

Company registration number 03582519 (England and Wales)

INFINITY INCORPORATED LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022
PAGES FOR FILING WITH REGISTRAR

INFINITY INCORPORATED LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2022

		2022		2021	
	Notes	£	£	£	£
Fixed assets					
Intangible assets	3		19,211		22,693
Tangible assets	4		166,939		1,979,823
			<u>186,150</u>		<u>2,002,516</u>
Current assets					
Stocks		45,477		54,415	
Debtors	5	1,668,743		837,789	
Cash at bank and in hand		90,570		76,312	
		<u>1,804,790</u>		<u>968,516</u>	
Creditors: amounts falling due within one year	6	<u>(1,230,475)</u>		<u>(951,831)</u>	
Net current assets			<u>574,315</u>		<u>16,685</u>
Total assets less current liabilities			<u>760,465</u>		<u>2,019,201</u>
Creditors: amounts falling due after more than one year	7		(88,869)		(401,760)
Provisions for liabilities	8		<u>(24,027)</u>		<u>(238,066)</u>
Net assets			<u>647,569</u>		<u>1,379,375</u>
Capital and reserves					
Called up share capital	9		114		108
Revaluation reserve			-		852,401
Distributable profit and loss reserves			647,455		526,866
Total equity			<u>647,569</u>		<u>1,379,375</u>

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

For the financial year ended 31 December 2022 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The director acknowledges his 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.

INFINITY INCORPORATED LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2022

The financial statements were approved and signed by the director and authorised for issue on 28 September 2023

D Cohen
Director

Company Registration No. 03582519

INFINITY INCORPORATED LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

Company information

Infinity Incorporated Limited is a private company limited by shares incorporated in England and Wales. The registered office is Unit 4 Whitehall Cross, Leeds, West Yorkshire, LS12 5XE.

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 have considered a period in excess of twelve months from the date of approval of these financial statements in making their assessment.

1.3 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.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

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:

Software	33%
Web development	10%

INFINITY INCORPORATED LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

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:

Freehold land and buildings	2%
Plant and machinery	25%
Fixtures and fittings	15%
Computers	33%
Motor vehicles	25%

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 Borrowing costs related to fixed assets

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

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.

1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.9 Cash and cash equivalents

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.

1.10 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.

INFINITY INCORPORATED LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

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.

1.11 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

INFINITY INCORPORATED LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies (Continued)

1.12 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.

1.13 Retirement benefits

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

1.14 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1.15 Government grants

The UK government has offered a range of financial support packages to help companies, including government backed financing arrangements, furlough schemes, deferment of VAT payments and, for some sectors, business rates holidays.

Of the offered schemes, the company used a council rates grant. The income from the furlough scheme has been recognised within 'Other operating income'. They are recognised when the entity has reasonable assurance that they will comply with the conditions attaching the grant, and that the grant will be received.

1.16 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

1.17 Interest income

Interest income is recognised in profit or loss using the effective interest method.

1.18 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

INFINITY INCORPORATED LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2022 Number	2021 Number
Total	48	45

3 Intangible fixed assets

	Goodwill £	Software £	Patents & licences £	Web development £	Total £
Cost					
At 1 January 2022 and 31 December 2022	139,972	7,297	400	34,258	181,927
Amortisation and impairment					
At 1 January 2022	139,972	7,241	400	11,621	159,234
Amortisation charged for the year	-	56	-	3,426	3,482
At 31 December 2022	139,972	7,297	400	15,047	162,716
Carrying amount					
At 31 December 2022	-	-	-	19,211	19,211
At 31 December 2021	-	56	-	22,637	22,693

INFINITY INCORPORATED LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

4 Tangible fixed assets

	Freehold land and buildings £	Plant and machinery £	Fixtures and fittings £	Computers £	Motor vehicles £	Total £
Cost or valuation						
At 1 January 2022	1,868,118	8,250	19,128	220,685	66,423	2,182,604
Additions	-	23,005	4,870	99,292	-	127,167
Transfers	(1,868,118)	-	-	-	-	(1,868,118)
At 31 December 2022	-	31,255	23,998	319,977	66,423	441,653
Depreciation and impairment						
At 1 January 2022	7,525	5,012	9,531	159,956	20,757	202,781
Depreciation charged in the year	24,909	4,020	3,232	47,356	24,850	104,367
Transfers	(32,434)	-	-	-	-	(32,434)
At 31 December 2022	-	9,032	12,763	207,312	45,607	274,714
Carrying amount						
At 31 December 2022	-	22,223	11,235	112,665	20,816	166,939
At 31 December 2021	1,860,593	3,238	9,597	60,729	45,666	1,979,823

5 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Trade debtors	558,650	568,088
Corporation tax recoverable	47,852	26,648
Amounts owed by group undertakings	913,025	-
Other debtors	133,946	225,555
Prepayments and accrued income	15,270	17,498
	<u>1,668,743</u>	<u>837,789</u>

INFINITY INCORPORATED LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

6 Creditors: amounts falling due within one year

	2022	2021
	£	£
Bank loans	15,431	62,184
Obligations under finance leases	7,503	25,246
Trade creditors	941,611	605,969
Corporation tax	-	7,666
Other taxation and social security	45,046	97,293
Deferred income	2,816	47,839
Other creditors	90,378	79,186
Accrued expenses	127,690	26,448
	<u>1,230,475</u>	<u>951,831</u>

Bank loans are secured by a fixed and floating legal charge against all property and undertaking of the Company.

Obligations due under finance leases and hire purchase contracts are secured on the related assets.

Included in other creditors is an invoice discounting liability of £88,439 (2021 - £76,770) which is secured on the book debts of the company.

7 Creditors: amounts falling due after more than one year

	2022	2021
	£	£
Bank loans	42,772	348,163
Obligations under finance leases	46,097	53,597
	<u>88,869</u>	<u>401,760</u>

Bank loans are secured by a fixed and floating legal charge against all property and undertaking of the Company.

Obligations due under finance leases and hire purchase contracts are secured on the related assets.

Amounts included above which fall due after five years are as follows:

Payable by instalments	<u>8,585</u>	<u>125,495</u>
------------------------	--------------	----------------

INFINITY INCORPORATED LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

8 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Liabilities 2022 £	Liabilities 2021 £
Balances:		
Accelerated capital allowances	24,027	24,240
Revaluations	-	213,826
	<u>24,027</u>	<u>238,066</u>
		2022
Movements in the year:		£
Liability at 1 January 2022		238,066
Credit to profit or loss		(213)
Release on transfer of property		(213,826)
		<u>24,027</u>
Liability at 31 December 2022		<u>24,027</u>

9 Called up share capital

	2022 Number	2021 Number	2022 £	2021 £
Ordinary share capital Issued and fully paid				
Ordinary shares of £1 each	102	102	102	102
Ordinary 'A' shares of £1 each	6	6	6	6
Ordinary 'B' shares of £1 each	6	-	6	-
	<u>114</u>	<u>108</u>	<u>114</u>	<u>108</u>

The ordinary 'B' shares were issued at par.

10 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2022 £	2021 £
Within one year	2,197	2,931
Between two and five years	-	2,197
	<u>2,197</u>	<u>5,128</u>

INFINITY INCORPORATED LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

11 Related party transactions

The company is owed by a company under common control an amount of £291,747 (2021 - £90,128) at the year end. The loan is repayable by instalments and the capital is repayable on demand.

The director owes the company £73,651 (2021 - £35,318) at the year end. The loan is interest-free and repayable on demand.

The company is owed by the parent company an amount of £621,277 (2021 - £nil) at the year end.

12 Parent company

The ultimate parent Company is Infinity Incorporated Group Limited, its registered office is Unit 4 Whitehall Cross, Leeds, England, LS12 5XE.

The ultimate controlling party is considered to be D Cohen (director).

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.