

Company Registration No. 09041445 (England and Wales)

TRUSTED INTERACTIONS GROUP LIMITED

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MAY 2020

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TRUSTED INTERACTIONS GROUP LIMITED

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TRUSTED INTERACTIONS GROUP LIMITED

COMPANY INFORMATION

Directors	Mr. F Bellhouse Mr. N Ashford Mr. D Leggat Mr. T Morris	(Appointed 15 July 2019)
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Company number	09041445
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Registered office	4-5 Macon Court Herald Drive Crewe CW1 6EA
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Accountants	TC Group 3 Acorn Business Centre Northarbour Road Cosham Portsmouth Hampshire United Kingdom PO6 3TH
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AS AT 31 MAY 2020

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TRUSTED INTERACTIONS GROUP LIMITED**BALANCE SHEET (CONTINUED)****AS AT 31 MAY 2020**

		2020		2019	
	Notes	£	£	£	£
Capital and reserves					
Called up share capital	9		820		820
Share premium account			1,451,873		1,451,873
Profit and loss reserves			(1,088,028)		(871,994)
			<hr/>		<hr/>
Total equity			364,665		580,699
			<hr/>		<hr/>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 May 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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 members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the board of directors and authorised for issue on 25 November 2020 and are signed on its behalf by:

Mr. D Leggat

Director

Company Registration No. 09041445

The notes on pages 4 to 11 form part of these financial statements

TRUSTED INTERACTIONS GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2020

1 Accounting policies

Company information

Trusted Interactions Group Limited (09041445) is a private company limited by shares incorporated in England and Wales. The registered office is 4-5 Macon Court, Herald Drive, Crewe, CW1 6EA.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The company has taken advantage of the exemption under section 399 of the Companies Act 2006 not to prepare consolidated accounts, on the basis that the group of which this is the parent qualifies as a small group. The financial statements present information about the company as an individual and not about its group.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover represents amounts receivable for the provision of call answering and related services net of VAT. Turnover is recognised when the service is performed.

1.4 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition over the fair value of net assets acquired. It is initially recognised as an asset at cost and is amortised on a systematic basis over its expected life, which is 5 years.

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and machinery	25% reducing balance
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TRUSTED INTERACTIONS GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2020

1 Accounting policies

(Continued)

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.6 Fixed asset investments

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.7 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand and deposits held at call with banks.

1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet 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 debtors and cash and bank balances, are initially measured at transaction price including transaction costs. Financial assets classified as receivable within one year are not amortised.

Classification of 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 deducting all of its liabilities.

TRUSTED INTERACTIONS GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2020

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans and loans from fellow group companies are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently

1.9 Equity instruments

at amortised cost using the effective interest method. Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs.

1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

TRUSTED INTERACTIONS GROUP LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MAY 2020****2 Employees**

The average monthly number of persons (including directors) employed by the company during the year was 140 (2019 - 81).

3 Intangible fixed assets

	Goodwill
	£
Cost	
At 1 June 2019	2,018,265
Additions	340,047
	<u> </u>
At 31 May 2020	2,358,312
	<u> </u>
Amortisation and impairment	
At 1 June 2019	1,397,823
Amortisation charged for the year	377,214
	<u> </u>
At 31 May 2020	1,775,037
	<u> </u>
Carrying amount	
At 31 May 2020	583,275
	<u> </u>
At 31 May 2019	620,442
	<u> </u>

TRUSTED INTERACTIONS GROUP LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MAY 2020****4 Tangible fixed assets**

	Plant and machinery etc £
Cost	
At 1 June 2019	826,344
Additions	86,138
	<u> </u>
At 31 May 2020	912,482
	<u> </u>
Depreciation and impairment	
At 1 June 2019	649,178
Depreciation charged in the year	123,794
	<u> </u>
At 31 May 2020	772,972
	<u> </u>
Carrying amount	
At 31 May 2020	139,510
	<u> </u>
At 31 May 2019	177,166
	<u> </u>

5 Fixed asset investments

	2020 £	2019 £
Investments	-	843,630
	<u> </u>	<u> </u>

TRUSTED INTERACTIONS GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2020

5 Fixed asset investments (Continued)

Movements in fixed asset investments

	Shares in group undertaking £
Cost or valuation	
At 1 June 2019	843,630
Transfer to goodwill on hive-up of subsidiaries	(340,047)
	<u> </u>
At 31 May 2020	503,583
	<u> </u>
Impairment	
At 1 June 2019	-
Impairment on hive up of subsidiaries	503,583
	<u> </u>
At 31 May 2020	503,583
	<u> </u>
Carrying amount	
At 31 May 2020	-
	<u> </u>
At 31 May 2019	843,630
	<u> </u>

The company held shares in the wholly owned group undertakings, KBVO Limited and Nightanddaypa Limited.

During the year the group hived up the trade and assets of the wholly owned group undertakings, continuing the trades and providing continuity of service from Trusted Interactions Group Limited. The carrying value of the investments in the wholly owned group undertakings has therefore been impaired, with goodwill of £340,047 recognised on the difference between the previous carrying value of the investments and the fair value of the net assets acquired into the company as part of the hive up.

6 Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Trade debtors	126,707	185,480
Prepayments and accrued income	127,609	70,001
	<u> </u>	<u> </u>
	254,316	255,481
	<u> </u>	<u> </u>

TRUSTED INTERACTIONS GROUP LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MAY 2020****7 Creditors: amounts falling due within one year**

	2020	2019
	£	£
Trade creditors	38,174	46,687
Amounts owed to group undertakings	-	222,446
Taxation and social security	535,444	107,876
Other creditors	386,213	573,332
Accruals and deferred income	171,952	129,210
	<u>1,131,783</u>	<u>1,079,551</u>

Within other creditors due within one year are loans totalling £292,551 (2019-£322,836) secured on the assets of the company.

8 Creditors: amounts falling due after more than one year

	2020	2019
	£	£
Other creditors	<u>169,723</u>	<u>462,274</u>

Amounts disclosed as creditors due in greater than one year represent loans which are secured on the assets of the company.

9 Called up share capital

	2020	2019
	£	£
Ordinary share capital		
Issued and fully paid		
183,000 Ordinary A shares of 0.1p each	183	183
65,000 Ordinary B shares of 0.1p each	65	65
490,000 Ordinary C shares of 0.1p each	490	490
82,000 Ordinary D shares of 0.1p each	82	82
	<u>820</u>	<u>820</u>

TRUSTED INTERACTIONS GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2020

10 Operating lease commitments

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

2020	2019
£	£
48,950	83,092
==	==

11 Related party transactions

The company has taken exemption under section 33.1A of FRS 102 not to disclose transactions undertaken with wholly owned members of the same group.

The directors consider there to be no transactions in the period which require disclosure in accordance with Section 1AC.35 of FRS 102.

