

Company Registration No. 09032442 (England and Wales)

NEXUS FIBRE SOLUTIONS LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

30 APRIL 2022

PAGES FOR FILING WITH REGISTRAR

Approved for filing on behalf of the directors

**3 Acorn Business Centre
Northarbour Road
Cosham
Portsmouth
Hampshire
PO6 3TH**

NEXUS FIBRE SOLUTIONS LIMITED

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NEXUS FIBRE SOLUTIONS LIMITED

COMPANY INFORMATION

Directors	Mr A Adams Mr M Skilton
Company number	09032442
Registered office	F1 Daedalus Park Daedalus Drive Lee-on-the-Solent Hampshire PO13 9FX
Auditor	TC Group 3 Acorn Business Centre Northarbour Road Cosham Portsmouth Hampshire PO6 3TH

NEXUS FIBRE SOLUTIONS LIMITED

BALANCE SHEET

AS AT 30 APRIL 2022

		2022	2021
	Notes	£	£
Fixed assets			
Tangible assets	3	168,368	190,493
Current assets			
Debtors	4	673,800	497,963
Cash at bank and in hand		3,552	5,379
		<u>677,352</u>	<u>503,342</u>
Creditors: amounts falling due within one year	5	<u>(1,407,054)</u>	<u>(807,636)</u>
Net current liabilities		<u>(729,702)</u>	<u>(304,294)</u>
Total assets less current liabilities		<u>(561,334)</u>	<u>(113,801)</u>
Provisions for liabilities		<u>(41,218)</u>	<u>(35,543)</u>
Net liabilities		<u>(602,552)</u>	<u>(149,344)</u>
Capital and reserves			
Called up share capital	6	100	100
Profit and loss reserves		<u>(602,652)</u>	<u>(149,444)</u>
Total equity		<u>(602,552)</u>	<u>(149,344)</u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

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

The financial statements were approved by the board of directors and authorised for issue on 31 May 2023 and are signed on its behalf by:

Mr A Adams
Director

Mr M Skilton
Director

Company Registration No. 09032442

The notes on pages 3 to 8 form part of these financial statements

NEXUS FIBRE SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2022

1 Accounting policies

Company information

Nexus Fibre Solutions Limited is a private company limited by shares incorporated in England and Wales. The registered office is F1 Daedalus Park, Daedalus Drive, Lee-on-the-Solent, Hampshire, PO13 9FX.

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 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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.

NEXUS FIBRE SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2022

1 Accounting policies

(Continued)

1.2 Going concern

As set out in the Directors' Responsibilities Statement on page 3, in preparing these financial statements the directors are required to prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

In satisfaction of this responsibility the directors have reviewed in detail the business' cash flow projections for the group, and considered the group and company's ability to meet its liabilities as they fall due. These cash flow forecasts are based upon existing contracts and customer orders, and show that whilst over the next 12 months the group expects to generate a positive net inflow of cash, there are certain points within the forthcoming year, that due to the timing of expected payments, the group anticipates having a temporary net deficit on cash.

The company operates as part of a group of companies headed by Verevo Limited ('the group'), within which a significant part of the company's business is undertaken with fellow group undertakings, and cash resources are utilised between members of the group. The group currently has no short-term financing facilities in place and operates entirely from its bank current accounts to meet its commitments as they fall due.

The group has unencumbered assets which could be used to secure finance, and the directors are in negotiations with several finance providers, as part of a strategy to obtain a working capital finance facility to cover the temporary cash deficit positions anticipated in the forecast. Although as yet no formal facility is in place, the directors are confident that if necessary, the group will obtain the financing it requires. This together with continuing to carefully manage the group's working capital requirements, the directors are confident that they will have adequate resources to enable the group and company to continue to operate for the foreseeable future.

Accordingly, the directors consider it appropriate to prepare these financial statements on a going concern basis. Should the assumptions referred to above prove to be invalid, the going concern basis may also be invalid, and accordingly, adjustments may have to be made to reduce the value of assets to their realisable value, to provide for any further liabilities which might arise, and to reclassify all fixed assets and long term liabilities as current assets and liabilities respectively.

At the time of approving the financial statements, the directors remain confident that the company will have sufficient resources to meet its ongoing obligations and to enable it to continue to operate for the foreseeable future.

1.3 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.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

NEXUS FIBRE SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2022

1 Accounting policies (Continued)

1.4 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.

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:

Plant and machinery	over 4 years
Fixtures, fittings & equipment	over 5 years
Motor vehicles	over 4 years

1.5 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 company'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 when the company has 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.

1.6 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.

NEXUS FIBRE SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2022

1 Accounting policies (Continued)

1.7 Retirement benefits

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

1.8 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

2 Employees

The average monthly number of persons employed by the company during the year was:

	2022	2021
	Number	Number
Engineers	56	45

3 Tangible fixed assets

	Plant and fixtures, fittings & machinery	Motor vehicles	Total
	£	£	£
Cost			
At 1 May 2021	126,690	123,662	268,711
Additions	42,788	-	42,788
At 30 April 2022	169,478	123,662	311,499
Depreciation and impairment			
At 1 May 2021	57,662	10,935	78,218
Depreciation charged in the year	36,341	24,732	64,913
At 30 April 2022	94,003	35,667	143,131
Carrying amount			
At 30 April 2022	75,475	87,995	168,368
At 30 April 2021	69,028	112,727	190,493

NEXUS FIBRE SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2022

4 Debtors

	2022	2021
	£	£
Amounts falling due within one year:		
Amounts owed by group undertakings	637,325	413,416
Other debtors	36,475	84,547
	<u>673,800</u>	<u>497,963</u>

There are no formal terms in place in respect of Amounts owed by group undertakings, which are unsecured and repayable on demand.

5 Creditors: amounts falling due within one year

	2022	2021
	£	£
Trade creditors	100,962	91,414
Amounts owed to group undertakings	24,528	24,220
Corporation tax	21,453	21,453
Other taxation and social security	1,129,491	664,482
Other creditors	130,620	6,067
	<u>1,407,054</u>	<u>807,636</u>

6 Called up share capital

	2022	2021
	£	£
Ordinary share capital		
Issued and fully paid		
60 Ordinary A class share of £1 each	60	60
25 Ordinary B class share of £1 each	25	25
15 Ordinary C class share of £1 each	15	15
	<u>100</u>	<u>100</u>

The Ordinary B and Ordinary C shares do not carry voting rights in the company. The Ordinary B and Ordinary C shares are entitled to capital distribution on a winding up and the right to dividends declared on the specific class of share.

NEXUS FIBRE SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2022

7 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

Material uncertainty relating to going concern

We draw attention to note 1.2 in the financial statements, which indicates that the company forecasts to have a net cash deficit at points in the next 12 months, without a formal borrowing facility agreed. As stated in note 1.2, these events or conditions, along with other matters set forth in note 1.2, indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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.

The senior statutory auditor was James Blake FCA.

The auditor was TC Group.

8 Operating lease commitments

Lessee

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

2022	2021
£	£
906	1,421
<u> </u>	<u> </u>

9 Related party transactions

During the year the company sold services amounting to £5,371,386 (2021 - £3,745,870) and at the balance sheet date were owed £637,325 (2021 - £413,416) by fellow group undertakings. During the year the company purchased materials amounting to £1,187,358 (2021 - £nil) from a fellow group undertaking in accordance with a supply agreement. During the year the company incurred a management charge of £250,000 (2021: £230,000) payable to fellow group undertakings.

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.