

REGISTERED NUMBER: 01878927 (England and Wales)

Group Strategic Report, Report of the Directors and
Consolidated Financial Statements for the Year Ended 31 March 2019
for
BTL GROUP LTD



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for the Year Ended 31 March 2019

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BTL GROUP LTD

Company Information
for the Year Ended 31 March 2019

DIRECTORS: I R Gomersall
A K Myers
Mrs S J Whitworth
A J McAnulla
C P H Kernan

SECRETARY: T A Gomersall

REGISTERED OFFICE: Salts Wharf
Ashley Lane
Shipley
West Yorkshire
BD17 7DB

REGISTERED NUMBER: 01878927 (England and Wales)

AUDITORS: S Burgess & Co Ltd
Statutory Auditor
11 Slayleigh Avenue
Sheffield
South Yorkshire
S10 3RA

Group Strategic Report
for the Year Ended 31 March 2019

The directors present their strategic report of the company and the group for the year ended 31 March 2019.

REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed financial statements.

Once again the company has continued to undertake considerable development activity, in line with its ongoing policy of investing as much as possible in existing and new products, without incurring additional borrowing to fund the development activity. The company's subsidiary, BTL Surpass Inc, based in Philadelphia, USA, continues to grow, and the board is pleased with its progress.

The company remains focused on the long term, on growth, and on prudent innovation. It has an enviable client list and seeks to provide a very high quality service by encouraging the measured adoption of new technology. The company continues to have sound finances, with solid cash reserves to support its development activity.

PRINCIPAL RISKS AND UNCERTAINTIES

Going forward the directors are mindful of the following risks and uncertainties:

- the need to ensure growth does not occur at the expense of quality;
- technical risks associated with continuity of service delivery, which the company mitigates by employing a talented and motivated technical team, working to modern software development principles; and
- changes in the requirements of governments and Awarding Bodies, which the company aims to mitigate by extending its international reach.

ANALYSIS OF DEVELOPMENT AND PERFORMANCE

The company continues to focus on a strategy of judicious growth, with the development of its people and their skills a key consideration.

KEY PERFORMANCE INDICATORS

The board of directors continuously monitors key performance indicators, which include test figures, service quality, rate of growth, performance against a rolling budget, profitability, and cash resources.

ON BEHALF OF THE BOARD:



I R Gomersall - Director

26 September 2019

BTL GROUP LTD (REGISTERED NUMBER: 01878927)

**Report of the Directors
for the Year Ended 31 March 2019**

The directors present their report with the financial statements of the company and the group for the year ended 31 March 2019.

PRINCIPAL ACTIVITY

The principal activity of the group in the year under review was that of assessment services, involving the development of software and content, licences for access to software, and a test centre network.

DIVIDENDS

Interim dividends per share were paid as follows:

Ordinary Voting 0.01p shares	0.0051	- 30 November 2018
Ordinary Non-Voting 0.01p shares	0.0051	- 30 November 2018

The directors recommend that no final dividends be paid.

The total distribution of dividends for the year ended 31 March 2019 will be £50,006.

RESEARCH AND DEVELOPMENT

The company continues to develop the surpass suite software, of which the company retains ownership of the intellectual property.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2018 to the date of this report:

I R Gomersall
A K Myers
Mrs S J Whitworth
A J McAnulla
C P H Kernan

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Group Strategic Report, the Report of the Directors 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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the group 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

Report of the Directors
for the Year Ended 31 March 2019

STATEMENT OF DIRECTORS' RESPONSIBILITIES - continued

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

AUDITORS

The auditors, S Burgess & Co Ltd, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:



I R Gomersall - Director

26 September 2019

Report of the Independent Auditors to the Members of
BTL Group Ltd

Opinion

We have audited the financial statements of BTL Group Ltd (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2019 which comprise the Consolidated Statement of Income and Retained Earnings, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Cash Flow Statement and Notes to the Consolidated Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company affairs as at 31 March 2019 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 audit evidence we have obtained is sufficient and appropriate 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 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 in the Group Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors 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.

Report of the Independent Auditors to the Members of
BTL Group Ltd

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Group Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Report of the Directors 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 Group Strategic Report or the Report of the Directors.

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 Statement of Directors' Responsibilities set out on pages three and four, 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 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.

Auditors' 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 a Report of the Auditors 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 www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Report of the Independent Auditors to the Members of
BTL Group Ltd

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 a Report of the Auditors 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.



Steven Burgess (Senior Statutory Auditor)
for and on behalf of S Burgess & Co Ltd
Statutory Auditor
11 Slayleigh Avenue
Sheffield
South Yorkshire
S10 3RA

26 September 2019

BTL GROUP LTD (REGISTERED NUMBER: 01878927)**Consolidated Statement of Income and Retained Earnings**
for the Year Ended 31 March 2019

	Notes	31.3.19 £	31.3.18 £
TURNOVER	3	17,294,871	11,667,582
Cost of sales		<u>7,608,118</u>	<u>3,895,738</u>
GROSS PROFIT		9,686,753	7,771,844
Administrative expenses		<u>9,404,025</u>	<u>7,677,013</u>
		282,728	94,831
Other operating income		-	<u>6,501</u>
OPERATING PROFIT	5	282,728	101,332
Interest receivable and similar income		<u>2,923</u>	<u>1,377</u>
		285,651	102,709
Interest payable and similar expenses	6	<u>12,989</u>	<u>10,095</u>
PROFIT BEFORE TAXATION		272,662	92,614
Tax on profit	7	<u>(505,973)</u>	<u>(478,189)</u>
PROFIT FOR THE FINANCIAL YEAR		778,635	570,803
Retained earnings at beginning of year		4,886,473	4,365,676
Dividends	9	(50,006)	(50,006)
RETAINED EARNINGS FOR THE GROUP AT END OF YEAR		<u><u>5,615,102</u></u>	<u><u>4,886,473</u></u>
Profit attributable to: Owners of the parent		<u><u>778,635</u></u>	<u><u>570,803</u></u>

The notes form part of these financial statements

BTL GROUP LTD (REGISTERED NUMBER: 01878927)**Consolidated Balance Sheet****31 March 2019**

	Notes	31.3.19 £	£	31.3.18 £	£
FIXED ASSETS					
Intangible assets	10		3,301,467		2,886,240
Tangible assets	11		916,179		882,165
Investments	12		100,150		100,150
			<u>4,317,796</u>		<u>3,868,555</u>
CURRENT ASSETS					
Debtors	13	4,609,513		3,066,476	
Cash at bank and in hand		781,698		1,151,180	
		<u>5,391,211</u>		<u>4,217,656</u>	
CREDITORS					
Amounts falling due within one year	14	3,450,857		2,441,834	
NET CURRENT ASSETS			<u>1,940,354</u>		<u>1,775,822</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			6,258,150		5,644,377
CREDITORS					
Amounts falling due after more than one year	15		(104,377)		(279,917)
PROVISIONS FOR LIABILITIES	19		(257,120)		(196,436)
NET ASSETS			<u>5,896,653</u>		<u>5,168,024</u>

The notes form part of these financial statements

BTL GROUP LTD (REGISTERED NUMBER: 01878927)

Consolidated Balance Sheet - continued


31 March 2019

	Notes	31.3.19 £	£	31.3.18 £	£
CAPITAL AND RESERVES					
Called up share capital	20		980		980
Share premium	21		21,577		21,577
Non distributable reserve	21		258,780		258,780
Capital redemption reserve	21		214		214
Retained earnings	21		5,615,102		4,886,473
			<hr/>		<hr/>
SHAREHOLDERS' FUNDS			5,896,653		5,168,024
			<hr/> <hr/>		<hr/> <hr/>

The financial statements were approved by the Board of Directors on 26 September 2019 and were signed on its behalf by:



I R Gomersall - Director



A K Myers - Director

The notes form part of these financial statements

BTL GROUP LTD (REGISTERED NUMBER: 01878927)**Company Balance Sheet**
31 March 2019

	Notes	31.3.19 £	£	31.3.18 £	£
FIXED ASSETS					
Intangible assets	10		3,301,467		2,886,240
Tangible assets	11		915,793		881,664
Investments	12		131,252		131,252
			<u>4,348,512</u>		<u>3,899,156</u>
CURRENT ASSETS					
Debtors	13	4,640,441		3,414,179	
Cash at bank and in hand		615,663		835,747	
		<u>5,256,104</u>		<u>4,249,926</u>	
CREDITORS					
Amounts falling due within one year	14	3,419,190		2,436,530	
NET CURRENT ASSETS			<u>1,836,914</u>		<u>1,813,396</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			6,185,426		5,712,552
CREDITORS					
Amounts falling due after more than one year	15		(104,377)		(279,917)
PROVISIONS FOR LIABILITIES	19		<u>(257,120)</u>		<u>(196,436)</u>
NET ASSETS			<u><u>5,823,929</u></u>		<u><u>5,236,199</u></u>

The notes form part of these financial statements

BTL GROUP LTD (REGISTERED NUMBER: 01878927)

Company Balance Sheet - continued
31 March 2019

	Notes	31.3.19 £	£	31.3.18 £	£
CAPITAL AND RESERVES					
Called up share capital	20		980		980
Share premium	21		21,577		21,577
Non distributable reserve	21		258,780		258,780
Capital redemption reserve	21		214		214
Retained earnings	21		5,542,378		4,954,648
			<hr/>		<hr/>
SHAREHOLDERS' FUNDS			5,823,929		5,236,199
			<hr/> <hr/>		<hr/> <hr/>
Company's profit for the financial year			637,736		638,978
			<hr/> <hr/>		<hr/> <hr/>

The financial statements were approved by the Board of Directors on 26 September 2019 and were signed on its behalf by:



I R Gomersall - Director



A K Myers - Director

The notes form part of these financial statements

BTL GROUP LTD (REGISTERED NUMBER: 01878927)**Consolidated Cash Flow Statement**
for the Year Ended 31 March 2019

	Notes	31.3.19 £	31.3.18 £
Cash flows from operating activities			
Cash generated from operations	1	1,124,976	1,001,971
Interest paid		(12,989)	(10,095)
Tax paid		-	452,824
Net cash from operating activities		<u>1,111,987</u>	<u>1,444,700</u>
Cash flows from investing activities			
Purchase of intangible fixed assets		(1,197,300)	(631,993)
Purchase of tangible fixed assets		(66,946)	(20,270)
Interest received		2,923	1,377
Net cash from investing activities		<u>(1,261,323)</u>	<u>(650,886)</u>
Cash flows from financing activities			
Loan repayments in year		(170,140)	(16,561)
Equity dividends paid		(50,006)	(50,006)
Net cash from financing activities		<u>(220,146)</u>	<u>(66,567)</u>
(Decrease)/increase in cash and cash equivalents		<u>(369,482)</u>	<u>727,247</u>
Cash and cash equivalents at beginning of year	2	<u>1,151,180</u>	<u>423,933</u>
Cash and cash equivalents at end of year	2	<u><u>781,698</u></u>	<u><u>1,151,180</u></u>

The notes form part of these financial statements

BTL GROUP LTD (REGISTERED NUMBER: 01878927)

Notes to the Consolidated Cash Flow Statement
for the Year Ended 31 March 2019

1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	31.3.19	31.3.18
	£	£
Profit before taxation	272,662	92,614
Depreciation charges	815,005	702,398
Finance costs	12,989	10,095
Finance income	(2,923)	(1,377)
	<hr/>	<hr/>
Increase in trade and other debtors	1,097,733	803,730
Increase in trade and other creditors	(943,413)	(447,599)
	<hr/>	<hr/>
Cash generated from operations	1,124,976	1,001,971
	<hr/> <hr/>	<hr/> <hr/>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 March 2019

	31.3.19	1.4.18
	£	£
Cash and cash equivalents	781,698	1,151,180
	<hr/>	<hr/>

Year ended 31 March 2018

	31.3.18	1.4.17
	£	£
Cash and cash equivalents	1,151,180	423,933
	<hr/>	<hr/>

The notes form part of these financial statements

Notes to the Consolidated Financial Statements
for the Year Ended 31 March 2019

1. **STATUTORY INFORMATION**

BTL Group Ltd is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the General Information page.

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" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Basis of consolidation

The consolidated financial statements include the financial statements of the company, and its subsidiary undertakings, made up to the year end. The acquisition method of accounting has been adopted. Under this method the results of subsidiary undertakings acquired or disposed of in the year are included in the consolidated statement of comprehensive income from the date of acquisition or up to the date of disposal.

Turnover

Turnover comprises invoiced sales of services supplied by the company, together with licences for access to software developed by the company, all excluding value added tax. In respect of licences, the income relating to access to software is recognised at the point the access is provided. In respect of services supplied, the income is recognised in accordance with the contract terms.

Intangible fixed assets

Development costs incurred on specific projects are capitalised as intangible assets when recoverability can be assessed with reasonable certainty, and are amortised in line with expected sales arising from the projects. The capitalised development costs are amortised over six years.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings - 25% on reducing balance and 20% on cost

No depreciation is provided on the long leasehold property, as a result of the property being carried at valuation, which is reviewed each year, with any change in valuation being shown through reserves.

Loans and borrowings

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment.

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2019

2. **ACCOUNTING POLICIES - continued**

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Consolidated Statement of Comprehensive Income, 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 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.

Research and development

Expenditure on research and development, incurred other than as described above in respect of intangible fixed assets, is written off in the year in which it is incurred.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Pension costs and other post-retirement benefits

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

Impairment

At each balance sheet date, assets not measured at fair value are reviewed for any indication that the asset may be impaired at the balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in the profit and loss account unless the asset is carried at a revalued amount, where the impairment loss is recognised as a revaluation reduction.

Debtors and creditors due within one year

Debtors and creditors with no stated interest rate, which are due within one year, are recorded at transaction price. Any losses arising from impairment are recognised in the statement of comprehensive income in other administrative expenses.

BTL GROUP LTD (REGISTERED NUMBER: 01878927)

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2019

2. **ACCOUNTING POLICIES - continued**

Fixed asset investments

Fixed asset investments are stated at cost less provision for diminution in value.

3. **TURNOVER**

The turnover and profit before taxation are attributable to the one principal activity of the group.

An analysis of turnover by geographical market is given below:

	31.3.19	31.3.18
	£	£
United Kingdom	8,918,410	6,684,833
Europe	2,103,288	2,491,790
Rest of World	6,273,173	2,490,959
	<u>17,294,871</u>	<u>11,667,582</u>

4. **EMPLOYEES AND DIRECTORS**

	31.3.19	31.3.18
	£	£
Wages and salaries	5,430,292	4,556,114
Social security costs	579,653	468,966
Other pension costs	661,692	457,247
	<u>6,671,637</u>	<u>5,482,327</u>

The average number of employees during the year was as follows:

	31.3.19	31.3.18
Directors & administration	13	11
Development & account management	138	108
	<u>151</u>	<u>119</u>

Staff costs that were capitalised in the year were £325,102 (2018 £nil)

	31.3.19	31.3.18
	£	£
Directors' remuneration	435,607	404,273
Directors' pension contributions to money purchase schemes	36,946	29,574
	<u>472,553</u>	<u>433,847</u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>4</u>	<u>4</u>
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BTL GROUP LTD (REGISTERED NUMBER: 01878927)

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2019

4. EMPLOYEES AND DIRECTORS - continued

Information regarding the highest paid director is as follows:

	31.3.19	31.3.18
	£	£
Emoluments etc	147,735	140,287
Pension contributions to money purchase schemes	19,054	-
	<u>166,789</u>	<u>140,287</u>

5. OPERATING PROFIT

The operating profit is stated after charging:

	31.3.19	31.3.18
	£	£
Depreciation - owned assets	32,932	25,658
Software Development costs amortisation	782,073	676,740
Auditors' remuneration	19,000	16,800
Foreign exchange differences	35,309	44,470
Operating lease expenses	56,556	31,524
	<u>925,870</u>	<u>835,192</u>

6. INTEREST PAYABLE AND SIMILAR EXPENSES

	31.3.19	31.3.18
	£	£
Bank loan interest	6,884	10,095
Other loan interest	6,105	-
	<u>12,989</u>	<u>10,095</u>

7. TAXATION

Analysis of the tax credit

The tax credit on the profit for the year was as follows:

	31.3.19	31.3.18
	£	£
Current tax:		
UK corporation tax	(599,624)	(534,824)
Overseas subsidiary taxation	32,967	-
	<u>(566,657)</u>	<u>(534,824)</u>
Total current tax	(566,657)	(534,824)
Deferred tax	60,684	56,635
Tax on profit	<u>(505,973)</u>	<u>(478,189)</u>

UK corporation tax has been charged at 19% (2018 - 19%).

BTL GROUP LTD (REGISTERED NUMBER: 01878927)

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2019

7. TAXATION - continued

Reconciliation of total tax credit included in profit and loss

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	31.3.19	31.3.18
	£	£
Profit before tax	<u>272,662</u>	<u>92,614</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2018 - 19%)	51,806	17,597
Effects of:		
Expenses not deductible for tax purposes	5,080	2,366
Capital allowances in excess of depreciation	(3,626)	-
Depreciation in excess of capital allowances	-	812
Adjustment in research and development tax credit leading to a reduction in tax charge	(370,225)	(383,729)
Adjustment in respect of the previous period	(249,624)	(184,823)
Adjustment to tax charge in respect of deferred taxation	60,684	56,635
Overseas subsidiary taxation adjustment	(68)	12,953
Total tax credit	<u>(505,973)</u>	<u>(478,189)</u>

8. INDIVIDUAL STATEMENT OF COMPREHENSIVE INCOME

As permitted by Section 408 of the Companies Act 2006, the Statement of Comprehensive Income of the parent company is not presented as part of these financial statements.

9. DIVIDENDS

	31.3.19	31.3.18
	£	£
Ordinary Voting shares of 0.01p each		
Interim	47,902	47,902
Ordinary Non-Voting shares of 0.01p each		
Interim	2,104	2,104
	<u>50,006</u>	<u>50,006</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2019

10. **INTANGIBLE FIXED ASSETS**

Group

	Software Development costs £
COST	
At 1 April 2018	5,533,659
Additions	1,197,300
	<hr/>
At 31 March 2019	6,730,959
	<hr/>
AMORTISATION	
At 1 April 2018	2,647,419
Amortisation for year	782,073
	<hr/>
At 31 March 2019	3,429,492
	<hr/>
NET BOOK VALUE	
At 31 March 2019	3,301,467
	<hr/> <hr/>
At 31 March 2018	2,886,240
	<hr/> <hr/>

Company

	Software Development costs £
COST	
At 1 April 2018	5,533,659
Additions	1,197,300
	<hr/>
At 31 March 2019	6,730,959
	<hr/>
AMORTISATION	
At 1 April 2018	2,647,419
Amortisation for year	782,073
	<hr/>
At 31 March 2019	3,429,492
	<hr/>
NET BOOK VALUE	
At 31 March 2019	3,301,467
	<hr/> <hr/>
At 31 March 2018	2,886,240
	<hr/> <hr/>

Development costs capitalised, are the costs incurred in the development of the software known as Surpass Suite e-Assessment, Secure Marker, and Editions.

BTL GROUP LTD (REGISTERED NUMBER: 01878927)**Notes to the Consolidated Financial Statements - continued**
for the Year Ended 31 March 2019**11. TANGIBLE FIXED ASSETS****Group**

	Long leasehold £	Fixtures and fittings £	Totals £
COST			
At 1 April 2018	804,793	240,949	1,045,742
Additions	-	66,946	66,946
At 31 March 2019	804,793	307,895	1,112,688
DEPRECIATION			
At 1 April 2018	-	163,577	163,577
Charge for year	-	32,932	32,932
At 31 March 2019	-	196,509	196,509
NET BOOK VALUE			
At 31 March 2019	804,793	111,386	916,179
At 31 March 2018	804,793	77,372	882,165

Company

	Long leasehold £	Fixtures and fittings £	Totals £
COST OR VALUATION			
At 1 April 2018	804,793	240,413	1,045,206
Additions	-	66,946	66,946
At 31 March 2019	804,793	307,359	1,112,152
DEPRECIATION			
At 1 April 2018	-	163,542	163,542
Charge for year	-	32,817	32,817
At 31 March 2019	-	196,359	196,359
NET BOOK VALUE			
At 31 March 2019	804,793	111,000	915,793
At 31 March 2018	804,793	76,871	881,664

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2019

11. TANGIBLE FIXED ASSETS - continued

Company

Cost or valuation at 31 March 2019 is represented by:

	Long leasehold £	Fixtures and fittings £	Totals £
Valuation in 2017	241,097	-	241,097
Cost	563,696	307,359	871,055
	<u>804,793</u>	<u>307,359</u>	<u>1,112,152</u>

If leasehold property had not been revalued it would have been included at the following historical cost:

	31.3.19 £	31.3.18 £
Cost	<u>563,696</u>	<u>563,696</u>

Two office suites owned by the company were valued by Holroyd Miller on 21 September 2016 at £480,000. These two office suites, together with the additional office suite purchased in the year ended 31 March 2017, were all considered by the directors to be fairly valued at 31 March 2019, at open market value.

12. FIXED ASSET INVESTMENTS

The group fixed asset investments, are unlisted investments, and stood at a cost and net book value of £100,150, at the year ended 31 March 2019, and at the year ended 31 March 2018.

BTL Group Limited owns 100% of the ordinary share capital of BTL Surpass Inc, a company that develops and licences software, whose registered office is 2711 Centreville Road, Suite 400, Wilmington, New Castle 19808, Delaware, USA. The company's trading results are included in these consolidated financial statements.

BTL Group Limited owns 50% of the ordinary share capital of Readco 193 Limited, a company that holds a long leasehold property, whose registered office is Salts Wharf, Ashley Lane, Shipley, West Yorkshire, BD17 7DB. The aggregate capital and reserves for the year ended 30 June 2018 was £300 (30 June 2017 £300).

BTL GROUP LTD (REGISTERED NUMBER: 01878927)

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2019

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	31.3.19	31.3.18	31.3.19	31.3.18
	£	£	£	£
Trade debtors	3,432,030	2,477,838	2,295,661	2,041,961
Amounts owed by group undertakings	-	-	1,176,529	787,244
Other debtors	11,597	17,627	7,131	16,558
Taxation	949,624	350,000	949,624	350,000
Prepayments	216,262	221,011	211,496	218,416
	<u>4,609,513</u>	<u>3,066,476</u>	<u>4,640,441</u>	<u>3,414,179</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	31.3.19	31.3.18	31.3.19	31.3.18
	£	£	£	£
Bank loans and overdrafts (see note 16)	22,000	16,600	22,000	16,600
Trade creditors	1,556,705	947,125	1,549,780	941,821
Amounts owed to group undertakings	-	-	10,908	-
Taxation	32,967	-	-	-
Social security and other taxes	175,533	130,859	175,533	130,859
VAT	247,744	162,148	247,744	162,148
Accruals and deferred income	1,415,908	1,185,102	1,413,225	1,185,102
	<u>3,450,857</u>	<u>2,441,834</u>	<u>3,419,190</u>	<u>2,436,530</u>

15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Company	
	31.3.19	31.3.18	31.3.19	31.3.18
	£	£	£	£
Bank loans (see note 16)	<u>104,377</u>	<u>279,917</u>	<u>104,377</u>	<u>279,917</u>

BTL GROUP LTD (REGISTERED NUMBER: 01878927)

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2019

16. **LOANS**

An analysis of the maturity of loans is given below:

	Group		Company	
	31.3.19	31.3.18	31.3.19	31.3.18
	£	£	£	£
Amounts falling due within one year or on demand:				
Bank loans	<u>22,000</u>	<u>16,600</u>	<u>22,000</u>	<u>16,600</u>
Amounts falling due between one and two years:				
Bank loans due between one and two years	<u>23,000</u>	<u>17,000</u>	<u>23,000</u>	<u>17,000</u>
	<u>23,000</u>	<u>17,000</u>	<u>23,000</u>	<u>17,000</u>
Amounts falling due between two and five years:				
Bank loans due between two and five years	<u>81,377</u>	<u>262,917</u>	<u>81,377</u>	<u>262,917</u>
	<u>81,377</u>	<u>262,917</u>	<u>81,377</u>	<u>262,917</u>

17. **LEASING AGREEMENTS**

Minimum lease payments fall due as follows:

Group

	Non-cancellable operating leases	
	31.3.19	31.3.18
	£	£
Within one year	19,220	8,535
Between one and five years	<u>10,685</u>	<u>-</u>
	<u>29,905</u>	<u>8,535</u>

Company

	Non-cancellable operating leases	
	31.3.19	31.3.18
	£	£
Within one year	19,220	8,535
Between one and five years	<u>10,685</u>	<u>-</u>
	<u>29,905</u>	<u>8,535</u>

BTL GROUP LTD (REGISTERED NUMBER: 01878927)

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2019

18. SECURED DEBTS

The following secured debts are included within creditors:

	Group		Company	
	31.3.19	31.3.18	31.3.19	31.3.18
	£	£	£	£
Bank loans	<u>126,377</u>	<u>296,517</u>	<u>126,377</u>	<u>296,517</u>

The bank loan is secured by way of a legal charge over the company's long leasehold property.

19. PROVISIONS FOR LIABILITIES

	Group		Company	
	31.3.19	31.3.18	31.3.19	31.3.18
	£	£	£	£
Deferred tax	<u>257,120</u>	<u>196,436</u>	<u>257,120</u>	<u>196,436</u>

Group

	Deferred tax
	£
Balance at 1 April 2018	196,436
Provided during year	60,684
	<u>257,120</u>

Company

	Deferred tax
	£
Balance at 1 April 2018	196,436
Provided during year	60,684
	<u>257,120</u>

The provision for deferred taxation year end balance (with the previous year shown by way of comparative in brackets) is made up of accelerated capital allowances £238,622 (£177,938), and property revaluations £18,498 (£18,498). The expected net reversal of deferred taxation liabilities at the year ended 31 March 2020, is a reduction of £71,196, arising from the reversal of accelerated capital allowances.

BTL GROUP LTD (REGISTERED NUMBER: 01878927)

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2019

20. **CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	31.3.19	31.3.18
9,392,500	Ordinary Voting	0.01p	939	939
412,458	Ordinary Non-Voting	0.01p	41	41
			<u>980</u>	<u>980</u>

The company has issued a number of options to purchase 0.01 pence ordinary voting shares in the company, under the BTL Group Ltd Enterprise Management Incentive Share Option Scheme. The options are exercisable on condition of either a listing, or a sale, of the company. The options were granted on 19 April 2013, and at the year end, 1,042,581 share options were outstanding, at an exercise price of 7 pence per share, and which will expire on 18 April 2023.

21. **RESERVES**

Group

	Retained earnings	Share premium	Non distributable reserve	Capital redemption reserve	Totals
	£	£	£	£	£
At 1 April 2018	4,886,473	21,577	258,780	214	5,167,044
Profit for the year	778,635				778,635
Dividends	(50,006)				(50,006)
At 31 March 2019	<u>5,615,102</u>	<u>21,577</u>	<u>258,780</u>	<u>214</u>	<u>5,895,673</u>

Company

	Retained earnings	Share premium	Non distributable reserve	Capital redemption reserve	Totals
	£	£	£	£	£
At 1 April 2018	4,954,648	21,577	258,780	214	5,235,219
Profit for the year	637,736				637,736
Dividends	(50,006)				(50,006)
At 31 March 2019	<u>5,542,378</u>	<u>21,577</u>	<u>258,780</u>	<u>214</u>	<u>5,822,949</u>

The share premium represents the premium arising on the issue of shares. The capital redemption reserve represents the original nominal value of shares purchased back by the company. The non distributable reserve represents the value of the long leasehold property, in excess of original cost. The retained earnings represents cumulative profit and losses, net of dividends, and other adjustments.

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2019

22. PENSION COMMITMENTS

The company makes payments to a defined contribution pension scheme. The charge for the year amounted to £661,692 (2018 £457,247). The amount outstanding at the year end was £60,179 (2018 £39,107).

23. RELATED PARTY DISCLOSURES

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group. Transactions during the year (with the previous year shown by way of comparative in brackets) were as follows:

Entities with control, joint control, or significant influence:

Service charge costs in the year £33,213 (£33,213); trade creditor at the year end £9,964 (£9,964).

Other related parties:

Sales in the year £4,192,571 (£2,455,421); trade debtor at the year end £813,015 (£459,671).

All transactions with related parties were undertaken in the normal course of business with outstanding balances payable on normal commercial terms.

Key management personnel:

The total remuneration paid to key management personnel in the year was £472,553 (£433,847).

24. CONTROL RELATIONSHIPS

The company is under the overall control of the director, I R Gomersall.