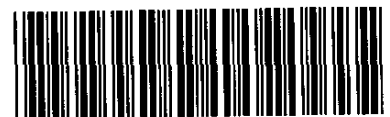


Parent for: 9438900

Company Registration No. 09123248 (England and Wales)

VENTUREPRISE PLC
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2020

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VENTUREPRISE PLC

COMPANY INFORMATION

Directors	Mr R Gohri Mr J Patel Mr I Seth Mr A Patel
Secretary	Mr Arif Patel
Company number	09123248
Registered office	Floor 2 9 Portland Street Manchester M1 3BE
Auditor	AMS Accountants Corporate Limited Chartered Accountants Statutory Auditor Floor 2 9 Portland Street Manchester M1 3BE
Business address	2 Mill Lane Padiham Road Burnley BB12 6TG

VENTUREPRISE PLC

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VENTUREPRISE PLC

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MAY 2020

The directors present the strategic report for the year ended 31 May 2020.

Promoting the success of the company

The Board of Directors consider, consider, both collectively and individually, that they have acted in ways that they believe in good faith to be the most likely to promote the success of the Group for the benefit of its shareholders and employees in decisions made during the year ended 31 May 2020.

We recognise our employees as one of our most important assets and we aim to be a responsible employer in our approach to their pay and benefits. We have seen a great improvement in staff retention rates over the past year and encourage employee progression and development within the organisation. The health, safety and wellbeing of our employees is of the highest importance particularly in these uncertain times of Covid-19. We have offered and provided necessary tools for employees to 'work from home' wherever possible and provided a safe and socially distanced office facility for those where working from home is not suitable. Communication channels have been promoted both collectively and individually with regular group zoom calls and individual 1-2-1's. The workforce has been exceptional in their commitment and their engagement is commendable of which we are extremely grateful.

Caring for our customers is fundamental to the success of our business and we endeavour to support them with innovative product, good quality, good service and value for money. During the pandemic we have made every effort to respond and respect our customers' needs and requests however difficult this has proven to be. Our main objective being to give our customers a seamless journey throughout 'whatever the weather'.

We aim to act responsibly and fairly in our engagement with suppliers, bankers, insurers and regulatory bodies. We ensure that all payments made to our suppliers and bankers are paid in accordance with their agreed terms.

As the Board of Directors, our intention is always to behave responsibly and to ensure that the business operates in a responsible manner, adhering to high standards of business conduct and good governance. We recognise that the maintenance of our good reputation, founded on responsible behaviour, is fundamental to our continuing ability to achieve profitable growth for the benefit of all stakeholders in the future.

As the Board of Directors our intention is always to behave responsibly and to ensure that the business operates in a responsible manner, adhering to high standards of business conduct and good governance. We recognise that the maintenance of our good reputation, founded on responsible behaviour, is fundamental to our continuing ability to achieve profitable growth for the benefit of all stakeholders in the future.

VENTUREPRISE PLC

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2020

Fair review of the business

The group has shown growth in all key areas including income, profit and net assets. The directors applaud the entire team for their fantastic efforts resulting in the group's growth. Other key achievements for the group during the year under review include:

- the launch of the smart motor offering
- the launch of StayWarm boiler installation program
- enhancement of the board and management team focusing on governance and compliance in readiness for operating in a regulated environment

The principal activity of the group's main trading subsidiaries continues to be providing plans for gas, plumbing, drainage, car breakdown and boiler installation. The group operates nationally and ensures a high standard of service by using directly employed gas safe engineers combined with inhouse call centre operatives. Technology remains a top priority for the business and with the investment in a technology driven company this ensures continual enhancement of customer facing and internal systems to deliver the best customer journey possible. It also acts as an enabler to provide a quick response to market and circumstantial changes.

The group has a clearly defined strategy plan which covers growth, initiatives, people and technology. This is communicated throughout the organisation and is used to measure and report performance and maintain focus on priorities.

The group's desire is to provide additional customer confidence with a fully insurance backed product portfolio by becoming an FCA regulated entity. The group is fully committed to this and the application has already been submitted. To facilitate the transition to an FCA compliant business the group has implemented an enhanced governance framework including the appointment of additional non executive directors, relevant consultants and senior personnel. The group has also continued to increase its staffing resources and upscaling of skills. This will provide the foundations to launch insured products and transform the plan business into a contract business with improved customer products and protection.

The group has performed strongly in the year ended 31 May 2020 as the trading subsidiaries have continued to exceed growth expectations. Income has increased from £11,682k to £14,839k (27% increase). Operating profit (before other operating income) has increased from £218k to £786k.

In line with the group strategy the trading subsidiaries have continued to exceed growth expectations.

As at 31 May 2020 the company's cash and cash equivalents were £1,633k (Prior year £866k). There has been significant core cash investment in future technology offerings. Gearing at both year ends was £nil. Net assets as at 31 May 2020 was £1,999k (Prior year £1,703k).

Covid-19 lockdown came into effect in the last two months of the financial year, due to access restrictions this did have a negative effect on the installation volumes, however from June 20 onwards business started to pick up and has shown a month on month increase since. There was apprehension over the effect market disruption would have on plan holder retention, again there was a small slump in retention rates followed by an improved retention rate and a good acquisition rate on a moderate marketing spend. Due to adequate funding and a resilient business model Covid-19 has had a minimal effect on the business.

As at 31 May 2020 the company's cash and cash equivalents were £1,633k (Prior year £866k). Gearing at both year ends was £nil. Net assets as at 31 May 2020 was £1,999k (Prior year £1,703k).

The group faces the future with confidence in its staff resources, products and services, and with a strong balance sheet. The group extends its thanks and appreciation to all members of the enterprise group and to its key business partners all of whom have made a significant contribution to its success.

VENTUREPRISE PLC

STRATEGIC REPORT (CONTINUED) **FOR THE YEAR ENDED 31 MAY 2020**

Key performance indicators

KPI's for the group are as follows:

Turnover - £14,839,275 (2019 - £11,681,639)

Gross Profit Percentage – 31.4% (2019 – 26.5%)

Operating profit - £835,558 (2019 - £1,188,487)

EBITDA - £1,018,755 (2019 - £1,302,102)

On behalf of the board



Mr J Patel

Director

17 February 2021

VENTUREPRISE PLC

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MAY 2020

The directors present their annual report and financial statements for the year ended 31 May 2020.

Principal activities

The main principal activities of the group are handling breakdown and service plans in the home heating sector, and associated research and development into new heating systems.

The group also provides professional services to the legal industry.

Directors

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

Mr R Gohri

Mr J Patel

Mr I Seth

Mr A Patel

Results and dividends

The results for the year are set out on page 9.

Ordinary dividends were paid amounting to £421,734. The directors do not recommend payment of a further dividend.

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.

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.

Post reporting date events

Post year end, the Group has acquired the entire issued share capital of Home Response 360 Ltd, a company that manages claims for plumbing, drainage, heating, electrics and home appliances in emergency situations.

The acquisition will further enhance the product diversity and service to the existing home emergency business.

VENTUREPRISE PLC

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2020

Future developments

The Group continues to be focused on delivering innovative and great value products to its customers, allowing them to differentiate themselves in an increasingly competitive landscape.

The Board of Directors remain wary of the economic climate and the impact of COVID-19 and have reflected this within its forecasts. The results for the year to date show the business to be in line with its projections, supported by growth in its customer base. The directors are confident that its forecasts can be achieved.

Auditor

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

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 J Patel
Director

17 February 2021

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 2020 which comprise the group profit and loss account, 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 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 FRS 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 2020 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 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 evidence we have obtained is sufficient to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

VENTUREPRISE PLC

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF VENTUREPRISE PLC

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.

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 its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

We have nothing to report in respect of the following matters where 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 group's and 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 group or 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

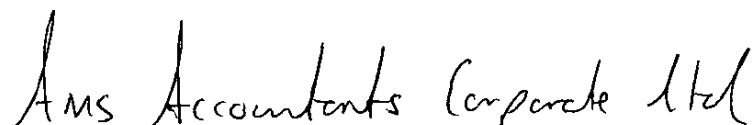
VENTUREPRISE PLC

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.



David Clegg (Senior Statutory Auditor)
for and on behalf of AMS Accountants Corporate Limited

17 February 2021

Chartered Accountants
Statutory Auditor

Floor 2
9 Portland Street
Manchester
M1 3BE

VENTUREPRISE PLC

GROUP PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MAY 2020

	Notes	2020 £	2019 £
Turnover	3	14,839,275	11,681,639
Cost of sales		(10,184,732)	(8,586,723)
Gross profit		4,654,543	3,094,916
Administrative expenses		(3,868,985)	(3,073,096)
Other operating income		50,000	1,166,667
Operating profit	4	835,558	1,188,487
Interest receivable and similar income	8	-	4
Interest payable and similar expenses	9	(26,446)	(8,996)
Amounts written off investments	10	-	192,899
Profit before taxation		809,112	1,372,394
Tax on profit	11	(27,929)	31,808
		<u>781,183</u>	<u>1,404,202</u>
Profit for the financial year is attributable to:			
- Owners of the parent company		792,232	1,408,985
- Non-controlling interests		(11,049)	(4,783)
		<u>781,183</u>	<u>1,404,202</u>

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

VENTUREPRISE PLC

GROUP STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MAY 2020

	2020 £	2019 £
Profit for the year	781,183	1,404,202
Other comprehensive income	-	-
Total comprehensive income for the year	<u>781,183</u>	<u>1,404,202</u>
Total comprehensive income for the year is attributable to:		
- Owners of the parent company	792,232	1,408,985
- Non-controlling interests	(11,049)	(4,783)
	<u>781,183</u>	<u>1,404,202</u>

VENTUREPRISE PLC
GROUP BALANCE SHEET
AS AT 31 MAY 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Goodwill	13	1,332,945		508,396	
Other intangible assets	13	198,000		220,000	
Total intangible assets		1,530,945		728,396	
Tangible assets	14	1,811,573		1,867,372	
Investments	15	468,948		468,948	
		3,811,466		3,064,716	
Current assets					
Stocks	18	905		905	
Debtors	19	2,015,749		906,343	
Cash at bank and in hand		1,633,180		865,371	
		3,649,834		1,772,619	
Creditors: amounts falling due within one year	20	(4,530,647)		(2,183,706)	
Total assets less current liabilities		2,930,653		2,653,629	
Creditors: amounts falling due after more than one year	21	(900,000)		(916,667)	
Provisions for liabilities	23	(31,717)		(33,701)	
Net assets		1,998,936		1,703,261	
Capital and reserves					
Called up share capital	25	510,205		500,005	
Capital redemption reserve		12,500		12,500	
Profit and loss reserves		1,595,537		1,225,039	
Equity attributable to owners of the parent company		2,118,242		1,737,544	
Non-controlling interests		(119,306)		(34,283)	
		1,998,936		1,703,261	

VENTUREPRISE PLC

GROUP BALANCE SHEET (CONTINUED)

AS AT 31 MAY 2020

The financial statements were approved by the board of directors and authorised for issue on 17 February 2021 and are signed on its behalf by:



Mr J Patel
Director

VENTUREPRISE PLC
COMPANY BALANCE SHEET
AS AT 31 MAY 2020

	Notes	2020		2019	
		£	£	£	£
Fixed assets					
Intangible assets	13		198,000		220,000
Tangible assets	14		1,653,228		1,688,966
Investments	15		2,226,866		1,314,603
			<u>4,078,094</u>		<u>3,223,569</u>
Current assets					
Debtors	19	229,940		220,361	
Cash at bank and in hand		<u>551</u>		<u>2,128</u>	
			<u>230,491</u>		<u>222,489</u>
Creditors: amounts falling due within one year	20	<u>(2,593,970)</u>		<u>(1,505,254)</u>	
Net current liabilities			<u>(2,363,479)</u>		<u>(1,282,765)</u>
Total assets less current liabilities			<u>1,714,615</u>		<u>1,940,804</u>
Creditors: amounts falling due after more than one year	21		<u>(851,481)</u>		<u>(851,481)</u>
Provisions for liabilities	23		<u>(1,511)</u>		<u>-</u>
Net assets			<u>863,104</u>		<u>1,024,137</u>
Capital and reserves					
Called up share capital	25	510,205		500,005	
Capital redemption reserve		12,500		12,500	
Profit and loss reserves		<u>340,399</u>		<u>511,632</u>	
Total equity			<u>863,104</u>		<u>1,024,137</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 £250,501 (2019 - £420,953 profit).

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

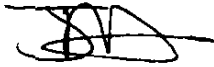
The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

VENTUREPRISE PLC

COMPANY BALANCE SHEET (CONTINUED)

AS AT 31 MAY 2020

The financial statements were approved by the board of directors and authorised for issue on 17 February 2021 and are signed on its behalf by:



Mr J Patel

Director

Company Registration No. 09123248

VENTUREPRISE PLC

GROUP STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MAY 2020

	Notes	Share capital £	Capital redemption reserve £	Profit and loss reserves £	Total controlling interest £	Non- controlling interest £	Total £
Balance at 1 June 2018		500,000	12,500	(57,614)	454,886	-	454,886
Year ended 31 May 2019:							
Profit and total comprehensive income for the year		-	-	1,408,985	1,408,985	(4,783)	1,404,202
Issue of share capital	25	5	-	-	5	-	5
Dividends	12	-	-	(126,332)	(126,332)	(29,500)	(155,832)
Balance at 31 May 2019		500,005	12,500	1,225,039	1,737,544	(34,283)	1,703,261
Year ended 31 May 2020:							
Profit and total comprehensive income for the year		-	-	792,232	792,232	(11,049)	781,183
Issue of share capital	25	10,200	-	-	10,200	-	10,200
Dividends	12	-	-	(421,734)	(421,734)	(73,484)	(495,218)
Acquisition of subsidiary		-	-	-	-	(490)	(490)
Balance at 31 May 2020		510,205	12,500	1,595,537	2,118,242	(119,306)	1,998,936

VENTUREPRISE PLC

COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MAY 2020

	Notes	Share capital £	Capital redemption reserve £	Profit and loss reserves £	Total £
Balance at 1 June 2018		500,000	12,500	217,011	729,511
Year ended 31 May 2019:					
Profit and total comprehensive income for the year		-	-	420,953	420,953
Issue of share capital	25	5	-	-	5
Dividends	12	-	-	(126,332)	(126,332)
Balance at 31 May 2019		500,005	12,500	511,632	1,024,137
Year ended 31 May 2020:					
Profit and total comprehensive income for the year		-	-	250,501	250,501
Issue of share capital	25	10,200	-	-	10,200
Dividends	12	-	-	(421,734)	(421,734)
Balance at 31 May 2020		510,205	12,500	340,399	863,104

VENTUREPRISE PLC

GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MAY 2020

	Notes	2020 £	£	2019 £	£
Cash flows from operating activities					
Cash generated from operations	29	2,236,154		1,042,974	
Interest paid		(26,446)		(8,996)	
Income taxes refunded/(paid)		423		(62,708)	
Net cash inflow from operating activities		2,210,131		971,270	
Investing activities					
Purchase of intangible assets		(911,703)		-	
Purchase of tangible fixed assets		(19,014)		(1,824,929)	
Proceeds on disposal of tangible fixed assets		210		-	
Loans to subsidiary undertakings		-		(468,928)	
Proceeds on disposal of investments		-		192,899	
Interest received		-		4	
Net cash used in investing activities		(930,507)		(2,100,954)	
Financing activities					
Proceeds from issue of shares		-		5	
Repayment of bank loans		(16,597)		983,334	
Dividends paid to equity shareholders		(421,734)		(126,332)	
Dividends paid to non-controlling interests		(73,484)		(29,500)	
Net cash (used in)/generated from financing activities		(511,815)		827,507	
Net increase/(decrease) in cash and cash equivalents		767,809		(302,177)	
Cash and cash equivalents at beginning of year		865,371		1,167,548	
Cash and cash equivalents at end of year		1,633,180		865,371	

VENTUREPRISE PLC

COMPANY STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MAY 2020

	Notes	2020 £	£	2019 £	£
Cash flows from operating activities					
Cash generated from operations	30	1,003,375		848,406	
Interest paid		(26,022)		(8,771)	
Net cash inflow from operating activities		977,353		839,635	
Investing activities					
Purchase of tangible fixed assets		-	(1,697,746)		
Purchase of subsidiaries	(1,281,191)		(85)		
Proceeds on disposal of associates	368,928		(468,928)		
Proceeds on disposal of fixed asset investments	-		192,899		
Dividends received	421,734		279,223		
Net cash used in investing activities		(490,529)		(1,694,637)	
Financing activities					
Proceeds from issue of shares	-		5		
Dividends paid to equity shareholders	(421,734)		(126,332)		
Net cash (used in)/generated from financing activities		(488,401)		857,007	
Net (decrease)/increase in cash and cash equivalents		(1,577)		2,005	
Cash and cash equivalents at beginning of year		2,128		123	
Cash and cash equivalents at end of year		551		2,128	

VENTUREPRISE PLC

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2020

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 Floor 2, 9 Portland Street, Manchester, M1 3BE.

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 Basis of consolidation

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 of acquisition. 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.

The consolidated financial statements incorporate those of Ventureprise PLC and all of its subsidiaries (ie entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes.

All financial statements are made up to 31 May 2020. 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 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. In the group financial statements, associates are accounted for using the equity method.

VENTUREPRISE PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2020

1 Accounting policies

1.3 Going concern

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

1.4 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.

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 it is probable will be recovered.

1.5 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.

1.6 Intangible fixed assets - goodwill

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

1.7 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

No depreciation

1.8 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 FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2020

1 Accounting policies

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

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.

1.9 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.

1.10 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 FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2020

1 Accounting policies

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.

1.11 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 replacement cost and 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.

1.12 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.

1.13 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 FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2020

1 Accounting policies

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 FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2020

1 Accounting policies

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.

1.14 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.

1.15 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 FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2020

1 Accounting policies

1.16 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.

1.17 Retirement benefits

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

1.18 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.19 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.

1.20 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.

Costswise Limited (08371277)
Optima Medical Reports Limited (07097932)
RT8 Legal Limited (06979268)
VP Collections Limited (09385625)
247 Home Assist Limited (09438900)
247 Labs Limited (08376394)
247 Staywarm Limited (11387607)

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.

VENTUREPRISE PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2020

3 Turnover and other revenue

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

	2020 £	2019 £
Turnover analysed by class of business		
Professional services to legal industry	1,441,296	2,319,918
Breakdown plans and warranty cover	13,397,979	9,361,721
	<u>14,839,275</u>	<u>11,681,639</u>

	2020 £	2019 £
Other significant revenue		
Interest income	-	4
Grants received	20,000	-
	<u>20,000</u>	<u>-</u>

4 Operating profit

	2020 £	2019 £
Operating profit for the year is stated after charging/(crediting):		
Exchange differences apart from those arising on financial instruments measured at fair value through profit or loss	2,361	-
Research and development costs	406,780	-
Government grants	(20,000)	-
Depreciation of owned tangible fixed assets	74,076	26,461
Profit on disposal of tangible fixed assets	(33)	-
Amortisation of intangible assets	109,154	87,154
	<u>562,338</u>	<u>113,615</u>

5 Auditor's remuneration

	2020 £	2019 £
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the group and company	<u>7,500</u>	<u>7,500</u>

VENTUREPRISE PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2020

6 Employees

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

	Group 2020 Number	2019 Number	Company 2020 Number	2019 Number
Directors	4	4	5	4
Administrative	74	57	4	5
Total	<u>78</u>	<u>61</u>	<u>9</u>	<u>9</u>

Their aggregate remuneration comprised:

	Group 2020 £	2019 £	Company 2020 £	2019 £
Wages and salaries	2,185,148	2,308,505	81,662	17,667
Social security costs	60,968	40,623	3,594	-
	<u>2,252,938</u>	<u>2,353,705</u>	<u>85,256</u>	<u>17,667</u>

7 Directors' remuneration

	2020 £	2019 £
Remuneration for qualifying services	<u>45,833</u>	<u>17,667</u>

8 Interest receivable and similar income

	2020 £	2019 £
Interest income		
Interest on bank deposits	<u>-</u>	<u>4</u>
Investment income includes the following:		
Interest on financial assets not measured at fair value through profit or loss	<u>-</u>	<u>4</u>

VENTUREPRISE PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2020

9 Interest payable and similar expenses

	2020 £	2019 £
Interest on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	26,023	8,771
Other finance costs:		
Other interest	423	225
Total finance costs	<u>26,446</u>	<u>8,996</u>

10 Amounts written off investments

	2020 £	2019 £
Amounts written back to current loans	-	192,899

11 Taxation

	2020 £	2019 £
Current tax		
UK corporation tax on profits for the current period	29,913	20,729
Adjustments in respect of prior periods	-	(72,969)
Total current tax	<u>29,913</u>	<u>(52,240)</u>
Deferred tax		
Origination and reversal of timing differences	<u>(1,984)</u>	<u>20,432</u>
Total tax charge/(credit)	<u>27,929</u>	<u>(31,808)</u>

VENTUREPRISE PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2020

11 Taxation

The actual charge/(credit) 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:

	2020 £	2019 £
Profit before taxation	809,112	1,372,394
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2019: 19.00%)	153,731	260,755
Tax effect of expenses that are not deductible in determining taxable profit	-	36,650
Tax effect of utilisation of tax losses not previously recognised	(14,284)	-
Adjustments in respect of prior years	-	(72,969)
Permanent capital allowances in excess of depreciation	(27,969)	(81,845)
Research and development tax credit	(98,124)	(211,390)
Deferred tax adjustments in respect of prior years	(1,984)	20,432
Adjustments arising on consolidation	16,559	16,559
Tax charge/(credit) for the year	29,038	(101,808)

12 Dividends

	2020 £	2019 £
Final paid	421,734	126,332

13 Intangible fixed assets

Group	Goodwill £	Intellectual property £	Total £
Cost			
At 1 June 2019	871,536	220,000	1,091,536
Additions	911,703	-	911,703
At 31 May 2020	1,783,239	220,000	2,003,239
Amortisation and impairment			
At 1 June 2019	363,140	-	363,140
Amortisation charged for the year	87,154	22,000	109,154
At 31 May 2020	450,294	22,000	472,294

VENTUREPRISE PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2020

13 Intangible fixed assets

Carrying amount

At 31 May 2020	1,332,945	198,000	1,530,945
At 31 May 2019	508,396	220,000	728,396

Company

Intellectual
property
£

Cost

At 1 June 2019 and 31 May 2020			220,000
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Amortisation and impairment

At 1 June 2019			-
Amortisation charged for the year			22,000
At 31 May 2020			22,000

Carrying amount

At 31 May 2020			198,000
At 31 May 2019			220,000

14 Tangible fixed assets

Group	Land and buildings Freehold £	Fixtures, fittings & equipment £	Total £
Cost			
At 1 June 2019	1,687,460	237,318	1,924,778
Additions	-	19,014	19,014
Disposals	-	(770)	(770)
At 31 May 2020	1,687,460	255,562	1,943,022
Depreciation and impairment			
At 1 June 2019	8,437	48,969	57,406
Depreciation charged in the year	33,749	40,327	74,076
Eliminated in respect of disposals	-	(33)	(33)
At 31 May 2020	42,186	89,263	131,449
Carrying amount			
At 31 May 2020	1,645,274	166,299	1,811,573
At 31 May 2019	1,679,023	188,349	1,867,372

VENTUREPRISE PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2020

14 Tangible fixed assets

Company	Land and buildings Freehold £	Fixtures, fittings & equipment £	Total £
Cost			
At 1 June 2019 and 31 May 2020	1,687,460	10,286	1,697,746
Depreciation and impairment			
At 1 June 2019	8,437	343	8,780
Depreciation charged in the year	33,749	1,989	35,738
At 31 May 2020	42,186	2,332	44,518
Carrying amount			
At 31 May 2020	1,645,274	7,954	1,653,228
At 31 May 2019	1,679,023	9,943	1,688,966

15 Fixed asset investments

	Notes	Group 2020 £	2019 £	Company 2020 £	2019 £
Investments in subsidiaries	16	-	-	1,757,918	845,655
Loans to subsidiaries	16	368,928	-	368,928	-
Investments in associates	17	100,020	468,948	100,020	468,948
		<u>468,948</u>	<u>468,948</u>	<u>2,226,866</u>	<u>1,314,603</u>

Movements in fixed asset investments Group

	Shares in group undertakings and participating interests £	Loans to group undertakings £	Total £
Cost or valuation			
At 1 June 2019 and 31 May 2020	468,948 (368,928)	- 368,928	468,948 -
Carrying amount			
At 31 May 2020	<u>100,020</u>	<u>368,928</u>	<u>468,948</u>
At 31 May 2019	<u>468,948</u>	<u>-</u>	<u>468,948</u>

VENTUREPRISE PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2020

15 Fixed asset investments

Movements in fixed asset investments Company

	Shares in group undertakings and participating interests	Loans to group undertakings	Total
	£	£	£
Cost or valuation			
At 1 June 2019	1,314,603	-	1,314,603
Additions	912,263	-	912,263
	(368,928)	368,928	-
At 31 May 2020	1,857,938	368,928	2,226,866
Carrying amount			
At 31 May 2020	1,857,938	368,928	2,226,866
At 31 May 2019	1,314,603	-	1,314,603

16 Subsidiaries

Details of the company's subsidiaries at 31 May 2020 are as follows:

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

The investments in subsidiaries are all stated at cost.

Each subsidiary undertaking has the same registered address as the parent company.

17 Associates

Details of associates at 31 May 2020 are as follows:

VENTUREPRISE PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2020

17 Associates

Name of undertaking	Registered office	Class of shares held	% Held Direct
THSA Technology Limited	UK	Ordinary	20
Insurein1 Global Limited	UK	Ordinary	20

18 Stocks

	Group 2020 £	2019 £	Company 2020 £	2019 £
Finished goods and goods for resale	905	905	-	-

19 Debtors

	Group 2020 £	2019 £	Company 2020 £	2019 £
Amounts falling due within one year:				
Unpaid share capital	10,200	-	10,200	-
Amounts owed by group undertakings	-	-	219,740	219,740
Amounts owed by undertakings in which the company has a participating interest	102,931	111,807	-	-
Other debtors	286,711	620,242	-	621
Prepayments and accrued income	1,615,907	174,294	-	-
	<u>2,015,749</u>	<u>906,343</u>	<u>229,940</u>	<u>220,361</u>

20 Creditors: amounts falling due within one year

	Notes	Group 2020 £	2019 £	Company 2020 £	2019 £
Bank loans	22	66,667	66,667	66,667	66,667
Trade creditors		196,164	93,606	-	-
Amounts owed to group undertakings		-	-	1,602,759	1,426,625
Amounts owed to undertakings in which the group has a participating interest		20	20	20	20
Corporation tax payable		51,059	20,723	-	-
Other taxation and social security		606,224	63,829	2,264	853
Other creditors		3,089,288	1,357,023	909,862	9,347
Accruals and deferred income		521,225	581,838	12,398	1,742
		<u>4,530,647</u>	<u>2,183,706</u>	<u>2,593,970</u>	<u>1,505,254</u>

VENTUREPRISE PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2020

21 Creditors: amounts falling due after more than one year

	Notes	Group 2020 £	2019 £	Company 2020 £	2019 £
Bank loans and overdrafts	22	<u>900,000</u>	<u>916,667</u>	<u>850,000</u>	<u>916,667</u>

22 Loans and overdrafts

	Group 2020 £	2019 £	Company 2020 £	2019 £
Bank loans	<u>966,667</u>	<u>983,334</u>	<u>916,667</u>	<u>983,334</u>
Payable within one year	66,667	66,667	66,667	66,667
Payable after one year	<u>900,000</u>	<u>916,667</u>	<u>850,000</u>	<u>916,667</u>

The group has two bank loans.

Bank loan 1 is secured by way of a fixed charge dated 8 February 2019 over the group's freehold property.

The group's banking facilities are secured by way of fixed and floating charges dated 16 June 2015 over all assets and undertakings of the group.

Bank loan 2 is unsecured.

Bank Loan 1 is capital repayment to be repaid in equal quarterly instalments payable by January 2024.

The rate of interest is a margin of 2% over LIBOR.

Bank loan 2 is capital repayment, with repayments to be made monthly starting in Month 13 and repayable by May 2026.

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

23 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 2020 £	Liabilities 2019 £
Group		
Accelerated capital allowances	<u>31,717</u>	<u>33,701</u>

VENTUREPRISE PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2020

23 Deferred taxation

	Liabilities 2020 £	Liabilities 2019 £
Company		
Accelerated capital allowances	1,511	-
	<u> </u>	<u> </u>
	Group 2020 £	Company 2020 £
Movements in the year:		
Liability at 1 June 2019	33,701	-
(Credit)/charge to profit or loss	(1,984)	1,511
	<u> </u>	<u> </u>
Liability at 31 May 2020	31,717	1,511
	<u> </u>	<u> </u>

	2020 £	2019 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	6,822	4,577
	<u> </u>	<u> </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.

25 Share capital

	Group and company	
	2020 £	2019 £
Ordinary share capital		
Issued and not fully paid		
510,200 (2019: 500,000) Ordinary of £1 each	510,200	500,000
5 Ordinary A of £1 each	5	5
	<u> </u>	<u> </u>
	510,205	500,005
	<u> </u>	<u> </u>

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, £10,200 Ordinary £1 shares remain unpaid. The remainder of the Group's issued share capital is fully paid.

During the year, £10,200 Ordinary share were issued at par value. These shares remain unpaid.

VENTUREPRISE PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2020

26 Related party transactions

Transactions with related parties

During the year the group entered into the following transactions with related parties:

	Services provided		Services received	
	2020	2019	2020	2019
	£	£	£	£
Group				
Other related parties	-	1,166,667	600,000	-

The following amounts were outstanding at the reporting end date:

Amounts due to related parties	2020	2019
	£	£
Group		
Other related parties	2,179,175	1,122,982

The following amounts were outstanding at the reporting end date:

Amounts due from related parties	2020	2019
	Balance	Balance
	£	£
Group		
Other related parties	287,164	228,028

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.

27 Directors' transactions

Dividends totalling £112,000 (2019 - £0) were paid in the year in respect of shares held by the company's directors.

At the year end, a balance of £9,347 (2019: £9,347) was due to the directors.

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

28 Controlling party

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

VENTUREPRISE PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2020

29 Cash generated from group operations

	2020 £	2019 £
Profit for the year after tax	781,183	1,404,202
Adjustments for:		
Taxation charged/(credited)	27,929	(31,808)
Finance costs	26,446	8,996
Investment income	-	(4)
Gain on disposal of tangible fixed assets	(33)	-
Amortisation and impairment of intangible assets	109,154	87,154
Depreciation and impairment of tangible fixed assets	74,076	26,461
Amounts written off investments	-	(192,899)
Movements in working capital:		
Increase in stocks	-	(905)
Increase in debtors	(1,099,206)	(631,142)
Increase in creditors	2,316,605	372,919
Cash generated from operations	2,236,154	1,042,974

30 Cash generated from operations - company

	2020 £	2019 £
Profit for the year after tax	250,501	420,953
Adjustments for:		
Taxation charged	1,511	-
Finance costs	26,022	8,771
Investment income	(421,734)	(279,223)
Amortisation and impairment of intangible assets	22,000	-
Depreciation and impairment of tangible fixed assets	35,738	8,780
Amounts written off investments	-	(192,899)
Movements in working capital:		
Decrease/(increase) in debtors	621	(145,567)
Increase in creditors	1,088,716	1,027,591
Cash generated from operations	1,003,375	848,406

VENTUREPRISE PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2020

31 Analysis of changes in net funds/(debt) - group

	1 June 2019 £	Cash flows £	31 May 2020 £
Cash at bank and in hand	865,371	767,809	1,633,180
Borrowings excluding overdrafts	(983,334)	16,667	(966,667)
	<u>(117,963)</u>	<u>784,476</u>	<u>666,513</u>

32 Analysis of changes in net debt - company

	1 June 2019 £	Cash flows £	31 May 2020 £
Cash at bank and in hand	2,128	(1,577)	551
Borrowings excluding overdrafts	(983,334)	66,667	(916,667)
	<u>(981,206)</u>	<u>65,090</u>	<u>(916,116)</u>