Company Registration No. 04092908 (England and Wales)

72 POINT LIMITED

REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2023

72 POINT LIMITED

COMPANY INFORMATION

Directors	P M Walters A W Young M A Winter C D White
Company number	04092908
Registered office	Media Centre Unit A Abbey Wood Business Park Emma Chris Way Filton Bristol BS34 7JU United Kingdom
Accountants	RSM UK Tax and Accounting Limited Chartered Accountants 2nd Floor 1 The Square Temple Quay Bristol BS1 6DG

72 POINT LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2023

The directors present the strategic report for the year ended 31 March 2023.

The principal activity of company is the transaction of business in the public relations (PR) sector in the United Kingdom.

The business conducted is principally the provision of PR news generation and research services direct to businesses and to the PR sector (under the 72 Point, Play, OnePoll and Oath brands).

The business is an established and essential partner to brands and agencies in the United Kingdom forming a key part of the SWNS Media Group alongside 72 Point Inc and South West News Service Limited.

Review of the business
During the year, the business continued to invest in new initiatives– the development of our operational software stack, developing our product range with video and other visual assets, SEO services and our creative product offering and consultancy team.

2022/23 was a year that was significantly dominated by yet more worldwide events and this coupled with the high levels of inflation seen in the UK has made growing revenue and EBITDA more of a challenge. Despite these challenges the company saw substantial revenue and EBITDA growth and continued its climb up the PR Week Top 150 rankings to 32nd (2022 – 37th).

The Board continues to monitor the economic, political and market environment and the impact this is having on the business, the team and our trading partners. The directors have considered these risks and taken steps and actions they consider appropriate to minimise the associated impact. These include, and are not limited to, contingency planning, regular executive reviews of the position, and both short and long term stress-tested forecasts covering anticipated workload and liquidity.

The executive team continue to keep staff informed through twice yearly townhall meetings and CEO update emails. The hybrid working model embraced during the COVID-19 pandemic continues to be adopted with most staff now working 2-3 days per week in the office, and this continues to be monitored alongside the introduction of other staff benefits to ensure employee wellbeing is always being enhanced.

The company has no external debt and has access to a group unused overdraft facility of £300,000. This has resulted in available cash of £885,873 and an undrawn facility of £300,000 as at July 2023. The company's revenues and EBITDA grew significantly year on year as detailed below in the key performance indicators section.

As a result of these steps and the experience we have had of the COVID-19 pandemic and cost of living crisis to date, the financial statements are prepared on a going concern basis and do not include any adjustments which would result from a failure of the company to trade within its available facilities.

Results and performance
The results of the company for the year, as set out on page 6 show a profit on ordinary activities before taxation of £2,602k (2022 - £2,352k). The shareholders' funds of the company total £2,518k (2022 - £2,409k). The performance of the company during 2022-23 continues to produce encouraging results in a difficult economic and global political climate.

72 POINT LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Key performance indicators

We have made significant progress throughout the year in relation to key elements of our strategy, in particular significant growth in our volume in 72 Point Limited. The Board monitors the progress of the group by reference to the following Key Performance Indicators (KPIs):

Statement of comprehensive income KPIs	**Year to March 2023 £'000**	**Year to March 2022 £'000**	**Year to March 2021 £'000**
Turnover	13,823	11,646	8,503
- Turnover growth percentage	19%	37%	6%
Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA)	2,669	2,398	869
- EBITDA growth percentage	11%	176%	25%
Gross Margin percentage	42.1%	44.4%	36.6%
EBITDA Margin percentage	19.3%	20.6%	10.2%

Statement of financial position KPIs	**As at 31 March 2023 £'000**	**As at 31 March 2022 £'000**	**As at 31 March 2021 £'000**
Net Current Assets	2,402	2,316	1,777
Change in Net Current Assets	86	539	669
Net Assets	2,518	2,409	1,979
Change in Net Assets	109	430	668
Cash at Bank and in Hand	2,123	835	570
Change in Cash at Bank and in Hand	1,288	265	(286)

Non-financial KPIs	**Year to March 2023 £'000**	**Year to March 2022 £'000**	**Year to March 2021 £'000**
Number of team members	77	64	58
PR Week Top 150 ranking	32	38	47
PR Week Top 150 (Consumer Agencies)	7	8	10

Business environment

The news generation PR and Market Research sectors have been resilient to the significant economic and political challenges in the global environment and the group has continued to grow strongly in this period at rates higher than the market. The model we have is efficient, proven and scalable.

Government and risk
Governance and risk management is undertaken by the parent company's Governance Committee which is responsible for all subsidiaries within the group.

The process of risk acceptance and risk management is addressed through the a framework of policies, procedures and internal controls. All policies are subject to group Board approval. The governance of the group is overseen by our established Governance Committee made up of Mr Paul Potts CBE and Mr Andrew Jonesco our non-executive directors as well as Christopher White the group CFO.

Compliance with regulation, legal and ethical standards is a high priority for the group and the group CFO takes on an important oversight role in this regard. The Governance Committee identifies and reports to the Board on risk.

The company does not consider itself significantly exposed to liquidity or interest rate risk due to having zero borrowing and strong cash reserves. Currency exposure is limited due to the vast majority of sales and purchases being in base currency.

Directors' remuneration
The process of setting executive pay and bonus for the directors is undertaken by the group Governance Committee with changes to remuneration packages going through a formal review process and sign off.

Future developments
On 5 April 2023 the company completed the acquisition of PinPep Media Limited to further enhance the 72 Point product offering.

In the United Kingdom, further growth is anticipated in all of our key markets. Development of our creative offering and our product range, incorporating more visual assets, is planned as we seek to add additional value for our clients and we expect to see a growth in average order value and further increases in volume.

We would like to thank our entire team for all of their efforts in the last year in delivering this exceptional performance in a very challenging climate.

On behalf of the board

Paul M Walters
....
P M Walters
Director

Date: 06/09/23

72 POINT LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2023

The directors present their annual report and financial statements for the year ended 31 March 2023.

Principal activities
The principal activity of the company continued to be that of the provision of public relations and market research.

Results and dividends
The results for the year are set out on page 6. Ordinary dividends were paid amounting to £2,000,000. The directors do not recommend payment of a final dividend for the year ended 31 March 2023.

Directors
The directors who held office during the year and up to the date of signature of the financial statements were as follows:

P M Walters
A W Young
M A Winter
C D White

Qualifying third party indemnity provisions
The company has made qualifying third party indemnity provisions for the benefit of its directors during the year. These provisions remain in force at the reporting date.

Matters included in the strategic report
As permitted by Companies Act 2006, s414C(11) the directors have chosen to set out in the company's strategic report information required by the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report. They have done so in respect of risk management disclosures and future developments.

On behalf of the board

Paul M Walters
....
P M Walters
Director

Date: 06/09/23

ACCOUNTANT'S REPORT TO THE BOARD OF DIRECTORS OF 72 POINT LIMITED ON THE UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

In order to assist you to fulfil your duties under the Companies Act 2006 ("the Act"), we prepared for your approval the financial statements of 72 Point Limited which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity and the related notes in accordance with the financial reporting framework set out therein from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at http://www.icaew.com/en/members/regulations-standards-and-guidance.

This report is made solely to the Board of Directors of 72 Point Limited, as a body, in accordance with the terms of our engagement letter dated 13 July 2022. Our work has been undertaken solely to prepare for your approval the financial statements of 72 Point Limited and state those matters that we have agreed to state to them in accordance with ICAEW Technical Release 07/16 AAF as detailed at icaew.com. This report should not therefore be regarded as suitable to be used or relied on by any other party wishing to acquire any rights against RSM UK Tax and Accounting Limited for any purpose or in any context. Any party other than the Board of Directors which obtains access to this report or a copy and chooses to rely on this report (or any part of it) will do so at its own risk. To the fullest extent permitted by law, RSM UK Tax and Accounting Limited will accept no responsibility or liability in respect of this report to any other party and shall not be liable for any loss, damage or expense of whatsoever nature which is caused by any person's reliance on representation in this report.

It is your duty to ensure that 72 Point Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of 72 Point Limited under the Act. You consider that 72 Point Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of 72 Point Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

RSM UK Tax and Accounting Limited

RSM UK Tax and Accounting Limited
Chartered Accountants
2nd Floor
1 The Square
Temple Quay
Bristol
BS1 6DG

06/09/23

72 POINT LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £	2022 £
Turnover	3	13,823,203	11,645,691
Cost of sales		(7,973,533)	(6,479,171)
Gross profit		5,849,670	5,166,520
Administrative expenses		(3,249,376)	(2,878,116)
Other operating income		1,568	47,532
Operating profit	6	2,601,862	2,335,936
Interest receivable and similar income	7	-	16,372
Interest payable and similar expenses	8	-	(319)
Profit before taxation		2,601,862	2,351,989
Tax on profit	9	(492,903)	(451,843)
Profit for the financial year		2,108,959	1,900,146

Company Registration No. 04092908

72 POINT LIMITED

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2023

	Notes	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Intangible assets	11		31,925		50,168
Tangible assets	12		99,793		71,097
			131,718		121,265
Current assets					
Debtors	13	4,408,098		5,263,953	
Cash at bank and in hand		2,123,324		834,731	
		6,531,422		6,098,684	
Creditors: amounts falling due within one year	14	(4,128,958)		(3,782,989)	
Net current assets			2,402,464		2,315,695
Total assets less current liabilities			2,534,182		2,436,960
Provisions for liabilities			(16,472)		(28,209)
Net assets			2,517,710		2,408,751
Capital and reserves					
Called up share capital	17		10,000		10,000
Profit and loss reserves	18		2,507,710		2,398,751
Total equity			2,517,710		2,408,751

For the financial year ended 31 March 2023 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements were approved by the board of directors and authorised for issue on 06/09/23 and are signed on its behalf by:

Paul M. Walters

P M Walters
Director

72 POINT LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Share capital £	Profit and loss reserves £	Total £
Balance at 1 April 2021		10,000	1,968,605	1,978,605
Year ended 31 March 2022:				
Profit and total comprehensive income for the year		-	1,900,146	1,900,146
Dividends	10	-	(1,470,000)	(1,470,000)
Balance at 31 March 2022		10,000	2,398,751	2,408,751
Year ended 31 March 2023:				
Profit and total comprehensive income for the year		-	2,108,959	2,108,959
Dividends	10	-	(2,000,000)	(2,000,000)
Balance at 31 March 2023		10,000	2,507,710	2,517,710

1 Accounting policies

Company information

72 Point Limited is a private company limited by shares and is registered and incorporated in England and Wales. The registered office is Media Centre Unit A, Abbey Wood Business Park, Emma Chris Way, Filton, Bristol, United Kingdom, BS34 7JU.

The company's principal activities and nature of its operations are disclosed in the Directors' Report.

Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling ("£"), which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

Reduced disclosures

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues': Interest income/expense and net gains/losses for financial instruments not measured at fair value; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of SWNS Media Group Limited. These consolidated financial statements are available from its registered office; Media Centre, Emma Chris Way, Filton, Bristol, BS34 7JU.

Going concern

The company is part of the group headed by SWNS Media Group Limited. The going concern position of the company is therefore considered in the context of the group.

The group's Board continuously monitors the external environment for factors that may impact on the business and its trading partners. In recent years the COVID-19 pandemic, followed by the war in Ukraine and cost-of-living crisis in the UK, have been at the forefront of the Board's mind, and the business has performed well during this period. As we move out of the pandemic a global recession driven by soaring inflation is a clear and present threat to global economies.

The directors have considered these risks and taken steps and actions they consider appropriate to minimise the associated impact. These include, and are not limited to, contingency planning, regular executive reviews of the position, and both short and long term stress-tested forecasts covering anticipated workload and liquidity. The Board has specifically prepared forecasts to October 2024 in its formal assessment of going concern.

The company's group continues to have healthy cash reserves, which have increased by £1.35m in the year, and has an unused overdraft facility of £0.3m. The group's revenues and EBITDA continue to perform well despite the economic uncertainties.

1 Accounting policies (Continued)

The group has completed the accelerated repayments on its Coronavirus Business Interruption Loan Scheme (CBILS) loan and repaid this in November 2022, leaving the group debt free.

At the time of approving the financial statements, the directors therefore have a reasonable expectation that the group and company have adequate resources to continue in operational existence for a period of at least twelve months following the date of approval of these financial statements. Thus, the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and rebates as applicable.

There are several different revenue streams within the company and these have different revenue recognition policies depending on the nature of goods or services being provided:

- Subscription revenue – fixed price subscriptions are recognised in accordance with the underlying contract on a monthly basis.
- Self-billing revenue – where self-billing arrangements exist, the directors identify usage in the period by customer and make an accrual for all income earned from used content but not invoiced at the reporting date.
- Ad-hoc revenue – revenue is recognised on sale of the news content or service.
- Revenue Share – where the company has revenue share agreements in place with third party content publishers, revenue is recognised when sales reports are provided by the third party company.

Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Website & software development	4-5 years straight line

Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Computer equipment	33% straight line
Fixtures & fittings	25% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1 Accounting policies (Continued)

Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other debtors, amounts owed by group undertakings and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

Basic financial liabilities

Basic financial liabilities, including trade and other creditors and amounts owed to group undertakings, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Equity instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Equity instruments issued by the company are recorded at the fair value of proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax is based on taxable profit for the year. Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets are recognised when tax paid exceeds the tax payable. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date. Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

1 Accounting policies (Continued)

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

Employee benefits
The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets. The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received. Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Retirement benefits
For defined contribution schemes the amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

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

Foreign exchange
Transactions in currencies other than the functional currency (foreign currency) are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction, or, if the asset or liability is measured at fair value, the rate when that fair value was determined.

All translation differences are taken to profit or loss, except to the extent that they relate to gains or losses on non-monetary items recognised in other comprehensive income, when the related translation gain or loss is also recognised in other comprehensive income.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

In the opinion of the directors, the judgements, estimates and assumptions which are considered to have a material impact on the amounts presented in these financial statements are:

Revenue recognition
Revenue recognition is subject to the directors' reviews and estimation processes described under the turnover accounting policy set out in note 1. Prepayments and accrued income (see note 13) includes accrued income of £24,591 (2022 - £nil). Accruals and deferred income (see note 14) includes deferred income of £2,283,621 (2022 - £1,903,834).

3 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2023	2022
	£	£
Turnover analysed by class of business		
PR Services	9,899,902	7,760,305
Research Services	3,923,301	3,885,386
	13,823,203	11,645,691

	2023	2022
	£	£
Other revenue		
Dividends received	-	16,372

	2023	2022
	£	£
Turnover analysed by geographical market		
United Kingdom	12,230,091	9,945,248
Rest of Europe	965,584	841,034
Rest of World	627,528	859,409
	13,823,203	11,645,691

72 POINT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

4 Employees

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

	2023 Number	2022 Number
Operations	69	58
Administrative	8	6
Total	77	64

Their aggregate remuneration comprised:

	2023 £	2022 £
Wages and salaries	5,527,745	4,278,621
Social security costs	568,333	430,424
Pension costs	135,803	112,625
	6,231,881	4,821,670

5 Directors' remuneration

	2023 £	2022 £
Company pension contributions to defined contribution schemes	4,667	14,000

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2022 - 1).

6 Operating profit

Operating profit for the year is stated after charging/(crediting):	2023 £	2022 £
Exchange differences apart from those arising on financial instruments measured at fair value through profit or loss	(6,978)	(21,654)
Depreciation of owned tangible fixed assets	49,245	49,901
Amortisation of intangible assets	18,243	12,056
Profit on disposal of intangible assets	-	(13,089)
Operating lease charges	217,812	227,545

7 Interest receivable and similar income

	2023	2022
	£	£
Income from fixed asset investments		
Income from shares in group undertakings	-	16,372

8 Interest payable and similar expenses

	2023	2022
	£	£
Other interest	-	319

9 Taxation

	2023	2022
	£	£
Current tax		
UK corporation tax on profits for the current period	504,640	447,762
Deferred tax		
Origination and reversal of timing differences	(11,737)	4,081
Total tax charge	492,903	451,843

The total tax charge for the year included in the income statement can be reconciled to the profit before tax multiplied by the standard rate of tax as follows:

	2023	2022
	£	£
Profit before taxation	2,601,862	2,351,989
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2022: 19.00%)	494,354	446,878
Tax effect of expenses that are not deductible in determining taxable profit	6,782	6,848
Tax effect of income not taxable in determining taxable profit	-	(3,111)
Group relief	(3,480)	-
Permanent capital allowances in excess of depreciation	(1,934)	(5,543)
Remeasurement of deferred tax for changes in tax rates	(2,819)	6,771
Taxation charge for the year	492,903	451,843

Factors that may affect future tax charges
On 3 March 2021, the UK Government announced an increase in the main rate of corporation tax from 19% to 25% with effect from 1 April 2023. The change in rate was substantively enacted on 24 May 2021.

72 POINT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

10 Dividends

	2023	2022
	£	£
Interim paid	2,000,000	1,470,000

11 Intangible fixed assets

	Website & software development
	£
Cost	
At 1 April 2022 and 31 March 2023	72,972
Amortisation and impairment	
At 1 April 2022	22,804
Amortisation charged for the year	18,243
At 31 March 2023	41,047
Carrying amount	
At 31 March 2023	31,925
At 31 March 2022	50,168

12 Tangible fixed assets

	Computer equipment	Fixtures & fittings	Total
	£	£	£
Cost			
At 1 April 2022	130,807	110,418	241,225
Additions	21,609	56,332	77,941
Disposals	(2,525)	-	(2,525)
At 31 March 2023	149,891	166,750	316,641
Depreciation and impairment			
At 1 April 2022	80,548	89,580	170,128
Depreciation charged in the year	25,670	23,575	49,245
Eliminated in respect of disposals	(2,525)	-	(2,525)
At 31 March 2023	103,693	113,155	216,848
Carrying amount			
At 31 March 2023	46,198	53,595	99,793
At 31 March 2022	50,259	20,838	71,097

13 Debtors

Amounts falling due within one year:	2023 £	2022 £
Trade debtors	2,682,741	2,151,611
Amounts owed by group undertakings	1,492,077	2,853,581
Other debtors	8,792	23,643
Prepayments and accrued income	224,488	235,118
	4,408,098	5,263,953

14 Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	295,476	365,525
Amounts owed to group undertakings	22,683	-
Corporation tax	234,225	260,762
Other taxation and social security	547,117	500,905
Other creditors	50,308	52,994
Accruals and deferred income	2,979,149	2,602,803
	4,128,958	3,782,989

15 Deferred taxation

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

Balances:	Liabilities 2023 £	Liabilities 2022 £
Fixed asset timing differences	22,373	29,870
Short term timing differences	(5,901)	(1,661)
	16,472	28,209

Movements in the year:	2023 £
Liability at 1 April 2022	28,209
Credit to profit or loss	(11,737)
Liability at 31 March 2023	16,472

It is not possible to state the extent to which the deferred tax liabilities shown above will reverse within the next twelve months, as reversal is affected by multiple factors which cannot be reliably estimated.

16 Retirement benefit schemes

Defined contribution schemes	2023 £	2022 £
Charge to profit or loss in respect of defined contribution schemes	135,803	112,625

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund. At the year end, pension contributions of £23,602 (2022 - £17,556) were included in other creditors (note 14).

17 Share capital

Ordinary share capital	2023 Number	2022 Number	2023 £	2022 £
Issued and fully paid				
Ordinary shares of £1 each	10,000	10,000	10,000	10,000

The company has one class of ordinary shares which carry full voting, dividend and capital distribution (including on winding up) rights. They do not carry any rights of redemption.

18 Reserves

Profit and loss reserves
Profit and loss reserves reflect the cumulative earnings of the company net of distributions to owners.

19 Financial commitments, guarantees and contingent liabilities

The company was previously party to a debenture and cross guarantee dated 20 July 2020 giving fixed and floating charges over all the property and undertaking of the company in favour of Barclays Bank Plc in respect of the bank borrowings of SWNS Media Group Limited. At the start of the year, total borrowings covered by this guarantee were £373,386. These borrowings were repaid in full on 9 November 2022.

20 Operating lease commitments

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

	2023 £	2022 £
Within one year	107,855	107,855
Between one and five years	152,795	269,638
	260,650	377,493

21 Events after the reporting date

On 5 April 2023 the company acquired 100% of the share capital of Pinpep Media Limited. The business operates in the UK in the video production industry. The trade and assets will be hived up into 72 Point Limited with immediate effect. The purchase consideration was £460,000.

22 Related party transactions

The company has taken advantage of the exemption under Section 33 of FRS102 and has not disclosed details of transactions or balances between wholly-owned group companies.

Transactions with other related parties
72 Point Inc is a 51% subsidiary of the company's parent SWNS Media Group Limited and is therefore considered to be a related party not covered by the above exemption.

During the year, the company recharged 72 Point Inc £320,244 (2022 - £485,334) and 72 Point Inc recharged the company £163,281 (2022 - £79,471). At the end of the year, in respect of these recharges, the company owed 72 Point Inc £223 (2022 - £39,494 was owed to the company). The balance is interest free and there are no fixed repayment dates.

Directors' transactions
At the year end £99 (2022 - £99) was due to the company from a director in respect of advances given in the prior year. No interest is charged on the advance and it is repayable on demand.

Guarantee in relation to audit exemption
In connection with the exemption from audit under section 479A of the Companies Act 2006, the liabilities of the company at the reporting date have been guaranteed by its parent SWNS Media Group Limited.

23 Ultimate controlling party

The parent company is SWNS Media Group Limited. The registered office of SWNS Media Group Limited is Media Centre, Emma Chris Way, Filton, Bristol, United Kingdom, BS34 7JU.

In the opinion of the directors, control of the company transferred to SWNS Media Group Limited when the company became part of the group headed by SWNS Media Group Limited on 3 April 2018.