is required before payment is due.

The company's standard payment terms require settlement of invoices within 30 days of receipt.

The company does not adjust the transaction prices for the time value of money as it does not expect to have any contracts where the period between the transfer of the promised services to the client and the payment by the client exceeds one year.

TANGIBLE FIXED ASSETS

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Notes to the Financial Statements - continued
for the year ended 31 May 2022

2. ACCOUNTING POLICIES - continued

FINANCIAL INSTRUMENTS

i) Financial assets

Basic financial assets, including trade and other receivables, and cash and bank balances, are initially recognised at transaction price, 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.

Such assets are subsequently carried 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 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.

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price.

Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

ii) Financial liabilities

Basic financial liabilities, including trade and other payables, bank loans, and loans from fellow Group companies 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 receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts 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 payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Employee benefit costs

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the income statement in the period to which they relate.

Notes to the Financial Statements - continued
for the year ended 31 May 2022

2. ACCOUNTING POLICIES - continued

Trade and other receivables

Trade and other receivables where payment is due within one year do not constitute a financing transaction and are recorded at the undiscovered amount expected to be received, less attributable transaction costs. Any subsequent impairment is recognised as an expense in profit or loss.

If payment is due after more than one year or if there is any other indication of a financing transaction, trade and other receivables are recorded initially at fair value less attributable transaction costs. In this situation, fair value is equal to the amount expected to be received, discounted at a market-related interest rate.

All trade and other receivables are subsequently measured at amortised cost, net of impairment.

Impairment and write-offs

The company always recognises lifetime ECL (expected credit losses) for trade receivables and contract assets, which are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including the time value of money where appropriate.

The company writes off a receivable when there is information indicating that the debtor is in severe difficulty and there is no realistic prospect of recovery. Financial assets written off are still subject to enforcement activities.

Any recoveries made are recognised in profit or loss.

TAXATION

Current taxes are based on the results shown in the financial statements and are calculated according to local tax rules, using tax rates enacted or substantially enacted by the balance sheet date.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

EMPLOYEE BENEFIT COSTS

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the income statement in the period to which they relate.

Notes to the Financial Statements - continued
for the year ended 31 May 2022

2. ACCOUNTING POLICIES - continued**CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

In the application of the company's accounting policies, management is required to make judgment estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources.

The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects the period, or in the period of the revision and future periods if the revision affects both current and future periods.

The key sources of estimation uncertainty that have significant effect on the amounts recognised in the financial statements are described below:

a) Impairment of intangible assets and goodwill

The company considers whether intangible assets and/or goodwill are impaired. Where an indication of impairment is identified the estimation of recoverable value requires estimation of the recoverable value of the asset. This requires estimation of the future cash flows from the associated asset and also selection of appropriate discount rates in order to calculate the net present value of those cash flows.

b) Useful economic lives of intangible assets

The annual amortization charge for intangible assets is sensitive to changes in the estimated useful economic lives of the assets. The useful economic lives are re-assessed annually. They are amended when necessary to reflect current estimates.

c) Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates and physical condition of the assets.

d) Impairment of trade receivables and contract assets

The company makes an estimate of the recoverable value of trade receivables and contract assets. When assessing impairment of trade receivables and contract assets, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience.

GOING CONCERN

The directors believe that the company is experiencing good levels of revenue growth and profitability, and that it is well placed to manage its business risks successfully. Accordingly, they have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and they believe that it is appropriate to apply the going concern basis of accounting in preparing the financial statements.

3. EMPLOYEES AND DIRECTORS

	2022	2021
	£	£
Wages and salaries	82,560	82,965
Other pension costs	1,958	1,727
	<u>84,518</u>	<u>84,692</u>

The average number of employees during the year was as follows:

	2022	2021
Directors	1	1
Administrator	1	1
	<u>2</u>	<u>2</u>

Notes to the Financial Statements - continued
for the year ended 31 May 2022

3. **EMPLOYEES AND DIRECTORS - continued**

	2022	2021
	£	£
Director's remuneration	<u>55,750</u>	<u>61,360</u>

4. **PROFIT BEFORE TAXATION**

The profit before taxation is stated after charging:

	2022	2021
	£	£
Cost of inventories recognised as expense	26,330	19,934
Depreciation - owned assets	<u>1,876</u>	<u>1,713</u>

5. **TAXATION**

Analysis of tax expense

	2022	2021
	£	£
Current tax:		
Tax	15,170	20,635
Deferred tax	<u>193</u>	<u>75</u>
Total tax expense in income statement	<u>15,363</u>	<u>20,710</u>

6. **DIVIDENDS**

	2022	2021
	£	£
Ordinary shares of £1 each		
Interim	<u>22,500</u>	<u>84,525</u>

Notes to the Financial Statements - continued
for the year ended 31 May 2022

7. TANGIBLE FIXED ASSETS

	Fixtures and fittings £
COST	
At 1 June 2021	6,907
Additions	1,015
	<u>7,922</u>
At 31 May 2022	
DEPRECIATION	
At 1 June 2021	3,345
Charge for year	1,876
	<u>5,221</u>
At 31 May 2022	
NET BOOK VALUE	
At 31 May 2022	<u>2,701</u>
At 31 May 2021	<u>3,562</u>

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Trade debtors	24,881	22,960
Other debtors	55,140	3,355
	<u>80,021</u>	<u>26,315</u>

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Tax	15,438	21,048
VAT	13,328	13,216
Other creditors	2,084	2,321
Accruals and deferred income	8,181	7,010
Accrued expenses	829	147
	<u>39,860</u>	<u>43,742</u>

10. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:		Nominal value:	2022	2021
Number:	Class:		£	£
4,082	Ordinary	£1	<u>4,082</u>	<u>4,082</u>

Notes to the Financial Statements - continued
for the year ended 31 May 2022

10. CALLED UP SHARE CAPITAL - continued

Until 20th May 2022, the A Ordinary, B Ordinary, C Ordinary, D Ordinary and XPSL share classes ranked pari passu and had the same full rights in the company with respect to voting, dividends and capital distributions. On 20th May 2022, the XPSL shares were designated to be Deferred shares. Deferred shares have no voting or dividend rights. On a winding up, reduction in capital or otherwise, the holder of deferred shares shall be entitled to £1 for the entire class of deferred shares. As such, the holder of Ordinary shares has 100% of the voting and dividend rights and the residual interest in the event of winding up, reduction in capital or otherwise.

11. RESERVES

	Retained earnings £
At 1 June 2021	43,592
Profit for the year	63,619
Dividends	<u>(22,500)</u>
At 31 May 2022	<u><u>84,711</u></u>

12. ULTIMATE CONTROLLING PARTY

The immediate parent company is Xeinadin Group Limited. The ultimate parent company is Xeinadin Topco 1 Limited. Both companies are registered in the United Kingdom and their registered office address is at, 8th Floor Becket House, 36 Old Jewry, London, EC2R 8DD. The consolidated financial statement of Xeinadin Group Limited are available to the public from Companies House, Crown Way, Cardiff.

**Contents of the Financial Statements
for the year ended 31 May 2022**

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