Company Registration No. 11571822 (England and Wales)

X & WHY LIMITED

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED

30 SEPTEMBER 2021

PAGES FOR FILING WITH REGISTRAR

verallo

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

X & WHY LIMITED

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X & WHY LIMITED

COMPANY INFORMATION

Directors	Mr. R. Dean	
	Mr. P. Nevin	
	Mrs. T. Dean	(Appointed 8 July 2021)
	Mr. G. Hedger	(Appointed 4 August 2021)
Company number	11571822	
Registered office	People's Mission Hall 20-30 Whitechapel Road London E1 1EW	
Accountants	Verallo (formerly Taylorcocks Thames Valley LLP) Century House Wargrave Road Henley-on-Thames Oxfordshire United Kingdom RG9 2LT	

X & WHY LIMITED

BALANCE SHEET

AS AT 30 SEPTEMBER 2021

		2021		2020	
	Notes	**£**	**£**	**£**	**£**
Fixed assets					
Intangible assets	**3**		788		8,208
Tangible assets	**4**		2,438		5,617
			3,226		13,825
Current assets					
Debtors	**5**	127,620		38,163	
Cash at bank and in hand		1,051,632		182,916	
		1,179,252		221,079	
Creditors: amounts falling due within one year	**6**	(628,843)		(61,899)	
Net current assets			550,409		159,180
Total assets less current liabilities			553,635		173,005
Creditors: amounts falling due after more than one year	**7**		(45,370)		(46,667)
Net assets			508,265		126,338
Capital and reserves					
Called up share capital	**8**		1,486		1,376
Share premium account			1,053,371		437,514
Profit and loss reserves			(546,592)		(312,552)
Total equity			508,265		126,338

X & WHY LIMITED

BALANCE SHEET (CONTINUED)

AS AT 30 SEPTEMBER 2021

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 2021 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 13 May 2022 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.

The directors continue to review 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 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for 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.

1.4 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.

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
Trademarks & licences	10 years straight line

1 Accounting policies (Continued)

1.5 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.

1.6 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.

1.7 Cash at bank and in hand

Cash and cash equivalents 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 Accounting policies **(Continued)**

1.8 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.

1.9 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.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

1 Accounting policies **(Continued)**

1.10 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.

1.11 Retirement benefits

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

1.12 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:

	2021 Number	**2020 Number**
Total	13	9

3 Intangible fixed assets

	Website	Trademarks & licences	Total
	£	£	£
Cost			
At 1 October 2020	24,626	-	24,626
Additions	-	795	795
At 30 September 2021	24,626	795	25,421
Amortisation and impairment			
At 1 October 2020	16,418	-	16,418
Amortisation charged for the year	8,208	7	8,215
At 30 September 2021	24,626	7	24,633
Carrying amount			
At 30 September 2021	-	788	788
At 30 September 2020	8,208	-	8,208

4 Tangible fixed assets

	Fixtures and fittings	Computers	Total
	£	£	£
Cost			
At 1 October 2020	8,192	7,052	15,244
Additions	-	3,000	3,000
At 30 September 2021	8,192	10,052	18,244
Depreciation and impairment			
At 1 October 2020	5,237	4,390	9,627
Depreciation charged in the year	2,784	3,395	6,179
At 30 September 2021	8,021	7,785	15,806
Carrying amount			
At 30 September 2021	171	2,267	2,438
At 30 September 2020	2,955	2,662	5,617

5 Debtors

	2021	2020
Amounts falling due within one year:	**£**	**£**
Trade debtors	114,495	29,900
Other debtors	888	9
Prepayments and accrued income	12,237	8,254
	127,620	38,163

6 Creditors: amounts falling due within one year

	2021	2020
	£	**£**
Bank loans	4,630	3,333
Trade creditors	37,617	11,526
Taxation and social security	92,404	40,876
Other creditors	492,412	4,384
Accruals and deferred income	1,780	1,780
	628,843	61,899

7 Creditors: amounts falling due after more than one year

	2021	2020
	£	**£**
Bank loans	45,370	46,667

8 Called up share capital

	2021	2020	2021	2020
Ordinary share capital	**Number**	**Number**	**£**	**£**
Issued and fully paid				
A1 Ordinary shares of 1p each	48,576	37,545	486	376
A2 Ordinary shares of 1p each	100,000	100,000	1,000	1,000
	148,576	137,545	1,486	1,376

During the year, the company issued 11,031 A1 Ordinary shares of 1p each under the Enterprise Investment Scheme, of which 665 shares were issued on 1 March 2021 at a premium of £24.00 per share, 10,366 shares were issued on 4 August 2021 at a premium of £57.88 per share.