

Registered Number:SC202170

JOURNEYCALL LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2021



JOURNEYCALL LIMITED

COMPANY INFORMATION

Directors	T F Dunn T F Slevin
Company secretary	Wilkin Chapman Company Secretarial Services Limited
Registered number	SC202170
Registered office	3 James Chalmers Road Arbroath Enterprise Park Arbroath Angus DD11 3RQ

JOURNEYCALL LIMITED

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JOURNEYCALL LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 JULY 2021

Introduction

Journeycall Limited is a company incorporated and based in Scotland that prospers as a result of the excellence and value of their highly focussed, non scripted, knowledge-based contact centre services delivered by a large team of highly trained agents. Since Journeycall moved to their impressive new offices at Arbroath in November 2014 the business has flourished in an environment that promotes services excellence whilst providing scope for business expansion. Investment in research and development is highly important to support Journeycall's future growth strategy and 2021 saw the continued deployment of Delay-Check, one of the most technically advanced delay-repay software solutions on the market. Significant investment in Cloud based telephony systems provides rapid scalability, resilience and virtual options for multi-language support.

The main area of business revolves around non-scripted contact centre support services primarily for smartcard and mobile app based schemes in the mass transit sector; information services to the public; PCI Level 1 accredited payment processing; discounted travel tokens; claims management and ticket retailing. Therefore, the company is affected by changes in the trends in public transport choices. However, the Directors ensure that the business stays informed and in most areas ahead of the changes in public transport consumer trends and has created an environment where Journeycall can respond and deliver into what is not a multi-modal, multi-channel requirement across all demographics.

Business review

The company has had another profitable year with the results set out on page 9. The directors have paid an interim dividend of £750,000 (2020: £5,558,891) and they do not recommend payment of a final dividend (2020: nil). Continued emphasis is being put on cost savings through investment in efficiency and technology whilst continuing to drive forward sales at an increased pace and managing growth effectively. At the year-end date the company had sufficient working capital in place for ongoing operations and investment.

Principal risks and uncertainties

The company is operating in a market that has become more competitive over the years with some businesses following a trend to move this function overseas. Journeycall Limited remains committed to delivering high quality U.K. based services which is emphasised by the number of awards and recognition the company has received for customer experience excellence. The directors believe quality of service and expert knowledge of their client's products and customers' needs is a key area in which the company has a competitive advantage.

Covid has and continues to be the significant risk. Whilst we have managed to navigate the risks that the initial two variants presented, any further covid lockdowns would have more significant impacts on our business. The continued commitment and investment to diversify the business becomes ever more important.

JOURNEYCALL LIMITED

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2021**

Financial key performance indicators

	2021 £	2020 £	2019 £
Turnover	4,828,697	44,126,793	99,646,921
Profit before tax	218,198	2,754,955	3,801,738
Shareholders' funds	3,988,357	4,503,851	7,744,205

This report was approved by the board and signed on its behalf.



.....
T F Dunn
Director

Date: 30 December 2021

JOURNEYCALL LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 JULY 2021

The directors present their report and the financial statements for the year ended 31 July 2021.

Principal activity

The principal activities of the company continued to be those of the provision of mass transit focussed contact centre, information services to the public, claims management, discounted travel tokens and transit ticket retailing.

Directors

The directors who served during the year were:

T F Dunn
T F Slevin

Future developments

The move to new offices has provided scope for expansion which will help to meet continuing growth forecasts.

The board believes that the company's strategy together with its experienced management will be a solid foundation for future successful performance.

Financial instruments

The company's principal financial instruments comprise bank balances, trade debtors and trade creditors. The main purpose of these instruments is to raise funds for the company's operations and to finance the company's working capital.

Due to the nature of the financial instruments used by the company there is minimal exposure to price risk. The company's approach to managing other risks applicable to the financial instruments concerned is shown below.

In respect of bank balances the liquidity risk is managed by maintaining a credit balance. Overdraft facilities are seldom used and instead bank balances are maintained to mitigate interest rate risk.

Trade debtors are managed in respect of credit and cash flow risk by policies to manage the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit limits.

Trade creditors liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

Engagement with employees

The company's culture and policy is to consult and discuss with employees, through staff councils and at Employee Engagement meetings, matters likely to affect employees' interests.

Information about matters of concern to employees is given through information bulletins and reports and monthly workshops with the senior management team which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the company's performance.

Disabled employees

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

JOURNEYCALL LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2021**

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Post balance sheet events

The directors' consideration of the impact of the worldwide Covid-19 pandemic on future operations is detailed at Note 2.2.

Auditor

The auditor, Anderson Anderson & Brown Audit LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



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T F Dunn
Director

Date: 30 December 2021

JOURNEYCALL LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 JULY 2021

The directors are responsible for preparing the Strategic report, the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable 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 of the profit or loss of the Company for that period.

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

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

JOURNEYCALL LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JOURNEYCALL LIMITED

Opinion

We have audited the financial statements of Journeycall Limited (the 'Company') for the year ended 31 July 2021, which comprise the Statement of comprehensive income, the Balance sheet, the Statement of changes in equity and the related notes, 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 Company's affairs as at 31 July 2021 and of its profit for the year 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 United Kingdom, including the Financial Reporting Council'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

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 course of 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 this gives rise to 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.

JOURNEYCALL LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JOURNEYCALL LIMITED (CONTINUED)

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

JOURNEYCALL LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JOURNEYCALL LIMITED (CONTINUED)

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. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following areas: timing of recognition of commercial income, posting of unusual journals along with complex transactions and manipulating the Company's key performance indicators to meet targets. We discussed these risks with client management, designed audit procedures to test the timing of commercial revenue, tested a sample of journals to confirm they were appropriate and reviewed areas of judgement for indicators of management bias to address these risks.

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.



James Pirrie (Senior statutory auditor)

for and on behalf of

Anderson Anderson & Brown Audit LLP

Statutory Auditor

Kingshill View
Prime Four Business Park
Kingswells
Aberdeen
AB15 8PU

Date: 7 January 2022

JOURNEYCALL LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 JULY 2021**

	Note	2021 £	2020 £
Turnover	3	4,828,697	44,126,793
Cost of sales		(642,535)	(35,302,864)
Gross profit		4,186,162	8,823,929
Administrative expenses		(4,653,263)	(6,650,473)
Other operating income		685,086	563,668
Operating profit	4	217,985	2,737,124
Interest receivable and similar income	8	213	17,831
Profit before tax		218,198	2,754,955
Tax on profit	9	16,308	(436,418)
Profit for the financial year		234,506	2,318,537

There was no other comprehensive income for 2021 (2020:£NIL).

The notes on pages 12 to 23 form part of these financial statements.

JOURNEYCALL LIMITED
REGISTERED NUMBER:SC202170

BALANCE SHEET
AS AT 31 JULY 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	10	413,324	566,120
		<u>413,324</u>	<u>566,120</u>
Current assets			
Stocks	11	32,502	38,739
Debtors: amounts falling due within one year	12	1,348,133	920,685
Cash at bank and in hand	13	3,043,942	3,962,017
		<u>4,424,577</u>	<u>4,921,441</u>
Creditors: amounts falling due within one year	14	(764,287)	(848,841)
Net current assets		<u>3,660,290</u>	<u>4,072,600</u>
Total assets less current liabilities		<u>4,073,614</u>	<u>4,638,720</u>
Creditors: amounts falling due after more than one year		(61,783)	(79,866)
Provisions for liabilities			
Deferred tax	17	(23,474)	(55,003)
		<u>(23,474)</u>	<u>(55,003)</u>
Net assets		<u><u>3,988,357</u></u>	<u><u>4,503,851</u></u>
Capital and reserves			
Called up share capital	18	93	93
Share premium account		29,980	29,980
Capital redemption reserve		130	130
Profit and loss account		3,958,154	4,473,648
		<u><u>3,988,357</u></u>	<u><u>4,503,851</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



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T F Dunn
 Director

Date: 30 December 2021

The notes on pages 12 to 23 form part of these financial statements.

JOURNEYCALL LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 JULY 2021**

	Called up share capital £	Share premium account £	Capital redemption reserve £	Profit and loss account £	Total equity £
At 1 August 2019	93	29,980	130	7,714,002	7,744,205
Profit for the year	-	-	-	2,318,537	2,318,537
Dividends: Equity capital	-	-	-	(5,558,891)	(5,558,891)
At 1 August 2020	93	29,980	130	4,473,648	4,503,851
Profit for the year	-	-	-	234,506	234,506
Dividends: Equity capital	-	-	-	(750,000)	(750,000)
At 31 July 2021	93	29,980	130	3,958,154	3,988,357

The notes on pages 12 to 23 form part of these financial statements.

JOURNEYCALL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2021

1. General information

Journeycall Limited is a private company limited by shares incorporated in Scotland. The registered office is 3 James Chalmers Road, Arbroath Enterprise Park, Arbroath, Angus, Scotland, DD11 3RQ. The principal activities of the company continued to be those of the provision of mass transit focussed contact centre, information services to the public, claims management, discounted travel tokens and transit ticket retailing.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

The following principal accounting policies have been applied:

2.2 Going concern

The directors, having made due and careful enquiry, are of the opinion that the company has adequate working capital to execute its operations over the next 12 months. The directors, therefore, have made an informed judgement, at the time of approving the financial statements, that there is a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future.

In arriving at this conclusion, the directors have given due consideration to the impact of the worldwide Covid-19 pandemic on future operations and the ability of the company to continue as a going concern. The company has traded well during the Covid-19 pandemic, however the directors do recognise that the situation remains highly fluid and as a result making accurate forecasts on the likely implications is difficult, and the directors do recognise that trading over the coming months may be adversely affected.

Despite this, the directors remain confident that the company can continue to operate as a going concern. This assessment is based on the understanding that the company and the wider group will continue to trade over the coming months, albeit it at a potentially reduced level than was initially anticipated. This, along with utilising government support measures and retained reserves will allow the company to continue to meet its obligations as they fall due and operate as a going concern.

As a result, the directors have continued to adopt the going concern basis of accounting in preparing the annual financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021**

2. Accounting policies (continued)

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.4 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.5 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of comprehensive income in the same period as the related expenditure.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021**

2. Accounting policies (continued)

2.6 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.7 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.8 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021**

2. Accounting policies (continued)

2.8 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Long-term leasehold property	- Over 10 years
Fixtures and fittings	- 20% per annum on cost to 33 1/3% per annum on cost

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.9 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

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

2.10 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.11 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.12 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.13 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

JOURNEYCALL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2021

3. Turnover

An analysis of turnover by class of business is as follows:

	2021 £	2020 £
Sales	4,828,697	44,126,793
	<u>4,828,697</u>	<u>44,126,793</u>

All turnover arose within the United Kingdom.

4. Operating profit

The operating profit is stated after charging:

	2021 £	2020 £
Furlough income	(685,086)	(563,668)
Depreciation of owned tangible fixed assets	230,572	213,672
Other operating lease rentals	129,077	104,523
	<u>129,077</u>	<u>104,523</u>

5. Auditor's remuneration

	2021 £	2020 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	19,500	19,500
	<u>19,500</u>	<u>19,500</u>

The Company has taken advantage of the exemption not to disclose amounts paid for non audit services as these are disclosed in the group accounts of the parent Company.

JOURNEYCALL LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021****6. Employees**

Staff costs, including directors' remuneration, were as follows:

	2021 £	2020 £
Wages and salaries	3,208,197	4,679,213
Social security costs	187,060	251,096
Cost of defined contribution scheme	77,960	111,499
	<u>3,473,217</u>	<u>5,041,808</u>

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

	2021 No.	2020 No.
Administration	25	18
Call Centre	181	337
	<u>206</u>	<u>355</u>

7. Directors' remuneration

	2021 £	2020 £
Directors' emoluments	-	2,654
Company contributions to defined contribution pension schemes	-	865
	<u>-</u>	<u>3,519</u>

During the year retirement benefits were accruing to NIL directors (2020 - 2) in respect of defined contribution pension schemes.

8. Interest receivable

	2021 £	2020 £
Other interest receivable	213	17,831
	<u>213</u>	<u>17,831</u>

JOURNEYCALL LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021

9. Taxation

	2021 £	2020 £
Corporation tax		
Current tax on profits for the year	15,633	429,101
Adjustments in respect of previous periods	(412)	-
	<u>15,221</u>	<u>429,101</u>
Total current tax	<u>15,221</u>	<u>429,101</u>
Deferred tax		
Origination and reversal of timing differences	(31,529)	7,317
Total deferred tax	<u>(31,529)</u>	<u>7,317</u>
Taxation on (loss)/profit on ordinary activities	<u>(16,308)</u>	<u>436,418</u>

JOURNEYCALL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2021

9. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2020 - lower than) the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

	2021 £	2020 £
Profit on ordinary activities before tax	218,198	2,754,955
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	41,458	523,441
Effects of:		
Fixed asset differences	(12,463)	9,590
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	-	442
Capital allowances for year in excess of depreciation	-	(64,076)
Adjustments to tax charge in respect of prior periods	(412)	-
Adjustment in research and development tax credit leading to an increase (decrease) in the tax charge	-	(26,654)
Group relief	(44,891)	(1,685)
Deferred tax not recognised	-	(4,640)
Total tax charge for the year	(16,308)	436,418

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

JOURNEYCALL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021**

10. Tangible fixed assets

	Long-term leasehold property £	Fixtures and fittings £	Total £
Cost or valuation			
At 1 August 2020	1,000,918	708,996	1,709,914
Additions	-	77,776	77,776
At 31 July 2021	<u>1,000,918</u>	<u>786,772</u>	<u>1,787,690</u>
Depreciation			
At 1 August 2020	547,152	596,642	1,143,794
Charge for the year on owned assets	100,091	130,481	230,572
At 31 July 2021	<u>647,243</u>	<u>727,123</u>	<u>1,374,366</u>
Net book value			
At 31 July 2021	<u>353,675</u>	<u>59,649</u>	<u>413,324</u>
At 31 July 2020	<u>453,766</u>	<u>112,354</u>	<u>566,120</u>

11. Stocks

	2021 £	2020 £
Finished goods and goods for resale	32,502	38,739
	<u>32,502</u>	<u>38,739</u>

JOURNEYCALL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021**

12. Debtors

	2021 £	2020 £
Trade debtors	690,370	551,350
Amounts owed by group undertakings	404,498	73,101
Other debtors	19,200	135,719
Prepayments and accrued income	234,065	160,515
	<u>1,348,133</u>	<u>920,685</u>

13. Cash and cash equivalents

	2021 £	2020 £
Cash at bank and in hand	3,043,942	3,962,017
	<u>3,043,942</u>	<u>3,962,017</u>

14. Creditors: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	166,381	146,666
Amounts owed to group undertakings	1,110	25,753
Corporation tax	15,340	151,220
Other taxation and social security	234,439	264,328
Accruals and deferred income	347,017	260,874
	<u>764,287</u>	<u>848,841</u>

15. Creditors: Amounts falling due after more than one year

	2021 £	2020 £
Accruals and deferred income	61,783	79,866
	<u>61,783</u>	<u>79,866</u>

JOURNEYCALL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2021

16. Financial instruments

	2021 £	2020 £
Financial assets		
Financial assets measured at fair value through profit or loss	3,043,942	3,962,017
Financial assets that are debt instruments measured at amortised cost	1,245,607	551,350
	<u>4,289,549</u>	<u>4,513,367</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>(514,508)</u>	<u>(370,523)</u>

Financial assets measured at fair value through profit or loss comprise of cash at bank and in hand.

Financial assets that are debt instruments measured at amortised cost is comprised of debtors.

Financial liabilities measured at amortised cost comprise of trade creditors, accruals and other creditors.

17. Deferred taxation

	2021 £
At beginning of year	(55,003)
Charged to the profit or loss	31,529
At end of year	<u>(23,474)</u>

The provision for deferred taxation is made up as follows:

	2021 £	2020 £
Fixed asset timing differences	(24,995)	(57,158)
Short term timing differences	1,521	2,155
	<u>(23,474)</u>	<u>(55,003)</u>

JOURNEYCALL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2021

18. Share capital

	2021 £	2020 £
Allotted, called up and fully paid		
93 (2020 - 93) Ordinary shares shares of £1.00 each	93	93

19. Commitments under operating leases

At 31 July 2021 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2021 £	2020 £
Not later than 1 year	160,748	160,748
Later than 1 year and not later than 5 years	254,615	422,962
	<u>415,363</u>	<u>583,710</u>

20. Related party transactions

The Company is controlled by ESP Systex Holdings Limited. The Company has taken advantage of the exemption in FRS 102 section 33.1A from the requirement to disclose transactions with 100% owned subsidiaries. The consolidated financial statements of ESP Systex Holdings Limited can be obtained from the address given in the Controlling Party note (below).

21. Controlling party

The company is a subsidiary of ESP Systex Holdings Limited, a company incorporated in England whose registered address is Wilkin Chapman LLP, The Hall, Lairgate, Beverley, England, HE17 8HL. The company is controlled by Mr. T. F. Dunn via his shareholding in the company's parent undertaking. ESP Systex Holdings Limited is the parent company of both the smallest and largest group into which the company's financial statements are consolidated.