

Strategic Report, Report of the Director and
Financial Statements for the Year Ended 31 January 2023
for
IMPACT RADIUS LIMITED

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FOR THE YEAR ENDED 31 JANUARY 2023

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IMPACT RADIUS LIMITED

Company Information
FOR THE YEAR ENDED 31 JANUARY 2023

DIRECTOR:	P T Pettersen
REGISTERED OFFICE:	The Scalpel 18th Floor, 52 Lime Street London EC3M 7AF
REGISTERED NUMBER:	06852966 (England and Wales)
AUDITORS:	Belluzzo Audit Limited Chartered Accountants and Statutory Auditors 38 Craven Street London WC2N 5NG

Strategic Report
FOR THE YEAR ENDED 31 JANUARY 2023

The director presents his strategic report for the year ended 31 January 2023.

The Directors present their strategic report and the audited financial statements of the company for the year ended 31 January 2023.

REVIEW OF BUSINESS

Turnover for the financial year ended 31 January 2023 increased by 33.4% from the financial year ended 31 January 2022, driven by the company's sustained growth in strategic market sectors.

The net loss for the year ended 31 January 2023 was £298,271 (2022: £955,035), representing a substantial reduction in net losses, attributable to the company's enhanced revenue streams and strategic cost management initiatives despite an overall increase in operating expenses to support sales growth in the United Kingdom.

Investments in personnel and marketing led to a rise in overheads, and variable costs grew in line with the additional sales volumes.

Key performance indicators

The Directors review a monthly management pack detailing all KPIs related to sales and costs. The reported turnover for the year was £15,073,760 (2022: £11,293,288), marking a 33.4% increase over the prior year. The expenditure for the year amounted to £15,381,542, which was 102% of the reported turnover (2022: £12,246,483, representing 108.4% of the reported turnover).

PRINCIPAL RISKS AND UNCERTAINTIES

Competitive Risk

Competitive pressure is an ongoing risk for the company. The company maintains a diverse portfolio and provides added value services to its customers, providing fast response times not only in supplying services, but also in handling all customer queries and maintaining strong customer relationships.

The Company undertakes inter-group trading based on a well-structured group transfer pricing policy, however this results in exposure to exchange rate fluctuations between the USD and GBP, with a degree of foreign currency exchange risk in respect of a moderate number of European customers and suppliers the company transacts with.

The company is exposed mainly to credit risk and liquidity risk, with appropriate measures in place by the company to manage these exposures and risks.

Credit risk

Credit risk is the risk that a customer fails to meet their financial obligations with Impact Radius Limited. The company's approach to managing this risk is to ensure debts are paid in full by customers and credit checks are completed for new customers where deemed necessary.

Liquidity risk

Liquidity risk is the risk that the company will be unable to meet its financial obligations as they fall due. The company's liquidity risk is managed by the Group. The group's approach to managing liquidity risk is to ensure as far as possible, it will always have sufficient liquidity to meet its liabilities as due under normal circumstances without incurring unacceptable losses or risking damage to the group's reputation. The group maintains sufficient cash reserves to meet its liquidity requirements at all times, additionally the group has certain unutilized revolving committed facilities at its disposal.

Legislative Risk

Following the UK's withdrawal from the EU on 1 January 2021, the company has implemented additional measures to ensure compliance and duties relating to the impact of the UK's withdrawal from the EU free trade agreement are discharged, in relation to products procured from its group associated undertakings, and supply chains within the EU.

Strategic Report
FOR THE YEAR ENDED 31 JANUARY 2023

SECTION 172(1) STATEMENT

A. Likely consequence of any decision in the long term

Impact Radius Limited business model depends on the trust and confidence of its stakeholders to operate sustainably in the long term. The Company seeks to put its clients' best interests first, invests in its employees, operates to be fully compliant with the ongoing regulations, supports the communities in which it operates and strives to generate sustainable profits for shareholders.

The Directors of Impact Radius Limited have acted in accordance with their duties codified in law, which include their duty to act in the way in which they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole, having regard to the stakeholders and matters set out in section 172(1) of the Companies Act 2006.

Section 172 considerations are embedded in decision making at Board level and throughout the Company. Issues, factors and stakeholders which the Directors have considered when discharging their duty under section 172(1) as far as our vision, purpose, sustainability pillars and values are set out in the Strategic report, as are the risks facing our organisation and the mitigating action we take, our governance practices, examples of stakeholder engagement and information about our engagement with employees, shareholders and suppliers.

B. Our people

Our people are one of our most important assets, the company is committed to being a responsible business. Our behaviour is aligned with the expectations of our people, clients, investors, suppliers, and financial community as a whole. People are at the heart of our services. For our business to succeed we need to manage our people's performance and develop and bring through talent while ensuring we operate as efficiently as possible. We must also ensure we share common values that inform and guide our behaviour, so we achieve our goals in the right way.

C. Business relationships

Our strategy priorities organic growth driven by the existing clients and originating new clients. We develop and maintain strong client relationships. We value all our suppliers and have multi-year contracts both with our key clients and suppliers.

D. Community and Environment

The Company's approach is to act every day to create positive change for the people and communities with which we interact. We want to leverage our experiences and enable colleagues to support the communities around us.

E. Maintaining a reputation for high standards of business conduct

The Company has in place Ethics and Whistleblowing policies, both of which are also reviewed periodically in line with the procedures for prevention of conflict of interest and compliance with regulatory guidance. The Company has internal approvals processes that mitigate risk of operation frauds and error, which are regularly monitored by the compliance team. The Company has in place a compliance manual to manage and maintain a reputation for high standards of business conduct. The company acts daily to improve the competence of its employees and expects them to be at the highest level of integrity.

Strategic Report
FOR THE YEAR ENDED 31 JANUARY 2023

GOING CONCERN

Impact Radius Limited recorded a reduced net loss of £298,271 for the financial year ended 31 January 2023, compared to a net loss of £955,035 for the previous year. This improvement, in the face of various risks, was a testament to the company's strategic evolution and adherence to a lean overhead structure, which enabled the business to bolster revenues while managing increased overheads.

The company's continued strategic focus aims to further improve operational efficiency and cost management, underpinning the company's projections for 2023 and beyond.

Despite the net loss, the company increased its turnover and maintained adequate cash reserves throughout the year. It continues to adapt its working practices, implementing hybrid working models during 2023.

After making due enquiries and considering the financial forecasts, the directors have a reasonable expectation that the company has sufficient resources to continue in operational existence for 12 months from the date of the signing of these financial statements. Consequently, the financial statements have been prepared on a going concern basis.

ON BEHALF OF THE BOARD:

P T Pettersen - Director

2 February 2024

Report of the Director
FOR THE YEAR ENDED 31 JANUARY 2023

The director presents his report with the financial statements of the company for the year ended 31 January 2023.

DIVIDENDS

No dividends will be distributed for the year ended 31 January 2023.

DIRECTOR

P T Pettersen held office during the whole of the period from 1 February 2022 to the date of this report.

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

The director is responsible for preparing the Strategic Report, the Report of the Director and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the director is 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.

The director is responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable him to ensure that the financial statements comply with the Companies Act 2006. He is also responsible for safeguarding the assets of the company 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 director is aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Belluzzo Audit Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

P T Pettersen - Director

2 February 2024

Opinion

We have audited the financial statements of Impact Radius Limited (the 'company') for the year ended 31 January 2023 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity 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 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 company's affairs as at 31 January 2023 and of its loss 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 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 audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the director with respect to going concern are described in the relevant sections of this report.

Other information

The director is responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Director, 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 this gives rise to a material misstatement in the financial statements themselves. 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.

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 Strategic Report and the Report of the Director for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Director 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Director.

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, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of director

As explained more fully in the Statement of Director's Responsibilities set out on page five, the director is 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 director determines 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 director is responsible for assessing the 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 director either intends to liquidate the company or to cease operations, or has 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the company operates in and how the company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, the Companies Act 2006 and tax compliance regulations. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures and inspecting correspondence with local tax authorities.

The audit engagement team identified the risk of management override of controls and revenue recognition as the areas where the financial statements were most susceptible to material misstatement due to fraud. In respect of management override, audit procedures performed included but were not limited to testing journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business. In respect of revenue recognition, audit procedures performed included but were not limited to tests of control and tests of detail over revenue, and reviewing transactions around the year end to ensure they were recognised in the correct accounting period.

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.

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.

Tony Castagnetti (Senior Statutory Auditor)
for and on behalf of Belluzzo Audit Limited
Chartered Accountants and
Statutory Auditors
38 Craven Street
London
WC2N 5NG

2 February 2024

Income Statement
FOR THE YEAR ENDED 31 JANUARY 2023

	Notes	2023 £	2022 £
TURNOVER		15,073,760	11,293,288
Administrative expenses		<u>15,381,542</u>	<u>12,246,483</u>
OPERATING LOSS	4	(307,782)	(953,195)
Interest receivable and similar income		<u>13,846</u>	<u>170</u>
		(293,936)	(953,025)
Interest payable and similar expenses	5	<u>4,335</u>	<u>2,010</u>
LOSS BEFORE TAXATION		(298,271)	(955,035)
Tax on loss	6	<u>-</u>	<u>-</u>
LOSS FOR THE FINANCIAL YEAR		<u>(298,271)</u>	<u>(955,035)</u>

The notes form part of these financial statements

Other Comprehensive Income
FOR THE YEAR ENDED 31 JANUARY 2023

	Notes	2023 £	2022 £
LOSS FOR THE YEAR		(298,271)	(955,035)
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>(298,271)</u>	<u>(955,035)</u>

IMPACT RADIUS LIMITED (REGISTERED NUMBER: 06852966)

Balance Sheet
31 JANUARY 2023

	Notes	2023 £	£	2022 £	£
FIXED ASSETS					
Intangible assets	7	-	-	-	-
Tangible assets	8	24,182		53,584	
Investments	9	2,147,020		1,330,911	
		<u>2,171,202</u>		<u>1,384,495</u>	
CURRENT ASSETS					
Debtors	10	22,742,633		17,346,327	
Cash at bank		9,568,139		15,664,519	
		<u>32,310,772</u>		<u>33,010,846</u>	
CREDITORS					
Amounts falling due within one year	11	20,957,657		38,615,931	
NET CURRENT ASSETS/(LIABILITIES)			<u>11,353,115</u>		<u>(5,605,085)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			13,524,317		(4,220,590)
CREDITORS					
Amounts falling due after more than one year	12		3,048,584		1,424,490
NET ASSETS/(LIABILITIES)			<u>10,475,733</u>		<u>(5,645,080)</u>
CAPITAL AND RESERVES					
Called up share capital	14		1,001		1,000
Share premium	15		16,419,083		-
Other reserves	15		435,364		435,364
Retained earnings	15		(6,379,715)		(6,081,444)
SHAREHOLDERS' FUNDS			<u>10,475,733</u>		<u>(5,645,080)</u>

The financial statements were approved by the director and authorised for issue on 2 February 2024 and were signed by:

P T Pettersen - Director

Statement of Changes in Equity
FOR THE YEAR ENDED 31 JANUARY 2023

	Called up share capital £	Retained earnings £	Share premium £	Other reserves £	Total equity £
Balance at 1 February 2021	1,000	(5,126,409)	-	435,364	(4,690,045)
Changes in equity					
Total comprehensive income	-	(955,035)	-	-	(955,035)
Balance at 31 January 2022	<u>1,000</u>	<u>(6,081,444)</u>	<u>-</u>	<u>435,364</u>	<u>(5,645,080)</u>
Changes in equity					
Issue of share capital	1	-	16,419,083	-	16,419,084
Total comprehensive income	-	(298,271)	-	-	(298,271)
Balance at 31 January 2023	<u>1,001</u>	<u>(6,379,715)</u>	<u>16,419,083</u>	<u>435,364</u>	<u>10,475,733</u>

Notes to the Financial Statements
FOR THE YEAR ENDED 31 JANUARY 2023

1. **STATUTORY INFORMATION**

Impact Radius Limited 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 Company 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.

Financial Reporting Standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirement of paragraph 3.17(d);
- the requirements of paragraphs 12.26, 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of paragraphs 26.18(b), 26.19 to 26.21 and 26.23;
- the requirement of paragraph 33.7.

Related party exemption

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.

Turnover

Turnover is recognized when, or as, control of the promised goods or services is transferred to the Company's customers in an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

The Company enters into contracts with customers for the provision of SaaS and related services under its core product offering: Partnership Cloud customer contracts are either for services under a single product or for a combination of products, along with setup and onboarding required, ongoing customer and technical support and maintenance, and partner compensation payment processing, along with additional optional services

The Company also earns intercompany management revenues by providing support to various group companies

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Computer software is being amortised evenly over its estimated useful life of five years.

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% straight line

Investments in subsidiaries

Investments in subsidiary undertakings are recognised at cost.

Notes to the Financial Statements - continued
FOR THE YEAR ENDED 31 JANUARY 2023

2. **ACCOUNTING POLICIES - continued**

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.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

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

These accounts have been prepared on the going concern basis, on the understanding that the parent company will continue to support the company for the period of next 12 months from the date of signing these financial statements.

3. **EMPLOYEES AND DIRECTORS**

	2023	2022
	£	£
Wages and salaries	9,391,108	7,230,025
Social security costs	961,106	659,667
Other pension costs	137,478	119,455
	<u>10,489,692</u>	<u>8,009,147</u>

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

	2023	2022
Average number of employees	<u>88</u>	<u>56</u>
	2023	2022
	£	£
Director's remuneration	<u>-</u>	<u>-</u>

Notes to the Financial Statements - continued
FOR THE YEAR ENDED 31 JANUARY 2023

4. **OPERATING LOSS**

The operating loss is stated after charging:

	2023	2022
	£	£
Other operating leases	754,308	627,748
Depreciation - owned assets	20,693	36,238
Loss on disposal of fixed assets	8,709	-
Auditors' remuneration	21,000	15,000
Foreign exchange differences	<u>2,255,366</u>	<u>2,032,551</u>

5. **INTEREST PAYABLE AND SIMILAR EXPENSES**

	2023	2022
	£	£
Bank interest	<u>4,335</u>	<u>2,010</u>

6. **TAXATION**

Analysis of the tax charge

No liability to UK corporation tax arose for the year ended 31 January 2023 nor for the year ended 31 January 2022.

7. **INTANGIBLE FIXED ASSETS**

	Computer software £
COST	
At 1 February 2022 and 31 January 2023	<u>11,548</u>
AMORTISATION	
At 1 February 2022 and 31 January 2023	<u>11,548</u>
NET BOOK VALUE	
At 31 January 2023	<u>-</u>
At 31 January 2022	<u>-</u>

Notes to the Financial Statements - continued
FOR THE YEAR ENDED 31 JANUARY 2023

8. **TANGIBLE FIXED ASSETS**

	Improvements to property £	Computer equipment £	Totals £
COST			
At 1 February 2022	355,496	134,502	489,998
Disposals	-	(42,744)	(42,744)
At 31 January 2023	<u>355,496</u>	<u>91,758</u>	<u>447,254</u>
DEPRECIATION			
At 1 February 2022	355,496	80,918	436,414
Charge for year	-	20,693	20,693
Eliminated on disposal	-	(34,035)	(34,035)
At 31 January 2023	<u>355,496</u>	<u>67,576</u>	<u>423,072</u>
NET BOOK VALUE			
At 31 January 2023	<u>-</u>	<u>24,182</u>	<u>24,182</u>
At 31 January 2022	<u>-</u>	<u>53,584</u>	<u>53,584</u>

9. **FIXED ASSET INVESTMENTS**

	Shares in group undertakings £
COST	
At 1 February 2022	1,330,911
Additions	816,109
At 31 January 2023	<u>2,147,020</u>
NET BOOK VALUE	
At 31 January 2023	<u>2,147,020</u>
At 31 January 2022	<u>1,330,911</u>

The company's investments at the Balance Sheet date in the share capital of companies include the following:

Impact Radius (Shanghai) Co Ltd

Registered office: Shanghai Xuhui District (Jinhe Crossing the Boundary), Room 306 5B, No. 8 Hengshan Road 200031

Nature of business: Trading

	%		
	holding		
Class of shares:			
Ordinary	100.00		
		31/12/22	31/12/21
		£	£
Aggregate capital and reserves		3,406,273	1,276,768
Profit for the year		<u>516,645</u>	<u>1,675,169</u>

Notes to the Financial Statements - continued
FOR THE YEAR ENDED 31 JANUARY 2023

10. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2023	2022
	£	£
Trade debtors	1,078,624	1,021,520
Amounts owed by group undertakings	20,427,083	15,370,572
Other debtors	559,786	563,158
Prepayments and accrued income	491,020	267,122
Prepayments	186,120	123,955
	<u>22,742,633</u>	<u>17,346,327</u>

11. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2023	2022
	£	£
Trade creditors	38,378	22,998
Amounts owed to group undertakings	336,833	21,983,291
Social security and other taxes	195,017	-
VAT	169,929	122,659
Other creditors	17,479,663	15,278,790
Accruals and deferred income	1,652,911	185,281
Accrued expenses	1,084,926	1,022,912
	<u>20,957,657</u>	<u>38,615,931</u>

12. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2023	2022
	£	£
Other creditors	<u>3,048,584</u>	<u>1,424,490</u>

13. **LEASING AGREEMENTS**

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2023	2022
	£	£
Within one year	<u>1,000,391</u>	<u>343,263</u>

14. **CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2023	2022
			£	£
10,010,000	Ordinary	0.0001	<u>1,001</u>	<u>1,000</u>

10,000 Ordinary shares of 0.0001 each were allotted as fully paid at a premium of 1641.9082 per share during the year.

Notes to the Financial Statements - continued
FOR THE YEAR ENDED 31 JANUARY 2023

15. **RESERVES**

	Retained earnings £	Share premium £	Other reserves £	Totals £
At 1 February 2022	(6,081,444)	-	435,364	(5,646,080)
Deficit for the year	(298,271)			(298,271)
Cash share issue	-	16,419,083	-	16,419,083
At 31 January 2023	<u>(6,379,715)</u>	<u>16,419,083</u>	<u>435,364</u>	<u>10,474,732</u>

16. **ULTIMATE CONTROLLING PARTY**

The ultimate parent company is Impact Holdings Inc., a company incorporated in Delaware (USA). The immediate parent company is Impact Tech Inc., a company also incorporated in the USA.

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.