

Company Registration No. 09041445 (England and Wales)

TRUSTED INTERACTIONS GROUP LIMITED

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MAY 2021

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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
Company number	09041445
Registered office	The Dovecote Crewe Hall Farm Buildings Old Park Road Crewe Cheshire CW1 5UE
Accountants	TC Group 3 Acorn Business Centre Northarbour Road Cosham Portsmouth Hampshire United Kingdom PO6 3TH

AS AT 31 MAY 2021

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TRUSTED INTERACTIONS GROUP LIMITED**BALANCE SHEET (CONTINUED)****AS AT 31 MAY 2021**

	Notes	2021		2020	
		£	£	£	£
Capital and reserves					
Called up share capital		820		820	
Share premium account		1,451,873		1,451,873	
Profit and loss reserves		(1,129,061)		(1,088,028)	
		<hr/>		<hr/>	
Total equity		323,632		364,665	
		<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 2021 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 8 December 2021 and are signed on its behalf by:

Mr. D Leggat

Director

Company Registration No. 09041445

The notes on pages 4 to 10 form part of these financial statements

TRUSTED INTERACTIONS GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2021

1 Accounting policies

Company information

Trusted Interactions Group Limited is a private company limited by shares incorporated in England and Wales. The registered office is The Dovecote, Crewe Hall Farm Buildings, Old Park Road, Crewe, Cheshire, CW1 5UE.

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.

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:

Leasehold improvements	15 years straight line
Other office equipment	25% straight line
IT equipment	25% straight line

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.

TRUSTED INTERACTIONS GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2021

1 Accounting policies

(Continued)

1.6 Cash and cash equivalents

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

1.7 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.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans 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 measured at amortised cost using the effective interest method.

1.8 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

TRUSTED INTERACTIONS GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2021

1 Accounting policies

(Continued)

1.9 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.

1.10 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.

1.11 Share-based payments

Equity-settled share-based payments are measured at fair value at the date of grant by reference to the fair value of the equity instruments granted using the Black-Scholes model. The fair value determined at the grant date is expensed on a straight-line basis over the vesting period, based on the estimate of shares that will eventually vest. A corresponding adjustment is made to equity.

1.12 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

TRUSTED INTERACTIONS GROUP LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MAY 2021****1 Accounting policies****(Continued)****1.13 Government grants**

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2021 Number	2020 Number
Total	128	140

3 Intangible fixed assets**Goodwill
£****Cost**

At 1 June 2020 and 31 May 2021 2,358,312

Amortisation and impairment

At 1 June 2020 1,775,037

Amortisation charged for the year 283,526

At 31 May 2021 2,058,563

Carrying amount

At 31 May 2021 299,749

At 31 May 2020 583,275

TRUSTED INTERACTIONS GROUP LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MAY 2021****4 Tangible fixed assets**

	Other office equipment £
Cost	
At 1 June 2020	912,482
Additions	283,235
	<hr/>
At 31 May 2021	1,195,717
	<hr/>
Depreciation and impairment	
At 1 June 2020	772,972
Depreciation charged in the year	72,785
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At 31 May 2021	845,757
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Carrying amount	
At 31 May 2021	349,960
	<hr/> <hr/>
At 31 May 2020	139,510
	<hr/> <hr/>

5 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	86,200	126,707
Other debtors	26,426	-
Prepayments and accrued income	161,304	127,609
	<hr/>	<hr/>
	273,930	254,316
	<hr/> <hr/>	<hr/> <hr/>

The other debtors figure represents a rental deposit paid in respect of the company's leased property.

TRUSTED INTERACTIONS GROUP LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MAY 2021****6 Creditors: amounts falling due within one year**

	2021	2020
	£	£
Bank loans	185,874	-
Obligations under hire purchase agreements	14,762	-
Trade creditors	284,711	38,174
Taxation and social security	890,212	535,444
Other creditors	93,564	386,213
Accruals and deferred income	199,345	171,952
	<u>1,668,468</u>	<u>1,131,783</u>

The hire purchase liabilities are secured on the assets to which they relate.

The bank loans are Coronavirus Business Interruption Loans. Within bank loans due in less than one year are loans of £170,000 secured on the assets of the company.

7 Creditors: amounts falling due after more than one year

	2021	2020
	£	£
Bank loans and overdrafts	717,694	-
Other creditors	33,284	169,723
	<u>750,978</u>	<u>169,723</u>

The hire purchase liabilities are secured on the assets to which they relate.

The bank loans are Coronavirus Business Interruption Loans. Within bank loans due in greater than one year are loans of £680,000 secured on the assets of the company.

8 Share-based payment transactions**Equity-settled share based payments**

The company has granted share options to certain individuals to subscribe for Ordinary E shares of £0.001 each in the company. All of the share options have been granted under the company's TIG Share Option Plan. A summary of the share options granted at 31st May 2021 are as follows:

TRUSTED INTERACTIONS GROUP LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MAY 2021****8 Share-based payment transactions****(Continued)**

	Number of share options		Weighted average exercise price	
	2021	2020	2021	2020
	Number	Number	£	£
Outstanding at 1 June 2020	-	-	-	-
Granted	174,080	-	-	-
	<u>174,080</u>	<u>-</u>	<u>-</u>	<u>-</u>
Outstanding at 31 May 2021	174,080	-	-	-
	<u>174,080</u>	<u>-</u>	<u>-</u>	<u>-</u>
Exercisable at 31 May 2021	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

The options outstanding at 31 May 2021 had an exercise price of £0.001, and have an indefinite contractual life provided the holder remains in employment with the company.

The share options vest on the sale or listing of the company in the future, for proceeds exceeding a set value. As a non-market performance condition with a variable vesting condition outside of the control of the company and option holder, the share-based payment expense is only recognised when it is considered more likely than not that a sale or listing of the company will occur. At 31st May 2021 the Directors considered that this condition was not met at this time and hence no share-based payment expense is recorded within these financial statements in respect of the options.

9 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:

2021	2020
£	£
381,132	48,950
<u>381,132</u>	<u>48,950</u>

10 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.

