

Company Registration No. 01744747 (England and Wales)

**WENTA**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**  
**PAGES FOR FILING WITH REGISTRAR**



# WENTA

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## WENTA

### **CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF WENTA FOR THE YEAR ENDED 31 MARCH 2021**

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In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Wenta for the year ended 31 March 2021 which comprise, the group balance sheet, the company balance sheet, the group statement of changes in equity, the company statement of changes in equity and the related notes 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 Wenta, as a body, in accordance with the terms of our engagement letter dated 15 October 2015. Our work has been undertaken solely to prepare for your approval the financial statements of Wenta and state those matters that we have agreed to state to the Board of Directors of Wenta, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Wenta and its Board of Directors as a body, for our work or for this report.

It is your duty to ensure that Wenta 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 loss of Wenta. You consider that Wenta 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 Wenta. 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.



**Myers Clark**

**Chartered Accountants**

8 July 2021

Egale 1  
80 St Albans Road  
Watford  
Hertfordshire  
WD17 1DL

# WENTA

## GROUP BALANCE SHEET

AS AT 31 MARCH 2021

|  | Notes | 2021<br>£ | £                | 2020<br>£ | £                 |
|--|-------|-----------|------------------|-----------|-------------------|
| <b>Fixed assets</b>  |       |           |                  |           |                   |
| Intangible assets  | 5     |           | 4,632            |           | 39,770            |
| Tangible assets  | 6     |           | 130,835          |           | 192,998           |
| Investment properties  | 7     |           | 9,050,000        |           | 9,050,000         |
|  |       |           | <u>9,185,467</u> |           | <u>9,282,768</u>  |
| <b>Current assets</b>  |       |           |                  |           |                   |
| Debtors  | 9     |           | 327,893          |           | 409,760           |
| Cash at bank and in hand                                       |       |           | 3,077,667        |           | 2,195,400         |
|  |       |           | <u>3,405,560</u> |           | <u>2,605,160</u>  |
| <b>Creditors: amounts falling due within one year</b>          | 10    |           | (3,958,008)      |           | (1,121,757)       |
| <b>Net current (liabilities)/assets</b>                        |       |           | <u>(552,448)</u> |           | <u>1,483,403</u>  |
| <b>Total assets less current liabilities</b>                   |       |           | <u>8,633,019</u> |           | <u>10,766,171</u> |
| <b>Creditors: amounts falling due after more than one year</b> | 11    |           | -                |           | (3,192,000)       |
| <b>Provisions for liabilities</b>                              | 13    |           | (491,946)        |           | (440,162)         |
| <b>Net assets</b>  |       |           | <u>8,141,073</u> |           | <u>7,134,009</u>  |
| <b>Capital and reserves</b>                                    |       |           |                  |           |                   |
| Profit and loss reserves                                       |       |           | <u>8,141,073</u> |           | <u>7,134,009</u>  |

The directors of the group have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 March 2021 the group was entitled to exemption from audit under section 477 of the Companies Act 2006.

Directors' responsibilities:

- The members have not required the group 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 Act with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the provisions applicable to groups and companies subject to the small companies regime.

## **WENTA**

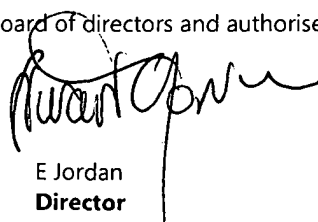
### **GROUP BALANCE SHEET (CONTINUED)**

**AS AT 31 MARCH 2021**

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The financial statements were approved by the board of directors and authorised for issue on 8 July 2021 and are signed on its behalf by:

G Lane  
**Director**



E Jordan  
**Director**

# WENTA

## COMPANY BALANCE SHEET AS AT 31 MARCH 2021

|   |       | 2021             |                         | 2020<br>as restated |                         |
|---|-------|------------------|-------------------------|---------------------|-------------------------|
|   | Notes | £                | £                       | £                   | £                       |
| <b>Fixed assets</b>                                   |       |                  |                         |                     |                         |
| Intangible assets                                     | 5     |                  | 4,632                   |                     | 39,770                  |
| Tangible assets                                       | 6     |                  | 2,023                   |                     | 7,220                   |
| Investments   | 8     |                  | 1,003                   |                     | 1,003                   |
|   |       |                  | <u>7,658</u>            |                     | <u>47,993</u>           |
| <b>Current assets</b>                                 |       |                  |                         |                     |                         |
| Debtors   | 9     | 3,629,638        |                         | 2,756,420           |                         |
| Cash at bank and in hand                              |       | 1,741,399        |                         | 1,548,992           |                         |
|   |       | <u>5,371,037</u> |                         | <u>4,305,412</u>    |                         |
| <b>Creditors: amounts falling due within one year</b> | 10    | (151,764)        |                         | (224,224)           |                         |
| <b>Net current assets</b>                             |       |                  | <u>5,219,273</u>        |                     | <u>4,081,188</u>        |
| <b>Total assets less current liabilities</b>          |       |                  | <u><u>5,226,931</u></u> |                     | <u><u>4,129,181</u></u> |
| <b>Capital and reserves</b>                           |       |                  |                         |                     |                         |
| Profit and loss reserves                              |       |                  | <u><u>5,226,931</u></u> |                     | <u><u>4,129,181</u></u> |

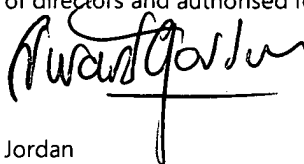
As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £1,097,750 (2020 - £464,810 profit).

For the financial year ended 31 March 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 8 July 2021 and are signed on its behalf by:



G Lane  
Director

E Jordan  
Director

Company Registration No. 01744747

## WENTA

### COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2021

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|  | <b>Profit and<br/>loss reserves<br/>£</b> |
|--|---|
| <b>As restated for the period ended 31 March 2020:</b> |   |
| <b>Balance at 1 August 2019</b>                        | 4,184,469                                 |
| Prior year adjustment                                  | (520,098)                                 |
|  | <hr/>                                     |
| <b>As restated</b>                                     | 3,664,371                                 |
|  | <hr/>                                     |
| <b>Period ended 31 March 2020:</b>                     |   |
| Profit and total comprehensive income for the period   | 464,810                                   |
|  | <hr/>                                     |
| <b>Balance at 31 March 2020</b>                        | 4,129,181                                 |
|  | <hr/>                                     |
| <b>Year ended 31 March 2021:</b>                       |   |
| Profit and total comprehensive income for the year     | 1,097,750                                 |
|  | <hr/>                                     |
| <b>Balance at 31 March 2021</b>                        | 5,226,931                                 |
|  | <hr/> <hr/>                               |

# WENTA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

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### 1 Accounting policies

#### Company information

Wenta ("the company") is a private company Limited by guarantee incorporated in England and Wales. The registered office is Colne Way, Watford, Hertfordshire, WD24 7ND.

#### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of Section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

#### 1.2 Basis of consolidation

The consolidated financial statements incorporate those of Wenta and all of its subsidiaries (ie entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits).

All financial statements are made up to 31 March 2021. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

A separate profit and loss account dealing with the results of the Company only is not presented, as the exemption conferred by Section 408 in the Companies Act 2006 applies.

#### 1.3 Turnover

Turnover and income is recognised at the fair value of the consideration received or receivable for grant income, management fees and hire of office space, provided in the normal course of business, and is shown net of VAT.

#### 1.4 Research and development expenditure

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

#### 1.5 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.



# WENTA

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 1 Accounting policies

(Continued)

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

|                   |              |
|-------------------|--------------|
| Software          | Over 2 years |
| Development Costs | Over 3 years |

#### 1.6 Tangible fixed assets

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

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

|                                |   |
|--------------------------------|---|
| Fixtures, fittings & equipment | 20% straight line and 33% straight line |
|--------------------------------|---|

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

#### 1.7 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. Changes in fair value are recognised in profit or loss.

#### 1.8 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.9 Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the group's balance sheet when the group becomes party to the contractual provisions of the instrument.

##### Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

# WENTA

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

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### 1 Accounting policies

(Continued)

#### 1.10 Equity instruments

Equity instruments issued by the group are recorded at the 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 group.

#### 1.11 Taxation

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

##### Current tax

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

##### Deferred tax

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

#### 1.12 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

#### 1.13 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 leased asset are consumed.

#### 1.14 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

#### 1.15 Grants received

Grants are credited to deferred revenue. Grants towards capital expenditure are released to the profit and loss account over the expected useful life of the assets. Grants towards revenue expenditure are released to the profit and loss account as the related expenditure is incurred.

# WENTA

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 2 Judgements and key sources of estimation uncertainty

In the application of the group'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.

### 3 Employees

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

|       | <b>Group<br/>2021<br/>Number</b> | <b>2020<br/>Number</b> | <b>Company<br/>2021<br/>Number</b> | <b>2020<br/>Number</b> |
|-------|----------------------------------|------------------------|------------------------------------|------------------------|
| Total | 29                               | 33                     | 18                                 | 24                     |

Their aggregate remuneration comprised:

|                    | <b>Group<br/>2021<br/>£</b> | <b>2020<br/>£</b> | <b>Company<br/>2021<br/>£</b> | <b>2020<br/>£</b> |
|--------------------|-----------------------------|-------------------|-------------------------------|-------------------|
| Wages and salaries | 1,123,305                   | 858,919           | 748,251                       | 588,656           |
| Pension costs      | 30,177                      | 4,791             | 22,583                        | -                 |
|                    | <u>1,153,482</u>            | <u>863,710</u>    | <u>770,834</u>                | <u>588,656</u>    |

### 4 Taxation

|  | <b>2021<br/>£</b> | <b>2020<br/>£</b> |
|--|-------------------|-------------------|
| <b>Deferred tax</b>                            |                   |                   |
| Origination and reversal of timing differences | <u>51,784</u>     | <u>2,022</u>      |

# WENTA

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 5 Intangible fixed assets

| <b>Group</b>                       | <b>Development Costs<br/>£</b> |
|------------------------------------|--------------------------------|
| <b>Cost</b>                        |                                |
| At 1 April 2020 and 31 March 2021  | 150,068                        |
| <b>Amortisation and impairment</b> |                                |
| At 1 April 2020                    | 110,298                        |
| Amortisation charged for the year  | 35,138                         |
| At 31 March 2021                   | 145,436                        |
| <b>Carrying amount</b>             |                                |
| At 31 March 2021                   | 4,632                          |
| At 31 March 2020                   | 39,770                         |
| <b>Company</b>                     | <b>Development Costs<br/>£</b> |
| <b>Cost</b>                        |                                |
| At 1 April 2020 and 31 March 2021  | 150,068                        |
| <b>Amortisation and impairment</b> |                                |
| At 1 April 2020                    | 110,298                        |
| Amortisation charged for the year  | 35,138                         |
| At 31 March 2021                   | 145,436                        |
| <b>Carrying amount</b>             |                                |
| At 31 March 2021                   | 4,632                          |
| At 31 March 2020                   | 39,770                         |

# WENTA

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 6 Tangible fixed assets

| <b>Group</b>                       | <b>Plant and<br/>machinery<br/>etc<br/>£</b> |
|------------------------------------|--|
| <b>Cost</b>                        |  |
| At 1 April 2020                    | 1,034,530                                    |
| Additions                          | 8,598  |
| At 31 March 2021                   | 1,043,128                                    |
| <b>Depreciation and impairment</b> |  |
| At 1 April 2020                    | 841,532                                      |
| Depreciation charged in the year   | 70,761                                       |
| At 31 March 2021                   | 912,293                                      |
| <b>Carrying amount</b>             |  |
| At 31 March 2021                   | 130,835                                      |
| At 31 March 2020                   | 192,998                                      |
| <b>Company</b>                     | <b>Plant and<br/>machinery<br/>etc<br/>£</b> |
| <b>Cost</b>                        |  |
| At 1 April 2020 and 31 March 2021  | 122,024                                      |
| <b>Depreciation and impairment</b> |  |
| At 1 April 2020                    | 114,804                                      |
| Depreciation charged in the year   | 5,197  |
| At 31 March 2021                   | 120,001                                      |
| <b>Carrying amount</b>             |  |
| At 31 March 2021                   | 2,023  |
| At 31 March 2020                   | 7,220  |

### 7 Investment property

|                                   | <b>Group<br/>2021<br/>£</b> | <b>Company<br/>2021<br/>£</b> |
|-----------------------------------|-----------------------------|-------------------------------|
| <b>Fair value</b>                 |                             |                               |
| At 1 April 2020 and 31 March 2021 | 9,050,000                   | -                             |

# WENTA

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 7 Investment property

(Continued)

The company has the following investment properties;

Leasehold property at Potters Bar - The property was revalued to £2,000,000.

Freehold property at Watford - The property was revalued to £3,300,000.

Freehold property at Enfield - The property was revalued to £3,750,000.

Revaluations were carried out by an independent valuer who holds a relevant professional qualification and has experience of valuing similar properties.

The Board consider the value of the properties recognised in the accounts represents their fair values in accordance with the requirements of FRS 102.

All movement in the revalued amount have been recognised through the profit and loss account.

### 8 Fixed asset investments

|             | Group<br>2021<br>£ | 2020<br>£ | Company<br>2021<br>£ | 2020<br>£ |
|-------------|--------------------|-----------|----------------------|-----------|
| Investments | -                  | -         | 1,003                | 1,003     |
|             | -                  | -         | 1,003                | 1,003     |

### 9 Debtors

|   | Group<br>2021<br>£ | 2020<br>£ | Company<br>2021<br>£ | 2020<br>£ |
|---|--------------------|-----------|----------------------|-----------|
| <b>Amounts falling due within one year:</b> |                    |           |                      |           |
| Trade debtors                               | 58,138             | 74,864    | 46,939               | 40,576    |
| Amounts due from group undertakings         | -                  | -         | 3,326,602            | 2,529,388 |
| Other debtors                               | 269,755            | 334,896   | 256,097              | 186,456   |
|   | 327,893            | 409,760   | 3,629,638            | 2,756,420 |

### 10 Creditors: amounts falling due within one year

|                              | Group<br>2021<br>£ | 2020<br>£ | Company<br>2021<br>£ | 2020<br>£ |
|------------------------------|--------------------|-----------|----------------------|-----------|
| Bank loans                   | 3,192,000          | 199,500   | -                    | -         |
| Trade creditors              | 58,855             | 170,530   | 28,790               | 41,304    |
| Taxation and social security | 143,128            | 105,998   | 5,778                | -         |
| Other creditors              | 564,025            | 645,729   | 117,196              | 182,920   |
|                              | 3,958,008          | 1,121,757 | 151,764              | 224,224   |

The bank loan is secured by way of a fixed and floating charge over the present and future assets of the company.

# WENTA

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 11 Creditors: amounts falling due after more than one year

|                           | Notes | Group<br>2021<br>£ | 2020<br>£ | Company<br>2021<br>£ | 2020<br>£ |
|---------------------------|-------|--------------------|-----------|----------------------|-----------|
| Bank loans and overdrafts |       | -                  | 3,192,000 | -                    | -         |

### 12 Deferred taxation

The deferred tax liability relates to the revaluation of the groups investment properties. The liability represents the potential future tax liability if the properties were to be disposed of. The liability does not take account of any reliefs that may be available other than indexation allowance.

| Group                        | Liabilities<br>2021<br>£ | Liabilities<br>2020<br>£ |
|------------------------------|--------------------------|--------------------------|
| Deferred tax on revaluations | 491,946                  | 440,162                  |

The company has no deferred tax assets or liabilities.

| Movements in the year:                        | Group<br>2021<br>£ | Company<br>2021<br>£ |
|---|--------------------|----------------------|
| Liability at 1 April 2020                     | 440,162            | -                    |
| Effect of change in tax rate - profit or loss | 51,784             | -                    |
| Liability at 31 March 2021                    | 491,946            | -                    |

### 13 Members' liability

The company is limited by guarantee, not having share capital and consequently the liability of members is limited, subject to an undertaking by each member to contribute to the net assets or liabilities of the company on winding up such amounts as may be required not exceeding £10.

# WENTA

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 14 Prior period adjustment

#### Reconciliation of changes in equity - company

|  | 1 August<br>2019<br>£ | 31 March<br>2020<br>£ |
|--|-----------------------|-----------------------|
| <b>Adjustments to prior year</b>                 |                       |                       |
| Inter-company loan waiver                        | (520,098)             | (520,098)             |
| Equity as previously reported                    | 4,184,469             | 4,649,279             |
|  | <u>3,664,371</u>      | <u>4,129,181</u>      |
| Equity as adjusted before transition adjustments |                       |                       |
|  | <u>3,664,371</u>      | <u>4,129,181</u>      |
| <b>Analysis of the effect upon equity</b>        |                       |                       |
| Profit and loss reserves                         | (520,098)             | (520,098)             |
|  | <u>(520,098)</u>      | <u>(520,098)</u>      |

#### Reconciliation of changes in profit for the previous financial period

|  | 2020<br>£      |
|--|----------------|
| <b>Adjustments to prior year</b>                 |                |
| Total adjustments                                | -              |
| Profit as previously reported                    | 464,810        |
|  | <u>464,810</u> |
| Profit as adjusted before transition adjustments | <u>464,810</u> |

#### Notes to reconciliation

##### Inter company loan waiver

During the year ended 2019 the directors agreed to waive a loan between two subsidiary companies of this company. This entry was recorded correctly at the time. It was the intention of the directors that at the time the loan was waived, the expense recorded would be passed up to this company as the immediate parent. This entry was omitted from the 2019 accounts in error. The prior year adjustment corrects this error.