

KNOWLEDGEPOINT LIMITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 AUGUST 2021

KNOWLEDGEPOINT LIMITED
REGISTERED NUMBER: 03413411

BALANCE SHEET
AS AT 31 AUGUST 2021

	Note	2021 £	2020 £
Fixed assets			
Intangible assets	4	317,269	-
Tangible assets	5	736,048	902,545
Investments	6	8	8
		<u>1,053,325</u>	<u>902,553</u>
Current assets			
Stocks	7	114,446	115,383
Debtors: amounts falling due within one year	8	431,151	828,528
Cash at bank and in hand	9	648,561	880,911
		<u>1,194,158</u>	<u>1,824,822</u>
Creditors: amounts falling due within one year	10	(1,444,780)	(1,082,250)
Net current (liabilities)/assets		<u>(250,622)</u>	<u>742,572</u>
Total assets less current liabilities		<u>802,703</u>	<u>1,645,125</u>
Creditors: amounts falling due after more than one year	11	(477,663)	(755,383)
Provisions for liabilities			
Deferred tax	14	-	(20,938)
		<u>-</u>	<u>(20,938)</u>
Net assets		<u><u>325,040</u></u>	<u><u>868,804</u></u>
Capital and reserves			
Called up share capital	15	126	126
Capital redemption reserve		40	40
Profit and loss account		324,874	868,638
		<u>325,040</u>	<u>868,804</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

KNOWLEDGEPOINT LIMITED
REGISTERED NUMBER: 03413411

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2021

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

A M Philpot

Director

Date: 10 May 2022

KNOWLEDGEPOINT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021

1. General information

KnowledgePoint Limited is a private company limited by shares and incorporated in England & Wales. The address of their principal place of business is 614 Reading Road, Winnersh, Wokingham, Berkshire, RG41 5HE.

The principal activity of the company continued to be the consultancy and production of "on demand"

electronic printing products.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

The following principal accounting policies have been applied:

2.2 Going concern

The Directors have considered the impact of the ongoing global Covid-19 pandemic on the ability of the company to continue trading for the foreseeable future. This review has included considering the impact of the pandemic to the date of signing the financial statements and updating financial projections and performing rigorous stress testing on these projections in respect of income and the company's supply chain. Based on this review and taken together with existing financing facilities the directors believe that the financial statements have been prepared appropriately on the going concern basis.

2.3 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

2. Accounting policies (continued)

2.4 Turnover

Turnover comprises of revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

With regards to the distributor agreements, turnover is recorded gross of costs when the work carried out is deemed to be over and above merely an invoicing function.

Income received in relation to authorised training centre subscriptions are recognised over the term the contract relates to.

Monies received in relation to "Marketing funds" are recognised as the associated costs are incurred.

2.5 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.6 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives, which range from 3 to 6 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

2.7 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of comprehensive income in the same period as the related expenditure.

2.8 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

2. Accounting policies (continued)

2.9 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.10 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

2.11 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

2.12 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

2. Accounting policies (continued)

2.12 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Long-term leasehold property	- 25% reducing balance
Plant and machinery	- over 3-9 years
Motor vehicles	- 25% reducing balance
Fixtures, fittings and equipment	- 25% reducing balance
Computer equipment	- over 3-8 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.13 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted Company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Statement of comprehensive income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

Investments in listed company shares are remeasured to market value at each Balance sheet date. Gains and losses on remeasurement are recognised in profit or loss for the period.

2.14 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a weighted average basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.15 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.16 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

KNOWLEDGEPOINT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021

2. Accounting policies (continued)

2.17 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.18 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

2.19 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3. Employees

The average monthly number of employees, including directors, during the year was 73 (2020 - 88).

4. Intangible assets

	Development expenditure £
Cost	
Additions	317,269
At 31 August 2021	317,269
Net book value	
At 31 August 2021	317,269
At 31 August 2020	-

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

5. Tangible fixed assets

	Long-term leasehold property £	Plant and machinery £	Motor vehicles £	Fixtures, fittings and equipment £	Computer equipment £	Total £
Cost or valuation						
At 1 September 2020	200,594	2,015,270	8,580	154,519	733,854	3,112,817
Additions	6,261	3,000	-	43,586	36,445	89,292
Disposals	(200,594)	(475,828)	-	(118,515)	(152,009)	(946,946)
At 31 August 2021	6,261	1,542,442	8,580	79,590	618,290	2,255,163
Depreciation						
At 1 September 2020	200,594	1,307,188	7,984	132,076	562,430	2,210,272
Charge for the year	3,079	163,183	149	8,430	51,758	226,599
Disposals	(202,906)	(468,968)	-	(102,246)	(143,636)	(917,756)
At 31 August 2021	767	1,001,403	8,133	38,260	470,552	1,519,115
Net book value						
At 31 August 2021	5,494	541,039	447	41,330	147,738	736,048
At 31 August 2020	-	708,082	596	22,443	171,424	902,545

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2021 £	2020 £
Plant and machinery	343,534	666,815
Computer equipment	73,949	98,112
	<u>417,483</u>	<u>764,927</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

6. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 September 2020	8
At 31 August 2021	<u>8</u>

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Registered office	Class of shares	Holding
Engage Global Solutions Limited	Provider of Global Education Programs, Certificates and Courseware for the IT training industry	Ordinary	100 %
KnowledgeCast Limited	Dormant	Ordinary	100 %
MyLivebook Limited	Dormant	Ordinary	100 %
KnowledgeXmedia Limited	Dormant	Ordinary	100 %

The aggregate of the share capital and reserves as at 31 August 2021 and the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

Name	Aggregate of share capital and reserves £	Profit/(Loss) £
Engage Global Solutions Limited	562,135	13,454
KnowledgeCast Limited	2	-
MyLivebook Limited	2	-
KnowledgeXmedia Limited	2	-

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FOR THE YEAR ENDED 31 AUGUST 2021

7. Stocks

	2021 £	2020 £
Finished goods and goods for resale	114,446	115,383
	<u>114,446</u>	<u>115,383</u>

8. Debtors

	2021 £	2020 £
Trade debtors	224,237	356,464
Amounts owed by group undertakings	21,911	55,969
Amounts owed by associated undertakings	248	134,978
Other debtors	104,819	157,156
Tax recoverable	79,936	123,961
	<u>431,151</u>	<u>828,528</u>

9. Cash and cash equivalents

	2021 £	2020 £
Cash at bank and in hand	648,561	880,911
	<u>648,561</u>	<u>880,911</u>

10. Creditors: Amounts falling due within one year

	2021 £	2020 £
Bank loans	80,000	6,667
Trade creditors	253,552	227,329
Amounts owed to group undertakings	2	2
Corporation tax	-	40
Other taxation and social security	94,603	158,057
Obligations under finance lease and hire purchase contracts	171,663	234,525
Other creditors	844,960	455,630
	<u>1,444,780</u>	<u>1,082,250</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

11. Creditors: Amounts falling due after more than one year

	2021 £	2020 £
Bank loans	313,333	393,333
Net obligations under finance leases and hire purchase contracts	164,330	362,050
	<u>477,663</u>	<u>755,383</u>

12. Loans

Analysis of the maturity of loans is given below:

	2021 £	2020 £
Amounts falling due within one year		
Bank loans	80,000	6,667
	<u>80,000</u>	<u>6,667</u>
Amounts falling due 1-2 years		
Bank loans	80,000	80,000
	<u>80,000</u>	<u>80,000</u>
Amounts falling due 2-5 years		
Bank loans	233,333	313,333
	<u>233,333</u>	<u>313,333</u>
	<u>393,333</u>	<u>400,000</u>

The loan is secured against a cross company debenture with Engage Global Solutions Limited, for the total loan amount. The loan is interest bearing, from June 2021, and repayable over the agreed term.

KNOWLEDGEPOINT LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

13. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	2021 £	2020 £
Within one year	171,663	234,525
Between 1-5 years	164,330	362,050
	<u>335,993</u>	<u>596,575</u>

Hire purchase contracts are secured against the assets to which they relate.

14. Deferred taxation

	2021 £
At beginning of year	(20,938)
Charged to profit or loss	26,377
Arising on business combinations	(5,439)
	<u>-</u>
At end of year	-

The deferred taxation balance is made up as follows:

	2021 £	2020 £
Accelerated capital allowances	-	(20,938)
	<u>-</u>	<u>(20,938)</u>

15. Share capital

	2021 £	2020 £
Allotted, called up and fully paid		
120 (2020 - 120) Ordinary A shares of £1.00 each	120	120
2 (2020 - 2) Ordinary B shares of £1.00 each	2	2
2 (2020 - 2) Ordinary C shares of £1.00 each	2	2
2 (2020 - 2) Ordinary D shares of £1.00 each	2	2
	<u>126</u>	<u>126</u>

KNOWLEDGEPOINT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021

16. Related party transactions

During the year, dividends of £157,200 (2020: £172,072) were paid to the directors.

The company has taken the exemption under FRS 102 section 1A for disclosing related party transactions with other wholly owned members of the group.

At the year end the Company owed £12,775 to Engage Global Solutions Limited, a company related by common directors. At the previous year end the Company was owed £55,969 from Engage Global Solutions Limited.

At the year end the Company was owed £248 (2020: £306) from InstructorBase Limited, a company related by common directors.

At the year end the Company was owed £Nil (2020: £134,672) from LiveBook Limited, a company related by common directors.

17. Controlling party

The company is controlled by A Philpot and P Gibbons as a result of shareholdings held by themselves and their family members.

18. Hive up

At the balance sheet date the assets and liabilities of Livebook Limited were transferred to KnowledgePoint Limited.

19. Auditor's information

The auditor's report on the financial statements for the year ended 31 August 2021 was unqualified.

The audit report was signed on 10 May 2022 by Alexander Peal BSc(Hons) FCA DChA (Senior statutory auditor) on behalf of James Cowper Kreston.

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.