

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

FOR

INCORPORE LIMITED

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FOR THE YEAR ENDED 30 SEPTEMBER 2021**

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INCORPORE LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

DIRECTORS: A J Shillaker
Mrs E Vivo

REGISTERED OFFICE: 14 Mill Road
Burgess Hill
West Sussex
RH15 8DR

REGISTERED NUMBER: 03997432

AUDITORS: Cardens Accountants and Business Advisors Limited
Statutory Auditors
The Old Casino
28 Fourth Avenue
Hove
East Sussex
BN3 2PJ

INCORPORE LIMITED (REGISTERED NUMBER: 03997432)**BALANCE SHEET
30 SEPTEMBER 2021**

	Notes	2021 £	£	2020 £	£
FIXED ASSETS					
Intangible assets	3		83,614		296,550
Tangible assets	4		65,577		90,160
Investments	5		<u>100</u>		<u>100</u>
			149,291		386,810
CURRENT ASSETS					
Debtors	6	3,029,344		1,478,885	
Cash at bank		<u>1,106,906</u>		<u>972,434</u>	
		4,136,250		2,451,319	
CREDITORS					
Amounts falling due within one year	7	<u>3,734,063</u>		<u>2,160,360</u>	
NET CURRENT ASSETS			<u>402,187</u>		<u>290,959</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			551,478		677,769
CREDITORS					
Amounts falling due after more than one year	8		(441,667)		(483,333)
PROVISIONS FOR LIABILITIES			<u>(10,005)</u>		<u>(13,757)</u>
NET ASSETS			<u>99,806</u>		<u>180,679</u>
CAPITAL AND RESERVES					
Called up share capital			116		216
Share premium			45,384		45,384
Capital redemption reserve			20		20
Retained earnings			<u>54,286</u>		<u>135,059</u>
SHAREHOLDERS' FUNDS			<u>99,806</u>		<u>180,679</u>

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 29 June 2022 and were signed on its behalf by:

A J Shillaker - Director

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

1. 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 represents sales of services net of VAT. Turnover is recognised at the point the customer is entitled to consideration.

Intangible fixed assets

Amortisation is provided at the following annual rates in order to write off each asset over its useful economic life:

Development costs 33% on cost

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	- 25% on reducing balance
Motor vehicles	- 25% on reducing balance
Computer equipment	- 33% on reducing balance

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 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.

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.

2. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 31 (2020 - 33) .

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2021

3. INTANGIBLE FIXED ASSETS

	Development costs £
COST	
At 1 October 2020	2,104,724
Additions	<u>18,726</u>
At 30 September 2021	<u>2,123,450</u>
AMORTISATION	
At 1 October 2020	1,808,174
Amortisation for year	<u>231,662</u>
At 30 September 2021	<u>2,039,836</u>
NET BOOK VALUE	
At 30 September 2021	<u>83,614</u>
At 30 September 2020	<u>296,550</u>

4. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST					
At 1 October 2020	69,958	58,972	43,200	134,388	306,518
Additions	-	-	-	6,367	6,367
Disposals	-	-	<u>(17,500)</u>	-	<u>(17,500)</u>
At 30 September 2021	<u>69,958</u>	<u>58,972</u>	<u>25,700</u>	<u>140,755</u>	<u>295,385</u>
DEPRECIATION					
At 1 October 2020	44,761	20,342	31,810	119,445	216,358
Charge for year	6,302	9,659	1,694	8,681	26,336
Eliminated on disposal	-	-	<u>(12,886)</u>	-	<u>(12,886)</u>
At 30 September 2021	<u>51,063</u>	<u>30,001</u>	<u>20,618</u>	<u>128,126</u>	<u>229,808</u>
NET BOOK VALUE					
At 30 September 2021	<u>18,895</u>	<u>28,971</u>	<u>5,082</u>	<u>12,629</u>	<u>65,577</u>
At 30 September 2020	<u>25,197</u>	<u>38,630</u>	<u>11,390</u>	<u>14,943</u>	<u>90,160</u>

5. FIXED ASSET INVESTMENTS

Investments (neither listed nor unlisted) were as follows:

	2021 £	2020 £
Incorpore Gymflex Limited	<u>100</u>	<u>100</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade debtors	2,726,759	1,218,316
Amounts owed by group undertakings	132,036	115,905
Other debtors	28,352	20,513
Directors' loan accounts	21,711	1,929
Tax	85,539	119,691
Accrued income	29,651	-
Prepayments	5,296	2,531
	<u>3,029,344</u>	<u>1,478,885</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Bank loans and overdrafts	287,500	16,667
Trade creditors	106,711	26,051
Tax	23,843	-
Social security and other taxes	27,143	22,261
VAT	59,878	199,180
Other creditors	18,143	10,141
Directors' loan accounts	-	5,072
Accrued expenses	3,210,845	1,880,988
	<u>3,734,063</u>	<u>2,160,360</u>

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

	2021	2020
	£	£
Bank loans - 1-2 years	279,167	100,000
Bank loans - 2-5 years	150,000	300,000
Bank loans more 5 yrs non-inst	12,500	83,333
	<u>441,667</u>	<u>483,333</u>

Amounts falling due in more than five years:

Repayable otherwise than by instalments		
Bank loans more 5 yrs non-inst	<u>12,500</u>	<u>83,333</u>

9. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006

The Report of the Auditors was unqualified.

Hannah Doherty FCCA (Senior Statutory Auditor)
for and on behalf of Cardens Accountants and Business Advisors Limited

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

10. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to directors subsisted during the year ended 30 September 2021 and the period ended 30 September 2020:

	2021 £	2020 £
G M Rankin		
Balance outstanding at start of year	1,929	(12,737)
Amounts advanced	-	14,666
Amounts repaid	(1,929)	-
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>-</u>	<u>1,929</u>
A J Shillaker		
Balance outstanding at start of year	(5,072)	(14,200)
Amounts advanced	26,833	9,128
Amounts repaid	(50)	-
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>21,711</u>	<u>(5,072)</u>

This balance represented the maximum amount outstanding during the year and the loan is interest free and repayable on demand.

11. RELATED PARTY DISCLOSURES

During the period, Incorpore Limited purchased goods on behalf of Incorpore Gymflex (Ireland) Limited to the value of £16,231. All transactions were undertaken on a commercial arms length basis and any outstanding amounts are interest free and repayable on demand.

At year end, Incorpore Gymflex (Ireland) Limited owed the company £132,036 (2020: £115,905)

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

12. POST BALANCE SHEET EVENTS

Prior to the approval of these accounts there was still the COVID-19 virus in the UK which first impacted the business in March 2020 and has caused a global pandemic recognised by the World Health Organisation (WHO).

The effect of UK Government measures to limit the spread of the virus have been widespread, urging people to remain at home wherever possible, including to work from home if available and to undertake "social distancing" measures. Part of the government action has been to order businesses where people gather socially such as pubs, restaurants and gyms to close temporarily.

In response to this, the management of the Company have assessed the impact of these measures. The Company was already well positioned for staff to work remotely, aside from a small investment in IT hardware, which means this has not had a significant impact on productivity.

The Company's main suppliers are gym chains, who have offered extension of memberships for the period they were closed rather than refund any fees. This will result in a reduction of funds coming through the Company during the shutdown periods although there will be comparably little in the way of cost of sales. To counteract the reduction in income, management have managed to reduce salary costs with the help of the Government JRS scheme for furloughing staff and senior staff taking temporary salary reductions.

The Company have also recently launched several digital non-gym products which are bringing in additional income and performing better than anticipated.

The Company have taken advantage of the Government's business aid packages which included 12 months interest free cash loans.

The Directors are confident the above measures mitigate the threat of the global pandemic enough, so it does not cast material uncertainty over the ability of the Company to continue as a going concern. The Directors continue to monitor the situation as it rapidly changes and believe the Company is positioned well to react to further developments as we see the second half of 2022 without restrictions and gym closures.

13. ULTIMATE CONTROLLING PARTY

The entity is jointly controlled by AJ Shillaker and GM Rankin

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.