

Hendeca Group Limited
Company Registration Number:
08578463
(England and Wales)

**Report of the Directors and
Audited Financial Statements**

Period of accounts
Start date: 01 April 2021
End date: 31 March 2022

**Hendeca Group Limited
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for the Year Ended 31 March 2022**

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**Hendeca Group Limited
Company Information
for the Year Ended 31 March 2022**

Directors:	J Lewis L Hobbs
Registered office:	1 Pixham End Pixham Lane Dorking Surrey RH4 1QA
Company Registration Number:	08578463 (England and Wales)
Ultimate Parent:	Surrey County Council Woodhatch Place 11 Cockshot Hill Reigate Surrey RH2 8EF
Auditor:	UHY Hacker Young LLP 4 Thomas More Square London E1W 1YW
Bankers:	HSBC 60 Queen Victoria Street London EC4N 4TR

**Hendeca Group Limited
Report of the Directors
for the Year Ended 31 March 2022**

The directors present their report with the financial statements of the company for the year ended 31 March 2022.

Principal activities

The principal activities of the company in the year under review was the supply of Professional Business Services including IT managed services, data centre hosting and fire and rescue resilience services.

Directors

The directors shown below have held office during the year from 01 April 2021 to 31 March 2022.

J Lewis (full year)

L Hobbs (full year)

S Ruddy (resigned on 30 November 2021)

J Harris (resigned on 5 May 2021)

R Childs (resigned on 25 May 2021)

P Forrester (appointed 1 December 2021 and resigned 23 June 2022)

COVID-19

The COVID-19 outbreak continued to develop into 2021 and 2022. It has resulted in unprecedented actions being taken by Governments across the globe, which have had a significant adverse impact on large swathes of the economy.

The impact on our business and results remained limited throughout the year. Due to the nature of our business and customer base there has been limited impact on our current trading environment, and we do not foresee any long-term adverse impacts.

We will continue to follow the Government's and relevant sector specific bodies' policies and advice to ensure we always protect the safety and health of our employees and customers.

We also refer to note 2.1 on the company as a going concern.

Company policy on the employment of disabled persons

It is the company's policy to give employment to disabled persons wherever practicable and to make all reasonable adjustments to enable a person with a disability to perform to their highest ability.

Directors' responsibilities statement

The directors are responsible for preparing the Directors' report 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 General Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the

financial statements unless satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently,
- make judgments and accounting estimates that are reasonable and prudent, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Provision of information to auditor

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditor in connection with preparing its report and to establish that the company's auditor is aware of that information.

Auditor

In accordance with the company's articles, a resolution proposing that UHY Hacker Young be reappointed as auditor of the company will be put at a General Meeting.

In preparing this report, the directors have taken advantage of the small companies exemptions provided by part 15 of the Companies Act 2006.

This report was approved by the board of directors on 26 October 2022

And Signed On Behalf Of The Board By:



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HENDECA GROUP LIMITED

Opinion

We have audited the financial statements of Hendeca Limited ("the Company") for the year ended 31 March 2022 which comprise the Profit and Loss Statement, the Balance Sheet, the Statement of Changes in Equity, and the 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 to law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the financial reporting standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice)

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2022 and of its 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions Relating to Going Concern

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

Based on the work we performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the entity's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

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

Other Information

The Directors are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report other than the financial statements and our auditor's report 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.

**INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF HENDECA GROUP LIMITED**

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Director's report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Director's report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Director's report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion;

- adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of Directors

As explained more fully in the statement of Director's statement of responsibilities, 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 is 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 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 Company or to cease operations, or have no realistic alternative but to do so.

**INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF HENDECA GROUP LIMITED****Auditor's 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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Based on our understanding of the company and the industry in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the acts by the company, which were contrary to applicable laws and regulations including fraud, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to inflated revenue and profit.

Audit procedures performed included: review of the financial statement disclosures to underlying supporting documentation, enquiries of management and testing of journals and evaluating whether there was evidence of bias by the Directors that represented a risk of material misstatement due to fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

**INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF HENDECA GROUP LIMITED**

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 an auditor's report 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's members as a body, for our audit work, for this report, or for the opinions we have formed.



**Jessica Moorghen (Senior Statutory Auditor)
For and on behalf of UHY Hacker Young LLP**

Chartered Accountants
Statutory Auditor
Quadrant House
4 Thomas More Square
London
E1W 1YW

Date: 6 December 2022

**Hendeca Group Limited
Profit and Loss Account
for the year ended 31 March 2022**

	Note	2022 £	2021 £
Turnover		1,858,679	1,807,639
Cost of sales	5	<u>(707,782)</u>	<u>(1,052,890)</u>
Gross profit		1,150,897	754,749
Administrative expenses		<u>(314,866)</u>	<u>(277,152)</u>
Operating profit		836,031	477,597
Interest payable and receivable	7	72	(550)
		<hr/>	<hr/>
Profit on ordinary activities before taxation	8	836,103	477,047
Tax on Profit on ordinary activities	9	<u>(159,601)</u>	<u>(90,634)</u>
Profit for the financial year		<u><u>676,502</u></u>	<u><u>386,413</u></u>

Hendeca Group Limited
Balance Sheet
as at 31 March 2022

	Note	2022		2021	
		£	£	£	£
Non-Current Assets	10		<u>29,558</u>		<u>-</u>
Current Assets					
Debtors	11	194,262		447,424	
Cash at bank and in hand		1,198,805		554,549	
Total current assets			<u>1,393,067</u>		<u>1,001,973</u>
Creditors: amounts falling due within one year	12	(292,726)		(350,631)	
Total current creditors			<u>(292,726)</u>		<u>(350,631)</u>
Net current assets			<u>1,129,899</u>		<u>651,342</u>
Creditors: amounts falling due after more than one year	13	(2,055)		-	
Net assets			<u><u>1,127,844</u></u>		<u><u>651,342</u></u>
Capital and Reserves					
Called up equity and share capital	14	1		1	
Non-distributable reserve		220,717		220,717	
Profit and loss account		907,126		430,624	
			<u><u>1,127,844</u></u>		<u><u>651,342</u></u>

The company's financial statements have been prepared in accordance with the provisions applicable to companies subject to small companies' regime.

The financial statements were approved by the Board of Directors on 26 October 2022

Signed on behalf of the board of directors by

Lynne Bell

Company Registration no: 08578463

Hendeca Group Limited
Statement of Changes in Equity
for the year ended 31 March 2022

	Share Capital	Non distributable reserve	Profit and loss Account	Total
	£	£	£	£
At 31 March 2019	1	220,717	566,674	787,392
Profit and total comprehensive income for the year	-	-	377,537	377,537
Issue of shares	-	-	-	-
Dividends agreed for the year 18/19	-	-	(500,000)	(500,000)
At 31 March 2020	1	220,717	444,211	664,929
Profit and total comprehensive income for the year	-	-	386,413	386,413
Issue of shares	-	-	-	-
Dividends paid in respect of the year 19/20	-	-	(400,000)	(400,000)
At 31 March 2021	1	220,717	430,624	651,342
Profit and total comprehensive income for the year	-	-	676,502	676,502
Issue of shares	-	-	-	-
Dividends paid in respect of the year 20/21	-	-	(200,000)	(200,000)
At 31 March 2022	1	220,717	907,126	1,127,845

Hendeca Group Limited
Notes to the Financial Statements
for the year ended 31 March 2022

1. Company Information

Hendeca Group Limited is a private Company, limited by shares, domiciled in England and Wales, Company Registration no: 08578463. The registered office is 1 Pixham End, Pixham Lane, Dorking, Surrey, RH4 1QA.

2. Basis of preparation

The financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 Section 1A Small Entities, and with the Companies Act 2006. There have been no material departures from this standard.

The financial statements have been prepared on the historical cost basis.

The Financial Statements are presented in Sterling (£).

2.1 Going Concern

Hendeca Group Limited has considerable financial resources together with contracts and new business opportunities across a range of business areas. Therefore, the directors believe that Hendeca Group Limited is well placed to manage its business risks successfully.

These contracts have not been impacted by the change in circumstances resulting from the Government's response to the COVID-19 outbreak, and the directors do not expect this to change in the future. The directors will continue to monitor and respond accordingly to the ever-changing implications of COVID-19 and the Government's response to the situation, but currently do not see this having a long-term adverse impact on the company.

After reviewing Hendeca Group Limited forecast and projections, the directors have a reasonable expectation that Hendeca Group Limited has adequate resources to continue in operational existence for the foreseeable future.

Based on the circumstances described above, the financial statements are prepared on the assumption that the entity is a going concern.

3. Accounting Policies

3.1 Turnover

The turnover shown in the profit and loss account represents revenue earned during the year, exclusive of VAT.

Hendeca Group Limited
Notes to the Financial Statements
for the year ended 31 March 2022

3.2 Recognition of income and expenditure

Revenue (income) from the sale of goods and provision of services is recognised when Hendeca Group Limited transfers the goods or completes the delivery of a service.

Expenses in relation to services received (including services provided by employees) are recorded as expenditure when the services are received rather than when payments are made.

Interest receivable on investments and payable on borrowings is accounted for respectively as income and expenditure on the basis of the effective interest rate for the relevant financial instrument rather than the cash flows fixed or determined by the contract.

3.3 Debtors

Short-term debtors are measured at transaction price, less any impairment.

3.4 Creditors

Creditors are measured at transaction price, less any impairment.

3.5 Tangible fixed assets

Assets costing £500 or more are capitalised as tangible fixed assets and are initially measured at cost. They are 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:

IT hardware	67% straight line
Office equipment	33% straight line
PPE	33% straight line
Training equipment	33% straight line
Right-of-use leased vehicles	50% 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 recognised in the profit and loss account.

Hendeca Group Limited
Notes to the Financial Statements
for the year ended 31 March 2022

3.6 Leases

This policy is applied to contracts entered into, or changed, on or after 1 January 2019. For any new contracts entered into on or after 1 January 2019 at inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- the contract involves the use of an identified asset – this may be specified explicitly in the contract or implicitly by being identified at the time the asset is made available to the company and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified.
- the Company has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract; and
- the Company has the right to direct the use of the asset throughout the period of use. The Company has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Company has the right to direct the use of the asset throughout the period in use if either:
 - the Company has the right to operate the asset; or
 - the Company designed the asset in a way that predetermines how and for what purpose it will be used.

3.7 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

3.7 Non-Distributable Reserves

Reserves are created when a company sets aside specific amounts for future policy purposes or to cover contingencies. These reserves are created by appropriating amounts out of the Profit and Loss Account in the Statement of changes in Equity.

The Company has been able to claim group tax relief due to the surrender of losses from another company within the Surrey County Council group of companies. These losses have been deducted from the company's total profits, reducing the amount of corporation tax payable.

The Company is taking a prudent approach and is treating this tax relief benefit as a non-distributable reserve since it may be reviewed by HMRC within 3 years of the claim. The reserve will be held for a period of three years with the treatment reviewed annually.

Hendeca Group Limited
Notes to the Financial Statements
for the year ended 31 March 2022

4. Taxation

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the tax authorities. The tax rates and tax laws used to calculate the amount are those enacted by the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date, except as otherwise indicated.

Deferred tax assets are only 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.

A deferred tax liability or asset is recognised for the additional tax that will be incurred or deductible in the future based on assets and liabilities that are recognised in a business combination.

Deferred tax is calculated using the tax rates and laws that have been enacted by the reporting date that are expected to apply to the reversal of the timing difference.

5. Cost of Sales and Staff Costs

	2022	2021
	£	£
Cost of Sales before staff costs	263,482	629,446
Social Security Costs	28,743	24,003
Pension Costs	4,616	5,230
	<u>707,782</u>	<u>1,052,890</u>

Of Hendeca Group's staff three full time employees and six part time employees are enrolled in a National Employment Savings Trust (NEST) pension scheme or Local Government Pension Scheme (LGPS). Contributions payable are recognised in the profit and loss account when due. All other employees are engaged on a part-time basis.

6. Average number of Employees

During 21/22 the average number of employees was 55 (7 full time employees and 48 who received a monthly retainer). In 20/21 this was 54 (4 full time employees and 50 who received a monthly retainer).

Hendeca Group Limited
Notes to the Financial Statements
for the year ended 31 March 2022

7. Interest Payable and Receivable

	2022	2021
	£	£
Interest receivable	725	-
Bank charges	<u>(653)</u>	<u>(550)</u>
	<u>72</u>	<u>(550)</u>

8. Profit on ordinary activities before taxation

The profit on ordinary activities before taxation is stated after:

Auditor's Remuneration and Tax fees:

	2022	2021
	£	£
Audit Fees	13,400	12,500
Tax Compliance services	<u>1,950</u>	<u>1,800</u>
	<u>15,350</u>	<u>14,300</u>

9. Taxation

The tax charge on the profit on ordinary activities for this year was as follows:

	2022	2021
	£	£
UK Corporation Tax	154,530	<u>90,634</u>
Deferred tax	<u>5,071</u>	<u>-</u>
Tax on profit on ordinary activities	<u>159,601</u>	<u>90,634</u>
Profit on ordinary activities before taxation	<u>836,103</u>	<u>477,047</u>
Rate of tax for year	19%	19%
Profit on ordinary activities before taxation multiplied by the rate of tax for year	158,860	90,639
Expenses not deductible to tax purposes	855	-
Fixed asset differences	(1,289)	-
Remeasurement of deferred tax for changes in tax rates	1,176	-
Adjustments in respect of prior years	-	57
Deferred tax not recognised	-	(62)
Rounding	(1)	-
Current tax charge	<u>159,601</u>	<u>90,634</u>

Hendeca Group Limited
Notes to the Financial Statements
for the year ended 31 March 2022

10. Non-current assets

	IT hardware	Office equipment	PPE	Training equipment	Right- of-use leased vehicles	Total
	£	£	£	£	£	£
Cost						
At 1 April 2021	-	-	-	-	-	-
Additions	3,741	7,045	6,735	5,088	8,892	31,501
Disposal	-	-	-	-	-	-
At 31 March 2022	3,741	7,045	6,735	5,088	8,892	31,501
Depreciation						
At 1 April 2021	-	-	-	-	-	-
Provided in the year	192	584	717	244	206	1,943
Disposal	-	-	-	-	-	-
At 31 March 2022	192	584	717	244	206	1,943
Net book amount						
At 31 March 2022	3,549	6,461	6,018	4,844	8,686	29,558
At 31 March 2021	-	-	-	-	-	-

11. Debtors

	2022 £	2021 £
Trade Debtors	83,232	438,222
Prepayments and accrued income	111,030	9,202
	<u>194,262</u>	<u>447,424</u>

12. Creditors

	2022 £	2021 £
Trade creditors	82,234	247,326
Other creditors	210,492	103,305
	<u>292,726</u>	<u>350,631</u>

All amounts are payable within one year.

Hendeca Group Limited
Notes to the Financial Statements
for the year ended 31 March 2022

13. Leasing Commitments

The Company's lease activity for the year to 31 March 2022 relates to right-of-use assets for motor vehicles. The total cash outflow in respect of leases in the year is £4,371 (2021: £0).

The company's future minimum operating lease payments are as follows:

	2022	2021
	£	£
Within one year	2,466	-
Between one and five years	2,055	-

14. Called Up Share Capital

Allotted and called up:

Class	Number of Shares	Nominal Value per Share (£)	Total
Ordinary	1	1	1

The authorised share capital of Hendeca Group Limited consists of 100 ordinary shares with a nominal value of £1, of which 1 ordinary share has been issued at par.

15. Post balance sheet events

Since the end of the financial year, Hendeca Group Limited purchased training materials at a cost of £40,000.

16. Related Party Disclosures

Janine Lewis is the director of Vital Business Resources Limited, the amount of £18,964 was paid to Janine Lewis for the services provided for year ending 31st March 2022.

17. Ultimate controlling party

The ultimate controlling party of Hendeca Group Limited is Surrey County Council, which owns the entire issued share capital.

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