

Glide Utilities Limited

Report and Financial Statements

Year ended

31 January 2021

Company Number: 06194523



Glide Utilities Limited

Report and financial statements for the year ended 31 January 2021

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Directors

T Pilcher
M B Braziel

Secretary and registered office

Alpha Tower, Suffolk Street, Queensway, Birmingham, B1 1TT

Company number

06194523

Auditor

BDO LLP, Bridgewater House, Counterslip, Bristol, BS1 6BX

Glide Utilities Limited

Strategic report for the year ended 31 January 2021

Introduction

The Directors present their strategic report together with the audited financial statements for the year ended 31 January 2021.

Principal Activities

The Company is part of a Group headed by Project Hawk Topco Limited ("the Group"). The Group is the leading provider of internet services, networking and utility reselling to its core markets:

- Student – student halls of residence and HMOs
- Residential – Build to Rent ("BTR") residential buildings
- Business – business and science parks

The Company's principal activity is the utilisation of proprietary software for utility supply and bill-splitting services to multi-tenanted houses (Houses of Multiple Occupancy "HMOs") within the Student market sector.

Business Review

New Investors

On 31st May 2020 Alinda Capital Investment ("Alinda") acquired the majority shareholding in the Group, replacing Inflexion Private Equity. Alinda is one of the world's most experienced infrastructure investment firms with depth of investing in the digital infrastructure space in the United States, Canada and Europe.

The directors would like to extend a warm welcome to Alinda and are delighted to be working with them during the next chapter of growth.

Core Markets and Covid-19

Early in the financial year the Covid-19 crisis emerged. The Group successfully implemented our Business Continuity Plan and have undertaken regular operational, financial and planning reviews to ensure our focus on maintaining quality of service and close relationships with our customers and suppliers.

In the short term, we have seen our growth slow in certain areas of the business, especially in the consumption-based revenues from utilities in HMO's. This is, however, only temporary and has already started to pick up as restrictions ease. Nevertheless, the majority the Group's revenues are secure, long-term contracts resulting in a resilient, if slower, growth period.

Products and Innovation

During the year investment has continued in our utility bill-splitting software to better integrate energy suppliers and therefore reducing overreliance on key utility suppliers. In addition, particular focus has been on enhancing the customer journey via an improved transfer service to better serve our end-users.

Glide Utilities Limited

Strategic report (continued) for the year ended 31 January 2021

Business Review (continued)

Employees

The Company's performance depends largely on its employees both in the field and the support centres. The Directors would like to thank the employees for their extraordinary efforts ensuring operational excellence and sustaining customer satisfaction.

Community

The Company supports a number of charities including Love Brum and KidsOut.

Key Financial highlights of the Company

The Company has seen some impact from Covid-19 this year as students in HMO's moved out during the pandemic. As restrictions have started to ease however, consumption in the current year is returning to pre-Covid levels.

	2021 £000	2020 £000
Revenue	25,040	26,178
Gross Profit	7,595	8,937
Gross Profit %	30%	34%
Adjusted EBITDA*	2,525	3,935
Adjusted EBITDA %	10%	15%

*EBITDA before non-trading costs

Revenue, Margins and Profitability

Revenues for the Company were £25.0m for the year ended 31 January 2021 (£26.2m: 2020) demonstrating a 4% reduction on the prior year due to Covid-19. Gross margin of the Company for the year ended 31 January 2021 was 30% (2020: 34%).

Non-Trading Costs

During the year ended 31 January 2021 the Company incurred £0.3m of non-trading costs. These are one-off, non-recurring costs relating to dilapidation for offices leases and restructuring which are included within administrative expenses.

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Strategic report (*continued*) for the year ended 31 January 2021

Principal Risks and Uncertainties

Management of the business and the execution of the Company's strategy are subject to a number of risks. These risks are reviewed by management and appropriate processes are in place to monitor and mitigate them. The key business risks which may affect the Company are set out below:

Competition and Market Conditions

The Company operates in competitive markets but continued development and investment in product development and first-class customer services ensures the Company continues to grow market share by acquiring new customers and retaining existing ones.

The Company acts as a white label supplier for utility services and as such may be affected by fluctuations in wholesale energy prices. This risk is managed via long term, fixed price contracts with the Company's energy provider and customer contracts allowing for price changes in the event of adjustments to market rates.

Suppliers and Margins

Although over-reliance on key suppliers is minimal, there are a number of suppliers on which the Company's quality service and pricing depends. Through maintaining strong trading relationships, benefits of scale purchasing and robust tendering of key supplier contracts, the Company is confident in mitigating potential increase to its cost base.

Credit Risk

The provision of bill splitting services to HMOs comes within inherent credit risk. To mitigate this risk the Company operates policies to ensure credit worthiness of new customers and protecting against future default via customer deposits and payment plans.

Future developments

With considerable capacity in the existing infrastructure and continued investment to further develop products, the Directors are confident the growth of the Company will continue at similar levels in the future. Areas of particular focus for the Company include:

- Continued investment in core infrastructure and products to further drive scale efficiencies, broaden the customer offering and explore technologies for the living and work spaces of tomorrow
- Continued penetration of the existing Student (halls of residence and HMOs) market – current sales pipelines looking very encouraging
- Investing in employees to drive development opportunities, reward and recognition

On behalf of the board



T Pilcher
Director
2 August 2021

Glide Utilities Limited

Directors' report for the year ended 31 January 2021

The directors present their report together with the audited financial statements for the year ended 31 January 2021.

Results and dividends

The profit and loss account is set out on page 11 and shows the loss for the year.

Directors

The directors of the company during the year were:

M Burchfield (Resigned on 31 May 2020)
T Pilcher
Z Tindall-Doman (Resigned on 26 February 2021)
J Villarreal (Resigned on 31 May 2020)
N Lloyd (Resigned on 31 May 2020)
M B Braziel (Appointed on 26 February 2021)

Directors' responsibilities

The directors are responsible for preparing the directors' report, the strategic report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial period. Under that law the directors have elected to prepare the group and company 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 company and of the profit or loss of the company 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Glide Utilities Limited

Director's report (*continued*) for the year ended 31 January 2021

Auditor

All of the current directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditor for the purposes of their audit and to establish that the auditor is aware of that information. The directors are not aware of any relevant audit information of which the auditor is unaware.

BDO LLP have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

On behalf of the board



T Pilcher
Director
2 August 2021

Glide Utilities Limited

Independent auditor's report to the members of Glide Utilities Limited

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GLIDE UTILITIES LIMITED

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 January 2021 and of its loss 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.

We have audited the financial statements of Glide Utilities Limited ("the Company") for the year ended 31 January 2021 which comprise the profit and loss account, balance sheet, statement of changes in equity and notes to the financial statements, including a summary of 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).

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the 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.

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 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 directors are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. 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

Glide Utilities Limited

Independent auditor's report to the members of Glide Utilities Limited

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.

Other Companies Act 2006 reporting

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

In the light of the knowledge and understanding of the Company and its 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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 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 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.

Glide Utilities Limited

Independent auditor's report to the members of Glide Utilities Limited

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.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- we obtained an understanding of the legal and regulatory frameworks that are applicable to the Company. These included but were not limited to compliance with the Companies Act 2006, UK GAAP and tax legislation;
- in addressing the risk of fraud, including the risk of management override of controls and the risk of fraud in revenue recognition, we performed journals testing based on a set of risk criteria and tested to supporting documentation. We also incorporated unpredictability procedures as part of our response to the risk of management override of controls;
- we agreed financial statement disclosures to supporting documentation;
- we made enquiries of management;
- we reviewed board minutes throughout the year; and
- we remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

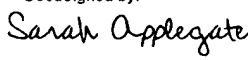
Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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.

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.

DocuSigned by:

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02 August 2021

Sarah Applegate (Senior Statutory Auditor)
For and on behalf of BDO LLP, statutory auditor
Bristol
Date: 2 August 2021

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Glide Utilities Limited

Profit and loss account for year ended 31 January 2021

	Note	2021 £000	2020 £000
Turnover	4	25,040	26,178
Cost of sales		<u>(17,445)</u>	<u>(17,241)</u>
Gross profit		7,595	8,937
Administrative expenses		<u>(5,744)</u>	<u>(5,369)</u>
Operating profit	5	1,851	3,568
Interest payable and similar income		<u>-</u>	<u>-</u>
Profit on ordinary activities before taxation		1,851	3,568
Tax on profit on ordinary activities	7	<u>(2,013)</u>	<u>(19)</u>
(Loss) / Profit and comprehensive income for the financial year		<u>(162)</u>	<u>3,587</u>

The notes on pages 14 to 23 form part of these financial statements.

There are no recognised gains and losses for the financial periods other than those included above.
Accordingly, no separate statement of comprehensive income is presented.

Glide Utilities Limited

Balance sheet as at 31 January 2021

	Note	2021 £000	2020 £000
Fixed assets			
Intangible assets	8	375	308
Tangible assets	9	211	165
		<u>586</u>	<u>473</u>
Current assets			
Debtors	11	16,201	15,523
Cash at bank and in hand		1,376	1,953
		<u>17,577</u>	<u>17,476</u>
Creditors: amounts falling due within one year	12	(5,951)	(7,651)
Net current assets		<u>11,626</u>	<u>9,825</u>
Total assets less current liabilities		<u>12,212</u>	<u>10,298</u>
Creditors: amounts falling due after one year	12	(2,304)	(228)
Provisions for liabilities and charges	13	-	-
Net assets		<u>9,908</u>	<u>10,070</u>
Capital and reserves			
Called up share capital	15	1	1
Profit and loss account		9,907	10,069
Total equity		<u>9,908</u>	<u>10,070</u>

The notes on pages 14 to 23 form part of these financial statements.

The financial statements were approved by the board of directors and were signed on its behalf by:



T Pilcher
Director

Date: 2 August 2021

Company number: 06194523

Glide Utilities Limited

Statement of changes in equity for the year ended 31 January 2021

	Called up share capital	Profit and loss account	Total
	£000	£000	£000
Balance as at 1 February 2019	1	6,482	6,483
Profit for the year	-	3,587	3,587
Balance as at 31 January 2020	1	10,069	10,070
Loss for the year	-	(162)	(162)
Balance as at 31 January 2021	1	9,907	9,908

The notes on pages 14 to 23 form part of these financial statements.

Glide Utilities Limited

Notes forming part of the financial statements for the year ended 31 January 2021

1. General information

Glide Utilities Limited ("**the company**") is an energy and telecommunications company specialising in shared accommodation and supplying services to tenants, landlords, letting agents and property investors in the UK.

The company is a private company limited by share capital and is incorporated and domiciled in the UK. The address of its registered office is Alpha Tower, Suffolk Street, Queensway, Birmingham B1 1TT.

2. Statement of compliance

The individual financial statements of the company have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006, under the provision of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (SI 2008/410).

3. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated. The company has adopted FRS 102 in these financial statements.

3.1 Basis of preparation of financial statements

The financial statements have been prepared on the going concern basis in accordance with the historical cost convention and with the applicable accounting standards in the United Kingdom and the Companies Act 2006.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed at the end of note 3.

The principal accounting policies, which have been applied consistently throughout the year, are set out below.

3.2 Company disclosure exemptions

In preparing the separate financial statements of the company, advantage has been taken of the following disclosure exemptions available in FRS 102:

- No cashflow statement has been presented for the company.
- The requirements of Section 11 Financial instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c)
- The requirements of Section 12 Financial instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A

This information is included in the consolidated financial statements of Hawk Bidco Limited.

Glide Utilities Limited

Notes forming part of the financial statements for the year ended 31 January 2021 *(continued)*

The company has taken advantage of the exemption granted under FRS 102 paragraph 1.12 (e) to not disclose transactions with other group companies where they are wholly owned by a common parent entity.

3.3 Going concern

The directors acknowledge that the group headed by Hawk Bidco Limited ("the Group") has net current liabilities. The Covid-19 pandemic impacted short term growth, but this is only temporary and is already starting to pick up as restrictions ease. The banking facilities were re-financed in August 2020, are committed until 2025 and will support the Group's ongoing activity, further investment and enable the business to meet their longer-term growth ambitions. In addition, new investors Alinda have supported the business in the short-term in the first half of the current year. Having reviewed the financial forecasts, no further support is required. The directors are delighted with this support to help them meet their longer-term growth ambitions.

The directors review the financial forecasts of the business and made enquiries with group management with specific reference made to the ability of the business to service any outstanding borrowings and meet the obligations of the banking facilities as well as meeting all other obligations and liabilities of the business when they fall due. The directors have performed sensitivity analysis on forecasts to identify the risks of not being able to meet the banking facility requirements. Having performed such analysis, the directors are confident that the risk of such a situation is low and have considered mitigating actions which would be taken, should such an unlikely event arise.

After making such enquiries, the directors are confident that the Company is well placed to manage its business risks successfully. The directors are confident that the Company has adequate resources to continue for the foreseeable future and no material uncertainty in relation to going concern exists. Accordingly they continue to adopt the going concern basis in preparing the annual report and accounts.

3.4 Revenue recognition

Turnover comprises revenue recognised by the company in respect of goods and services attributable to distributing, trading and provision of utilities and telecommunications during the year, exclusive of Value Added Tax.

Turnover is recognised in the period that the service was provided. Where payment plans are billed in advance the billed amounts are recorded as trade debtors and revenue is deferred within accruals and deferred income until earned.

3.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Office equipment	-	33% - 67% straight line
Computer equipment	-	33% straight line

The depreciation expense is classified within administrative expenses.

Tangible assets are derecognised on disposal or when no future economic benefits are expected. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised as a profit/loss on disposal.

Glide Utilities Limited

Notes forming part of the financial statements for the year ended 31 January 2021 *(continued)*

3.6 Intangible assets

Computer software is stated at cost less accumulated amortisation and accumulated impairment losses. Software is amortised over its estimated useful life, of between three and five years, on a straight line basis. The amortisation expense is classified within administrative expenses.

Where factors, such as technological advancement or changes in market price, indicate that residual value of useful life has changed, the residual value, useful life or amortisation rate are amended prospectively to reflect the new circumstances. The assets are reviewed for impairment if the above factors indicate that the carrying amount may be impaired.

3.7 Operating leases

Rentals under operating leases are charged to the profit and loss account 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 period of the lease.

3.8 Taxation

Taxation expense for the period comprises current and deferred tax recognised in the reporting period.

Current tax is the amount of income tax payable in respect of the taxable profit for the period or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

3.9 Deferred taxation

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These 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 recognised on all timing differences at the reporting date except for certain exceptions. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

3.10 Financial instruments

The company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

I. Financial assets

Basic financial assets, including trade and other receivables and cash and bank balances and balances with group undertakings are initially recognised at transaction price, 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.

Such assets are subsequently carried at amortised cost using the effective interest method.

Glide Utilities Limited

Notes forming part of the financial statements for the year ended 31 January 2021 *(continued)*

Financial Instruments *(continued)*

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. 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 the profit or loss.

II. Financial liabilities

Basic financial liabilities, including trade and other payables, bank loans and loans from fellow group companies 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 receipts discounted at a market rate of interest.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts 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 payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

3.11 Critical accounting judgements and estimation uncertainty

Turnover

Turnover includes an estimate of revenue earned in the period which remained unbilled at the end of the period.

Doubtful debts

Provisions are made against Glide's trade receivables based on historical experience of levels of recovery from accounts in a particular ageing category. The actual amounts collected could differ from the estimated level of recovery which could impact operating results.

Glide Utilities Limited

Notes forming part of the financial statements for the year ended 31 January 2021 *(continued)*

4. Turnover

The turnover and profit before tax are attributable to the one principal activity of the company and all turnover is generated within the United Kingdom.

5. Operating profit

The operating profit is stated after charging:	2021	2020
	£000	£000
Amortisation of intangible fixed assets	196	173
Depreciation of tangible fixed assets		
- owned by the company	147	170
Auditor's remuneration - fees payable to the company's auditor in respect of the audit of the financial statements	20	19
Impairment of trade receivables	749	536
Non-trading costs	330	23
Pension expense	39	35
Operating leases – land and buildings	144	85
Operating leases – other	<u>31</u>	<u>29</u>

Non-trading costs are made up of property and acquisition costs.

In accordance with SI 2008/489 the company has not disclosed the fees payable to the company's auditor for 'other services' as this information is included in the consolidated financial statements of Hawk Bidco Limited.

6. Employees

The monthly average number of persons employed by the company, including the directors, during the financial year amounted to:

	2021	2020
	No.	No.
Sales and marketing staff	19	22
Management and administrative staff	69	71
	<u>88</u>	<u>93</u>

The aggregate payroll costs of the above were:	2021	2020
	£000	£000
Wages and salaries	2,003	2,225
Social security costs	210	221
Pension costs	39	35
	<u>2,252</u>	<u>2,481</u>

The directors did not receive emoluments from the company (2020: none). The directors' emoluments are incurred and disclosed in the parent company financial statements. Key management personnel are deemed to only be the directors for the company.

There was no pension commitment outstanding at the year end.

Glide Utilities Limited

Notes forming part of the financial statements for the year ended 31 January 2021 *(continued)*

7. Tax on profit on ordinary activities

	2021 £000	2020 £000
Current tax		
UK corporation tax on profits	-	(20)
Group Relief payable	2,036	-
Other	(26)	-
Total current tax	2,010	(20)
Deferred tax		
Origination and reversal of timing differences	3	1
Total deferred tax (see note 14)	3	1
Total tax on profit on ordinary activities	2,013	(19)

Factors affecting tax charge for the year

The tax assessed for the year is lower than the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%) The differences are explained below:

	2021 £000	2020 £000
Profit on ordinary activities before tax	1,851	3,568
Profit on ordinary activities at standard CT rate of 19.00% (2020: 19.00%)	352	678
Effects of		
Fixed asset differences	-	1
Expenses not deductible for tax purposes	32	6
Research and development credits	(20)	(15)
Group relief claimed	(387)	(688)
Payment for group relief	2,036	-
Remeasurement of deferred tax for changes in tax rates	-	(2)
Total tax credit for the year (see note above)	2,013	(19)

Glide Utilities Limited

Notes forming part of the financial statements for the year ended 31 January 2021 *(continued)*

8. Intangible fixed assets

	Intangibles £000
Cost	
At 1 January 2020	871
Additions	263
At 31 January 2021	<u>1,134</u>
Accumulated depreciation	
At 1 January 2020	563
Charge for the year	196
At 31 January 2021	<u>759</u>
Net book value	
At 31 January 2021	<u>375</u>
At 31 January 2020	<u>308</u>

9. Tangible fixed assets

	Office equipment £000	Computer equipment £000	Total £000
Cost			
At 1 January 2020	1,034	354	1,388
Additions	105	88	193
At 31 January 2021	<u>1,139</u>	<u>442</u>	<u>1,581</u>
Accumulated depreciation			
At 1 January 2020	978	245	1,223
Charge for the year	93	54	147
At 31 January 2021	<u>1,071</u>	<u>299</u>	<u>1,370</u>
Net book value			
At 31 January 2021	<u>68</u>	<u>143</u>	<u>211</u>
At 31 January 2020	<u>56</u>	<u>109</u>	<u>165</u>

Our depreciation policies are reviewed on an annual basis against the background of changing technological and competitive developments. Office equipment contains some specialist items that are depreciated at 67%.

Glide Utilities Limited

Notes forming part of the financial statements for the year ended 31 January 2021 (continued)

10. Fixed asset investments

Glide 3 Limited was a wholly owned subsidiary of Glide Utilities Limited. Glide 3 Limited was a dormant company. Glide 3 Limited is a private company limited by share capital and is incorporated and domiciled in the UK. The address of its registered office is Alpha Tower, Suffolk Street, Queensway, Birmingham B1 1TT. Glide 3 Limited was dissolved on 1 October 2019.

11. Debtors

	2021 £000	2020 £000
Due after more than one year		
Amounts owed by group undertakings	9,480	9,523
Due within one year		
Trade debtors	4,997	5,318
Other debtors	1	1
Prepayments and accrued income	1,678	647
Corporation tax	45	31
Deferred tax asset (note 14)	-	3
	16,201	15,523

All amounts owed by group undertakings are unsecured. Amounts owed by group undertakings due after more than one year are interest free.

12. Creditors: amounts falling due within one year

	2021 £000	2020 £000
Due within one year		
Trade creditors	3,978	5,185
Other taxation and social security	318	147
Other creditors	1,040	995
Accruals and deferred income	615	1,324
	5,951	7,651
Due after more than one year		
Amounts owed to group undertakings	2,304	228

All amounts owed to group undertakings are unsecured and interest free.

Glide Utilities Limited

Notes forming part of the financial statements for the year ended 31 January 2021 (continued)

13. Provisions for liabilities

Deferred taxation:	2021 £000	2020 £000
At beginning of year/period	(3)	(4)
Credit for the year/period	3	1
At end of year/period	-	(3)
The deferred tax provision is made up as follows:		
Accelerated capital allowances	-	(3)

14. Contingent Liabilities

The company has guaranteed bank borrowings of other companies in the Glide Group. At the year end the liabilities covered by these guarantees totalled £102,000,000 (2020 - £87,844,586).

15. Called up share capital

	2021 £000	2020 £000
Allotted, called up and fully paid		
660 A Ordinary shares of £1 each	1	1
540 B Ordinary shares of £1 each	1	1
	1	1

A and B ordinary shares have equal voting rights and rank pari-passu.

16. Operating lease commitments

	2021		2020	
	Land & Buildings £000	Other £000	Land & Buildings £000	Other £000
Expiry date				
Within one year	112	42	143	-
Within one to two years	112	38	112	-
Within two to five years	336	14	336	110
More than five years	79	-	191	-
	639	94	782	110

Glide Utilities Limited

Notes forming part of the financial statements for the year ended 31 January 2021 *(continued)*

17. Parent company and controlling related party

The company's immediate parent company is Glide 2 Limited, a company incorporated in England and Wales.

The company's ultimate parent company is Project Hawk Topco Limited, a company incorporated in Jersey.

The largest group in which the results of the company are consolidated is that headed by Hawk Bidco Limited which is incorporated in England and Wales. The smallest group in which the result of the company are consolidated is that headed by Gibson Midco Limited which is incorporated in England and Wales. The consolidated financial statements of this company are available to the public and may be obtained from the registered office.