

**LEREX TECHNOLOGY LIMITED**  
**UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 OCTOBER 2021**

Gerald Thomas  
Chartered Accountants  
3 New Mill Court  
Swansea Enterprise Park  
Swansea  
SA7 9FG

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FOR THE YEAR ENDED 31 OCTOBER 2021**

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**LEREX TECHNOLOGY LIMITED**

**COMPANY INFORMATION  
FOR THE YEAR ENDED 31 OCTOBER 2021**

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**DIRECTORS:**

D J Lee  
R M Ney

**REGISTERED OFFICE:**

Abacus House  
Caxton Place  
Cardiff  
CF23 8HA

**REGISTERED NUMBER:**

09829039 (England and Wales)

**ACCOUNTANTS:**

Gerald Thomas  
Chartered Accountants  
3 New Mill Court  
Swansea Enterprise Park  
Swansea  
SA7 9FG

**BALANCE SHEET**  
**31 OCTOBER 2021**

|                                              | Notes | 2021<br>£      | £                  | 2020<br>£      | £                  |
|----------------------------------------------|-------|----------------|--------------------|----------------|--------------------|
| <b>FIXED ASSETS</b>                          |       |                |                    |                |                    |
| Intangible assets                            | 4     |                | 19,815             |                | 71,749             |
| Tangible assets                              | 5     |                | <u>3</u>           |                | <u>3</u>           |
|                                              |       |                | 19,818             |                | 71,752             |
| <b>CURRENT ASSETS</b>                        |       |                |                    |                |                    |
| Debtors                                      | 6     | 203,934        |                    | 85,461         |                    |
| Cash at bank and in hand                     |       | <u>206,083</u> |                    | <u>248</u>     |                    |
|                                              |       | 410,017        |                    | 85,709         |                    |
| <b>CREDITORS</b>                             |       |                |                    |                |                    |
| Amounts falling due within one year          | 7     | <u>632,879</u> |                    | <u>322,396</u> |                    |
| <b>NET CURRENT LIABILITIES</b>               |       |                | <u>(222,862)</u>   |                | <u>(236,687)</u>   |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b> |       |                | (203,044)          |                | (164,935)          |
| <b>CREDITORS</b>                             |       |                |                    |                |                    |
| Amounts falling due after more than one year | 8     |                | <u>637,533</u>     |                | <u>555,749</u>     |
| <b>NET LIABILITIES</b>                       |       |                | <u>(840,577)</u>   |                | <u>(720,684)</u>   |
| <b>CAPITAL AND RESERVES</b>                  |       |                |                    |                |                    |
| Called up share capital                      |       |                | 66,349             |                | 57,523             |
| Share premium                                |       |                | 3,221,285          |                | 2,730,144          |
| Retained earnings                            |       |                | <u>(4,128,211)</u> |                | <u>(3,508,351)</u> |
| <b>SHAREHOLDERS' FUNDS</b>                   |       |                | <u>(840,577)</u>   |                | <u>(720,684)</u>   |

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 October 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 October 2021 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

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

**BALANCE SHEET - continued**  
**31 OCTOBER 2021**

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

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 6 December 2021 and were signed on its behalf by:

D J Lee - Director

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2021**

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**1. STATUTORY INFORMATION**

Lerex Technology Limited is a private company, limited by shares, and registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The company's principal place of business is:

The Leatherhead Institute  
67 High Street  
Leatherhead  
Surrey  
KT22 8AH

The presentation currency of the financial statements is Pound Sterling (£).

Monetary amounts in these financial statements are rounded to nearest £.

**2. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

**Turnover**

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Revenue is recognised in the period when the services are provided.

**Intangible assets**

Intangible assets relate to trademarks and software development costs, and are stated at cost less accumulated amortisation and accumulated impairment.

Software development costs are capitalised if they satisfy the criteria for recognition as per FRS 102 Section 18 "Intangible assets other than goodwill".

The useful economic lives of intangible assets are as follows:

Trademarks - 10 years  
Software development - 5 years

Intangible assets are amortised on a straight line basis over their estimated useful. The carrying value of intangible assets is reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.  
Plant and machinery etc - 33% on cost

Tangible fixed assets are measured at cost less depreciation. Computer equipment with a useful life of less than two years is charged to the income statement.

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 OCTOBER 2021**

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**2. ACCOUNTING POLICIES - continued**

**Financial instruments**

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument.

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 company after deducting all of its liabilities.

**Financial assets and liabilities**

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a finance transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments that are classified as payable or receivable within one year are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

Financial assets are derecognised when and only when the contractual rights to the cash flows from the financial asset expire or are settled, the company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or the company, despite having retained some significant risks and rewards of ownership, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

**Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

**Current tax**

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 OCTOBER 2021**
**2. ACCOUNTING POLICIES - continued**
**Pension costs and other post-retirement benefits**

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

**Going concern**

The company has recorded a loss for the year, and has net liabilities at the balance sheet date.

In addition, the company is reliant on an existing loan facility provided by a shareholder. The balance is repayable after 31 October 2022. The company is in negotiation to increase the loan facility at the same time as it is actively seeking new equity investment from current and new shareholders.

In considering the Coronavirus disease 2019 (COVID-19), the directors understand the situation is still evolving and the full impact on the business is unclear. The directors have taken steps to mitigate the risk to the business and although there is continued uncertainty as lockdown restrictions are lifted, the directors are confident that all reasonable measures which can be taken, have been, to safeguard the business, the staff and the customers.

Therefore the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future, and accordingly they continue to adopt the going concern basis of accounting.

**Operating leases**

Rentals paid under operating leases are charged to the income statement on a straight line basis over the period of the lease.

**3. EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 7 (2020 - 4) .

**4. INTANGIBLE FIXED ASSETS**

|                                           | Other<br>intangible<br>assets<br>£ |
|-------------------------------------------|------------------------------------|
| <b>COST</b>                               |                                    |
| At 1 November 2020<br>and 31 October 2021 | <u>320,506</u>                     |
| <b>AMORTISATION</b>                       |                                    |
| At 1 November 2020                        | 248,757                            |
| Charge for year                           | <u>51,934</u>                      |
| At 31 October 2021                        | <u>300,691</u>                     |
| <b>NET BOOK VALUE</b>                     |                                    |
| At 31 October 2021                        | <u>19,815</u>                      |
| At 31 October 2020                        | <u>71,749</u>                      |

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 OCTOBER 2021

## 5. TANGIBLE FIXED ASSETS

**COST**At 1 November 2020  
and 31 October 2021Plant and  
machinery  
etc  
£2,248**DEPRECIATION**At 1 November 2020  
and 31 October 20212,245**NET BOOK VALUE**

At 31 October 2021

3

At 31 October 2020

3

## 6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

|               | 2021<br>£      | 2020<br>£     |
|---------------|----------------|---------------|
| Trade debtors | 77,622         | -             |
| Other debtors | <u>126,312</u> | <u>85,461</u> |
|               | <u>203,934</u> | <u>85,461</u> |

## 7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

|                                    | 2021<br>£      | 2020<br>£      |
|------------------------------------|----------------|----------------|
| Bank loans and overdrafts          | 2,000          | -              |
| Trade creditors                    | 286,142        | 236,524        |
| Amounts owed to group undertakings | 166,666        | -              |
| Other creditors                    | <u>178,071</u> | <u>85,872</u>  |
|                                    | <u>632,879</u> | <u>322,396</u> |

## 8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

|                 | 2021<br>£      | 2020<br>£      |
|-----------------|----------------|----------------|
| Bank loans      | 13,000         | -              |
| Other creditors | <u>624,533</u> | <u>555,749</u> |
|                 | <u>637,533</u> | <u>555,749</u> |

Amounts falling due in more than five years:

|                                |              |          |
|--------------------------------|--------------|----------|
| Repayable by instalments       |              |          |
| Bank loans more 5 yr by instal | <u>1,000</u> | <u>-</u> |

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 OCTOBER 2021**

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**9. SECURED DEBTS**

The following secured debts are included within creditors:

|             | 2021<br>£      | 2020<br>£      |
|-------------|----------------|----------------|
| Other loans | <u>624,533</u> | <u>555,749</u> |

Loans relate to amounts owed to a shareholder under a loan agreement, which are repayable after 31 October 2022. The loan is secured by a debenture over the company's assets.

**10. RELATED PARTY DISCLOSURES**

At the balance sheet date an amount of £624,533 (2020 - £555,749) was owed to a shareholder of the company. The balance is secured over the assets of the company by a debenture and is repayable after 31 October 2022. During the year a shareholder of the company advanced a further £68,784 in loans to the company.

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.