

NEXTIVITY LIMITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 DECEMBER 2020

NEXTIVITY LIMITED

COMPANY INFORMATION

Directors	W R Sievers (resigned 1 August 2021) A G Williams M P Lotter (appointed 1 August 2021)
Registered number	06754655
Registered office	Reading Bridge House 8th Floor South Reading Berkshire RG1 8LS
Independent auditor	James Cowper Kreston Audit Chartered Accountants and Statutory Auditor Reading Bridge House George Street Reading Berkshire RG1 8LS

NEXTIVITY LIMITED

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NEXTIVITY LIMITED
REGISTERED NUMBER: 06754655

BALANCE SHEET
AS AT 31 DECEMBER 2020

	Note	2020 \$	2019 \$
Fixed assets			
Tangible assets		-	1,002
		-	1,002
Current assets			
Debtors: amounts falling due within one year	4	232,089	94,669
Cash at bank and in hand	5	258,799	362,846
		490,888	457,515
Creditors: amounts falling due within one year	6	(94,307)	(114,092)
Net current assets		396,581	343,423
Total assets less current liabilities		396,581	344,425
Net assets		396,581	344,425
Capital and reserves			
Called up share capital		150	150
Profit and loss account		396,431	344,275
		396,581	344,425

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

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

A G Williams

Director

Date: 13 March 2023

The notes on pages 2 to 5 form part of these financial statements.

NEXTIVITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1. General information

Nextivity Limited is a private company limited by shares incorporated in England and Wales. The registered office is Reading Bridge House, 8th Floor South, Reading, RG1 8LS.

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 Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Going concern

The company is a cost centre which recharges all expenses to its parent company on a cost plus basis. The parent has confirmed its intention to continue operating the subsidiary and to continue to fund it via the cost plus arrangement. The parent company is in a strong financial position with sufficient cash availability for the foreseeable future and has not been materially impacted by the COVID pandemic.

Based on the above, the directors are satisfied that it is appropriate to prepare the financial statements on a going concern basis.

2.3 Revenue

Turnover represents net invoiced sales to the company's ultimate parent company under a cost plus arrangement, excluding value added tax. All turnover arises from transactions with the Parent Company.

2.4 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.

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:

Plant and machinery	-	20%	straight line
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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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

2. Accounting policies (continued)

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.

2.6 Foreign currency translation

Functional and presentation currency

The Company's functional currency is GBP. This differs from the presentational currency which is USD. The reason for the difference is that the parent company consolidates the accounts in USD and all accounting is performed in the United States.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

2.7 Borrowing costs

All borrowing costs are recognised in the Statement of comprehensive income in the year in which they are incurred.

2.8 Taxation

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.

NEXTIVITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.9 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.

2.10 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.

2.11 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.

3. Employees

The average monthly number of employees, including directors, during the year was 4 (2019 - 4).

4. Debtors

	2020	2019
	\$	\$
Amounts owed by group undertakings	223,755	74,687
Other debtors	4,165	17,900
Prepayments and accrued income	4,169	2,082
	<u>232,089</u>	<u>94,669</u>

5. Cash and cash equivalents

	2020	2019
	\$	\$
Cash at bank and in hand	258,799	362,846
	<u>258,799</u>	<u>362,846</u>

NEXTIVITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

6. Creditors: Amounts falling due within one year

	2020	2019
	\$	\$
Trade creditors	1,687	-
Corporation tax	23,677	12,690
Other taxation and social security	1,361	1,573
Accruals and deferred income	67,582	99,829
	<u>94,307</u>	<u>114,092</u>

7. Related party transactions

All of the company's turnover is derived from sales to group companies. At the year end the amount owed by Nextivity Inc to Nextivity Limited was \$223,752 (2019: \$74,687).

8. Controlling party

The company is a wholly owned subsidiary of Nextivity Inc, a company incorporated in the United States of America.

9. Auditor's information

The auditor's report on the financial statements for the year ended 31 December 2020 was unqualified.

The audit report was signed on 14 March 2023 by Alan Poole BA (Hons) FCA (Senior statutory auditor) on behalf of James Cowper Kreston Audit.

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.