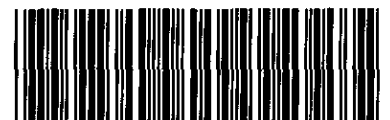


Company registration number 09123248 (England and Wales)

VENTUREPRISE PLC
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2023

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VENTUREPRISE PLC

COMPANY INFORMATION

Directors	Mr J Patel Mrs G Dobson Mr M J Bennett Mr E M Dutton Mr A Patel (appointed 1 December 2022)
Company number	09123248
Registered office	Parkhill Business Centre Padiham Road Burnley BB12 6TG
Auditor	AMS Accountants Corporate Ltd Chartered Accountants Statutory Auditor Floor 2 9 Portland Street Manchester M1 3BE

VENTUREPRISE PLC

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VENTUREPRISE PLC

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MAY 2023

The directors present the strategic report for the year ended 31 May 2023.

Review of the business

The principal activities of the group continue to be providers of insurance cover for boiler and home emergency. The organisation also provides claim handling and fulfilment and boiler service.

Boiler Installation, with the offer of cover plans, remains a complementing product offering for the organisation.

The financial year to the end of May 2023 was the first full 12 months trading as an FCA regulated business for the principal arm of the group.

EVO Insurance Services continue to underwrite the business and the partnership has proved to be a success enhancing both parties in the short term and building a longer-term strong relationship for the future.

The culture of the organisation is now driven by clear governance and compliance policies and practices to provide a framework to manage the organisation effectively thereby observing proper standards of market conduct.

The group has improved performance in the year to May 2023, maintaining gross margin and promoting growth whilst delivering a 131% increase in profit before tax compared to the previous year.

Development and performance

The activity in the first half of the financial year was concentrated around smooth transition of existing customers to insurance policies with boiler and home emergency completed ahead of the planned timeline; successfully followed by car and appliance.

A priority throughout and subsequent to the transition process was customer retention. T&C's and product offerings have been reviewed, in collaboration with the under-writer, to offer enhanced cover and improved terms. This has seen a positive response in retention rates.

Customer acquisition through proven marketing channels with a very modest CPA reached expectations after the previous 12 months of restricted growth.

With a winning combination of acquisition and retention the insurance policy book grew by 35% in volume and by 22% in value in the financial year to May 2023.

Turnover year on year does not appear to reflect growth, however it is not a like for like comparison due to the transition from service plan income to insurance commission income.

Claims handling and fulfilment has benefited from significant IT investment and development, providing improved and streamlined systems and processes. This, supported by a strong team of field and office personnel has improved efficiency and customer service.

Investment in people is baked into the company strategy. With a loyal and dependable workforce our objective is to retain valued personnel and develop career paths, whilst having appropriate training and skills to ensure customers are treated 'right and proper' throughout their journey with the organisation.

FCA Consumer Duty principles have been adopted with a top-down approach, after rigorous considerations enhancing already 'new' processes there is confidence that there is a robust framework in place to ensure avoidance of any foreseeable harm.

Boiler installation has had a steady 12 months with lower activity and a comparable gross margin but a vastly improved profitability from reduced overheads.

In summary the group has had a successful year to May 2023; priorities for the year ahead are 'putting the customer first' by providing an excellent customer journey with fair outcomes.

VENTUREPRISE PLC

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2023

Key performance indicators

KPI's for the group are as follows.

Turnover - £19,335k (2022 - £22,398k)

Gross profit % -30.1% (2022 - 28.0%)

Operating profit - £508k (2022 - £239k)

EBITDA - £1,047k (2022 - £707k)

Cash & cash equivalents - £1,439k (2022 - £1,243k)

Net assets - £2,492k (2022 - £2,581k)

Promoting the success of the company

The risk that the company may not perform as expected due to internal or external influences is managed by the senior management team by monthly monitoring of key performance indicators measured against budget and forecast.

- **Conduct** – treating customers fairly, complaints handling, providing fair value products, providing appropriate service levels and avoidance of mis-selling.
- **Financial** – effective financial controls in place, ensuring liquidity to cover costs, correct treatment of cash, ability to deliver the business plan.
- **Market & Economic** – cost of living crisis management without consumer detriment, response to competition threats.
- **Operational** – robust systems to avoid data & security breach, IT system impairment, good data quality; effective health & safety policies and procedures; good winter planning.
- **People** – effective recruitment and appropriate training to retain talent and maintain good customer service.
- **Strategic & External** – meet regulatory requirements, maintain underwriter relationship, adherence to government legislation.

All the above are managed by appropriate senior personnel to ensure all controls are in place to reduce risk but also to ensure response times are effective to maintain strong relationships with customers and suppliers.

The senior management team aim to act responsibly and fairly in engagement with suppliers, bankers, insurers, and regulatory bodies. Collaborate closely with suppliers to ensure they are paid in accordance with agreed terms.

On behalf of the board



Mr A Patel
Director

27 November 2023

VENTUREPRISE PLC

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MAY 2023

The directors present their annual report and financial statements for the year ended 31 May 2023.

Principal activities

The principal activities of the group are offering boiler and home emergency insurance policies and boiler installation with associated research and development in the home heating sector.

Results and dividends

The results for the year are set out on page 8.

Ordinary dividends were paid amounting to £413,076. The directors do not recommend payment of a further dividend

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr J Patel

Mrs G Dobson

Mr M J Bennett

Mr E M Dutton

Mr A Patel

(appointed 1 December 2022)

Financial instruments

Liquidity risk

The group manages its cash and borrowing requirements in order to maximise interest income and minimise interest expense, whilst ensuring the group has sufficient liquid resources to meet the operating needs of the business.

247 Home Assist Limited is FCA regulated to sell insurance products, a key risk arises if there is no underwriter in place to allow trading to continue.

Interest rate risk

The group is exposed to fair value interest rate risk on its fixed rate borrowings and cash flow interest rate risk on floating rate deposits, bank overdrafts and loans. The group uses interest rate derivatives to manage the mix of fixed and variable rate debt so as to reduce its exposure to changes in interest rates.

Credit risk

Investments of cash surpluses, borrowings and derivative instruments are made through banks and companies which must fulfil credit rating criteria approved by the Board.

All customers who wish to trade on credit terms are subject to credit verification procedures. Trade debtors are monitored on an ongoing basis and provision is made for doubtful debts where necessary.

Future developments

The group continues to be focused on delivering innovative and excellent value products to its customers, allowing them to differentiate themselves in an increasingly competitive landscape. A key area will be an eco-friendly offering driven by government decisions and guidelines on their recommendations and support to customers.

Auditor

In accordance with the company's articles, a resolution proposing that be reappointed as auditor of the group will be put at a General Meeting.

VENTUREPRISE PLC

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2023

Energy and carbon report

As the group has not consumed more than 40,000 kWh of energy in this reporting period, it qualifies as a low energy user under these regulations and is not required to report on its emissions, energy consumption or energy efficiency activities.

Statement of directors' responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and company, and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

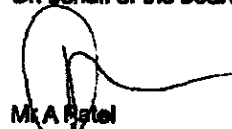
- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the company is aware of that information.

On behalf of the board



Mr A Patel
Director

27 November 2023

VENTUREPRISE PLC

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF VENTUREPRISE PLC

Opinion

We have audited the financial statements of Ventureprise PLC (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 May 2023 which comprise the group statement of comprehensive income, the group balance sheet, the company balance sheet, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows, the company statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 May 2023 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the group and parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

VENTUREPRISE PLC

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF VENTUREPRISE PLC

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to pensions legislation, Financial Conduct Authority (FCA), UK tax legislation and UK employment legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to increase revenue or manipulate expenditure and management bias in accounting estimates. Audit procedures performed by the audit engagement team included:

- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Review of the financial statement disclosures to underlying supporting documentation;
- Challenging assumptions and judgements made by management in their significant accounting estimates;
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations or posted by senior management.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transaction reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

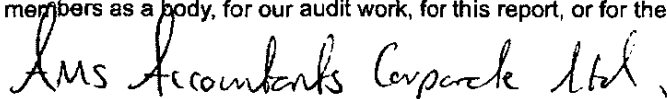
VENTUREPRISE PLC

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF VENTUREPRISE PLC

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Mr David Clegg BFP FCA (Senior Statutory Auditor)
For and on behalf of AMS Accountants Corporate Ltd

27 November 2023

Chartered Accountants
Statutory Auditor

Floor 2
9 Portland Street
Manchester
M1 3BE

VENTUREPRISE PLC

GROUP STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MAY 2023

	Notes	2023 £	2022 £
Turnover	3	19,335,088	22,397,631
Cost of sales		(13,518,729)	(16,576,699)
Gross profit		5,816,359	5,820,932
Administrative expenses		(5,318,213)	(5,582,020)
Other operating income		7,817	-
Operating profit	4	505,963	238,912
Interest receivable and similar income	8	21	-
Interest payable and similar expenses	9	(26,770)	(30,976)
Amounts written off investments	10	-	(411)
Profit before taxation		479,214	207,525
Tax on profit	11	(155,563)	(142,775)
Profit for the financial year	28	323,651	64,750
Profit for the financial year is attributable to:			
- Owners of the parent company		308,917	50,285
- Non-controlling interests		14,734	14,465
		323,651	64,750
Total comprehensive income for the year is attributable to:			
- Owners of the parent company		308,917	50,285
- Non-controlling interests		14,734	14,465
		323,651	64,750

The profit and loss account has been prepared on the basis that all operations are continuing operations.

VENTUREPRISE PLC

GROUP BALANCE SHEET

AS AT 31 MAY 2023

		2023		2022	
	Notes	£	£	£	£
Fixed assets					
Goodwill	14		1,825,899		2,151,069
Other intangible assets	14		12,000		14,000
Total intangible assets			1,837,899		2,165,069
Tangible assets	15		1,802,701		1,953,258
Investments	16		487,603		482,603
			4,128,203		4,600,930
Current assets					
Stocks	19	194,626		172,301	
Debtors	20	2,003,534		2,006,029	
Cash at bank and in hand		1,439,494		1,242,746	
			3,637,654		3,421,076
Creditors: amounts falling due within one year	21	(4,357,259)		(4,389,005)	
Net current liabilities			(719,605)		(967,929)
Total assets less current liabilities			3,408,598		3,633,001
Creditors: amounts falling due after more than one year	22		(869,238)		(980,245)
Provisions for liabilities					
Deferred tax liability	25	47,371		71,342	
			(47,371)		(71,342)
Net assets			2,491,989		2,581,414
Capital and reserves					
Called up share capital	27		612,206		612,206
Share premium account	28		2,399,999		2,399,999
Capital redemption reserve	28		12,500		12,500
Profit and loss reserves	28		(194,119)		(170,835)
Equity attributable to owners of the parent company			2,830,586		2,853,870
Non-controlling interests			(338,597)		(272,456)
			2,491,989		2,581,414

VENTUREPRISE PLC

GROUP BALANCE SHEET (CONTINUED)

AS AT 31 MAY 2023

The financial statements were approved by the board of directors and authorised for issue on 27 November 2023 and are signed on its behalf by:



Mr. A. Patel
Director

Company registration number 09123248 (England and Wales)

VENTUREPRISE PLC

COMPANY BALANCE SHEET

AS AT 31 MAY 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Intangible assets	14		12,000		14,000
Tangible assets	15		1,547,381		1,582,249
Investments	16		4,769,962		4,764,962
			<u>6,329,343</u>		<u>6,361,211</u>
Current assets					
Debtors	20	1,270,797		2,374,744	
Cash at bank and in hand		58,567		36,752	
			<u>1,329,364</u>		<u>2,411,496</u>
Creditors: amounts falling due within one year	21	(3,874,941)		(4,921,488)	
Net current liabilities			<u>(2,545,577)</u>		<u>(2,509,992)</u>
Total assets less current liabilities			<u>3,783,766</u>		<u>3,851,219</u>
Creditors: amounts falling due after more than one year	22		(752,269)		(822,957)
Provisions for liabilities					
Deferred tax liability	25	618		850	
			<u>(618)</u>		<u>(850)</u>
Net assets			<u><u>3,030,879</u></u>		<u><u>3,027,412</u></u>
Capital and reserves					
Called up share capital	27		612,206		612,206
Share premium account	28		2,399,999		2,399,999
Capital redemption reserve	28		12,500		12,500
Profit and loss reserves	28		6,174		2,707
Total equity			<u><u>3,030,879</u></u>		<u><u>3,027,412</u></u>

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £335,668 (2022 - £699,556 profit).

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

VENTUREPRISE PLC

COMPANY BALANCE SHEET (CONTINUED)

AS AT 31 MAY 2023

The financial statements were approved by the board of directors and authorised for issue on 27 November 2023 and are signed on its behalf by:



Mr A Patel
Director

Company registration number 09123248 (England and Wales)

VENTUREPRISE PLC

GROUP STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MAY 2023

	Notes	Share capital £	Share premium account £	Capital redemption reserve £	Profit and loss reserves £	Total controlling interest £	Non-controlling interest £	Total £
Balance at 1 June 2021		612,206	2,399,999	12,500	519,021	3,543,726	(196,112)	3,347,614
Year ended 31 May 2022:								
Profit and total comprehensive income		-	-	-	50,285	50,285	14,465	64,750
Dividends	12	-	-	-	(740,141)	(740,141)	(90,809)	(830,950)
Balance at 31 May 2022		612,206	2,399,999	12,500	(170,835)	2,853,870	(272,456)	2,581,414
Year ended 31 May 2023:								
Profit and total comprehensive income		-	-	-	308,917	308,917	14,734	323,651
Dividends	12	-	-	-	(332,201)	(332,201)	(80,875)	(413,076)
Balance at 31 May 2023		612,206	2,399,999	12,500	(194,119)	2,830,586	(338,597)	2,491,989

VENTUREPRISE PLC

COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MAY 2023

	Notes	Share capital £	Share premium account £	Capital redemption reserve £	Profit and loss reserves £	Total £
Balance at 1 June 2021		612,206	2,399,999	12,500	43,292	3,067,997
Year ended 31 May 2022:						
Profit and total comprehensive income for the year		-	-	-	699,556	699,556
Dividends	12	-	-	-	(740,141)	(740,141)
Balance at 31 May 2022		612,206	2,399,999	12,500	2,707	3,027,412
Year ended 31 May 2023:						
Profit and total comprehensive income		-	-	-	335,668	335,668
Dividends	12	-	-	-	(332,201)	(332,201)
Balance at 31 May 2023		612,206	2,399,999	12,500	6,174	3,030,879

VENTUREPRISE PLC

GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MAY 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	33		923,616		(665,188)
Interest paid			(26,770)		(30,976)
Income taxes paid			(108,038)		(74,317)
Net cash inflow/(outflow) from operating activities			788,808		(770,481)
Investing activities					
Purchase of tangible fixed assets		(63,657)		(73,445)	
Proceeds from disposal of tangible fixed assets		659		384	
Loans made to subsidiary undertakings		(5,000)		(113,375)	
Proceeds from disposal of investments		-		(391)	
Interest received		21		-	
Net cash used in investing activities			(67,977)		(186,827)
Financing activities					
Proceeds from new bank loans		-		54,500	
Repayment of bank loans		(100,462)		(43,494)	
Payment of finance leases obligations		(10,545)		(10,545)	
Dividends paid to equity shareholders		(332,201)		(740,141)	
Dividends paid to non-controlling interests		(80,875)		(90,809)	
Net cash used in financing activities			(524,083)		(830,489)
Net increase/(decrease) in cash and cash equivalents			196,748		(1,787,797)
Cash and cash equivalents at beginning of year			1,242,746		3,030,543
Cash and cash equivalents at end of year			1,439,494		1,242,746

VENTUREPRISE PLC

COMPANY STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MAY 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash generated from operations	34	66,657		98,833	
Interest paid		(16,953)		(19,936)	
Net cash inflow from operating activities		49,704		78,897	
Investing activities					
Loans made to subsidiary undertakings		(5,000)		(113,375)	
Dividends received		380,000		770,000	
Net cash generated from investing activities		375,000		656,625	
Financing activities					
Proceeds from new bank loans		-		54,500	
Repayment of bank loans		(70,688)		(14,876)	
Dividends paid to equity shareholders		(332,201)		(740,141)	
Net cash used in financing activities		(402,889)		(700,517)	
Net increase in cash and cash equivalents		21,815		35,005	
Cash and cash equivalents at beginning of year		36,752		1,747	
Cash and cash equivalents at end of year		58,567		36,752	

VENTUREPRISE PLC

NOTES TO THE GROUP FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2023

1 Accounting policies

Company information

Ventureprise PLC ("the company") is a private limited company domiciled and incorporated in England and Wales. The registered office is Parkhill Business Centre, Padiham Road, Burnley, BB12 6TG.

The group consists of Ventureprise PLC and all of its subsidiaries.

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.

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 Business combinations

In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date. Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date. Investments in subsidiaries, joint ventures and associates are accounted for at cost less impairment.

Deferred tax is recognised on differences between the value of assets (other than goodwill) and liabilities recognised in a business combination accounted for using the purchase method and the amounts that can be deducted or assessed for tax, considering the manner in which the carrying amount of the asset or liability is expected to be recovered or settled. The deferred tax recognised is adjusted against goodwill or negative goodwill.

1.3 Basis of consolidation

The consolidated group financial statements consist of the financial statements of the parent company Ventureprise PLC together with all entities controlled by the parent company (its subsidiaries) and the group's share of its interests in joint ventures and associates.

All financial statements are made up to 31 May 2023. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Entities in which the group holds an interest and which are jointly controlled by the group and one or more other venturers under a contractual arrangement are treated as joint ventures. Entities other than subsidiary undertakings or joint ventures, in which the group has a participating interest and over whose operating and financial policies the group exercises a significant influence, are treated as associates.

VENTUREPRISE PLC

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2023

1 Accounting policies

(Continued)

1.4 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the group 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.

The Directors have reviewed detailed budgets and forecasts for the period commencing 1st June 2023 and beyond, and concluded that they are in line with expectations with the groups strategy. The Directors have also reviewed the groups position in regards to material uncertainties and have concluded that there are no items that would affect going concern.

1.5 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates. Sales, interest and dividend income are recognised on an accruals basis.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

The Company recognises turnover for contracts once the performance obligation is met which is on a straight line basis over the period the policy covers.

Repair income includes repair services , revenue is recognised once the job has been completed.

1.6 Research and development expenditure

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

1.7 Intangible fixed assets - goodwill

Acquired goodwill is written off in equal annual installments over its estimated useful economic life of 10 years.

1.8 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation 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:

Intellectual property	10% straight line
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1.9 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.

VENTUREPRISE PLC

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2023

1 Accounting policies

(Continued)

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:

Land and buildings Freehold	2% straight line
Fixtures, fittings & equipment	20% / 25% reducing balance
Motor vehicles	25% reducing balance

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 recognised in the profit and loss account.

1.10 Fixed asset investments

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

In the parent company financial statements, investments in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

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

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The group considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Investments in associates are initially recognised at the transaction price (including transaction costs) and are subsequently adjusted to reflect the group's share of the profit or loss, other comprehensive income and equity of the associate using the equity method. Any difference between the cost of acquisition and the share of the fair value of the net identifiable assets of the associate on acquisition is recognised as goodwill. Any unamortised balance of goodwill is included in the carrying value of the investment in associates.

Losses in excess of the carrying amount of an investment in an associate are recorded as a provision only when the company has incurred legal or constructive obligations or has made payments on behalf of the associate.

In the parent company financial statements, investments in associates are accounted for at cost less impairment.

1.11 Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

VENTUREPRISE PLC

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2023

1 Accounting policies

(Continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.12 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.13 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.14 Financial instruments

The group 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 group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and 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 and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

VENTUREPRISE PLC

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2023

1 Accounting policies

(Continued)

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

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 group after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, 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.

VENTUREPRISE PLC

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2023

1 Accounting policies

(Continued)

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

1.15 Equity instruments

Equity instruments issued by the group are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

1.16 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 group'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.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. 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 if, and only if, there is 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.

VENTUREPRISE PLC

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2023

1 Accounting policies

(Continued)

1.17 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.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.18 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.19 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.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

1.20 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

1.21 Subsidiary undertakings exempt from audit

Under Section 479a of the Companies Act 2006 available to subsidiary undertakings, the company provides a guarantee in respect of the below subsidiary undertakings claiming exemption from audit.

Costwise Ltd (08371277)
Optima Medical Reports Limited (07097932)
RT8 Legal Limited (06979268)
VP Collections Limited (09385625)
247 Labs Limited (08376394)
247 Staywarm Limited (11387607)
Home Response 360 Ltd (09438697)

VENTUREPRISE PLC

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2023

2 Judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

There are no significant accounting judgements or items with estimation uncertainty in the current or prior period.

3 Turnover and other revenue

An analysis of the group's turnover is as follows:

	2023 £	2022 £
Turnover analysed by class of business		
Professional services to legal industry	304,941	460,485
Breakdown plans and warranty cover	16,544,298	21,605,571
Regulated insurance products	2,485,849	331,575
	<u>19,335,088</u>	<u>22,397,631</u>
	2023 £	2022 £
Other revenue		
Interest income	21	-
Rental income	7,817	-
	<u></u>	<u></u>

4 Operating profit

	2023 £	2022 £
Operating profit for the year is stated after charging:		
Research and development costs	232,440	156,356
Depreciation of owned tangible fixed assets	137,878	133,918
Loss on disposal of tangible fixed assets	75,677	6,886
Amortisation of intangible assets	<u>327,170</u>	<u>327,170</u>

VENTUREPRISE PLC

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2023

5 Auditor's remuneration

	2023 £	2022 £
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the group and company	12,500	7,500
Audit of the financial statements of the company's subsidiaries	7,500	5,000
	<u>20,000</u>	<u>12,500</u>
For other services		
All other non-audit services	<u>9,500</u>	<u>6,650</u>

6 Employees

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

	Group 2023 Number	2022 Number	Company 2023 Number	2022 Number
Directors	5	4	5	4
Engineers and administrative	137	157	23	9
Total	<u>142</u>	<u>161</u>	<u>28</u>	<u>13</u>

Their aggregate remuneration comprised:

	Group 2023 £	2022 £	Company 2023 £	2022 £
Wages and salaries	5,264,848	6,381,639	805,888	964,691
Social security costs	569,758	571,956	82,536	94,493
Pension costs	30,638	26,543	8,826	9,431
	<u>5,865,244</u>	<u>6,980,138</u>	<u>897,250</u>	<u>1,068,615</u>

7 Directors' remuneration

	2023 £	2022 £
Remuneration for qualifying services	<u>118,251</u>	<u>50,000</u>

VENTUREPRISE PLC

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2023

8 Interest receivable and similar income

	2023 £	2022 £
Interest income		
Interest on bank deposits	21	-

	2023 £	2022 £
Investment income includes the following:		
Interest on financial assets not measured at fair value through profit or loss	21	-

9 Interest payable and similar expenses

	2023 £	2022 £
Interest on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	19,614	28,171
Other finance costs:		
Interest on finance leases and hire purchase contracts	4,603	-
Other interest	2,553	2,805
Total finance costs	26,770	30,976

10 Amounts written off investments

	2023 £	2022 £
Gain/(loss) on disposal of financial assets held at cost	-	(391)
Other gains and losses	-	(20)
	-	(411)

11 Taxation

	2023 £	2022 £
Current tax		
UK corporation tax on profits for the current period	198,223	132,818
Adjustments in respect of prior periods	(18,689)	-
Total current tax	179,534	132,818
Deferred tax		
Origination and reversal of timing differences	(23,971)	9,957
Total tax charge	155,563	142,775

VENTUREPRISE PLC

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2023

11 Taxation

(Continued)

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2023 £	2022 £
Profit before taxation	479,214	207,525
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2022: 19.00%)	91,051	39,430
Tax effect of expenses that are not deductible in determining taxable profit	351	855
Tax effect of utilisation of tax losses not previously recognised	-	2
Effect of change in corporation tax rate	9,902	-
Group relief	-	20,685
Permanent capital allowances in excess of depreciation	35,136	10,063
Under/(over) provided in prior years	(18,689)	-
Deferred tax adjustments in respect of prior years	(23,971)	9,957
Adjustments arising on consolidation	61,783	61,783
Taxation charge	155,563	142,775

12 Dividends

	2023 £	2022 £
Recognised as distributions to equity holders:		
Final paid	332,201	740,141

13 Impairments

Impairment tests have been carried out where appropriate and the following impairment losses have been recognised in profit or loss:

	Notes	2023 £	2022 £
In respect of:			
Investments in associates	16	-	20
Recognised in:			
Amounts written off investments		-	20

The impairment losses in respect of financial assets are recognised in other gains and losses in the profit and loss account.

VENTUREPRISE PLC

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2023

14 Intangible fixed assets

Group	Goodwill £	Intellectual property £	Total £
Cost			
At 1 June 2022 and 31 May 2023	3,251,703	20,000	3,271,703
Amortisation and impairment			
At 1 June 2022	1,100,634	6,000	1,106,634
Amortisation charged for the year	325,170	2,000	327,170
At 31 May 2023	1,425,804	8,000	1,433,804
Carrying amount			
At 31 May 2023	1,825,899	12,000	1,837,899
At 31 May 2022	2,151,069	14,000	2,165,069
Company			Intellectual property £
Cost			
At 1 June 2022 and 31 May 2023			20,000
Amortisation and impairment			
At 1 June 2022			6,000
Amortisation charged for the year			2,000
At 31 May 2023			8,000
Carrying amount			
At 31 May 2023			12,000
At 31 May 2022			14,000

VENTUREPRISE PLC

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2023

15 Tangible fixed assets

Group	Land and buildings Freehold	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 June 2022	1,687,460	554,336	112,269	2,354,065
Additions	-	63,657	-	63,657
Disposals	-	(266,157)	-	(266,157)
At 31 May 2023	1,687,460	351,836	112,269	2,151,565
Depreciation and impairment				
At 1 June 2022	109,684	242,006	49,117	400,807
Depreciation charged in the year	33,750	88,340	15,788	137,878
Eliminated in respect of disposals	-	(189,821)	-	(189,821)
At 31 May 2023	143,434	140,525	64,905	348,864
Carrying amount				
At 31 May 2023	1,544,026	211,311	47,364	1,802,701
At 31 May 2022	1,577,776	312,330	63,152	1,953,258
Company				
	Land and buildings Freehold	Fixtures, fittings & equipment		Total
	£	£		£
Cost				
At 1 June 2022 and 31 May 2023	1,687,460	10,286		1,697,746
Depreciation and impairment				
At 1 June 2022	109,684	5,813		115,497
Depreciation charged in the year	33,750	1,118		34,868
At 31 May 2023	143,434	6,931		150,365
Carrying amount				
At 31 May 2023	1,544,026	3,355		1,547,381
At 31 May 2022	1,577,776	4,473		1,582,249

VENTUREPRISE PLC

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2023

16 Fixed asset investments

	Notes	Group 2023 £	2022 £	Company 2023 £	2022 £
Investments in subsidiaries	17	-	-	4,282,659	4,282,659
Loans to subsidiaries	17	487,303	482,303	487,303	482,303
Investments in associates		300	300	-	-
		<u>487,603</u>	<u>482,603</u>	<u>4,769,962</u>	<u>4,764,962</u>

Movements in fixed asset investments Group

	Shares in associates £	Loans to subsidiaries £	Total £
Cost or valuation			
At 1 June 2022	300	482,303	482,603
Additions	-	5,000	5,000
At 31 May 2023	<u>300</u>	<u>487,303</u>	<u>487,603</u>
Carrying amount			
At 31 May 2023	<u>300</u>	<u>487,303</u>	<u>487,603</u>
At 31 May 2022	<u>300</u>	<u>482,303</u>	<u>482,603</u>

Movements in fixed asset investments Company

	Shares in subsidiaries £	Loans to subsidiaries £	Total £
Cost or valuation			
At 1 June 2022	4,282,659	482,303	4,764,962
Additions	-	5,000	5,000
At 31 May 2023	<u>4,282,659</u>	<u>487,303</u>	<u>4,769,962</u>
Carrying amount			
At 31 May 2023	<u>4,282,659</u>	<u>487,303</u>	<u>4,769,962</u>
At 31 May 2022	<u>4,282,659</u>	<u>482,303</u>	<u>4,764,962</u>

17 Subsidiaries

Details of the company's subsidiaries at 31 May 2023 are as follows:

VENTUREPRISE PLC

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2023

17 Subsidiaries

(Continued)

Name of undertaking	Registered office	Class of shares held	% Held Direct
247 Home Assist Limited	UK	Ordinary	100.00
Costswise Limited	UK	Ordinary	100.00
Optima Medical Reports Limited	UK	Ordinary	100.00
RT8 Legal Limited	UK	Ordinary	100.00
VP Collections Limited	UK	Ordinary	100.00
VP People Limited	UK	Ordinary	100.00
247 Labs Limited	UK	Ordinary	85.00
247 Staywarm Limited	UK	Ordinary	100.00
Razrlab Holding Limited	UK	Ordinary	51.00
Razr Tech DMCC	Emirate of Dubai	Ordinary	51.00
Home Response 360 Ltd	UK	Ordinary	100.00

The investments in subsidiaries are all stated at cost.

The subsidiaries have the same registered office as the company except for:

Razr Tech DMCC
Unit No. 2498
DMCC Business Centre
Level No.1
Jewellery & Gemplex 3
Dubai

18 Financial instruments

	Group 2023 £	2022 £	Company 2023 £	2022 £
Carrying amount of financial assets				
Debt instruments measured at amortised cost	2,308,889	2,380,309	1,758,100	2,857,047
Carrying amount of financial liabilities				
Measured at amortised cost	4,593,570	4,637,710	4,601,869	5,713,534

19 Stocks

	Group 2023 £	2022 £	Company 2023 £	2022 £
Finished goods and goods for resale	194,626	172,301	-	-

VENTUREPRISE PLC

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2023

20 Debtors

	Group 2023	2022	Company 2023	2022
Amounts falling due within one year:	£	£	£	£
Unpaid share capital	12,200	12,200	12,200	12,200
Amounts owed by group undertakings	-	-	1,258,597	2,362,544
Other debtors	475,169	431,605	-	-
Prepayments and accrued income	1,516,165	1,562,224	-	-
	<u>2,003,534</u>	<u>2,006,029</u>	<u>1,270,797</u>	<u>2,374,744</u>

21 Creditors: amounts falling due within one year

	Notes	Group 2023	2022	Company 2023	2022
		£	£	£	£
Bank loans	23	96,667	96,667	66,667	66,667
Obligations under finance leases	24	10,545	10,545	-	-
Trade creditors		955,349	883,058	-	-
Amounts owed to group undertakings		-	-	2,694,948	3,251,529
Amounts owed to undertakings in which the group has a participating interest		20	20	20	20
Corporation tax payable		315,057	243,561	-	-
Other taxation and social security		317,870	487,979	25,341	30,911
Other creditors		1,651,267	1,824,765	1,075,187	1,568,199
Accruals and deferred income		1,010,484	842,410	12,778	4,162
		<u>4,357,259</u>	<u>4,389,005</u>	<u>3,874,941</u>	<u>4,921,488</u>

22 Creditors: amounts falling due after more than one year

	Notes	Group 2023	2022	Company 2023	2022
		£	£	£	£
Bank loans and overdrafts	23	813,877	914,339	752,269	822,957
Obligations under finance leases	24	55,361	65,906	-	-
		<u>869,238</u>	<u>980,245</u>	<u>752,269</u>	<u>822,957</u>

VENTUREPRISE PLC

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2023

23 Loans and overdrafts

	Group 2023 £	2022 £	Company 2023 £	2022 £
Bank loans	910,544	1,011,006	818,936	889,624
Payable within one year	96,667	96,667	66,667	66,667
Payable after one year	813,877	914,339	752,269	822,957

The group has four bank loans.

Bank loan 1 is secured by way of a fixed charge dated 16 July 2021 over the group's freehold property.

The group's banking facilities are secured by way of fixed and floating charges dated 15 April 2021 over all assets and undertakings of the group.

Bank loans 2 to 4 are unsecured.

Bank Loan 1 is capital repayment payable by July 2026.

The rate of interest is a margin of 2.25% over Bank of England Base Rate.

Bank loans 2 to 4 are capital repayment and repayable by May 2026.

The rate of interest is fixed at 2.5% per annum.

24 Finance lease obligations

	Group 2023 £	2022 £	Company 2023 £	2022 £
Future minimum lease payments due under finance leases:				
Within one year	10,545	10,545	-	-
In two to five years	55,361	65,906	-	-
	65,906	76,451	-	-

Finance lease payments represent rentals payable by the company or group for certain items of plant and machinery. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. The average lease term is 5 years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

VENTUREPRISE PLC

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2023

25 Deferred taxation

Deferred tax assets and liabilities are offset where the group or company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities 2023 £	Liabilities 2022 £
Group		
Accelerated capital allowances	47,371	71,342
	<u>47,371</u>	<u>71,342</u>
	£	£
Company		
Accelerated capital allowances	618	850
	<u>618</u>	<u>850</u>
	£	£
Movements in the year:	£	£
Liability at 1 June 2022	71,342	850
Credit to profit or loss	(23,971)	(232)
Liability at 31 May 2023	47,371	618
	<u>47,371</u>	<u>618</u>

26 Retirement benefit schemes

	2023 £	2022 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	30,638	26,543
	<u>30,638</u>	<u>26,543</u>

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

27 Share capital

Group and company	2023 Number	2022 Number	2023 £	2022 £
Ordinary share capital				
Issued and not fully paid				
Ordinary of £1 each	612,200	612,200	612,200	612,200
Ordinary A of £1 each	6	6	6	6
	<u>612,206</u>	<u>612,206</u>	<u>612,206</u>	<u>612,206</u>

VENTUREPRISE PLC

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2023

27 Share capital

(Continued)

Ordinary £1 shares have full rights to voting (one vote per share), dividends and capital distribution on winding up.

Ordinary A £1 shares have full rights to dividends only.

At the balance sheet date, £12,200 Ordinary £1 shares remain unpaid. The remainder of the Group's issued share capital is fully paid.

28 Reserves

Restricted Cash Balance

Included within the cash held by the group is £357,168 (2022: £147,328) which is held under a self-imposed restriction and is therefore not available for use by the group. The funds are held in respect of potential future amounts which may become payable.

29 Operating lease commitments

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

	Group 2023 £	2022 £	Company 2023 £	2022 £
Within one year	33,270	-	-	-
Between two and five years	61,305	-	-	-
	<u>94,575</u>	<u>-</u>	<u>-</u>	<u>-</u>

30 Related party transactions

Transactions with related parties

The following amounts were outstanding at the reporting end date:

Amounts due to related parties	2023 £	2022 £
Group		
Other related parties	<u>174,358</u>	<u>140,800</u>

The following amounts were outstanding at the reporting end date:

Amounts due from related parties	2023 Balance £	2022 Balance £
Group		
Other related parties	<u>451,252</u>	<u>424,513</u>

VENTUREPRISE PLC

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2023

30 Related party transactions

(Continued)

Other information

The Group has taken advantage of FRS 102, section 33.1A available for transactions with wholly owned subsidiaries, and has chosen not to disclose related party transactions within the group.

31 Directors' transactions

Dividends totalling £17,346 (2022 - £0) were paid in the year in respect of shares held by the company's directors.

At the year end, a balance of £94,098 (2022: £606,312) was due to the directors.

The above balance is interest free with no fixed date for repayment.

32 Controlling party

No single individual has ultimate control by virtue of their shareholdings in the company.

33 Cash generated from/(absorbed by) group operations

	2023 £	2022 £
Profit for the year after tax	323,651	64,750
Adjustments for:		
Taxation charged	155,563	142,775
Finance costs	26,770	30,976
Investment income	(21)	-
Loss on disposal of tangible fixed assets	75,677	6,886
Amortisation and impairment of intangible assets	327,170	327,170
Depreciation and impairment of tangible fixed assets	137,878	133,918
Other gains and losses	-	411
Movements in working capital:		
Increase in stocks	(22,325)	(27,013)
(Increase)/decrease in debtors	(118,138)	166,419
Increase/(decrease) in creditors	17,391	(1,511,480)
Cash generated from/(absorbed by) operations	923,616	(665,188)

VENTUREPRISE PLC

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2023

34 Cash generated from operations - company

	2023 £	2022 £
Profit for the year after tax	335,668	699,556
Adjustments for:		
Taxation credited	(232)	(284)
Finance costs	16,953	19,936
Investment income	(380,000)	(770,000)
Amortisation and impairment of intangible assets	2,000	2,000
Depreciation and impairment of tangible fixed assets	34,868	35,241
Other gains and losses	-	20
Movements in working capital:		
Decrease/(increase) in debtors	1,103,947	(942,904)
(Decrease)/increase in creditors	(1,046,547)	1,055,268
Cash generated from operations	66,657	98,833

35 Analysis of changes in net funds - group

	1 June 2022 £	Cash flows £	31 May 2023 £
Cash at bank and in hand	1,242,746	196,748	1,439,494
Borrowings excluding overdrafts	(1,011,006)	100,462	(910,544)
Obligations under finance leases	(76,451)	10,545	(65,906)
	<u>155,289</u>	<u>307,755</u>	<u>463,044</u>

36 Analysis of changes in net debt - company

	1 June 2022 £	Cash flows £	31 May 2023 £
Cash at bank and in hand	36,752	21,815	58,567
Borrowings excluding overdrafts	(889,624)	70,688	(818,936)
	<u>(852,872)</u>	<u>92,503</u>	<u>(760,369)</u>