
TOUCH-TYPE READ AND SPELL LIMITED

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 MARCH 2020

TOUCH-TYPE READ AND SPELL LIMITED
REGISTERED NUMBER: 02944581

BALANCE SHEET
AS AT 31 MARCH 2020

	Note	2020 £	2019 £
Fixed assets			
Intangible assets	4	337,500	<i>360,000</i>
Tangible assets	5	5,953	<i>5,384</i>
		343,453	<i>365,384</i>
Current assets			
Debtors: amounts falling due within one year	6	24,407	<i>28,510</i>
Cash at bank and in hand		166,557	<i>128,877</i>
		190,964	<i>157,387</i>
Creditors: amounts falling due within one year	7	(182,910)	<i>(231,325)</i>
Net current assets/(liabilities)		8,054	<i>(73,938)</i>
Total assets less current liabilities		351,507	<i>291,446</i>
Provisions for liabilities			
Deferred tax		(1,131)	<i>(1,141)</i>
		(1,131)	<i>(1,141)</i>
Net assets		350,376	<i>290,305</i>
Capital and reserves			
Called up share capital		100	<i>100</i>
Profit and loss account		350,276	<i>290,205</i>
		350,376	<i>290,305</i>

TOUCH-TYPE READ AND SPELL LIMITED
REGISTERED NUMBER: 02944581

BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2020

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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 income and retained earnings 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:

H J Alexandre
Director

Date: 2 December 2020

The notes on pages 3 to 9 form part of these financial statements.

TOUCH-TYPE READ AND SPELL LIMITED

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

1. General information

Touch Type Read and Spell Limited is a limited company domiciled and incorporated in England and Wales. The registered office is 1 Bromley Lane, Chislehurst, Kent, BR7 6LH.

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 financial statements have been prepared on the going concern basis which assumes that the company will continue as a going concern for the foreseeable future. However, a pandemic has emerged since the period end and the company is not able to quantify the financial impact at this stage. The company continues to have the financial support of its shareholders and accordingly the directors believe it appropriate to prepare the financial statements on the going concern basis.

2.3 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

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 Income and Retained Earnings within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

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.

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.

The Company has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before the date of transition to the standard 01 April 2018 to continue to be charged over the period to the first market rent review rather than the term of the lease.

2.6 Interest income

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

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

2. Accounting policies (continued)

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.

2.8 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.

2.9 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 Income and Retained Earnings 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.

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.

2.10 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.

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

2. Accounting policies (continued)

2.10 Tangible fixed assets (continued)

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:

Plant and machinery	-	25%
Fixtures and fittings	-	25%

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.

2.11 Financial instruments

Balance Sheet when the Company becomes a party to the contractual provisions of the instrument.

Investments in listed shares are classified as basic financial instruments. They are initially measured at transaction price and subsequently measured at fair value, with changes in fair value being recognised in the Statement of Comprehensive Income. Fair value is determined using the quoted bid price at the balance sheet date.

Trade and other debtors and creditors are classified as basic financial instruments and measured at initial recognition at transaction price. Debtors and creditors are subsequently measured at amortised cost using the effective interest rate method. A provision is established when there is objective evidence that the Company will not be able to collect all amounts due.

Cash and cash equivalents are classified as basic financial instruments and comprise cash in hand and at bank, short-term bank deposits with an original maturity of three months or less and bank overdrafts which are an integral part of the Company's cash management.

Derivative financial instruments are classified as other financial instruments. They are measured at fair value on initial recognition and at the end of each reporting period, with changes in fair value recognised in profit or loss.

Financial liabilities and equity instruments issued by the Company are classified in accordance with the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Interest bearing bank loans, overdrafts and other loans which meet the criteria to be classified as basic financial instruments are initially recorded at the present value of cash payable to the bank, which is ordinarily equal to the proceeds received net of direct issue costs. These liabilities are subsequently measured at amortised cost, using the effective interest rate method.

2. Accounting policies (continued)

2.12 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3. Employees

The average monthly number of employees, including directors, during the year was 3 (2019 - 3).

4. Intangible assets

Goodwill
£

Cost

At 1 April 2019	450,000
-----------------	----------------

At 31 March 2020	450,000
------------------	----------------

Amortisation

At 1 April 2019	90,000
-----------------	---------------

Charge for the year on owned assets	22,500
-------------------------------------	---------------

At 31 March 2020	112,500
------------------	----------------

Net book value

At 31 March 2020	337,500
------------------	----------------

At 31 March 2019	360,000
-------------------------	----------------

TOUCH-TYPE READ AND SPELL LIMITED

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

5. Tangible fixed assets

	Plant and machinery £	Fixtures and fittings £	Total £
Cost or valuation			
At 1 April 2019	15,597	4,792	20,389
Additions	1,915	-	1,915
At 31 March 2020	<u>17,512</u>	<u>4,792</u>	<u>22,304</u>
Depreciation			
At 1 April 2019	10,884	4,121	15,005
Charge for the year on owned assets	1,178	168	1,346
At 31 March 2020	<u>12,062</u>	<u>4,289</u>	<u>16,351</u>
Net book value			
At 31 March 2020	<u>5,450</u>	<u>503</u>	<u>5,953</u>
At 31 March 2019	<u>4,713</u>	<u>671</u>	<u>5,384</u>

6. Debtors

	2020 £	2019 £
Trade debtors	23,003	19,874
Other debtors	1,404	8,636

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

7. Creditors: Amounts falling due within one year

	2020	<i>2019</i>
	£	<i>£</i>
Trade creditors	1,407	<i>7,832</i>
Corporation tax	7,883	<i>47,869</i>
Other taxation and social security	48,337	<i>16,785</i>
Obligations under finance lease and hire purchase contracts	307	<i>1,045</i>
Other creditors	121,990	<i>156,294</i>
Accruals and deferred income	2,986	<i>1,500</i>
	<u>182,910</u>	<i><u>231,325</u></i>

8. Commitments under operating leases

At 31 March 2020 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2020	<i>2019</i>
	£	<i>£</i>
Not later than 1 year	307	<i>738</i>
Later than 1 year and not later than 5 years	-	<i>307</i>
	<u>307</u>	<i><u>1,045</u></i>

9. Transactions with directors

At the year end, there was a balance owing by the Company to the directors of £103,788 (2019 : £144,286), as shown in other creditors.

10. Post balance sheet events

On 11th March 2020 COVID-19 was declared a global pandemic by the World Health Organisation. On 23rd March 2020 the UK went into lockdown. Although the lockdown rules have since been relaxed, regional restrictions have been implemented in response to rising infection rates and a further national tightening has been mandated for four weeks from 5th November 2020.

The business has remained in operation throughout the lockdown and at the date of signing these accounts the year to date sales for the year ended 31 March 2021 are higher than the same period last year. Any longer term impact of the COVID-19 pandemic on the business is unquantifiable at this stage.

11. Controlling party

The ultimate controlling party are the directors, by virtue of their shareholdings.

