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COMPANIES HOUSE

**BOXLIGHT GROUP LIMITED**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

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**BOXLIGHT GROUP LIMITED**

**CONTENTS OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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	<b>Page</b>
<b><i>Company Information</i></b>	<b>1</b>
<b>Balance Sheet</b>	<b>2</b>
<b>Notes to the Financial Statements</b>	<b>3 to 7</b>

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**COMPANY INFORMATION  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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**DIRECTORS:**

Mr J Elliot  
Mr H Nance  
Mr M Pope  
Mr G Wiggins

**REGISTERED OFFICE:**

Unit 8  
Carrowreagh Business Park  
Carrowreagh Road  
Belfast  
BT16 1QQ

**REGISTERED NUMBER:**

NI048270 (Northern Ireland)

**AUDITORS:**

Baker Tilly Mooney Moore  
Statutory Auditors  
17 Clarendon Road  
Clarendon Dock  
Belfast  
BT1 3BG

**BANKERS:**

Barclays Bank PLC  
Edward VII Quay  
4 and 6 Navigation Way  
Ashton-on-Ribble  
Preston  
PR2 2YF

**SOLICITORS:**

Nesbitt Solicitors  
109 Cregagh Road  
Belfast  
BT6 8PZ

**BOXLIGHT GROUP LIMITED (REGISTERED NUMBER: NI048270)**

**BALANCE SHEET**  
**31 DECEMBER 2022**

	Notes	31.12.22 £	31.12.21 £
<b>FIXED ASSETS</b>			
Tangible assets	4	141,777	146,102
<b>CURRENT ASSETS</b>			
Debtors	5	1,265,297	613,734
Cash at bank		<u>236,543</u>	<u>263,801</u>
		1,501,840	877,535
<b>CREDITORS</b>			
Amounts falling due within one year	6	<u>131,281</u>	<u>65,558</u>
<b>NET CURRENT ASSETS</b>		<u>1,370,559</u>	<u>811,977</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		1,512,336	958,079
<b>PROVISIONS FOR LIABILITIES</b>		<u>27,333</u>	<u>41,241</u>
<b>NET ASSETS</b>		<u>1,485,003</u>	<u>916,838</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital		85,000	85,000
Capital redemption reserve		15,000	15,000
Retained earnings		<u>1,385,003</u>	<u>816,838</u>
<b>SHAREHOLDERS' FUNDS</b>		<u>1,485,003</u>	<u>916,838</u>

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

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on Sep 7, 2023 and were signed on its behalf by:

Greg Wiggins  
Greg Wiggins (Sep 7, 2023 11:17 EDT)

Mr G Wiggins - Director

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022

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1. STATUTORY INFORMATION

Boxlight Group Limited is a private company, limited by shares, registered in Northern Ireland. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. ACCOUNTING POLICIES

**Basis of preparing the financial statements**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

As noted in the Directors report, the Cost of living crisis has had a significant impact on the global economy. We continue to monitor this ever-evolving situation, and with it the associated risks to the Company. Based on current assessment, there has been some impact to the Company and its operations, however the directors believe that in the short to medium term, and based on the information available, the company will continue to operate as a viable going concern.

Due to its nature, and the large amount of uncertainty involved, it is not possible at this stage, to determine the longer-term implications on the Company.

The Company continues to enjoy the support of Boxlight Corporation for the foreseeable future should the need arise.

As a result of the support from its ultimate parent, and the explanation given on the impact of the 'Cost of living' crisis on the business, the Directors conclude that these financial statements shall be prepared on a going concern basis.

**Significant judgements and estimates**

In preparing these financial statements the directors have made the following judgements and estimates:

Determine whether there are indicators of impairment of the company's tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and the business in general.

Consider the recoverability of trade debtors and the need for impairment provisions. These considerations are undertaken regularly by the directors, and especially at the year end date. Factors taken into account include historical experience, current market conditions and knowledge of the sector. Amounts identified as irrecoverable will be provided against in the relevant period.

The directors also consider the depreciation rates on an annual basis to ensure there is sufficient evidence to support these and that the estimates remains reasonable.

The Company used to sell hardware with a warranty period. These products are no longer sold by the business effective early 2021. However a provision is included in the financial statements for the anticipated repair costs in respect of the hardware previously sold by the business. The directors have based these costs on the incidence of previous claims and the estimated repair costs.

**Turnover**

Turnover is measured at the fair value of the consideration received or receivable excluding discounts, rebates, value added tax and other sales taxes.

Perpetual software licences revenue is recognised when the goods have been shipped to the customer, as the risks and rewards of ownership are considered to have been transferred.

**2. ACCOUNTING POLICIES - continued****Tangible fixed assets**

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. 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 provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	-2% on cost
Improvements to property	-6.66% on cost
Fixtures and fittings	-15% on cost
Computer equipment	-50% on cost

**Financial instruments**

All financial instruments of the company are considered to meet the definition of basic financial instruments.

**- Short term debtors and creditors**

Debtors and creditors with no stated interest rate and are receivable or payable on demand are recognised at transaction price, and subject to annual impairment reviews. Any losses arising on impairment are recognised in the profit and loss account.

**- Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and in hand.

**- Loans and borrowings**

All loans and borrowings are initially recorded at the present value of cash payable to the lender in settlement of the liability discounted at the market interest rate. Subsequently loans and borrowings are stated at amortised cost using the effective interest rate method. The computation of amortised cost includes any issue costs, transaction costs and fees, and any discount or premium on settlement, and the effect of this is to amortise these amounts over the expected borrowing period. Loans with no stated interest rate and repayable within one period or on demand are not amortised. Loans and borrowings are classified as current liabilities unless the borrower has an unconditional right to defer settlement of the liability for at least 12 months after the financial period end date.

**Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

**2. ACCOUNTING POLICIES - continued**

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

**Pension costs and other post-retirement benefits**

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

**Holiday pay accrual**

A liability is recognised to the extent of any unused holiday pay entitlement which has accrued at the balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the balance sheet date.

**Software development costs**

Software development costs are recognised as an intangible asset when all of the following criteria are demonstrated:

- The technical feasibility of completing the software so that it will be available for use or sale.
- The intention to complete the software and use or sell it.
- The ability to use the software or to sell it.
- How the software will generate probable future economic benefits.
- The availability of adequate technical, financial and other resources to complete the development and to use or sell the software.
- The ability to measure reliably the expenditure attributable to the software during its development.

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

**Provisions**

Provisions are recognised when the company has a legal or constructive obligation as a result of past event, it is probable that the company will be required to settle that obligation and reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation.

Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

**3. EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 7 (2021 - 9).

**BOXLIGHT GROUP LIMITED**
**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2022**
**4. TANGIBLE FIXED ASSETS**

	Freehold property £	Improvements to property £	Fixtures, fittings & equipment £	Computer equipment £	Totals £
<b>COST</b>					
At 1 January 2022 and 31 December 2022	<u>186,159</u>	<u>56,296</u>	<u>18,444</u>	<u>39,867</u>	<u>300,766</u>
<b>DEPRECIATION</b>					
At 1 January 2022	44,471	51,882	18,444	39,867	154,664
Charge for year	<u>3,724</u>	<u>601</u>	-	-	<u>4,325</u>
At 31 December 2022	<u>48,195</u>	<u>52,483</u>	<u>18,444</u>	<u>39,867</u>	<u>158,989</u>
<b>NET BOOK VALUE</b>					
At 31 December 2022	<u>137,964</u>	<u>3,813</u>	-	-	<u>141,777</u>
At 31 December 2021	<u>141,688</u>	<u>4,414</u>	-	-	<u>146,102</u>

**5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.12.22 £	31.12.21 £
Trade debtors	114,012	13,930
Amounts owed by group undertakings	1,139,475	588,495
Other debtors	<u>11,810</u>	<u>11,309</u>
	<u>1,265,297</u>	<u>613,734</u>

**6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.12.22 £	31.12.21 £
Trade creditors	894	11,625
Amounts owed to group undertakings	-	1,182
Taxation and social security	92,084	24,928
Other creditors	<u>38,303</u>	<u>27,823</u>
	<u>131,281</u>	<u>65,558</u>

**7. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006**

The Report of the Auditors was unqualified.

Joanne Small (Senior Statutory Auditor)  
for and on behalf of Baker Tilly Mooney Moore



**8. CONTINGENT LIABILITIES**

Effective 31 December 2021 the company's ultimate parent company, Boxlight Corporation, entered into a credit agreement with WhiteHawk Finance LLC.

This arrangement included a fixed and floating charge over the land and property of Boxlight Group Ltd.

Due to various factors that may impact on the above guarantees it is not possible to quantify the amounts that could be involved or give any indication as to the timing of when a liability may arise.

**9. RELATED PARTY DISCLOSURES**

In accordance with FRS102, Section 33 'Related Party Transactions', transactions with other group undertakings owned 100% within the Boxlight Corporation group have not been disclosed in these financial statements, as they will be eliminated on consolidation within the group financial statements of Boxlight Corporation.

**10. ULTIMATE CONTROLLING PARTY**

The company's immediate parent company is Qwizdom Inc which in turn is owned by Boxlight Corporation.

The ultimate parent company and controlling party was Boxlight Corporation, a company incorporated in the USA.

Boxlight Corporation was the parent of the smallest and largest group of which the company was a member and for which group financial statements were prepared. Copies of the consolidated financial statements can be obtained from Boxlight Corporation, PO Box 30043, Boxlight, 1045 Progress Circle, Lawrenceville, Georgia, USA.