

GROUP TWO LIMITED

T/A

ROBOWATCH

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

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FOR THE YEAR ENDED 31 MARCH 2022

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COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2022

DIRECTORS:	Mr P K J Field Mr M J Lake Mr D P Hughes
REGISTERED OFFICE:	Unit 2 St Johns Court, Foster Road Ashford Business Park ASHFORD Kent TN24 0SJ
REGISTERED NUMBER:	03611396 (England and Wales)
ACCOUNTANTS:	McCabe Ford Williams Chartered Accountants Bank Chambers 1 Central Avenue Sittingbourne Kent ME10 4AE
BANKERS:	National Westminster Europa House 49 Sandgate Road Folkestone Kent
SOLICITORS:	Brachers LLP Somerfield House 59 London Road Maidstone Kent ME16 8JH

STATEMENT OF FINANCIAL POSITION
31 MARCH 2022

	Notes	31.3.22 £	£	31.3.21 £	£
FIXED ASSETS					
Tangible assets	5		886,293		713,557
Investments	6		<u>4</u>		<u>4</u>
			886,297		713,561
CURRENT ASSETS					
Stocks		134,159		9,288	
Debtors	7	641,046		422,713	
Cash at bank and in hand		<u>987,614</u>		<u>1,027,259</u>	
		1,762,819		1,459,260	
CREDITORS					
Amounts falling due within one year	8	<u>438,526</u>		<u>349,613</u>	
NET CURRENT ASSETS			<u>1,324,293</u>		<u>1,109,647</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			2,210,590		1,823,208
PROVISIONS FOR LIABILITIES			<u>128,827</u>		<u>78,013</u>
NET ASSETS			<u>2,081,763</u>		<u>1,745,195</u>
CAPITAL AND RESERVES					
Called up share capital	11		103		102
Share premium			31,497		20,998
Retained earnings			<u>2,050,163</u>		<u>1,724,095</u>
SHAREHOLDERS' FUNDS			<u>2,081,763</u>		<u>1,745,195</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2022.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2022 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

STATEMENT OF FINANCIAL POSITION - continued
31 MARCH 2022

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 21 June 2022 and were signed on its behalf by:

Mr D P Hughes - Director

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

1. STATUTORY INFORMATION

Group Two Limited is a private company, limited by shares, registered in England and Wales. 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. STATEMENT OF COMPLIANCE

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.

3. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements have been prepared under the historical cost convention.

Significant judgements and estimates

In the application of the company's accounting policies, management is required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered 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 to which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are the depreciation charges that are calculated with reference to the useful economic life of fixed assets.

Turnover

Turnover represents net invoiced sales and leasing of goods and services provided, excluding value added tax. Income is recognised on a four weekly basis without any adjustment for accrued or deferred income.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Improvements to property	- 10% on cost
Office equipment and furniture	- straight line over 5 years
CCTV equipment	- straight line over 2-5 years
Motor vehicles	- straight line over 5 years and straight line over 3 years
Computer equipment	- straight line over 4 years

Government grants

Government grants are recognised when the performance related conditions imposed upon the receipt of the grant have been met. Where these have not been satisfied, these grants are recognised as liabilities. If grants are not conditional on future performance related conditions, then income is recognised when the grant proceeds are receivable. During the year the company received the following grants:

Coronavirus Job Retention Scheme (CJRS) to cover a portion of employees' wages who were furloughed due to the coronavirus pandemic.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

3. ACCOUNTING POLICIES - continued

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Financial instruments

The company enters into basic financial instruments that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties and loans to related parties.

a) Trade and other debtors

Trade and other debtors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method, less impairment losses for bad and doubtful debts except where the effect of discounting would be immaterial. In such cases, the receivables are stated at cost less impairment losses for bad and doubtful debts.

b) Cash and cash equivalents

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

c) Impairment of financial assets

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in profit or loss.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and the best estimate, which is an approximation, of the amount that the company would receive for the asset if it were to be sold at the reporting date.

d) Trade and other creditors

Debt instruments like loans and other accounts payable are initially measured at present value of the future payments and subsequently at amortised cost using the effective interest method. Debt instruments that are payable within one year, typically trade payables are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an outright short-term loan not at market rate, the financial liability is measured, initially and subsequently, at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is an 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.

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 statement of financial position date.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

3. ACCOUNTING POLICIES - continued

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position 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.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company has ceased to operate a retirement benefits pension scheme. Any contributions payable to the directors personal defined contribution schemes for the year are charged in the profit and loss account.

Operating lease income

Assets held by the company for leasing under operating leases are capitalised and depreciated over the estimated useful life of the asset. Rentals receivable under operating leases are included in turnover on an accruals basis.

Investments

Investments in subsidiary companies are included at cost.

Impairment of non-financial assets

At each reporting date non-financial assets not carried at fair value, like plant and equipment, are reviewed to determine whether there is an indication that an asset may be impaired. If there is an indication of possible impairment, the recoverable amount of any asset or group of related assets, which is the higher of value in use and the fair value less cost to sell, is estimated and compared with its carrying amount. If the recoverable amount is lower, the carrying amount of the asset is reduced to its recoverable amount and an impairment loss is recognised immediately in profit and loss.

Inventories are also assessed for impairment at each reporting date. Each item of inventory is compared to the last sold date and an impairment loss recognised on a percentage basis in profit and loss.

If an impairment loss is subsequently reversed, the carrying amount of the asset or group of related assets is increased to the revised estimate of its recoverable amount, but not to exceed the amount that would have been determined had no impairment loss been recognised for the asset or group of related assets in prior periods. A reversal of an impairment loss is recognised immediately in profit and loss.

4. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 31 (2021 - 31).

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

5. TANGIBLE FIXED ASSETS

	Improvements to property £	Office equipment and furniture £	CCTV equipment £
COST			
At 1 April 2021	261,588	63,054	3,821,277
Additions	-	-	584,977
Disposals	-	-	(55,131)
At 31 March 2022	<u>261,588</u>	<u>63,054</u>	<u>4,351,123</u>
DEPRECIATION			
At 1 April 2021	172,184	61,228	3,241,362
Charge for year	<u>26,167</u>	<u>453</u>	<u>367,114</u>
At 31 March 2022	<u>198,351</u>	<u>61,681</u>	<u>3,608,476</u>
NET BOOK VALUE			
At 31 March 2022	<u>63,237</u>	<u>1,373</u>	<u>742,647</u>
At 31 March 2021	<u>89,404</u>	<u>1,826</u>	<u>579,915</u>

	Motor vehicles £	Computer equipment £	Totals £
COST			
At 1 April 2021	46,423	178,146	4,370,488
Additions	49,028	12,050	646,055
Disposals	-	-	(55,131)
At 31 March 2022	<u>95,451</u>	<u>190,196</u>	<u>4,961,412</u>
DEPRECIATION			
At 1 April 2021	21,354	160,803	3,656,931
Charge for year	<u>18,777</u>	<u>5,677</u>	<u>418,188</u>
At 31 March 2022	<u>40,131</u>	<u>166,480</u>	<u>4,075,119</u>
NET BOOK VALUE			
At 31 March 2022	<u>55,320</u>	<u>23,716</u>	<u>886,293</u>
At 31 March 2021	<u>25,069</u>	<u>17,343</u>	<u>713,557</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

6. FIXED ASSET INVESTMENTS

	Other investments £
COST	
At 1 April 2021	
and 31 March 2022	4
NET BOOK VALUE	
At 31 March 2022	4
At 31 March 2021	4

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.22	31.3.21
	£	£
Trade debtors	571,094	376,541
Other debtors	7,250	5,000
Associated company loan	15,000	-
Prepayments and accrued income	47,702	41,172
	<u>641,046</u>	<u>422,713</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.22	31.3.21
	£	£
Hire purchase contracts (see note 9)	-	66,937
Trade creditors	206,515	82,875
Other creditors	19,521	13,839
Other taxes and PAYE	163,254	145,853
Accruals	11,136	8,434
Deferred income	38,100	31,675
	<u>438,526</u>	<u>349,613</u>

9. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Hire purchase contracts 31.3.22	31.3.21
	£	£
Gross obligations repayable:		
Within one year	-	69,869
Finance charges repayable:		
Within one year	-	2,932
Net obligations repayable:		
Within one year	-	66,937

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

9. LEASING AGREEMENTS - continued

	Non-cancellable	operating leases
	31.3.22	31.3.21
	£	£
Within one year	50,006	56,367
Between one and five years	71,814	75,959
	<u>121,820</u>	<u>132,326</u>

10. SECURED DEBTS

The bank overdraft facility is secured against all assets of the company. This facility however was not used at any point during the year.

The leasehold property is subject to a charge in favour of the bank.

11. CALLED UP SHARE CAPITAL

Allotted and issued:			31.3.22	31.3.21
Number:	Class:	Nominal value:	£	£
100	Ordinary	£1	100	100
3	Ordinary A	£1	<u>3</u>	<u>2</u>
			<u>103</u>	<u>102</u>

1 Ordinary A share of £1 was allotted at a premium of 10499 during the year.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.