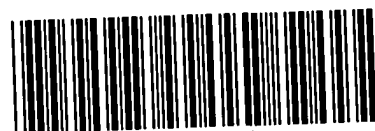


REGISTERED NUMBER: 01878927 (England and Wales)

Group Strategic Report, Report of the Directors and
Consolidated Financial Statements for the Year Ended 31 March 2020
for
BTL GROUP LTD

THURSDAY



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BTL GROUP LTD (REGISTERED NUMBER: 01878927)

Contents of the Consolidated Financial Statements
for the Year Ended 31 March 2020

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BTL GROUP LTD

Company Information
for the Year Ended 31 March 2020

DIRECTORS: I R Gomersall
A K Myers
Mrs S J Whitworth
A J McAnulla

SECRETARY: T A Gomersall

REGISTERED OFFICE: Salts Mill
Victoria Road
Saltaire
Shipley
West Yorkshire
BD18 3LF

REGISTERED NUMBER: 01878927 (England and Wales)

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

BTL GROUP LTD (REGISTERED NUMBER: 01878927)

**Group Strategic Report
for the Year Ended 31 March 2020**

The directors present their strategic report of the company and the group for the year ended 31 March 2020.

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, and substantial working capital.

Towards the end of the financial year, the coronavirus pandemic spread across the whole world. It has had a significant impact on the United Kingdom economy, and there is considerable uncertainty as to when it might end. The impact on the company's trade has been to experience some disruption to its test centre network income stream, which has resulted in a reduction in sales income after the year end. However, to date, the impact of the coronavirus pandemic has not been significant for the company, and its revenue streams. The company has used this opportunity to help a number of its customers migrate to an online invigilation service, in order for them to continue operating remotely during the pandemic closures. The directors are aware of all the emergency business support measures announced by the government, and the company has taken advantage of these measures where appropriate. The directors continuously monitor the company's trading position, and they believe the company will be able to continue to trade for the foreseeable future.

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.

Group Strategic Report
for the Year Ended 31 March 2020

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

17 August 2020

BTL GROUP LTD (REGISTERED NUMBER: 01878927)

**Report of the Directors
for the Year Ended 31 March 2020**

The directors present their report with the financial statements of the company and the group for the year ended 31 March 2020.

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	- 29 November 2019
Ordinary Non-Voting 0.01p shares	0.0051	- 29 November 2019

The directors recommend that no final dividends be paid.

The total distribution of dividends for the year ended 31 March 2020 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 2019 to the date of this report.

I R Gomersall
A K Myers
Mrs S J Whitworth
A J McAnulla

Other changes in directors holding office are as follows:

C P H Kernan - resigned 26 September 2019

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.

BTL GROUP LTD (REGISTERED NUMBER: 01878927)

Report of the Directors
for the Year Ended 31 March 2020

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

17 August 2020

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 2020 which comprise the Consolidated Statement of Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, 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 2020 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 four and five, 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.

Sh

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

17 August 2020

BTL GROUP LTD (REGISTERED NUMBER: 01878927)**Consolidated Statement of Comprehensive Income**
for the Year Ended 31 March 2020

	Notes	31.3.20 £	31.3.19 £
TURNOVER	3	17,734,975	17,294,871
Cost of sales		6,976,865	7,608,118
GROSS PROFIT		10,758,110	9,686,753
Administrative expenses		10,616,039	9,404,025
		142,071	282,728
Other operating income	4	49,904	-
OPERATING PROFIT	6	191,975	282,728
Interest receivable and similar income		5,187	2,923
		197,162	285,651
Interest payable and similar expenses	7	7,599	12,989
PROFIT BEFORE TAXATION		189,563	272,662
Tax on profit	8	(1,265,068)	(505,973)
PROFIT FOR THE FINANCIAL YEAR		1,454,631	778,635

The notes form part of these financial statements

BTL GROUP LTD (REGISTERED NUMBER: 01878927)**Consolidated Balance Sheet**
31 March 2020

	Notes	31.3.20 £	£	31.3.19 £	£
FIXED ASSETS					
Intangible assets	11		4,676,227		3,301,467
Tangible assets	12		538,662		916,179
Investments	13		100,150		100,150
Investment property	14		730,000		-
			<u>6,045,039</u>		<u>4,317,796</u>
CURRENT ASSETS					
Debtors	15	4,182,615		4,609,513	
Cash at bank and in hand		732,050		781,698	
		<u>4,914,665</u>		<u>5,391,211</u>	
CREDITORS					
Amounts falling due within one year	16	3,149,571		3,450,857	
NET CURRENT ASSETS			<u>1,765,094</u>		<u>1,940,354</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>7,810,133</u>		<u>6,258,150</u>
CREDITORS					
Amounts falling due after more than one year	17		(508,855)		(104,377)
PROVISIONS FOR LIABILITIES	21		-		(257,120)
NET ASSETS			<u><u>7,301,278</u></u>		<u><u>5,896,653</u></u>

The notes form part of these financial statements

BTL GROUP LTD (REGISTERED NUMBER: 01878927)

Consolidated Balance Sheet - continued
31 March 2020

	Notes	31.3.20		31.3.19	
		£	£	£	£
CAPITAL AND RESERVES					
Called up share capital	22		980		980
Share premium	23		21,577		21,577
Non distributable reserve	23		183,987		258,780
Capital redemption reserve	23		214		214
Retained earnings	23		7,094,520		5,615,102
			<hr/>		<hr/>
SHAREHOLDERS' FUNDS			7,301,278		5,896,653
			<hr/> <hr/>		<hr/> <hr/>

The financial statements were approved by the Board of Directors and authorised for issue on 17 August 2020 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 2020

	Notes	31.3.20 £	£	31.3.19 £	£
FIXED ASSETS					
Intangible assets	11		4,676,227		3,301,467
Tangible assets	12		488,416		915,793
Investments	13		131,252		131,252
Investment property	14		730,000		-
			<u>6,025,895</u>		<u>4,348,512</u>
CURRENT ASSETS					
Debtors	15	4,054,129		4,640,441	
Cash at bank and in hand		674,638		615,663	
		<u>4,728,767</u>		<u>5,256,104</u>	
CREDITORS					
Amounts falling due within one year	16	3,102,072		3,419,190	
NET CURRENT ASSETS			<u>1,626,695</u>		<u>1,836,914</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>7,652,590</u>		<u>6,185,426</u>
CREDITORS					
Amounts falling due after more than one year	17		(508,855)		(104,377)
PROVISIONS FOR LIABILITIES	21		-		(257,120)
NET ASSETS			<u><u>7,143,735</u></u>		<u><u>5,823,929</u></u>

The notes form part of these financial statements

BTL GROUP LTD (REGISTERED NUMBER: 01878927)

Company Balance Sheet - continued
31 March 2020

	Notes	31.3.20		31.3.19	
		£	£	£	£
CAPITAL AND RESERVES					
Called up share capital	22		980		980
Share premium	23		21,577		21,577
Non distributable reserve	23		183,987		258,780
Capital redemption reserve	23		214		214
Retained earnings	23		6,936,977		5,542,378
			<u>7,143,735</u>		<u>5,823,929</u>
SHAREHOLDERS' FUNDS					
			<u>7,143,735</u>		<u>5,823,929</u>
Company's profit for the financial year			<u>1,369,812</u>		<u>637,736</u>

The financial statements were approved by the Board of Directors and authorised for issue on 17 August 2020 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 Statement of Changes in Equity
for the Year Ended 31 March 2020

	Called up share capital £	Retained earnings £	Share premium £
Balance at 1 April 2018	980	4,886,473	21,577
Changes in equity			
Dividends	-	(50,006)	-
Total comprehensive income	-	778,635	-
Balance at 31 March 2019	980	5,615,102	21,577
Changes in equity			
Dividends	-	(50,006)	-
Total comprehensive income	-	1,529,424	-
Balance at 31 March 2020	980	7,094,520	21,577

	Non distributable reserve £	Capital redemption reserve £	Total equity £
Balance at 1 April 2018	258,780	214	5,168,024
Changes in equity			
Dividends	-	-	(50,006)
Total comprehensive income	-	-	778,635
Balance at 31 March 2019	258,780	214	5,896,653
Changes in equity			
Dividends	-	-	(50,006)
Total comprehensive income	(74,793)	-	1,454,631
Balance at 31 March 2020	183,987	214	7,301,278

The notes form part of these financial statements

BTL GROUP LTD (REGISTERED NUMBER: 01878927)**Company Statement of Changes in Equity
for the Year Ended 31 March 2020**

	Called up share capital £	Retained earnings £	Share premium £
Balance at 1 April 2018	980	4,954,648	21,577
Changes in equity			
Dividends	-	(50,006)	-
Total comprehensive income	-	637,736	-
Balance at 31 March 2019	980	5,542,378	21,577
Changes in equity			
Dividends	-	(50,006)	-
Total comprehensive income	-	1,444,605	-
Balance at 31 March 2020	980	6,936,977	21,577
	Non distributable reserve £	Capital redemption reserve £	Total equity £
Balance at 1 April 2018	258,780	214	5,236,199
Changes in equity			
Dividends	-	-	(50,006)
Total comprehensive income	-	-	637,736
Balance at 31 March 2019	258,780	214	5,823,929
Changes in equity			
Dividends	-	-	(50,006)
Total comprehensive income	(74,793)	-	1,369,812
Balance at 31 March 2020	183,987	214	7,143,735

The notes form part of these financial statements

BTL GROUP LTD (REGISTERED NUMBER: 01878927)

Consolidated Cash Flow Statement
for the Year Ended 31 March 2020

	Notes	31.3.20 £	31.3.19 £
Cash flows from operating activities			
Cash generated from operations	1	2,048,866	1,124,976
Interest paid		(7,599)	(12,989)
Tax paid		488,592	-
Net cash from operating activities		<u>2,529,859</u>	<u>1,111,987</u>
Cash flows from investing activities			
Purchase of intangible fixed assets		(2,324,988)	(1,197,300)
Purchase of tangible fixed assets		(592,178)	(66,946)
Interest received		5,187	2,923
Net cash from investing activities		<u>(2,911,979)</u>	<u>(1,261,323)</u>
Cash flows from financing activities			
New loans in year		508,855	-
Loan repayments in year		(126,377)	(170,140)
Equity dividends paid		(50,006)	(50,006)
Net cash from financing activities		<u>332,472</u>	<u>(220,146)</u>
Decrease in cash and cash equivalents		(49,648)	(369,482)
Cash and cash equivalents at beginning of year	2	781,698	1,151,180
Cash and cash equivalents at end of year	2	<u>732,050</u>	<u>781,698</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 2020**

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

	31.3.20	31.3.19
	£	£
Profit before taxation	189,563	272,662
Depreciation charges	1,114,968	815,005
Loss on disposal of fixed assets	162	-
Loss on revaluation of fixed assets	74,793	-
Finance costs	7,599	12,989
Finance income	(5,187)	(2,923)
	<u>1,381,898</u>	<u>1,097,733</u>
Decrease/(increase) in trade and other debtors	913,287	(943,413)
(Decrease)/increase in trade and other creditors	(246,319)	970,656
	<u>2,048,866</u>	<u>1,124,976</u>

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 2020

	31.3.20	1.4.19
	£	£
Cash and cash equivalents	<u>732,050</u>	<u>781,698</u>

Year ended 31 March 2019

	31.3.19	1.4.18
	£	£
Cash and cash equivalents	<u>781,698</u>	<u>1,151,180</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 2020

3. **ANALYSIS OF CHANGES IN NET FUNDS**

	At 1.4.19 £	Cash flow £	At 31.3.20 £
Net cash			
Cash at bank and in hand	781,698	(49,648)	732,050
	<u>781,698</u>	<u>(49,648)</u>	<u>732,050</u>
Debt			
Debts falling due within 1 year	(22,000)	22,000	-
Debts falling due after 1 year	(104,377)	(404,478)	(508,855)
	<u>(126,377)</u>	<u>(382,478)</u>	<u>(508,855)</u>
Total	<u>655,321</u>	<u>(432,126)</u>	<u>223,195</u>

The notes form part of these financial statements

BTL GROUP LTD (REGISTERED NUMBER: 01878927)

Notes to the Consolidated Financial Statements
for the Year Ended 31 March 2020

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 as modified by the revaluation of certain assets.

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

Investment property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in profit or loss.

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.

BTL GROUP LTD (REGISTERED NUMBER: 01878927)

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2020

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.

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 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.

BTL GROUP LTD (REGISTERED NUMBER: 01878927)

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2020

2. ACCOUNTING POLICIES - continued

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.

Fixed asset investments

Fixed asset investments are measured at cost less impairment.

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:

	31.3.20	31.3.19
	£	£
United Kingdom	9,103,544	8,918,410
Europe	303,748	2,103,288
Rest of World	8,327,683	6,273,173
	<u>17,734,975</u>	<u>17,294,871</u>

4. OTHER OPERATING INCOME

	31.3.20	31.3.19
	£	£
Rental income	9,904	-
Other income	40,000	-
	<u>49,904</u>	<u>-</u>

5. EMPLOYEES AND DIRECTORS

	31.3.20	31.3.19
	£	£
Wages and salaries	5,965,090	5,430,292
Social security costs	648,742	579,653
Other pension costs	871,481	661,692
	<u>7,485,313</u>	<u>6,671,637</u>

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

	31.3.20	31.3.19
Directors & administration	18	13
Development & account management	152	138
	<u>170</u>	<u>151</u>

BTL GROUP LTD (REGISTERED NUMBER: 01878927)

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2020

5. EMPLOYEES AND DIRECTORS - continued

Staff costs that were capitalised in the year were £647,449 (2019 £325,102)

	31.3.20	31.3.19
	£	£
Directors' remuneration	495,253	435,607
Directors' pension contributions to money purchase schemes	44,717	36,946
	<u>440,970</u>	<u>472,553</u>

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

	31.3.20	31.3.19
Money purchase schemes	4	4
	<u>4</u>	<u>4</u>

Information regarding the highest paid director is as follows:

	31.3.20	31.3.19
	£	£
Emoluments etc	199,338	147,735
Pension contributions to money purchase schemes	24,837	19,054
	<u>224,175</u>	<u>166,789</u>

6. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	31.3.20	31.3.19
	£	£
Other operating leases	136,478	56,556
Operating lease income	(9,904)	-
Depreciation - owned assets	164,740	32,932
Loss on disposal of fixed assets	162	-
Software Development costs amortisation	950,228	782,073
Auditors' remuneration	18,000	19,000
Foreign exchange differences	(24,388)	35,309
	<u>1,243,326</u>	<u>1,665,869</u>

7. INTEREST PAYABLE AND SIMILAR EXPENSES

	31.3.20	31.3.19
	£	£
Bank loan interest	7,599	6,884
Other loan interest	-	6,105
	<u>7,599</u>	<u>12,989</u>

BTL GROUP LTD (REGISTERED NUMBER: 01878927)

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2020

8. TAXATION

Analysis of the tax credit

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

	31.3.20	31.3.19
	£	£
Current tax:		
UK corporation tax	394,253	(599,624)
Overseas subsidiary taxation	33,812	32,967
Total current tax	428,065	(566,657)
Deferred tax	(1,693,133)	60,684
Tax on profit	(1,265,068)	(505,973)

UK corporation tax has been charged at 19% (2019 - 19%).

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:

	31.3.20	31.3.19
	£	£
Profit before tax	189,563	272,662
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2019 - 19%)	36,017	51,806
Effects of:		
Expenses not deductible for tax purposes	17,655	5,080
Capital allowances in excess of depreciation	(31,132)	(3,626)
Adjustment in research and development tax credit leading to a reduction in tax charge	-	(370,225)
Adjustment in respect of the previous period	394,253	(249,624)
Adjustment to tax charge in respect of deferred taxation	(1,693,133)	60,684
Overseas subsidiary taxation adjustment	11,272	(68)
Total tax credit	(1,265,068)	(505,973)

9. 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.

BTL GROUP LTD (REGISTERED NUMBER: 01878927)

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2020

10. DIVIDENDS

	31.3.20	31.3.19
	£	£
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>

11. INTANGIBLE FIXED ASSETS

Group

	Software Development costs £
COST	
At 1 April 2019	6,730,959
Additions	<u>2,324,988</u>
At 31 March 2020	<u>9,055,947</u>
AMORTISATION	
At 1 April 2019	3,429,492
Amortisation for year	<u>950,228</u>
At 31 March 2020	<u>4,379,720</u>
NET BOOK VALUE	
At 31 March 2020	<u>4,676,227</u>
At 31 March 2019	<u>3,301,467</u>

BTL GROUP LTD (REGISTERED NUMBER: 01878927)

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2020

11. **INTANGIBLE FIXED ASSETS - continued**

Company

	Software Development costs £
COST	
At 1 April 2019	6,730,959
Additions	2,324,988
	<hr/>
At 31 March 2020	9,055,947
	<hr/>
AMORTISATION	
At 1 April 2019	3,429,492
Amortisation for year	950,228
	<hr/>
At 31 March 2020	4,379,720
	<hr/>
NET BOOK VALUE	
At 31 March 2020	4,676,227
	<hr/> <hr/>
At 31 March 2019	3,301,467
	<hr/> <hr/>

Development costs capitalised, are the costs incurred in the development of the latest version of the company's core software, known as Surpass assessment platform and SecureMarker.

BTL GROUP LTD (REGISTERED NUMBER: 01878927)

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2020

12. **TANGIBLE FIXED ASSETS**

Group

	Long leasehold £	Fixtures and fittings £	Totals £
COST OR VALUATION			
At 1 April 2019	804,793	307,895	1,112,688
Additions	-	592,178	592,178
Disposals	-	(1,344)	(1,344)
Revaluations	(74,793)	-	(74,793)
Repurpose as investment property	(730,000)	-	(730,000)
At 31 March 2020	-	898,729	898,729
DEPRECIATION			
At 1 April 2019	-	196,509	196,509
Charge for year	-	164,740	164,740
Eliminated on disposal	-	(1,182)	(1,182)
At 31 March 2020	-	360,067	360,067
NET BOOK VALUE			
At 31 March 2020	-	538,662	538,662
At 31 March 2019	804,793	111,386	916,179

Cost or valuation at 31 March 2020 is represented by:

Cost	Fixtures and fittings £ 898,729
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BTL GROUP LTD (REGISTERED NUMBER: 01878927)

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2020

12. **TANGIBLE FIXED ASSETS - continued**

Company

	Long leasehold £	Fixtures and fittings £	Totals £
COST OR VALUATION			
At 1 April 2019	804,793	307,359	1,112,152
Additions	-	540,416	540,416
Disposals	-	(1,344)	(1,344)
Revaluations	(74,793)	-	(74,793)
Repurpose as investment property	(730,000)	-	(730,000)
At 31 March 2020	-	846,431	846,431
DEPRECIATION			
At 1 April 2019	-	196,359	196,359
Charge for year	-	162,838	162,838
Eliminated on disposal	-	(1,182)	(1,182)
At 31 March 2020	-	358,015	358,015
NET BOOK VALUE			
At 31 March 2020	-	488,416	488,416
At 31 March 2019	804,793	111,000	915,793

Cost or valuation at 31 March 2020 is represented by:

Cost	Fixtures and fittings £ 846,431
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BTL GROUP LTD (REGISTERED NUMBER: 01878927)

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2020

13. 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 2020, and at the year ended 31 March 2019.

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 Centerville 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 2019 was £300 (30 June 2018 £300).

14. INVESTMENT PROPERTY

Group

	Total £
FAIR VALUE	
Repurpose as investment property	730,000
At 31 March 2020	<u>730,000</u>
NET BOOK VALUE	
At 31 March 2020	<u><u>730,000</u></u>

Company

	Total £
FAIR VALUE	
Repurpose as investment property	730,000
At 31 March 2020	<u>730,000</u>
NET BOOK VALUE	
At 31 March 2020	<u><u>730,000</u></u>

Office suites 3, 5, and 6 at Salts Wharf, Ashley Lane, Shipley, were valued by Holroyd Miller on 19 November 2019 at £730,000 on an open market basis. The directors are of the opinion that this valuation fairly reflects the valuation at 31 March 2020.

BTL GROUP LTD (REGISTERED NUMBER: 01878927)

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2020

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	31.3.20	31.3.19	31.3.20	31.3.19
	£	£	£	£
Bank loans and overdrafts (see note 18)	-	22,000	-	22,000
Trade creditors	1,098,632	1,556,705	1,088,487	1,549,780
Amounts owed to group undertakings	-	-	6,137	10,908
Taxation	-	32,967	-	-
Social security and other taxes	172,876	175,533	172,876	175,533
VAT	219,528	247,744	219,528	247,744
Other creditors	14,430	-	14,430	-
Accruals and deferred income	1,644,105	1,415,908	1,600,614	1,413,225
	<u>3,149,571</u>	<u>3,450,857</u>	<u>3,102,072</u>	<u>3,419,190</u>

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

	Group		Company	
	31.3.20	31.3.19	31.3.20	31.3.19
	£	£	£	£
Bank loans (see note 18)	<u>508,855</u>	<u>104,377</u>	<u>508,855</u>	<u>104,377</u>

18. LOANS

An analysis of the maturity of loans is given below:

	Group		Company	
	31.3.20	31.3.19	31.3.20	31.3.19
	£	£	£	£
Amounts falling due within one year or on demand:				
Bank loans	<u>-</u>	<u>22,000</u>	<u>-</u>	<u>22,000</u>
Amounts falling due between one and two years:				
Bank loans due between one and two years	<u>508,855</u>	<u>23,000</u>	<u>508,855</u>	<u>23,000</u>
	<u>508,855</u>	<u>23,000</u>	<u>508,855</u>	<u>23,000</u>
Amounts falling due between two and five years:				
Bank loans due between two and five years	<u>-</u>	<u>81,377</u>	<u>-</u>	<u>81,377</u>
	<u>-</u>	<u>81,377</u>	<u>-</u>	<u>81,377</u>

BTL GROUP LTD (REGISTERED NUMBER: 01878927)

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2020

19. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

Group

	Non-cancellable operating leases	
	31.3.20	31.3.19
	£	£
Within one year	212,585	19,220
Between one and five years	912,910	10,685
In more than five years	837,213	-
	<u>1,962,708</u>	<u>29,905</u>

Company

	Non-cancellable operating leases	
	31.3.20	31.3.19
	£	£
Within one year	135,685	19,220
Between one and five years	614,007	10,685
In more than five years	629,273	-
	<u>1,378,965</u>	<u>29,905</u>

20. SECURED DEBTS

The following secured debts are included within creditors:

	Group		Company	
	31.3.20	31.3.19	31.3.20	31.3.19
	£	£	£	£
Bank loans	<u>508,855</u>	<u>126,377</u>	<u>508,855</u>	<u>126,377</u>

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

21. PROVISIONS FOR LIABILITIES

	Group		Company	
	31.3.20	31.3.19	31.3.20	31.3.19
	£	£	£	£
Deferred tax				
Accelerated capital allowances	-	238,622	-	238,622
Other timing differences	-	18,498	-	18,498
	<u>-</u>	<u>257,120</u>	<u>-</u>	<u>257,120</u>

BTL GROUP LTD (REGISTERED NUMBER: 01878927)

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2020

21. PROVISIONS FOR LIABILITIES - continued

Group

	Deferred tax £
Balance at 1 April 2019	257,120
Provided during year	(1,693,133)
	<hr/>
Balance at 31 March 2020	(1,436,013)
	<hr/> <hr/>

Company

	Deferred tax £
Balance at 1 April 2019	257,120
Provided during year	(1,693,133)
	<hr/>
Balance at 31 March 2020	(1,436,013)
	<hr/> <hr/>

The provision for deferred taxation year end balance is made up of accelerated capital allowances £405,963 (2019 £238,622), investment property revaluations £3,524 (2019 £18,498), and tax losses (£1,845,500) (2019 £nil). The expected net reversal of deferred taxation at the year ended 31 March 2021, is an increase of £1,736,236, arising as a result of the utilisation of the tax losses, and the provision for accelerated capital allowances.

22. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	31.3.20 £	31.3.19 £
9,392,500	Ordinary Voting	0.01p	939	939
412,458	Ordinary Non-Voting	0.01p	41	41
			<hr/>	<hr/>
			980	980
			<hr/> <hr/>	<hr/> <hr/>

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.

BTL GROUP LTD (REGISTERED NUMBER: 01878927)**Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2020****23. RESERVES****Group**

	Retained earnings £	Share premium £	Non distributable reserve £	Capital redemption reserve £	Totals £
At 1 April 2019	5,615,102	21,577	258,780	214	5,895,673
Profit for the year	1,454,631				1,454,631
Dividends	(50,006)				(50,006)
Realised reserves movement	74,793	-	(74,793)	-	-
At 31 March 2020	<u>7,094,520</u>	<u>21,577</u>	<u>183,987</u>	<u>214</u>	<u>7,300,298</u>

Company

	Retained earnings £	Share premium £	Non distributable reserve £	Capital redemption reserve £	Totals £
At 1 April 2019	5,542,378	21,577	258,780	214	5,822,949
Profit for the year	1,369,812				1,369,812
Dividends	(50,006)				(50,006)
Realised reserves movement	74,793	-	(74,793)	-	-
At 31 March 2020	<u>6,936,977</u>	<u>21,577</u>	<u>183,987</u>	<u>214</u>	<u>7,142,755</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 investment property, in excess of original cost. The retained earnings represents cumulative profit and losses, net of dividends, and other adjustments.

24. PENSION COMMITMENTS

The company makes payments to a defined contribution pension scheme. The charge for the year amounted to £871,481 (2019 £661,692). The amount outstanding at the year end was £71,514 (2019 £60,179).

BTL GROUP LTD (REGISTERED NUMBER: 01878927)

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2020

25. 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 £23,923 (£33,213); trade creditor at the year end £nil (£9,964).

Other related parties:

Sales in the year £4,904,495 (£4,192,571); trade debtor at the year end £706,335 (£813,015).

All transactions with related parties were all 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 £539,970 (£472,553).

26. CONTROL RELATIONSHIPS

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