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**Fresh Approach (UK) Holdings Limited**

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**Annual Report and Consolidated Financial Statements**

**For the Year Ended 31 December 2020**

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**Fresh Approach (UK) Holdings Limited**

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**Company Information**

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<b>Directors</b>	A P Wilson L Harris K N Cockwill
<b>Registered number</b>	09005926
<b>Registered office</b>	Fin House 1 Oakwater Avenue Cheadle Royal Business Park Cheadle Cheshire SK8 3SR
<b>Independent auditors</b>	Hurst Accountants Limited Chartered Accountants & Statutory Auditors Lancashire Gate 21 Tiviot Dale Stockport SK1 1TD

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**Group Strategic Report  
For the Year Ended 31 December 2020**

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The directors present their strategic report for the year ended 31 December 2020.

**Principal activity**

The principal activity of the company is that of the creation and delivery of creative communications through live events, strategy and content, experiential, design, film, digital and exhibitions.

**Business review**

The directors are delighted with the trading performance of the business in the year to 31 December 2020. We commenced the year with a very healthy pipeline, reported a record Q1, and with the momentum of the business we were on course for a record full year. Then COVID-19 arrived, and the bans placed on gatherings of people from March 2020 forced us to reflect on our core offering, adapt and evolve. Almost overnight we changed from delivering live event experiences to online event experiences and due to the fantastic relationships we have developed and nurtured with our clients over the years we had their trust to continue delivering amazing experiences, albeit in slightly different circumstances.

Despite a £2,116,144 reduction in trading subsidiary's sales from £11,272,841 in the year to 31 December 2019 to £9,156,697 in the year to 31 December 2020, there has been a significant increase in the gross profit margin of 10.7% from 32.6% in the year to 31 December 2019 to 43.3% in the year to 31 December 2020. This is due to the business experiencing a reduction in cost of sales due to restrictions on physical events in 2020 as a result of COVID-19.

This increased gross profit margin, together with careful and considered cost management, has resulted in the trading subsidiary's trading profit before tax increasing fivefold to £785,767 for the year to 31 December 2020. An increase of £645,348 from the £140,419 in the year to 31 December 2019. The adjusted trading EBITDA in the year to 31 December 2020 was £919,825, at a margin of 10.0%.

The group EBITDA in the year to 31 December 2020 was £692,307, an increase of £605,792 from £86,515 in the year to 31 December 2019. Although the reported profit and loss account shows a loss before tax of £955,706 (2019 - £1,547,024), it is at this level due to the effect of loan note interest accruing at £670,724 (2019 - £657,220) and the 10 year accounting amortisation of the goodwill arising on consolidation at £879,148 (2019 - £879,148) per annum. It is worth noting that from 1 July 2014 all loan note interest is being rolled and therefore no cash payments are anticipated in the foreseeable future in order to protect the cash reserves and to enable the group to continue to grow.

The outstanding loan notes totaling £8,060,273 are presented in the balance sheet as being repayable in more than 1 year. The holders of these notes have confirmed that they will not require redemption of the loan notes for the foreseeable future and for a minimum of a rolling 12 months.

During this challenging year and with all the uncertainties due to the pandemic, the Group's liquidity and cash flow is as strong as ever which has enabled it to continue to invest in its team, hardware, software and services, all whilst carefully controlling its cost base. The Group has utilised some of the government support schemes namely the Coronavirus Job Retention Scheme together with the opportunity to defer tax payments. With the careful and considered management of the business and the utilisation of these government schemes it has enabled the business to commence 2021 in great financial health.

The significant time invested in pitch work and getting closer to our existing clients in the second half of 2019, which resulted in the award of several multiyear contracts for some well-known global brands, has really come to fruition during 2020 as evidenced in the business's performance. The Group aims to develop and build on these successes in order to further grow and develop over the coming years.

Group Strategic Report (continued)  
For the Year Ended 31 December 2020

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**Principal risks and uncertainties**

At the start of 2020 the globe entered a period of uncertainty and concern with the outbreak of the COVID-19 pandemic. Due to the social restrictions and distancing measures put in place in the UK there have been huge implications on the economy and the event industry as a whole. Having had a fantastic start to 2020, delivering a fresh record Q1, and adapting our offering to our clients, the impact of COVID-19 has been mitigated to having only negatively impacted our topline sales.

The events, marketing and corporate communications industry is one that is highly competitive which can subject the business to increased risk together with increased opportunities. Although many of our clients are long-standing, these businesses will often put their services out for competitive review or will simply make cost savings internally and cancel events for a multitude of reasons.

Our employees are the most important assets within the business and the retention and recruitment of high caliber talent is key to our future. This fresh talent is instrumental in delivering our creative services, building client relationships and winning new business. We provide a competitive rewards package, a modern creative workspace and ongoing training and development programs. The loss of key talent could potentially impact the quality of services provided leading to a potentially damaged reputation, loss of clients and ultimately revenues.

As the business trades in the service industry, and mainly the retail sector, the performance of the business will often depend on the financial health of its clients and also the economic climate in which they may operate. The company seeks to mitigate these risks by operating across diverse sectors together with widening the current client base.

**Financial key performance indicators**

The business uses a number of financial and non-financial key performance indicators to monitor the business performance:

	2020	2019
Current ratio	0.64	0.64
Gross margin	43.3%	32.6%
EBITDA	£692,307	£86,515
Cash at bank	£1,447,379	£650,829

This report was approved by the board and signed on its behalf.

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**A P Wilson**  
Director

Date: 8 March 2021

**Directors' Report**  
**For the Year Ended 31 December 2020**

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The directors present their report and the financial statements for the year ended 31 December 2020.

**Directors' responsibilities statement**

The directors are responsible for preparing the Group Strategic Report, the Directors' Report and the consolidated 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), 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 for the Group's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group 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 the Group and to 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.

**Results and dividends**

The loss for the year, after taxation, amounted to £957,411 (2019 - loss £1,537,421).

The directors do not recommend the payment of a final dividend (2019: nil).

**Directors**

The directors who served during the year were:

A P Wilson  
L Harris  
K N Cockwill

**Future developments**

Details of the likely future developments in the Company's business are included in the Strategic Report.

**Directors' Report (continued)**  
**For the Year Ended 31 December 2020**

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**Financial instruments**

The Group's principal financial instruments comprise bank balances, trade creditors, trade debtors and loan note instruments. The main purpose of these instruments is to finance the Company's operations.

The Company's approach to managing other risks applicable to the financial instruments concerned is shown below.

In respect of bank balances the liquidity risk is managed by maintaining a balance between the continuity of funding and flexible borrowing. The company manages liquidity risk by ensuring there are sufficient funds to meet the payments.

Trade debtors are managed in respect of credit and cashflow risk by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit limits.

Trade creditors liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

**Disclosure of information to auditors**

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

- so far as the director is aware, there is no relevant audit information of which the Company and the Group's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company and the Group's auditors are aware of that information.

**Post balance sheet events**

Details regarding post balance sheet events affecting the Group are included in the Strategic Report.

**Auditors**

The auditors, Hurst Accountants Limited, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

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**A P Wilson**

Director

Date: 8 March 2021

**Independent Auditors' Report to the Members of Fresh Approach (UK) Holdings Limited**

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**Opinion**

We have audited the financial statements of Fresh Approach (UK) Holdings Limited (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2020, which comprise the Group Statement of Comprehensive Income, the Group and Company Statements of Financial Position, the Group Statement of Cash Flows, the Group and Company Statement of Changes in Equity and the related notes, 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's affairs as at 31 December 2020 and of the Group's loss 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 United Kingdom, including the Financial Reporting Council'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 have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent Company's ability to continue as a going concern for a period of at least twelve 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.

**Independent Auditors' Report to the Members of Fresh Approach (UK) Holdings Limited (continued)**

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**Other information**

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' 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.

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.

**Opinion 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Directors' 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 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 Directors' 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 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 Directors' Responsibilities Statement set out on page 3, 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 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.

**Independent Auditors' Report to the Members of Fresh Approach (UK) Holdings Limited (continued)**

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**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 an Auditors' 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 Group financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We identify and assess the risks of material misstatement of the financial statements whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

**Identifying and assessing potential risks related to irregularities**

In identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- The nature of the industry and sector, control environment and business performance including key drivers for directors' remuneration and bonus levels;
- Enquiring of local management and parent company management concerning the Group's policies and procedures relating to:
  - Identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
  - The internal controls established to mitigate risks relate to fraud or non-compliance with laws and regulations.
- Discussions amongst the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud;
- Obtaining and understanding of the legal and regulatory frameworks that the Group operates in, such as provisions of the UK Companies Act, pensions and tax legislation, General Data Protection requirements, Anti-bribery policy and the application of the Coronavirus Job Retention Scheme.
- Revenue recognition gives rise to a risk of material misstatement due to fraud. Revenue may be recognised in the wrong period.

**Audit response to risks identified**

Our procedures to respond to risks identified included the following:

- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Enquiring of management concerning actual and potential litigation and claims;
- Reading minutes of meetings of those charged with governance;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Reviewing manual journals posted by management throughout the period and testing any unusual or unexpected entries;
- Carrying out substantive testing to confirm the validity and accuracy of grant claims under the Coronavirus Job Retention Scheme;



**Independent Auditors' Report to the Members of Fresh Approach (UK) Holdings Limited (continued)**

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- Testing a sample of customer orders throughout the year and at the year end, ensuring the revenue has been recognised in line with United Kingdom Generally Accepted Accounting Practice.

We have also considered the risks noted above in addressing the risk of fraud through management override of controls:

- Testing the appropriateness of journal entries and other adjustments; we have used data analytics software to runs tests designed to identify accounting transactions which may pose a heightened risk of material misstatement, whether due to fraud or error;
- Assessing whether the judgements made in making accounting estimates are indicative of a potential bias;
- Evaluation the business rationale of any significant transactions that are unusual or outside the normal course of business

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

There are inherent limitations in the audit procedures and there is an unavoidable risk that we may not have detected some material misstatements in the financial statements. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' Report.

**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 Auditors' 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 and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

John Glover (Senior Statutory Auditor)  
for and on behalf of  
**Hurst Accountants Limited**  
Chartered Accountants & Statutory Auditors  
Lancashire Gate  
21 Tiviot Dale  
Stockport  
SK1 1TD

8 March 2021

**Fresh Approach (UK) Holdings Limited**

**Consolidated Statement of Comprehensive Income  
For the Year Ended 31 December 2020**

	Note	2020 £	2019 £
Turnover	4	9,156,697	11,272,841
Cost of sales		(5,191,879)	(7,597,323)
<b>Gross profit</b>		<b>3,964,818</b>	<b>3,675,518</b>
Administrative expenses		(4,486,779)	(4,552,822)
Other operating income	5	243,918	-
<b>Operating loss</b>	6	<b>(278,043)</b>	<b>(877,304)</b>
Interest receivable and similar income	10	368	131
Interest payable and expenses	11	(678,031)	(669,851)
<b>Loss before taxation</b>		<b>(955,706)</b>	<b>(1,547,024)</b>
Tax on loss	12	(1,705)	9,603
<b>Loss and total comprehensive deficit for the financial year</b>		<b>(957,411)</b>	<b>(1,537,421)</b>

The notes on pages 16 to 34 form part of these financial statements.

**Fresh Approach (UK) Holdings Limited**  
Registered number: 09005926

**Consolidated Statement of Financial Position**  
As at 31 December 2020

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Intangible assets	13	3,003,759	3,882,907
Tangible assets	14	213,311	176,865
		<u>3,217,070</u>	<u>4,059,772</u>
<b>Current assets</b>			
Stocks	16	110,279	111,858
Debtors: amounts falling due within one year	17	3,681,369	4,215,525
Cash at bank and in hand	18	1,447,379	650,829
		<u>5,239,027</u>	<u>4,978,212</u>
Creditors: amounts falling due within one year	19	(8,152,355)	(7,750,767)
<b>Net current liabilities</b>		<u>(2,913,328)</u>	<u>(2,772,555)</u>
<b>Total assets less current liabilities</b>		<u>303,742</u>	<u>1,287,217</u>
Creditors: amounts falling due after more than one year	20	(8,091,188)	(8,118,957)
<b>Provisions for liabilities</b>			
Deferred taxation	23	(28,456)	(26,751)
<b>Net liabilities</b>		<u>(7,815,902)</u>	<u>(6,858,491)</u>
<b>Capital and reserves</b>			
Called up share capital	24	552,030	552,030
Share premium account		674,437	674,437
Profit and loss account		(9,042,369)	(8,084,958)
<b>Equity attributable to owners of the parent Company</b>		<u>(7,815,902)</u>	<u>(6,858,491)</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

.....  
**A P Wilson**

Director

Date: 8 March 2021

The notes on pages 16 to 34 form part of these financial statements.

**Fresh Approach (UK) Holdings Limited**  
**Registered number: 09005926**

**Company Statement of Financial Position**  
**As at 31 December 2020**

	<b>Note</b>	<b>2020</b> <b>£</b>	<b>2019</b> <b>£</b>
<b>Fixed assets</b>			
Investments	15	<b>10,457,065</b>	<i>10,457,065</i>
<b>Current assets</b>			
Debtors: amounts falling due within one year	17	<b>121,809</b>	<i>121,809</i>
Creditors: amounts falling due within one year	19	<b>(6,437,172)</b>	<i>(5,574,847)</i>
<b>Net current liabilities</b>		<b>(6,315,363)</b>	<i>(5,453,038)</i>
<b>Total assets less current liabilities</b>		<b>4,141,702</b>	<i>5,004,027</i>
Creditors: amounts falling due after more than one year	20	<b>(8,060,273)</b>	<i>(8,060,273)</i>
<b>Net liabilities</b>		<b>(3,918,571)</b>	<i>(3,056,246)</i>
<b>Capital and reserves</b>			
Called up share capital	24	<b>552,030</b>	<i>552,030</i>
Share premium account		<b>674,437</b>	<i>674,437</i>
Profit and loss account		<b>(5,145,038)</b>	<i>(4,282,713)</i>
		<b>(3,918,571)</b>	<i>(3,056,246)</i>

The company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own statement of comprehensive income in these financial statements. The loss after tax of the parent company for the year was £862,325 (2019: loss £808,294).

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

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**A P Wilson**  
Director

Date: 8 March 2021

The notes on pages 16 to 34 form part of these financial statements.

**Fresh Approach (UK) Holdings Limited**

**Consolidated Statement of Changes in Equity  
For the Year Ended 31 December 2020**

	Called up share capital £	Share premium account £	Profit and loss account £	Equity attributable to owners of parent Company £	Total equity £
At 1 January 2020	552,030	674,437	(8,084,958)	(6,858,491)	(6,858,491)
<b>Comprehensive income for the year</b>					
Loss for the year	-	-	(957,411)	(957,411)	(957,411)
<b>Total comprehensive income for the year</b>	-	-	(957,411)	(957,411)	(957,411)
<b>At 31 December 2020</b>	<u>552,030</u>	<u>674,437</u>	<u>(9,042,369)</u>	<u>(7,815,902)</u>	<u>(7,815,902)</u>

**Consolidated Statement of Changes in Equity  
For the Year Ended 31 December 2019**

	Called up share capital £	Share premium account £	Profit and loss account £	Equity attributable to owners of parent Company £	Total equity £
At 1 January 2019	552,030	674,437	(6,547,537)	(5,321,070)	(5,321,070)
<b>Comprehensive income for the year</b>					
Loss for the year	-	-	(1,537,421)	(1,537,421)	(1,537,421)
<b>Total comprehensive income for the year</b>	-	-	(1,537,421)	(1,537,421)	(1,537,421)
<b>At 31 December 2019</b>	<u>552,030</u>	<u>674,437</u>	<u>(8,084,958)</u>	<u>(6,858,491)</u>	<u>(6,858,491)</u>

Fresh Approach (UK) Holdings Limited

Company Statement of Changes in Equity  
For the Year Ended 31 December 2020

	Called up share capital £	Share premium account £	Profit and loss account £	Total equity £
At 1 January 2020	552,030	674,437	(4,282,713)	(3,056,246)
<b>Comprehensive deficit for the year</b>				
Loss for the year	-	-	(862,325)	(862,325)
<b>Total comprehensive deficit for the year</b>	<u>-</u>	<u>-</u>	<u>(862,325)</u>	<u>(862,325)</u>
<b>At 31 December 2020</b>	<u>552,030</u>	<u>674,437</u>	<u>(5,145,038)</u>	<u>(3,918,571)</u>

Company Statement of Changes in Equity  
For the Year Ended 31 December 2019

	Called up share capital £	Share premium account £	Profit and loss account £	Total equity £
At 1 January 2019	552,030	674,437	(3,474,419)	(2,247,952)
<b>Comprehensive deficit for the period</b>				
Loss for the year	-	-	(808,294)	(808,294)
<b>Total comprehensive deficit for the period</b>	<u>-</u>	<u>-</u>	<u>(808,294)</u>	<u>(808,294)</u>
<b>At 31 December 2019</b>	<u>552,030</u>	<u>674,437</u>	<u>(4,282,713)</u>	<u>(3,056,246)</u>

**Fresh Approach (UK) Holdings Limited**

**Consolidated Statement of Cash Flows  
For the Year Ended 31 December 2020**

	2020	2019
	£	£
<b>Cash flows from operating activities</b>		
Loss for the financial year	(957,411)	(1,537,421)
<b>Adjustments for:</b>		
Amortisation of intangible assets	879,148	879,148
Depreciation of tangible assets	91,204	84,673
Interest paid	12,812	12,631
Interest received	(368)	(131)
Taxation charge	1,705	(9,603)
Decrease in stocks	1,579	16,697
Decrease/(increase) in debtors	533,821	(653,856)
Increase in creditors	401,922	1,691,822
Corporation tax received	-	58
<b>Net cash generated from operating activities</b>	<b>964,412</b>	<b>484,018</b>
<b>Cash flows from investing activities</b>		
Purchase of tangible fixed assets	(127,650)	(30,620)
Interest received	368	131
HP interest paid	(4,711)	(4,530)
<b>Net cash from investing activities</b>	<b>(131,993)</b>	<b>(35,019)</b>
<b>Cash flows from financing activities</b>		
Repayment of/new finance leases	(27,768)	(7,826)
Interest paid	(8,101)	(8,101)
<b>Net cash used in financing activities</b>	<b>(35,869)</b>	<b>(15,927)</b>
<b>Net increase in cash and cash equivalents</b>	<b>796,550</b>	<b>433,072</b>
Cash and cash equivalents at beginning of year	650,829	217,757
<b>Cash and cash equivalents at the end of year</b>	<b>1,447,379</b>	<b>650,829</b>
<b>Cash and cash equivalents at the end of year comprise:</b>		
Cash at bank and in hand	<b>1,447,379</b>	<b>650,829</b>

The notes on pages 16 to 34 form part of these financial statements.

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Fresh Approach (UK) Holdings Limited

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Consolidated Analysis of Net Debt  
For the Year Ended 31 December 2020

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	At 1 January 2020 £	Cash flows £	At 31 Decembe 2020
Cash at bank and in hand	650,829	796,550	1,447,379
Debt due after 1 year	(8,060,273)	-	(8,060,273)
Finance leases	(89,614)	27,768	(61,846)
	<u>(7,499,058)</u>	<u>824,318</u>	<u>(6,674,740)</u>

The notes on pages 16 to 34 form part of these financial statements.

Notes to the Financial Statements  
For the Year Ended 31 December 2020

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**1. General information**

Fresh Approach (UK) Holdings Limited is a private company limited by members capital incorporated in England and Wales. The address of the registered office and principal place of business is Fin House, 1 Oakwater Avenue, Cheadle Royal Business Park, Cheadle, Cheshire, SK8 3SR. The company's registration number is 09005926. The nature of the group's operation and principal activity is that of the creation and delivery of creative communications through live events, experiential, film, digital, content, exhibitions and design. The nature of the company's operation and principal activity is that of a holding company.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgement in applying the Group's accounting policies (see note 3).

The following principal accounting policies have been applied:

**2.2 Basis of consolidation**

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Statement of Financial Position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated Statement of Comprehensive Income from the date on which control is obtained. They are deconsolidated from the date control ceases.

In accordance with the transitional exemption available in FRS 102, the group has chosen not to retrospectively apply the standard to business combinations that occurred before the date of transition to FRS 102, being 01 October 2014.

**2.3 Financial reporting standard 102 - reduced disclosure exemptions**

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- The requirement of Section 7 Statement of Cash Flows;
- The requirement of Section 3 Financial Statement Presentation paragraph 3.17 (d).

The Company's information is included in the consolidated financial statements.

Notes to the Financial Statements  
For the Year Ended 31 December 2020

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2. Accounting policies (continued)

2.4 Going concern

The directors have presented the financial statements on a going concern basis which assumes the group will have sufficient resources to meet liabilities as they fall due.

During the year ended 31 December 2020, the group reported a loss of £957,411 (2019: £1,537,421) and net liabilities totalled £7,815,902 at 31 December 2020 (2019: £6,858,491).

At 31 December 2020, the company had net current liabilities of £6,315,363 (2019: £5,453,038) and net liabilities of £3,918,571 (2019: £3,056,246).

Parent company loan notes totalling £6,560,273 were repayable on 3 June 2019. Interest is charged at 8%. The remaining £1,500,000 was repayable on 31 December 2019. Interest is charged at rates ranging from 6% to 10%. Whilst interest is charged on the loan notes, it is not paid. Loan note holders have confirmed that they will not require the redemption of the loan notes for the foreseeable future. Therefore the loan notes have been classified as 'amounts falling due after more than one year' in the balance sheet at 31 December 2020.

The directors have prepared profit and cash flow forecasts covering the next three years. The directors believe that the assumptions underlying their forecasts are reasonable and accordingly that the group can continue for the foreseeable future to discharge their liabilities as and when they fall due. The financial statements have therefore been prepared on a going concern basis and have considered the current financial position of the group and reviewed projected performance for a period of 12 months from the date of approval of the financial statements.

2.5 Foreign currency translation

**Functional and presentation currency**

The Company's functional and presentational currency is GBP.

**Transactions and balances**

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Consolidated Statement of Comprehensive Income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Consolidated Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Consolidated Statement of Comprehensive Income within 'other operating income'.

On consolidation, the results of overseas operations are translated into Sterling at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

Notes to the Financial Statements  
For the Year Ended 31 December 2020

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2. Accounting policies (continued)

2.6 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

**Rendering of services**

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.7 Operating leases: the Group as lessee

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.8 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to the Consolidated Statement of Comprehensive Income at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Consolidated Statement of Comprehensive Income in the same period as the related expenditure.

2.9 Interest income

Interest income is recognised in the Consolidated Statement of Comprehensive Income using the effective interest method.

2.10 Finance costs

Finance costs are charged to the Consolidated Statement of Comprehensive Income 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.

2.11 Borrowing costs

All borrowing costs are recognised in the Consolidated Statement of Comprehensive Income in the year in which they are incurred.

Notes to the Financial Statements  
For the Year Ended 31 December 2020

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2. Accounting policies (continued)

2.12 Pensions

**Defined contribution pension plan**

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in the Consolidated Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Group in independently administered funds.

2.13 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Consolidated Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

Notes to the Financial Statements  
For the Year Ended 31 December 2020

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2. Accounting policies (continued)

2.14 Intangible assets

**Goodwill**

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the Group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Consolidated Statement of Comprehensive Income over its useful economic life.

**Other intangible assets**

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

Goodwill	-	10	years
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2.15 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using both the straight-line method and reducing balance method..

Depreciation is provided on the following basis:

Long-term leasehold property	- 10% straight line on cost
Plant and machinery	- 25% straight line
Motor vehicles	- 25% straight line
Fixtures and fittings	- 20/25% straight line on cost

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Consolidated Statement of Comprehensive Income.

2.16 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Notes to the Financial Statements  
For the Year Ended 31 December 2020

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2. Accounting policies (continued)

2.17 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less attributable overheads.

The Group classifies as long term those contracts which relate to the provision of services where the contract activity extends over more than one accounting period. The length of these contracts does not usually exceed 12 months. The amount recognised as turnover represents completed sales and the value of services performed during the period. When the outcome of a contract can be assessed with reasonable certainty attributable profit is recognised in proportion to the amount of turnover shown in the accounts. Long term contract balances are included in the balance sheet at the net sales value of work done less foreseeable losses and after deduction of any payments on account. When the amount recognised as turnover exceeds the payments on account in respect of the contract the balance is included in debtors as amounts recoverable on contracts. Excess progress payments are included in creditors as payments on account.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.18 Debtors

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

2.19 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.

In the Consolidated Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

2.20 Creditors

Short term creditors are measured at the transaction price.

2.21 Provisions for liabilities

Provisions are made where an event has taken place that gives the Group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Consolidated Statement of Comprehensive Income in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the Statement of Financial Position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of Financial Position.

Notes to the Financial Statements  
For the Year Ended 31 December 2020

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**3. Judgements in applying accounting policies and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

Management discussed with the directors the development, selection and disclosure of the Company's critical accounting policies and estimates and the application of these policies and estimates. The key sources of estimation, uncertainty and critical accounting judgements in applying the Company's policies are discussed below:

**Revenue recognition and work in progress**

The management of the Company exercises significant judgement in making an assessment of the stage of completion of a contract at the year end and the appropriate amount of revenue and attributable profit to recognise. The Company has recognised work in progress with a carrying value of £100,279 (2019: £96,858), amounts recoverable on contracts with a carrying value of £424,645 (2019: £421,001), accrued income with a carrying value of £38,118 (2019: £141,937) and deferred income with a carrying value of £1,557,141 (2019: £1,366,344).

**Provision for impairment loss on trade debtors**

The Company has recognised trade debtors with a carrying value of £3,003,851 (2019: £3,457,696). The recoverability of trade debtors is regularly reviewed in light of the available economic information specific to each debtor and specific provisions are recognised for balances considered to be at risk or irrecoverable.

**Property, plant and equipment**

Management of the Company also exercises significant judgement in estimating the useful life of tangible fixed assets. At the year end, the company has recognised assets with a net book value of £213,311 (2019: £176,865).

**Goodwill**

Goodwill acquired on business combinations is capitalised on the balance sheet and amortised over its expected useful economic life or ten years, whichever is the shorter. At 31 December 2020, the carrying value of goodwill was £3,003,759 (2019: £3,882,907).

Should these estimates vary, the profit or loss and balance sheet of the following years could be significantly impacted.

There are no other estimates or judgements.

**Notes to the Financial Statements  
For the Year Ended 31 December 2020**

**4. Turnover**

The whole of the turnover is attributable to the creation and delivery of the creation and delivery of creative communications through live events, experiential, film, digital, content, exhibitions and design.

Analysis of turnover by country of destination:

	2020	2019
	£	£
United Kingdom	9,016,009	10,965,697
Rest of Europe	140,688	307,144
	9,156,697	11,272,841

**5. Other operating income**

	2020	2019
	£	£
Other operating income	243,918	-
	243,918	-

Government grant income relates to amounts claimed in accordance with the Coronavirus Job Retention Scheme.

**6. Operating loss**

The operating loss is stated after charging:

	2020	2019
	£	£
Depreciation of tangible fixed assets	91,204	84,673
Amortisation of intangible assets, including goodwill	879,148	879,148
Operating lease rentals - land and buildings	299,651	298,853
Operating lease rentals - other	15,481	13,465
Defined contribution pension cost	76,391	64,895

**Notes to the Financial Statements  
For the Year Ended 31 December 2020**

**7. Auditors' remuneration**

	<b>2020</b>	<i>2019</i>
	£	£
Fees payable to the Group's auditor and its associates for the audit of the Group's annual financial statements	<u>14,000</u>	<u>13,000</u>
<b>Fees payable to the Group's auditor in respect of:</b>		
Other services relating to taxation	-	3,390
All other services	<u>3,250</u>	<u>3,250</u>
	<u>3,250</u>	<u>6,640</u>

**8. Employees**

Staff costs, including directors' remuneration, were as follows:

	<b>Group 2020</b>	<i>Group 2019</i>
	£	£
Wages and salaries	2,347,788	2,264,985
Social security costs	234,898	222,844
Cost of defined contribution scheme	76,391	64,895
	<u>2,659,077</u>	<u>2,552,724</u>

The average monthly number of employees, including the directors, during the year was as follows:

	<b>2020</b>	<i>2019</i>
	No.	No.
Administration and support	9	8
Account management, creative and delivery	59	53
Directors	6	7
	<u>74</u>	<u>68</u>

The Company has no employees other than the directors, who did not receive any remuneration (2019 - ENIL)

Notes to the Financial Statements  
For the Year Ended 31 December 2020

9. Directors' remuneration

	2020	2019
	£	£
Directors' emoluments	227,509	209,497
Company contributions to defined contribution pension schemes	11,956	10,766
Compensation for loss of office	-	67,500
	<u>239,465</u>	<u>287,763</u>

During the year retirement benefits were accruing to 3 directors (2019 - 3) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £115,269 (2019 - £161,224).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £5,919 (2019 - £5,020).

10. Interest receivable

	2020	2019
	£	£
Other interest receivable	<u>368</u>	<u>131</u>

11. Interest payable and similar expenses

	2020	2019
	£	£
Bank interest payable	1,057	6,897
Other loan interest payable	670,724	657,220
Finance leases and hire purchase contracts	4,711	4,530
Other interest payable	1,539	1,204
	<u>678,031</u>	<u>669,851</u>

Notes to the Financial Statements  
For the Year Ended 31 December 2020

12. Taxation

	2020 £	2019 £
<b>Corporation tax</b>		
Current tax on profits for the year	-	(58)
	<u>-</u>	<u>(58)</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	1,705	(9,545)
<b>Total deferred tax</b>	<u>1,705</u>	<u>(9,545)</u>
<b>Taxation on profit/(loss) on ordinary activities</b>	<u><u>1,705</u></u>	<u><u>(9,603)</u></u>

**Factors affecting tax charge for the year**

The tax assessed for the year is higher than (2019 - higher than) the standard rate of corporation tax in the UK of 19% (2019 - 19%). The differences are explained below:

	2020 £	2019 £
Loss on ordinary activities before tax	<u>(955,706)</u>	<u>(1,547,024)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019 - 19%)	(181,584)	(293,935)
<b>Effects of:</b>		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	8,268	4,460
Other timing differences leading to an increase (decrease) in taxation	(5,700)	(2,909)
Unrelieved tax losses carried forward	13,683	115,743
Goodwill amortisation on consolidation	167,038	167,038
<b>Total tax charge for the year</b>	<u><u>1,705</u></u>	<u><u>(9,603)</u></u>

**Factors that may affect future tax charges**

There are tax losses of £1,316,785 available to offset against future trading taxable profits.

Notes to the Financial Statements  
For the Year Ended 31 December 2020

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13. Intangible assets

Group

	Goodwill £
<b>Cost</b>	
At 1 January 2020	8,855,320
At 31 December 2020	<u>8,855,320</u>
<b>Amortisation</b>	
At 1 January 2020	4,972,413
Charge for the year	879,148
At 31 December 2020	<u>5,851,561</u>
<b>Net book value</b>	
At 31 December 2020	<u>3,003,759</u>
<i>At 31 December 2019</i>	<u>3,882,907</u>

Notes to the Financial Statements  
For the Year Ended 31 December 2020

14. Tangible fixed assets

Group

	Long-term leasehold property	Plant and machinery	Motor vehicles	Fixtures and fittings	Total
	£	£	£	£	£
<b>Cost or valuation</b>					
At 1 January 2020	182,757	19,389	7,690	1,196,903	1,406,739
Additions	-	-	-	127,650	127,650
At 31 December 2020	<u>182,757</u>	<u>19,389</u>	<u>7,690</u>	<u>1,324,553</u>	<u>1,534,389</u>
<b>Depreciation</b>					
At 1 January 2020	172,170	19,054	7,690	1,030,960	1,229,874
Charge for the year	6,648	335	-	84,221	91,204
At 31 December 2020	<u>178,818</u>	<u>19,389</u>	<u>7,690</u>	<u>1,115,181</u>	<u>1,321,078</u>
<b>Net book value</b>					
At 31 December 2020	<u>3,939</u>	<u>-</u>	<u>-</u>	<u>209,372</u>	<u>213,311</u>
<i>At 31 December 2019</i>	<u>10,587</u>	<u>335</u>	<u>-</u>	<u>165,943</u>	<u>176,865</u>

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2020	2019
	£	£
Furniture, fittings and equipment	<u>55,817</u>	<u>87,581</u>

Notes to the Financial Statements  
For the Year Ended 31 December 2020

**15. Fixed asset investments**

**Company**

	<b>Investments in subsidiary companies</b>
	<b>£</b>
<b>Cost or valuation</b>	
At 1 January 2020	10,457,065
At 31 December 2020	10,457,065

**Subsidiary undertaking**

The following was a subsidiary undertaking of the Company:

Name	Registered office	Principal activity	Class of shares	Holding
Fresh Approach (UK) Limited	Fin House, Cheadle Royal Business Park, Cheadle, Cheshire, SK8 3SR	Creation and delivery of creative communications.	Ordinary	100 %

**16. Stocks**

	<b>Group 2020</b>	<i>Group 2019</i>
	<b>£</b>	<i>£</i>
Consumables	10,000	15,000
Work in progress	100,279	96,858
	<b>110,279</b>	<i>111,858</i>

The carrying value of stocks are stated net of impairment losses totalling £NIL (2019 - £NIL). Impairment losses totalling £NIL (2019 - £NIL) were recognised in profit and loss.

Notes to the Financial Statements  
For the Year Ended 31 December 2020

17. Debtors

	<b>Group</b> <b>2020</b> £	<i>Group</i> <i>2019</i> £	<b>Company</b> <b>2020</b> £	<i>Company</i> <i>2019</i> £
Trade debtors	3,003,851	3,457,696	-	-
Other debtors	121,838	121,809	121,809	121,809
Prepayments and accrued income	131,035	215,019	-	-
Amounts recoverable on long term contracts	424,645	421,001	-	-
	<u>3,681,369</u>	<u>4,215,525</u>	<u>121,809</u>	<u>121,809</u>

Included within other debtors due within one year are loans to directors amounting to £112,415 (2019: £112,415). These are discussed in more detail in note 28.

18. Cash and cash equivalents

	<b>Group</b> <b>2020</b> £	<i>Group</i> <i>2019</i> £
Cash at bank and in hand	<u>1,447,379</u>	<u>650,829</u>

19. Creditors: Amounts falling due within one year

	<b>Group</b> <b>2020</b> £	<i>Group</i> <i>2019</i> £	<b>Company</b> <b>2020</b> £	<i>Company</i> <i>2019</i> £
Trade creditors	713,309	1,518,984	-	-
Amounts owed to group undertakings	-	-	2,503,888	2,352,117
Other taxation and social security	1,182,633	551,354	-	-
Obligations under finance lease and hire purchase contracts	30,931	30,930	-	-
Other creditors	45,978	43,338	-	-
Accruals and deferred income	6,179,504	5,606,161	3,933,284	3,222,730
	<u>8,152,355</u>	<u>7,750,767</u>	<u>6,437,172</u>	<u>5,574,847</u>

Net obligations under finance leases and hire purchase contracts are secured on the assets to which they relate.

Notes to the Financial Statements  
For the Year Ended 31 December 2020

20. Creditors: Amounts falling due after more than one year

	<b>Group 2020</b>	<i>Group 2019</i>	<b>Company 2020</b>	<i>Company 2019</i>
	£	£	£	£
Other loans	8,060,273	8,060,273	8,060,273	8,060,273
Net obligations under finance leases and hire purchase contracts	30,915	58,684	-	-
	<u>8,091,188</u>	<u>8,118,957</u>	<u>8,060,273</u>	<u>8,060,273</u>

Net obligations under finance leases and hire purchase contracts are secured on the assets to which they relate.

21. Loans

Included with the above are amounts falling due as follows:

	<b>Group 2020</b>	<i>Group 2019</i>	<b>Company 2020</b>	<i>Company 2019</i>
	£	£	£	£
<b>Amounts falling due after more than one year</b>				
Loan notes	<u>8,060,273</u>	<u>8,060,273</u>	<u>8,060,273</u>	<u>8,060,273</u>

**Terms**

Loan notes totalling £6,560,273 were repayable on 3 June 2019. Interest is charged at 8%. The remaining £1,500,000 was repayable on 31 December 2019. Interest is charged at rates ranging from 6% to 10%.

**Disclosure**

Loan note holders have confirmed that they will not require the redemption of the loan notes for the foreseeable future. Therefore the loan notes have been classified as 'amounts falling due after more than one year' in the balance sheet at 31 December 2020.

**Security**

Loan notes of £5,058,375 (2019: £5,058,375) are secured by a debenture over the group's assets.

**Notes to the Financial Statements  
For the Year Ended 31 December 2020**

**22. Hire purchase and finance leases**

Minimum lease payments under hire purchase fall due as follows:

	<b>Group 2020</b>	<i>Group 2019</i>
	£	£
Within one year	30,931	32,479
Between 1-5 years	30,915	72,366
	<b>61,846</b>	<i>104,845</i>

**23. Deferred taxation**

**Group**

	<b>2020</b>	<i>2019</i>
	£	£
At beginning of year	(26,751)	(36,296)
Charged to profit or loss	(1,705)	9,545
<b>At end of year</b>	<b>(28,456)</b>	<i>(26,751)</i>
	<b>Group 2020</b>	<i>Group 2019</i>
	£	£
Accelerated capital allowances	(36,826)	(29,088)
Other timing differences	8,370	2,337
	<b>(28,456)</b>	<i>(26,751)</i>

**Notes to the Financial Statements  
For the Year Ended 31 December 2020**

**24. Share capital**

	2020	2019
	£	£
<b>Allotted, called up and fully paid</b>		
591,623 (2019 - 591,623) A ordinary shares of £0.01 each	5,916	5,916
204,792 (2019 - 204,792) B ordinary shares of £1.00 each	204,792	204,792
341,322 (2019 - 341,322) C ordinary shares of £1.00 each	341,322	341,322
	552,030	552,030
	552,030	552,030

All shares are non-redeemable but hold full rights in respect of voting, and entitle the holder to full participation in respect of equity and in the event of a winding up of the company.

**25. Reserves**

**Share premium**

The share premium account includes premiums received on issue of share capital, net of share issue costs.

**Profit and loss account**

Profit and loss account includes all current retained profit and losses.

**26. Pension commitments**

The Group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund and amounted to £70,472 (2019: £64,895). Contributions totalling £14,052 (2019: £12,301) were payable to the fund at the balance sheet date.

**Notes to the Financial Statements  
For the Year Ended 31 December 2020**

**27. Commitments under operating leases**

At 31 December 2020 the Group and the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	<b>Group 2020 £</b>	<i>Group 2019 £</i>
Not later than 1 year	<b>283,554</b>	<i>302,537</i>
Later than 1 year and not later than 5 years	<b>637,428</b>	<i>920,982</i>
	<b>920,982</b>	<i>1,223,519</i>
	<b>920,982</b>	<i>1,223,519</i>

  

	<b>Group 2020 £</b>	<i>Group 2019 £</i>
Not later than 1 year	<b>15,017</b>	<i>13,165</i>
Later than 1 year and not later than 5 years	<b>11,617</b>	<i>4,097</i>
	<b>26,634</b>	<i>17,262</i>
	<b>26,634</b>	<i>17,262</i>

**28. Transactions with directors**

A director has a director's loan account with the company. There has been no movement on the loan account during the year. At the balance sheet date the amount due was £74,839 (2019: £74,839).

A director has a director's loan account with the company. There has been no movement on the loan account during the year. At the balance sheet date the amount due was £37,576 (2019: £37,576).

The directors' loans are interest free and repayable on demand.

**29. Related party transactions**

During the period, the group made the following transactions:

A director has charged consultancy fees to the group of £nil (2019: £72,700) during the year. At the balance sheet date the amount due was £nil (2019: £nil).

During the year fees of £40,330 (2019: £40,330) were paid to a limited liability partnership, which a director of the company is a member of. At the balance sheet date the amount due was £48,297 (2019: £131,073).

Unsecured loan notes totalling £116,882 (2019: £116,882) are held by directors at the balance sheet date and accrued loan note interest payable to directors totals £34,573 (2019: £29,321).

Key management compensation totalled £435,142 (2019: £466,890).



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