COMPANY REGISTRATION NUMBER: 09049797

The Happiness Index Limited

Filleted Unaudited Financial Statements

31 March 2021

The Happiness Index Limited

Financial Statements

Year ended 31 March 2021

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Directors' Report

Year ended 31 March 2021

The directors present their report and the unaudited financial statements of the company for the year ended 31 March 2021 .

Directors

The directors who served the company during the year were as follows:

Mr C J Hyland

Mr T Latter

Mr M J Phelan

Strategic review

Fiscal year ending 31st March 2021 was a challenging year for the business due to the global COVID-19 pandemic. Revenues were marginally down on the previous year by 5% but total costs were reduced by over 23% resulting in a significantly reduced loss. During March and April 2021 the business brought in 20 new investors, injecting £1.035m into cashflow. The business has ambitious growth plans for the coming year and will be investing in people and technology

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

This report was approved by the board of directors on 18 August 2021 and signed on behalf of the board by:

Mr C J Hyland

Director

Registered office:

Waverley House

9 Noel Street

Soho

London

England

United Kingdom

W1F 8GQ

The Happiness Index Limited

Statement of Financial Position

31 March 2021

	Note	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Intangible assets	5		3,614		4,115
Tangible assets	6		8,697		10,580
			12,311		14,695
Current assets					
Debtors	7	157,646		300,760	
Cash at bank and in hand		758,898		5,045	
		916,544		305,805	
Creditors: amounts falling due within one year	8	433,758		559,548	
Net current assets/(liabilities)			482,786		(253,743)
Total assets less current liabilities			495,097		(239,048)
Creditors: amounts falling due after more than one year	9		51,077		162,166
Net assets/(liabilities)			444,020		(401,214)
Capital and reserves					
Called up share capital	10		1,428		1,309
Share premium account			1,709,441		799,728
Capital redemption reserve			29		29
Profit and loss account			(1,266,878)		(1,202,280)
Shareholders funds/(deficit)			444,020		(401,214)

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of comprehensive income has not been delivered.

For the year ending 31 March 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476 ;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements .

These financial statements were approved by the board of directors and authorised for issue on 18 August 2021 , and are signed on behalf of the board by:

Mr C J Hyland

Director

Company registration number: 09049797

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Waverley House, 9 Noel Street, Soho, London, England, W1F 8GQ, United Kingdom.

2. Statement of compliance

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on a going concern basis which is dependent upon the continued support of the company's directors. The directors have indicated their willingness to support the company in the foreseeable future by ensuring sufficient funds are available for the company to continue trading. Therefore the directors consider the going concern basis is appropriate.

Going concern

The directors have considered the impact of the covid-19 pandemic in their assessment of the company's ability to prepare accounts as a going concern. Because of the uncertainties surrounding the effects of the economic slowdown it is difficult to predict the impact on the company and its customers, but having taken all the factors into account, the directors are of the opinion that the company has sufficient resources to continue trading for the next 12 months from the date of signing these accounts.

Research and development policy

Research expenditure is written off in the period in which it is incurred.

Development expenditure incurred is capitalised as an intangible asset only when all of the following criteria are met:

- It is technically feasible to complete the intangible asset so that it will be available for use or sale;
- There is the intention to complete the intangible asset and use or sell it;
- There is the ability to use or sell the intangible asset;
- The use or sale of the intangible asset will generate probable future economic benefits;
- There are adequate technical, financial and other resources available to complete the development and to use or sell the intangible asset; and
- The expenditure attributable to the intangible asset during its development can be measured reliably.

Expenditure that does not meet the above criteria is expensed as incurred.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for services rendered, stated net of discounts and of Value Added Tax.

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively. Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the profit and loss account.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Intangible assets

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses. Any intangible assets carried at revalued amounts, are recorded at the fair value at the date of revaluation, as determined by reference to an active market, less any subsequent accumulated amortisation and subsequent accumulated impairment losses.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Patents	-	10% straight line

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures and fittings	-	25% straight line
Equipment	-	25 % straight line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date. For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received. Government grants are recognised using the accrual model. Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable. Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income and not deducted from the carrying amount of the asset.

Financial instruments

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 entity after deducting all of its financial liabilities.

Defined contribution pension plans

Contributions to defined contribution pension plans are recognised as an expense in the period in which the related service is provided by the employee. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

4. Employee numbers

The average number of persons employed by the company during the year amounted to 19 (2020: 18).

5. Intangible assets

	Patents, trademarks and licences £
Cost	
At 1 April 2020 and 31 March 2021	5,007
Amortisation	
At 1 April 2020	892
Charge for the year	501
At 31 March 2021	1,393
Carrying amount	
At 31 March 2021	3,614
At 31 March 2020	4,115

6. Tangible assets

	Fixtures and fittings	Equipment	**Total**
	£	£	**£**
Cost			
At 1 April 2020	1,341	15,375	16,716
Additions	216	1,928	2,144
At 31 March 2021	1,557	17,303	18,860
Depreciation			
At 1 April 2020	966	5,170	6,136
Charge for the year	166	3,861	4,027
At 31 March 2021	1,132	9,031	10,163
Carrying amount			
At 31 March 2021	425	8,272	8,697
At 31 March 2020	375	10,205	10,580

7. Debtors

	2021	2020
	£	£
Trade debtors	68,357	150,959
Prepayments and accrued income	11,624	22,642
Other debtors	77,665	127,159
	157,646	300,760

8. Creditors: amounts falling due within one year

	2021	2020
	£	£
Bank loans and overdrafts	2,778	2,972
Trade creditors	17,817	36,822
Accruals and deferred income	327,117	435,683
Social security and other taxes	81,182	79,880
Other creditors	4,864	4,191
	433,758	559,548

9. Creditors: amounts falling due after more than one year

	2021	2020
	£	£
Bank loans and overdrafts	47,222	–
Director loan accounts	676	139,495
Other loans	3,179	22,671
	51,077	162,166

10. Called up share capital

Issued, called up and fully paid

	2021		2020	
	No.	**£**	No.	£
Ordinary A shares of £ 0.01 each	142,811	1,428	130,902	1,309

Post year end the company issued 1,637 £0.01 shares. The total amount received was £124,999.

11. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2021	2020
	£	£
Not later than 1 year	–	127,680

12. Related party transactions

During the year the company entered into the following transactions with related parties:

	Transaction value		**Balance owed by/(owed to)**	
	2021	2020	**2021**	2020
	£	£	£	£
Director loan accounts	–	–	(676)	(139,495)
Other related party	5,000	–	–	–