Company Registration No. 11571822 (England and Wales)

X & WHY LIMITED

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED

30 SEPTEMBER 2020

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Century House
Wargrave Road
Henley-on-Thames
Oxfordshire
RG9 2LT

X & WHY LIMITED

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X & WHY LIMITED

COMPANY INFORMATION

Directors	Mr. R. Dean Mr. P. Nevin
Company number	11571822
Registered office	People's Mission Hall 20-30 Whitechapel Road London E1 1EW
Accountants	Taylorcocks Thames Valley LLP Century House Wargrave Road Henley-on-Thames Oxfordshire RG9 2LT

X & WHY LIMITED

BALANCE SHEET

AS AT 30 SEPTEMBER 2020

		2020		2019	
	Notes	**£**	**£**	**£**	**£**
Fixed assets					
Intangible assets	**3**		8,208		16,417
Tangible assets	**4**		5,617		9,333
			13,825		25,750
Current assets					
Debtors	**5**	38,163		56,274	
Cash at bank and in hand		182,916		49,456	
		221,079		105,730	
Creditors: amounts falling due within one year	**6**	(61,899)		(46,569)	
Net current assets			159,180		59,161
Total assets less current liabilities			173,005		84,911
Creditors: amounts falling due after more than one year	**7**		(46,667)		-
Net assets			126,338		84,911
Capital and reserves					
Called up share capital	**8**		1,376		1,311
Share premium account			437,514		341,612
Profit and loss reserves			(312,552)		(258,012)
Total equity			126,338		84,911

X & WHY LIMITED

BALANCE SHEET (CONTINUED)

AS AT 30 SEPTEMBER 2020

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 30 September 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the board of directors and authorised for issue on 9 March 2021 and are signed on its behalf by:

Mr. R. Dean
Director

Company Registration No. 11571822

The notes on pages 4 to 9 form part of these financial statements

1 Accounting policies

Company information

X & Why Limited (11571822) is a private company limited by shares incorporated in England and Wales. The registered office is People's Mission Hall, 20-30 Whitechapel Road, London, E1 1EW.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland” (“FRS 102”) and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements , the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

As stated in note 9 the directors have reviewed the impact of COVID-19 on the operations and financial position of the company and have a reasonable expectation that the company has adequate resources to continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Reporting period

The previous accounting period was a long period ending 30 September 2019 as compared to the current year which is a 12-month period ending 30 September 2020. The periods are therefore not entirely comparable.

1.4 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

1.5 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

1 Accounting policies **(Continued)**

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Website	3 years straight line

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	3 years straight line
Computers	3 years straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.7 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.
Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1 Accounting policies **(Continued)**

1.8 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.10 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1 Accounting policies (Continued)

1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 9 (2019 - 5).

3 Intangible fixed assets

	Website
	£
Cost	
At 1 October 2019 and 30 September 2020	24,626
Amortisation and impairment	
At 1 October 2019	8,209
Amortisation charged for the year	8,209
At 30 September 2020	16,418
Carrying amount	
At 30 September 2020	8,208
At 30 September 2019	16,417

4 Tangible fixed assets

	Fixtures and fittings	Computers	Total
	£	£	£
Cost			
At 1 October 2019	7,678	6,252	13,930
Additions	514	800	1,314
At 30 September 2020	8,192	7,052	15,244
Depreciation and impairment			
At 1 October 2019	2,534	2,063	4,597
Depreciation charged in the year	2,703	2,327	5,030
At 30 September 2020	5,237	4,390	9,627
Carrying amount			
At 30 September 2020	2,955	2,662	5,617
At 30 September 2019	5,144	4,189	9,333

5 Debtors

	2020	2019
Amounts falling due within one year:	£	£
Trade debtors	29,900	34,469
Other debtors	9	21,503
Prepayments and accrued income	8,254	302
	38,163	56,274

6 Creditors: amounts falling due within one year

	2020	2019
	£	£
Bank loans and overdrafts	3,333	-
Trade creditors	11,526	13,167
Taxation and social security	40,876	20,940
Other creditors	4,384	12,462
Accruals and deferred income	1,780	-
	61,899	46,569

7 Creditors: amounts falling due after more than one year

	Notes	2020 £	2019 £
Bank loans and overdrafts		46,667	-

8 Called up share capital

	2020 £	2019 £
Ordinary share capital		
Issued and fully paid		
37,600 A1 Ordinary shares of 1p each	376	311
100,000 A2 Ordinary shares of 1p each	1,000	1,000
	1,376	1,311

During the year, the company issued 6,461 A1 Ordinary shares of 1p each under the Enterprise Investment Scheme, of which 4,546 shares were issued on 20 February 2020 at a premium of £10.99 per share and 1,915 shares were issued on 16 March 2020 at a premium of £23.99 per share.

9 Events after the reporting date

At the date of the approval of these financial statements the COVID-19 pandemic is having a significant detrimental impact on the social and financial economies of the world. The impact of COVID-19 and the measures the UK Government have announced are likely to have an impact on the operations of the company and its customers for the forthcoming period. The duration of the measures announced to tackle the COVID-19 pandemic has not been defined and there is considerable uncertainty in measuring the potential impact of the measures on the company. These factors and any future policy announcements by the UK Government are largely outside of the control of the company’s directors, but could impact the company.

Accordingly, the financial statements are prepared on a going concern basis, under which assets are recovered and liabilities repaid in the ordinary course of business. The accompanying financial statements do not include adjustments that would need to be made in the case the company was unable to continue as a going concern, should the assumptions referred to above subsequently prove to be invalid.