

Report of the Director and
Unaudited Financial Statements
for the Year Ended 31 May 2020
for
Accountax 2018 Limited

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for the Year Ended 31 May 2020

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Company Information
for the Year Ended 31 May 2020

DIRECTOR: T D Loring

REGISTERED OFFICE: Strandway House
Oldhouse Lane
Windlesham
Surrey
GU20 6BX

REGISTERED NUMBER: 11239739 (England and Wales)

ACCOUNTANTS: Bennewith 2018 Limited
t/a A J Bennewith & Co
3 Wey Court
Mary Road
Guildford
Surrey
GU1 4QU

Report of the Director
for the Year Ended 31 May 2020

The director presents his report with the financial statements of the company for the year ended 31 May 2020.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of provision of accountancy services.

DIRECTOR

T D Loring held office during the whole of the period from 1 June 2019 to the date of this report.

DIRECTOR'S RESPONSIBILITIES STATEMENT

The director is responsible for preparing the Report of the Director and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

27 May 2021

Income Statement
for the Year Ended 31 May 2020

	Notes	Year Ended 31.5.20 £	Period 7.3.18 to 31.5.19 £
TURNOVER		234,327	-
Cost of sales		<u>28,438</u>	-
GROSS PROFIT		205,889	-
Administrative expenses		<u>108,549</u>	-
OPERATING PROFIT and PROFIT BEFORE TAXATION	4	97,340	-
Tax on profit	5	<u>18,805</u>	-
PROFIT FOR THE FINANCIAL YEAR		<u><u>78,535</u></u>	-

The notes form part of these financial statements

**Other Comprehensive Income
for the Year Ended 31 May 2020**

	Notes	Year Ended 31.5.20 £	Period 7.3.18 to 31.5.19 £
PROFIT FOR THE YEAR		78,535	-
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>78,535</u>	<u>-</u>

The notes form part of these financial statements

Balance Sheet
31 May 2020

	Notes	31.5.20 £	£	31.5.19 £	£
FIXED ASSETS					
Tangible assets	7		4,877		-
Investments	8		-		-
			<u>4,877</u>		<u>-</u>
CURRENT ASSETS					
Debtors	9	27,768		1,000	
Prepayments and accrued income		875		-	
Cash at bank		<u>76,760</u>		<u>-</u>	
		105,403		1,000	
CREDITORS					
Amounts falling due within one year	10	<u>64,663</u>		<u>-</u>	
NET CURRENT ASSETS			<u>40,740</u>		<u>1,000</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>45,617</u>		<u>1,000</u>
CAPITAL AND RESERVES					
Called up share capital	11		4,082		1,000
Retained earnings	12		<u>41,535</u>		<u>-</u>
SHAREHOLDERS' FUNDS			<u>45,617</u>		<u>1,000</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 May 2020.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 May 2020 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 27 May 2021 and were signed by:

T D Loring - Director

Statement of Changes in Equity
for the Year Ended 31 May 2020

	Called up share capital £	Retained earnings £	Total equity £
Changes in equity			
Issue of share capital	1,000	-	1,000
Balance at 31 May 2019	<u>1,000</u>	<u>-</u>	<u>1,000</u>
Changes in equity			
Issue of share capital	3,082	-	3,082
Dividends	-	(37,000)	(37,000)
Total comprehensive income	-	78,535	78,535
Balance at 31 May 2020	<u><u>4,082</u></u>	<u><u>41,535</u></u>	<u><u>45,617</u></u>

Notes to the Financial Statements
for the Year Ended 31 May 2020

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.

The presentation currency of the financial statements is the Pound Sterling (£).

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 financial statements contain information about Bennewith 2018 Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 400 of the Companies Act 2006 from the requirements to prepare consolidated financial statements of its parent, Xeinadin Group Limited, 8th Floor Becket House, 36 Jewry Lane, London EC2R 8DD.

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 IFRS 7 Financial Instruments: Disclosures;
- the requirements of paragraphs 91 to 99 of IFRS 13 Fair Value Measurement;
- 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 2020

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 judgement 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) Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and the 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.

b) 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.

Notes to the Financial Statements - continued
for the Year Ended 31 May 2020

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 for 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 considerations 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:

* 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

* 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.

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

* 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 base 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 receivable 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 term require settlement of invoices within 7 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.

Notes to the Financial Statements - continued
for the Year Ended 31 May 2020

2. ACCOUNTING POLICIES - continued

Tangible fixed assets

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

Fixtures and fittings	- 20% on cost
Computer equipment	- 25% on cost

Notes to the Financial Statements - continued
for the Year Ended 31 May 2020

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 or 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 publically traded and whose fair value 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 the loan facilities are recognised as transactions 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.

Notes to the Financial Statements - continued
for the Year Ended 31 May 2020

2. ACCOUNTING POLICIES - continued

Taxation

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end. 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.

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.

Impairments 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.

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 risk 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

	Year Ended	Period
	31.5.20	7.3.18 to 31.5.19
	£	£
Wages and salaries	67,446	-
Social security costs	5,623	-
	<u>73,069</u>	<u>-</u>

Notes to the Financial Statements - continued
for the Year Ended 31 May 2020

3. EMPLOYEES AND DIRECTORS - continued

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

	Year Ended 31.5.20	Period 7.3.18 to 31.5.19
Director	1	-
Administrator	<u>1</u>	<u>-</u>
	<u>2</u>	<u>-</u>

	Year Ended 31.5.20	Period 7.3.18 to 31.5.19
	£	£
Directors' remuneration	<u>50,000</u>	<u>-</u>

4. PROFIT BEFORE TAXATION

The profit before taxation is stated after charging:

	Year Ended 31.5.20	Period 7.3.18 to 31.5.19
	£	£
Cost of inventories recognised as expense	28,438	-
Depreciation - owned assets	<u>1,632</u>	<u>-</u>

5. TAXATION

Analysis of tax expense

	Year Ended 31.5.20	Period 7.3.18 to 31.5.19
	£	£
Current tax:		
Tax	<u>18,805</u>	<u>-</u>
Total tax expense in income statement	<u>18,805</u>	<u>-</u>

Notes to the Financial Statements - continued
for the Year Ended 31 May 2020

6. DIVIDENDS

	Year Ended 31.5.20 £	Period 7.3.18 to 31.5.19 £
Ordinary shares of £1 each		
Final	<u>37,000</u>	<u>-</u>

7. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
Additions	3,090	3,419	6,509
At 31 May 2020	<u>3,090</u>	<u>3,419</u>	<u>6,509</u>
DEPRECIATION			
Charge for year	768	864	1,632
At 31 May 2020	<u>768</u>	<u>864</u>	<u>1,632</u>
NET BOOK VALUE			
At 31 May 2020	<u>2,322</u>	<u>2,555</u>	<u>4,877</u>

8. INVESTMENTS

	Unlisted investments £
COST	
Additions	2,041
Disposals	<u>(2,041)</u>
At 31 May 2020	<u>-</u>
NET BOOK VALUE	
At 31 May 2020	<u>-</u>

In the year ended 31 May 2020, the Company acquired a 100% interest in Accountax Ltd by means of share for share exchange. It acquired the trade and assets of Accountax Ltd and then disposed of its full interest in Accountax Ltd. No gain or loss was recognised on disposal of the shares in Accountax Ltd.

Notes to the Financial Statements - continued
for the Year Ended 31 May 2020

9. DEBTORS

	31.5.20 £	31.5.19 £
Amounts falling due within one year:		
Trade debtors	25,686	-
Other debtors	<u>-</u>	<u>1,000</u>
	<u>25,686</u>	<u>1,000</u>
Amounts falling due after more than one year:		
Amounts owed by group undertakings	<u>2,082</u>	<u>-</u>
Aggregate amounts	<u>27,768</u>	<u>1,000</u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.5.20 £	31.5.19 £
Tax	1,350	-
Social security and other taxes	28,326	-
Other creditors	26,716	-
Accruals and deferred income	7,435	-
Accrued expenses	<u>836</u>	<u>-</u>
	<u>64,663</u>	<u>-</u>

11. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	31.5.20 £	31.5.19 £
2,000	Ordinary	£1	2,000	1,000
2,082	XPSL	£1	<u>2,082</u>	<u>-</u>
			<u>4,082</u>	<u>1,000</u>

The following shares were issued during the year for cash at par :

1,000 Ordinary shares of £1

2,082 XPSL shares of £1

12. RESERVES

	Retained earnings £
Profit for the year	78,535
Dividends	<u>(37,000)</u>
At 31 May 2020	<u>41,535</u>

Notes to the Financial Statements - continued
for the Year Ended 31 May 2020

13. PENSION COMMITMENTS

The company operates a defined contribution scheme. During the year the company contributed £1,561(2019:£Nil). There were outstanding contributions at the balance sheet date of £803 (2019:£Nil).

14. ULTIMATE PARENT COMPANY

Xeinadin Group Limited is regarded by the director as being the company's ultimate parent company.

The immediate parent undertaking of the company is Xeinadin UK Professional Services Limited and the ultimate parent undertaking of the company is Xeinadin Group Limited.

The registered offices of the immediate and ultimate parent undertakings are 8th Floor Beckett House, 36 Old Jewry, London EC2R 8DD

15. RELATED PARTY DISCLOSURES

During the year, the company invoiced £Nil to Xeinadin Group Limited for services rendered. At the year end £2,082 was owed by Xeinadin Group Limited for shares issued in the year.

During the year, the company was charged £1,566 by Xeinadin Group Limited for membership fees. At the year end £Nil was owing to Xeinadin Group Limited.

During the year, the company was charged £13,176 by Accountax Ltd, a company owned by T Loring and H Loring for various expenses. The company owed £6,716 to Accountax Ltd at the year end.

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