

**TECHNOLOGY SOLUTIONS GROUP LIMITED**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 OCTOBER 2023**

TECHNOLOGY SOLUTIONS GROUP LIMITED

COMPANY INFORMATION

---

Directors	Ms R M Atkinson (resigned 19 December 2022) Mr P Mahoney Mr J Whitty
Registered number	07753328
Registered office	Trimbridge House Ground Floor Trim Street Bath BA1 1HB
Independent auditors	Bishop Fleming Bath Limited Chartered Accountants & Statutory Auditors 10 Temple Back Bristol BS1 6FL

CONTENTS

---

	Page
Directors' report	1 - 2
Independent auditors' report	3 - 6
Statement of comprehensive income	7
Statement of financial position	8
Statement of changes in equity	9
Notes to the financial statements	10 - 22

**DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 OCTOBER 2023**

---

The directors present their report and the financial statements for the year ended 31 October 2023.

**Directors' responsibilities statement**

The directors are responsible for preparing 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;
- 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.

**Directors**

The directors who served during the year were:

Ms R M Atkinson (resigned 19 December 2022)  
Mr P Mahoney  
Mr J Whitty

**Disclosure of information to auditors**

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 auditors are 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 auditors are aware of that information.

**Auditors**

The auditors, Bishop Fleming Bath Limited, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

**Small companies note**

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 OCTOBER 2023**

---

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

**Mr P Mahoney**

Director

Date: 11 April 2024

Trimbridge House Ground Floor

Trim Street

Bath

BA1 1HB

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TECHNOLOGY SOLUTIONS GROUP LIMITED

---

**Opinion**

We have audited the financial statements of Technology Solutions Group Limited (the 'Company') for the year ended 31 October 2023, which comprise the Statement of comprehensive income, the Statement of financial position, 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 October 2023 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 Auditors' 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 Auditors' 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TECHNOLOGY SOLUTIONS GROUP 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 Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has 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 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a Strategic report.

**Responsibilities of directors**

As explained more fully in the Directors' responsibilities statement set out on page 1, 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.

**Auditors' 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 Auditors' 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:

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and noncompliance with laws and regulations, we considered the following:

- We have considered the nature of the industry and sector, control environment, and business performance;

- We have considered the results of enquiries with management and the directors in relation to their own

identification and assessment of the risks of irregularities within the entity; and

- We have reviewed the documentation of key processes and controls and performed walkthroughs of

transactions to confirm that the systems are operating effectively, in line with documentation.

As a result of these procedures, we have considered the opportunities and incentives that may exist within the organisation for fraud and identified the highest area of risk to be in relation to revenue recognition, with a particular risk in relation to year-end cut-off.

In common with all audits under ISAs (UK) we are also required to perform specific procedures to respond to the risk of management override.

We have also obtained an understanding of the legal and regulatory frameworks that the Company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act, FRS 102 and UK tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Company's ability to operate or avoid a material penalty. These included data protection legislation, health and safety regulations, and employment law.

Our procedures to respond to risks identified included the following:

- Performed substantive tests of detail related to the recognition of revenue.

- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;

- Enquiring of management in relation to actual and potential claims or litigation;

- Performing analytical procedures to identify unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;

- Performing detailed transactional testing in relation to the recognition of revenue with a particular focus around the year-end cut off; and

- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal



entries and other adjustments; assessing whether the judgments made in accounting estimates are indicative of potential bias; and evaluating the business rationale of significant transactions that are unusual or outside the normal course of business.

We also communicated identified laws and regulations and potential fraud risks to all members of the engagement team and remained alert to possible indicators of fraud or non-compliance with laws and regulations throughout the audit.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TECHNOLOGY SOLUTIONS GROUP LIMITED (CONTINUED)

---

As a result of the inherent limitations of an audit, there is a risk that not all irregularities, including a material misstatement in the financial statements or non-compliance with regulation, will be detected by us. This risk increases the further removed compliance with a law and regulation is from the events and transactions reflected in the financial statements, given we will be less likely to be aware of it, or should the irregularity occur as a result of fraud rather than a one off error, as this may involve intentional concealment, forgery, collusion, omission or misrepresentation.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' 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 Auditors' 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.

Simon Morrison FCA (Senior statutory auditor)  
for and on behalf of

**Bishop Fleming Bath Limited**

Chartered Accountants

Statutory Auditors

10 Temple Back

Bristol

BS1 6FL

22 April 2024

STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 OCTOBER 2023

	2023 £	2022 £
Turnover	2,324,351	5,226,747
Cost of sales	(1,173,209)	(2,247,728)
<b>Gross profit</b>	<b>1,151,142</b>	<b>2,979,019</b>
Administrative expenses	(342,913)	(2,077,281)
Impairment of intangible assets	(492,754)	-
<b>Operating profit</b>	<b>315,475</b>	<b>901,738</b>
Interest receivable and similar income	-	(53)
Interest payable and similar expenses	-	(2,129)
<b>Profit before tax</b>	<b>315,475</b>	<b>899,556</b>
Tax on profit	155,438	116,161
<b>Profit for the financial year</b>	<b>470,913</b>	<b>1,015,717</b>
<b>Other comprehensive income for the year</b>		
<b>Total comprehensive income for the year</b>	<b>470,913</b>	<b>1,015,717</b>

The notes on pages 10 to 22 form part of these financial statements.

STATEMENT OF FINANCIAL POSITION  
AS AT 31 OCTOBER 2023

	Note	2023 £	2022 £
<b>Fixed assets</b>			
Intangible assets	5	-	532,696
Tangible assets	6	31,461	42,014
		<u>31,461</u>	<u>574,710</u>
<b>Current assets</b>			
Stocks		8,819	5,996
Debtors: amounts falling due within one year	7	2,093,239	1,752,007
Cash at bank and in hand	8	20,517	374,739
		<u>2,122,575</u>	<u>2,132,742</u>
Creditors: amounts falling due within one year	9	(772,090)	(1,775,891)
<b>Net current assets</b>		<u>1,350,485</u>	<u>356,851</u>
<b>Total assets less current liabilities</b>		<u>1,381,946</u>	<u>931,561</u>
<b>Provisions for liabilities</b>			
Deferred tax	10	(3,981)	(24,509)
		<u>(3,981)</u>	<u>(24,509)</u>
<b>Net assets</b>		<u><u>1,377,965</u></u>	<u><u>907,052</u></u>
<b>Capital and reserves</b>			
Called up share capital		3,000	3,000
Share premium account		17,632	17,632
Profit and loss account		1,357,333	886,420
		<u><u>1,377,965</u></u>	<u><u>907,052</u></u>

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

**Mr P Mahoney**  
Director

Date: 11 April 2024

The notes on pages 10 to 22 form part of these financial statements.

**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 OCTOBER 2023**

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
<b>At 1 November 2021</b>	<b>3,000</b>	<b>17,632</b>	<b>(129,297)</b>	<b>(108,665)</b>
<b>Comprehensive income for the year</b>				
Profit for the year	-	-	1,015,717	1,015,717
<b>At 1 November 2022</b>	<b>3,000</b>	<b>17,632</b>	<b>886,420</b>	<b>907,052</b>
<b>Comprehensive income for the year</b>				
Profit for the year	-	-	470,913	470,913
<b>At 31 October 2023</b>	<b>3,000</b>	<b>17,632</b>	<b>1,357,333</b>	<b>1,377,965</b>

The notes on pages 10 to 22 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2023

---

**1. General information**

Technology Solutions Group Limited is a private company limited by shares incorporated in England and Wales. The registered office is Trimbridge House Ground Floor, Trim Street, Bath, England, BA1 1HB.

**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 Financial Reporting Standard 102 - reduced disclosure exemptions**

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Oval Holdco Ltd as at 31 October 2023 and these financial statements may be obtained from Trimbridge House Ground Floor, Trim Street, Bath, BA1 1HB.

**2.3 Going concern**

The financial statements are prepared on a going concern basis. The operating cashflow less capital expenditure of the combined group businesses generated £1.4m of cash in the 12 months to October 2023, which provided adequate headroom to service the Group's debt obligations. In the post year end period the Group continues to trade profitably with good operating cash conversion.

The Group's net liabilities position of £12m is principally driven by debt in the form of investor and loan notes of £16.672m, excluding accrued interest and prepaid transaction costs which totalled £4.72m at the year end. These tranches of debt are redeemable in March 2026 and no event of default before this date would make any of the debt repayable on demand. Both Oval Holdco's owners and lenders remain supportive backers of the Group.

The group prepares detailed short-term and long-term cash flow forecasts and the directors have considered these and also the ability of the group to continue as a going concern in light of these forecasts. Accordingly, and after making appropriate enquiries, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future and for at least one year from the date of approval of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2023**

---

**2. Accounting policies (continued)**

**2.4 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.

**2.5 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.

**2.6 Interest income**

Interest income is recognised in profit or loss using the effective interest method.

**2.7 Finance costs**

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2023

---

2. Accounting policies (continued)

2.8 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 Statement of financial position. The assets of the plan are held separately from the Company in independently administered funds.

2.9 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 reporting 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 reporting 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 reporting date.



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2023**

---

**2. Accounting policies (continued)**

**2.10 Intangible assets**

**Goodwill**

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight-line basis to the Statement of comprehensive income over its useful economic life.

**Other Intangible Assets**

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

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.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

Licences	-	2 years straight line
Customer contracts	-	7 to 10 years straight line

**2.11 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, on a reducing balance basis.

Depreciation is provided on the following basis:

Fixtures and fittings	-	15%
-----------------------	---	-----

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. Accounting policies (continued)**

**2.12 Impairment of fixed assets and goodwill**

Assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each reporting date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

**2.13 Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss.

**2.14 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.

**2.15 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.

**2.16 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.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2023

---

2. Accounting policies (continued)

**2.17 Provisions for liabilities**

Provisions are recognised when an event has taken place that gives rise to a legal or constructive obligation, a transfer of economic benefits is probable and a reliable estimate can be made.

Provisions are measured as the best estimate of the amount required to settle the obligation, taking into account the related risks and uncertainties.

Increases in provisions are generally charged as an expense to profit or loss.

**2.18 Financial instruments**

The Company has elected to apply the provisions of Section 11 "Basic Financial Instruments" of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Company's Statement of financial position when the Company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**Basic financial assets**

Basic financial assets, which include trade and other receivables, cash and bank balances, are initially measured at their transaction price including transaction costs and are subsequently carried at their amortised cost using the effective interest method, less any provision for impairment, 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.

Discounting is omitted where the effect of discounting is immaterial. The Company's cash and cash equivalents, trade and most other receivables due with the operating cycle fall into this category of financial instruments.

**Other financial assets**

Other financial assets, which includes investments in equity instruments which are not classified as subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the recognised transaction price. Such assets are subsequently measured at fair value with the changes in fair value being recognised in the profit or loss. Where other financial assets are not publicly traded, hence their fair value cannot be measured reliably, they are measured at cost less impairment.

**Impairment of financial assets**

Financial assets are assessed for indicators of impairment at each reporting date.

Financial assets are impaired when events, subsequent to their initial recognition, indicate the estimated future cash flows derived from the financial asset(s) have been adversely impacted. The impairment loss will be the difference between the current carrying amount and the present value of the future cash flows at the asset(s) original effective interest rate.

If there is a favourable change in relation to the events surrounding the impairment loss then the impairment can be reviewed for possible reversal. The reversal will not cause the current carrying amount to exceed the original carrying amount had the impairment not been recognised. The impairment reversal is recognised in the profit or loss.

**2. Accounting policies (continued)**

**2.18 Financial instruments (CONTINUED)**

**Financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after the deduction of all its liabilities.

Basic financial liabilities, which include trade and other payables, bank loans and other loans are initially measured at their transaction price after transaction costs. When this constitutes a financing transaction, whereby the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Discounting is omitted where the effect of discounting is immaterial.

Debt instruments are subsequently carried at their amortised cost using the effective interest rate method.

Trade payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if the payment is due within one year. If not, they represent non-current liabilities. Trade payables are initially recognised at their transaction price and subsequently are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

**Other financial instruments**

Derivatives, including forward exchange contracts, futures contracts and interest rate swaps, are not classified as basic financial instruments. These are initially recognised at fair value on the date the derivative contract is entered into, with costs being charged to the profit or loss. They are subsequently measured at fair value with changes in the profit or loss.

Debt instruments that do not meet the conditions as set out in FRS 102 paragraph 11.9 are subsequently measured at fair value through the profit or loss. This recognition and measurement would also apply to financial instruments where the performance is evaluated on a fair value basis as with a documented risk management or investment strategy.

**Derecognition of financial instruments**

**Derecognition of financial assets**

Financial assets are derecognised when their contractual right to future cash flow expire, or are settled, or when the Company transfers the asset and substantially all the risks and rewards of ownership to another party. If significant risks and rewards of ownership are retained after the transfer to another party, then the Company will continue to recognise the value of the portion of the risks and rewards retained.

**Derecognition of financial liabilities**

Financial liabilities are derecognised when the Company's contractual obligations expire or are discharged or cancelled.

**3. Employees**

The average monthly number of employees, including directors, during the year was 20 (2022: 26).

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2023

4. Taxation

	2023 £	2022 £
<b>CORPORATION TAX</b>		
Adjustments in respect of previous periods	(134,910)	73,330
	<u>(134,910)</u>	<u>73,330</u>
<b>TOTAL CURRENT TAX</b>	<u>(134,910)</u>	<u>73,330</u>
<b>DEFERRED TAX</b>		
Origination and reversal of timing differences	(2,146)	-
Adjustments in respect of prior periods	(18,382)	(189,491)
	<u>(20,528)</u>	<u>(189,491)</u>
<b>TOTAL DEFERRED TAX</b>	<u>(20,528)</u>	<u>(189,491)</u>
<b>TAX ON PROFIT</b>	<u>(155,438)</u>	<u>(116,161)</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2023**

**4. Taxation (continued)**

**Factors affecting tax charge for the year**

The tax assessed for the year is lower than (2022: lower than) the standard rate of corporation tax in the UK of 25% (2022: 19%). The differences are explained below:

	2023 £	2022 £
Profit on ordinary activities before tax	<u>315,475</u>	<u>899,556</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 22.52% (2022: 19%)	90,379	170,916
<b>EFFECTS OF:</b>		
Fixed asset differences	8,989	46,694
Expenses not deductible for tax purposes	111,239	101
Adjustment in respect of prior periods (current & inter-co)	(134,910)	73,330
Adjustments in respect of prior periods (deferred tax)	(18,382)	-
Remeasurement of deferred tax for changes in tax rates	(212)	(8,490)
Movement in deferred tax not recognised	-	41,504
Other adjustment in relation to current tax resulting in an increase/(decrease) in tax charge	-	(195,620)
Group relief surrendered/(claimed)	(212,541)	(244,596)
<b>TOTAL TAX CHARGE FOR THE YEAR</b>	<u>(155,438)</u>	<u>(116,161)</u>

**Factors that may affect future tax charges**

There were no factors that may affect future tax charges.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2023

5. Intangible assets

	Customer Contracts £
<b>COST</b>	
At 1 November 2022	1,629,613
	<hr/>
At 31 October 2023	1,629,613
	<hr/>
<b>AMORTISATION</b>	
At 1 November 2022	1,096,917
Charge for the year on owned assets	39,942
Impairment charge	492,754
	<hr/>
At 31 October 2023	1,629,613
	<hr/>
<b>NET BOOK VALUE</b>	
At 31 October 2023	-
	<hr/>
At 31 October 2022	532,696
	<hr/>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2023

6. Tangible fixed assets

	Fixtures and fittings £
<b>COST OR VALUATION</b>	
At 1 November 2022	80,130
Additions	1,814
Disposals	(17,951)
	<hr/>
At 31 October 2023	63,993
	<hr/>
<b>DEPRECIATION</b>	
At 1 November 2022	38,116
Charge for the year on owned assets	5,213
Disposals	(10,797)
	<hr/>
At 31 October 2023	32,532
	<hr/>
<b>NET BOOK VALUE</b>	
At 31 October 2023	<u>31,461</u>
At 31 October 2022	<u>42,014</u>



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2023**

**7. Debtors**

	2023 £	2022 £
Trade debtors	8,941	169,299
Amounts owed by group undertakings	1,849,688	1,069,524
Other debtors	104,714	367,709
Prepayments and accrued income	80,878	218,805
Tax recoverable/(payable)	49,018	(73,330)
	<u>2,093,239</u>	<u>1,752,007</u>

**8. Cash and cash equivalents**

	2023 £	2022 £
Cash at bank and in hand	20,517	374,739
	<u>20,517</u>	<u>374,739</u>

**9. Creditors: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2023 £	2022 £
Trade creditors	10,022	281,498
Other taxation and social security	-	183,271
Other creditors	81	13,797
Accruals and deferred income	761,987	1,297,325
	<u>772,090</u>	<u>1,775,891</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2023

## 10. Deferred taxation

	2023 £
At beginning of year	(24,509)
Charged to profit or loss	20,528
<b>AT END OF YEAR</b>	<b>(3,981)</b>

  

	2023 £	2022 £
Accelerated capital allowances	(5,848)	(33,430)
Timing differences	1,867	8,921
	<b>(3,981)</b>	<b>(24,509)</b>

## 11. Related party transactions

The company has taken the exemption allowed under section 33.1A of FRS 102 not to disclose transactions with other group companies, due to being 100% owned. There are no other related party transactions requiring disclosure.

## 12. Controlling party - Oval Holdco Ltd

The immediate parent company is Oval Holdco Limited, a company incorporated in the UK. Consolidated accounts are publicly available on Companies House.

The ultimate parent company of the smallest group preparing consolidated financial statements is Oval Holdco Ltd, a company incorporated in the UK. The registered office is Trimbridge House Ground Floor, Trim Street, Bath, England, BA1 1HB.

Consolidated financial statements can be obtained from the registered office.

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.