

**BOXED LIGHT SERVICES LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**



Boxed Light Services Limited
Financial Statements
For The Year Ended 31 March 2022

Contents

	Page
Balance Sheet	1
Notes to the Financial Statements	2—6

Boxed Light Services Limited
Balance Sheet
As At 31 March 2022

Registered number: 10997022

		2022	2021
	Notes	£	£
FIXED ASSETS			
Intangible Assets	4	353,818	81,966
		353,818	81,966
CURRENT ASSETS			
Debtors	5	2,939,742	829,851
Cash at bank and in hand		2,574,503	159,402
		5,514,245	989,253
Creditors: Amounts Falling Due Within One Year	6	(5,057,049)	(593,490)
NET CURRENT ASSETS (LIABILITIES)		457,196	395,763
TOTAL ASSETS LESS CURRENT LIABILITIES		811,014	477,729
Creditors: Amounts Falling Due After More Than One Year	7	(204,000)	(204,000)
NET ASSETS		607,014	273,729
CAPITAL AND RESERVES			
Called up share capital	8	649	649
Share premium account		548,154	548,154
Profit and Loss Account		58,211	(275,074)
SHAREHOLDERS' FUNDS		607,014	273,729

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

The company has taken advantage of section 444(1) of the Companies Act 2006 and opted not to deliver to the registrar a copy of the company's Profit and Loss Account.

On behalf of the board

Peter Tuch

Mr Peter Tuch

Director

Date 15 Aug 2023

The notes on pages 2 to 6 form part of these financial statements.

Boxed Light Services Limited
Notes to the Financial Statements
For The Year Ended 31 March 2022

1. General Information

Boxed Light Services Limited is a private company, limited by shares, incorporated in England & Wales, registered number 10997022. The registered office is Studio 4 Stuart House, St Johns Street, Peterborough, PE1 5DD.

2. Accounting Policies

2.1. Basis of Preparation of Financial Statements

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

2.2. Going Concern Disclosure

The accounts are prepared on a going concern basis as directors are confident that they have sufficient funds in place to continue to trade. The business is operating in line with its business model and funding is in place for the foreseeable future.

2.3. Significant judgements and estimations

In the application of the company'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 and future periods where the revision affects both current and future periods.

The items in the financial statements where these judgements and estimates have been made include:

Development costs are capitalised when management judge that the costs incurred will generate future economic benefit.

Management calculate amortisation of development costs based on judgements over the useful economic life of the asset. Development costs are deemed to have a useful life of 20 years as this is the period over which the project is expected to generate future economic benefit.

2.4. Turnover

The turnover shown in the profit and loss account represents turnover recognised in respect of services provided during the period, exclusive of value added tax.

The company's turnover comprises:

- contractual charges for the supply of light
- income received upon commencement of the lighting agreements; and
- finance income on finance leases, recognised under the sum of digits basis. This apportions the gross earnings over the period arithmetically in proportion to the balance of future rentals receivable.

2.5. Intangible Fixed Assets and Amortisation - Other Intangible

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

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

2.6. Research and Development

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

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

Boxed Light Services Limited
Notes to the Financial Statements (continued)
For The Year Ended 31 March 2022

2.7. Leases

When assets leased to a third party give rights approximating to ownership (finance lease), the lessor recognises as a receivable an amount equal to the net investment in the lease i.e. the minimum lease payments receivable under the lease discounted at the interest rate implicit in the lease. This receivable is reduced as the lessee makes capital payments over the term of the lease.

A finance lease gives rise to two types of income: profit or loss equivalent to the profit or loss resulting from outright sale of the asset being leased, at a normal selling price, reflecting any applicable discounts, and finance income over the lease term.

2.8. Financial Instruments

Interest rate swaps are valued at their fair value at the balance sheet date. Movements in the fair value of the interest rate swaps are processed through the profit & loss account.

2.9. Foreign Currencies

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors or creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short term instrument constitute a financing transaction, like the payment of trade debt deferred beyond normal business terms or in case of an out-right short term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

2.10. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of comprehensive income because of items of income or expense that are taxable or deductible in other years and 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 end of the reporting period.

Deferred tax is recognised on timing differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable timing differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible timing differences can be utilised. The carrying amount of deferred tax assets is reviewed at the end of each reporting period 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 assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. Deferred tax liabilities are presented within provisions for liabilities and deferred tax assets within debtors. The measurement of deferred tax liabilities and assets reflect the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current or deferred tax for the year is recognised in profit or loss, except when they related to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax is also recognised in other comprehensive income or directly in equity respectively.

2.11. Finance and borrowing costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

All borrowing costs are recognised in profit and loss in the year in which they are incurred.

2.12. Debtors and Creditors

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

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

Boxed Light Services Limited
Notes to the Financial Statements (continued)
For The Year Ended 31 March 2022

2.13. Cash and cash equivalents

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

3. Average Number of Employees

Average number of employees, including directors, during the year was as follows: NIL (2021: NIL)

4. Intangible Assets

	Other £	Development Costs £	Total £
Cost			
As at 1 April 2021	-	100,147	100,147
Additions	386,409	-	386,409
As at 31 March 2022	386,409	100,147	486,556
Amortisation			
As at 1 April 2021	-	18,181	18,181
Provided during the period	114,557	-	114,557
As at 31 March 2022	114,557	18,181	132,738
Net Book Value			
As at 31 March 2022	271,852	81,966	353,818
As at 1 April 2021	-	81,966	81,966

5. Debtors

	2022 £	2021 £
Due within one year		
Trade debtors	78,303	31,076
Amounts recoverable on contracts	119,519	106,510
Prepayments and accrued income	89,307	40,069
Other debtors	1,058	1,600
Interest Rate Swap	568,903	-
Boxed Energy	73,122	-
VAT	-	6,616
Amounts owed by group undertakings	-	4,776
	930,212	190,647
Due after more than one year		
Amounts recoverable on contracts	2,009,530	639,204
	2,009,530	639,204
	2,939,742	829,851

An interest rate swap option was entered into in June 2021 to cover the risk of the variable rate of interest payable on the AIB loan (included in creditors below) and effectively fix a rate of interest on the borrowing to provide additional certainty for the business. The interest rate swap is valued at its fair value at the year-end. The movement in the fair value of the interest rate swap is processed through the profit & loss.

Boxed Light Services Limited
Notes to the Financial Statements (continued)
For The Year Ended 31 March 2022

6. Creditors: Amounts Falling Due Within One Year

	2022	2021
	£	£
Trade creditors	2,852	394,207
Bank loans and overdrafts	3,661,103	-
VAT	4,194	-
Other creditors	56,953	11,488
Accruals and deferred income	1,061,947	182,905
Amounts owed to group undertakings	270,000	4,890
	<u>5,057,049</u>	<u>593,490</u>

There is a fixed and floating charge over all of the company's property or undertaking as security on the interest bearing bank loan taken out in June 2021.

7. Creditors: Amounts Falling Due After More Than One Year

	2022	2021
	£	£
Other loans	204,000	204,000
	<u>204,000</u>	<u>204,000</u>

The other loan is interest bearing and not repayable on demand.

8. Share Capital

	2022	2021
	£	£
Allotted, Called up and fully paid	649	649

9. Related Party Transactions

Boxed Energy Limited

During the year Boxed Light Services Limited was invoiced £1,945,382 net of VAT (2021 - £65,553) by Boxed Energy Limited for the acquisition of completed lighting systems. At the year end £73,122 (2021 - £268,115) was outstanding. P Tuch and M Button, directors of the company, are also directors of Boxed Energy Limited.

Fontenergy Construction Services Limited

During the year Boxed Light Services Limited was invoiced £67,375 net of VAT (2021 - £96,313) by Fontenergy Construction Services Limited for monthly management charges and the provision of financial support. At the year end £92 (2021 - £4,776) was outstanding. P Tuch and M Button, directors of the company, are also directors of Fontenergy Construction Services Limited.

Tuch Consulting Ltd

During the year Boxed Light Services Limited was invoiced £78 net of VAT (2021 - £nil) by Tuch Consulting Ltd to recharge an LSE payment made. At the year end £94 (2021 - £nil) was outstanding. P Tuch, director of the company, is also director and shareholder of Tuch Consulting Ltd.

10. FRC's Ethical Standard - Provision Available for Small Entities

In common with other businesses of our size and nature we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.

11. Ultimate Controlling Party

The Company's ultimate parent company is Boxed Light Holdings Limited, whose registered office is Studio 4, Stuart House, St. Johns Street, Peterborough, PE1 5DD.

Boxed Light Services Limited
Notes to the Financial Statements (continued)
For The Year Ended 31 March 2022

12. Audit Information

The auditors report on the account of Boxed Light Services Limited for the year ended 31 March 2022 was unqualified

The auditor's report was signed by Russel Byrd, FCA (Senior Statutory Auditor) for and on behalf of Byrd Link Audit & Accountancy Services Limited, Statutory Auditor