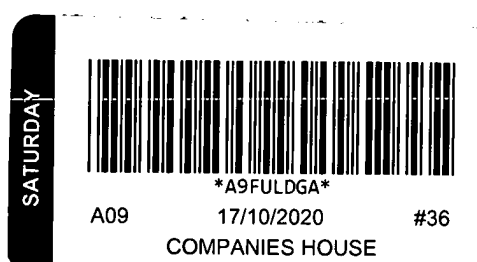


Company registration no. 03323318 (England and Wales)

WINMARK LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020



WINMARK LIMITED

COMPANY INFORMATION

Directors	J P H P Jeffcock C Honeyman Brown K D Ghize (Appointed 22 May 2019)
Secretary	J P H P Jeffcock
Company number	03323318
Registered office	7 Berghem Mews Blythe Road London W14 0HN
Bankers	Lloyds TSB Commercial 2nd Floor 25 Gresham Street London EC2V 7HN

WINMARK LIMITED

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WINMARK LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2020

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

Principal activities

During the year the company continued its principal activity which is to give business leaders the knowledge and connections to achieve greater impact.

Winmark's professional member networks enable C-suite executives to learn from their peers and engage in the discussions that are transforming their business environment. Winmark's widely acclaimed management research provides leaders with intelligence and perspective and its education academies update, develop and empower executives across industries and functions. This year has been one of continued investment in the C-Suite network offering, the Winmark operating model and its supporting collateral. Investment and improvement in internal operating systems and the depth and scope of membership and management know-how have been substantial. The Winmark operating model is summarised below:

C-Suite Networks

At the heart of our C-Suite business model is a virtuous circle that makes C-Suite connections within the networks and generates unique and privileged insights. During the year the company invested significantly in Winmark North, a C-Suite focused initiative centred on Manchester and a pilot for international expansion.

C-Suite Research

These insights are captured, built on and converted into easy to consume knowledge. This knowledge is then published for members and clients and converted into enhanced academy modules.

C-Suite Academies

Academy Master Classes fill gaps for existing board and C-Suite executives and prepare the next generation for these important roles.

C-Suite Report

The Winmark C-Suite quarterly report is circulated to 11,000 directors; it has been acclaimed as a unique source of high quality ideas and thought leadership for C-Suite executives.

Directors

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

J P H P Jeffcock
C Honeyman Brown
K D Ghize
J A Dembitz

(Appointed 22 May 2019)
(Resigned 31 March 2020)

WINMARK LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

Financial performance

Risk, particularly economic exposure, is limited through the increased range of available networks and the diverse spread of membership.

During the last few weeks of the financial year Winmark, along with many other businesses across the world, began to feel the impact of the Covid-19 pandemic. To respond Winmark accelerated its digital plans as clients began to reduce spend and exercise greater cost base control. Winmark realigned its cost structure and converted all its meetings to digital meetings. This restructure resulted in the loss of some valued employees through redundancy. Along with a wide range of other cost cutting initiatives the company took advantage of capital repayment holidays from its bankers as well as a range of Government support including the Time to Pay Scheme and a loan under the Bounce Back Loan Scheme. The overall impact has been to ensure that the company has sufficient working capital for its immediate and foreseeable needs and the directors are satisfied that it remains appropriate to draw up these financial statements using the going concern basis.

Renewable income

84% (2019 - 90%) of the company's total revenue is derived from network member and related technical partner revenue. The remaining 16% (2019 - 10%) is generated by research and academies services.

Revenue

For the financial year under review the invoiced revenue, before movement in deferred revenue provision, was £1.64m (2019 - £1.70). After movement in deferred revenue provision, reported turnover is £1.67m (2019 - £1.70m)

Profit

Profit for the year before tax was £1,746 (2019 - £168,070) and the loss post-tax was £16,288 (2019 – profit £136,788).

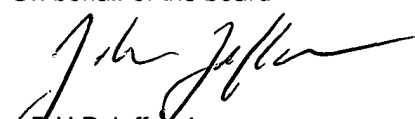
2021-2022 Financial focus

The company will be further extending its digital services and rebuilding revenues lost during the 2020 pandemic.

In the directors' opinion the company remains a going concern and continues to enjoy the support of its shareholders. The directors do not recommend the payment of a dividend.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board



J P H P Jeffcock
Director

21 September 2020

WINMARK LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2020

		2020	2019
	Notes	£	£
Turnover		1,669,396	1,701,409
Cost of sales		(101,593)	(83,638)
Gross profit		1,567,803	1,617,771
Administrative expenses		(1,566,057)	(1,449,701)
Profit before taxation		1,746	168,070
Taxation	3	(18,034)	(32,282)
(Loss)/profit for the financial year		(16,288)	135,788

WINMARK LIMITED

BALANCE SHEET

AS AT 31 MARCH 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	4		145,613		135,653
Current assets					
Debtors	5	412,263		417,534	
Cash at bank and in hand		6		31,928	
		<u>412,269</u>		<u>449,462</u>	
Creditors: amounts falling due within one year	6	<u>(350,098)</u>		<u>(302,153)</u>	
Net current assets			62,171		147,309
Total assets less current liabilities			<u>207,784</u>		<u>282,962</u>
Creditors: amounts falling due after more than one year	7		(184,844)		(256,768)
Provisions for liabilities	8		<u>(31,755)</u>		<u>(18,721)</u>
Net (liabilities)/assets			<u><u>(8,815)</u></u>		<u><u>7,473</u></u>
Capital and reserves					
Called up share capital	10		1,500		1,500
Share premium account			314,400		314,400
Profit and loss reserves			<u>(324,715)</u>		<u>(308,427)</u>
Total equity			<u><u>(8,815)</u></u>		<u><u>7,473</u></u>

For the financial year ended 31 March 2020 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.

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

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

WINMARK LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2020

The financial statements were approved by the board of directors and authorised for issue on 21 September 2020 and are signed on its behalf by:



J P H P Jeffcock
Director

Company registration no. 03323318

WINMARK LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2020

	Share capital £	Share premium account £	Profit and loss reserves £	Total £
Balance at 1 April 2018	1,500	314,400	(444,215)	(128,315)
Year ended 31 March 2019:				
Profit and total comprehensive income for the year	-	-	135,788	135,788
	<hr/>	<hr/>	<hr/>	<hr/>
Balance at 31 March 2019	1,500	314,400	(308,427)	7,473
Year ended 31 March 2020:				
Loss and total comprehensive income for the year	-	-	(16,288)	(16,288)
	<hr/>	<hr/>	<hr/>	<hr/>
Balance at 31 March 2020	<u>1,500</u>	<u>314,400</u>	<u>(324,715)</u>	<u>(8,815)</u>

WINMARK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

Company information

Winmark Limited is a private company limited by shares incorporated in England and Wales. The registered office is 7 Berghem Mews, Blythe Road, London W14 0HN.

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

In particular the financial statements have been prepared on the basis that the company continues to be a going concern. The directors continue to review carefully the future trading prospects of the company and conclude that it is appropriate for the financial statements to be drawn up on the basis that the company continues to be a going concern.

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 Turnover

Turnover represents the value of services supplied by the company, net of value added tax and discounts. Subscriptions are credited to the profit and loss account for the period over which they accrue.

1.3 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 and equipment	10% and 20% straight line
------------------------	---------------------------

The directors regularly review their estimates of the useful lives of the company's assets and adjust depreciation charges accordingly.

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.

1.4 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible 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.

WINMARK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.5 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.

1.6 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

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

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

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

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

WINMARK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

Basic financial liabilities

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

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.7 Equity instruments

Equity instruments issued by the company 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 company.

1.8 Taxation

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

Current tax

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

Deferred tax

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

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

WINMARK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

1.9 Provisions

Provisions are recognised when the company has a legal or constructive present obligation as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

1.10 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.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 22 (2019 - 22).

3 Taxation

	2020 £	2019 £
Deferred tax		
Origination and reversal of timing differences	18,034	32,282

WINMARK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

4 Tangible fixed assets

Fixtures and equipment £

Cost

At 1 April 2019 428,792

Additions 9,960

At 31 March 2020 438,752

Depreciation and impairment

At 1 April 2019 and 31 March 2020 293,139

Carrying amount

At 31 March 2020 145,613

At 31 March 2019 135,653

5 Debtors

2020 2019

Amounts falling due within one year: £ £

Trade debtors 298,465 273,954

Other debtors 113,798 143,580

412,263 417,534

6 Creditors: amounts falling due within one year

2020 2019

£ £

Bank loan and overdraft 86,513 44,469

Trade creditors 61,633 49,928

Other taxation and social security 118,429 103,071

Other creditors 83,523 104,685

350,098 302,153

WINMARK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

7 Creditors: amounts falling due after more than one year

	2020 £	2019 £
Bank loans	49,844	121,768
Other creditors	135,000	135,000
	<u>184,844</u>	<u>256,768</u>

8 Provisions for liabilities

	2020 £	2019 £
Dilapidations reserve	15,000	20,000
Deferred tax liability/(asset) 9	16,755	(1,279)
	<u>31,755</u>	<u>18,721</u>

9 Deferred taxation

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

	Assets 2020 £	Assets 2019 £
Balances:		
Accelerated capital allowances	27,398	22,768
Tax losses	(10,643)	(24,047)
	<u>16,755</u>	<u>(1,279)</u>

Movements in the year:

	2020 £
Liability/(asset) at 1 April 2019	(1,279)
Charge to profit or loss	16,270
Effect of change in tax rate	1,764
Liability at 31 March 2020	<u>16,755</u>

WINMARK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

10 Called up share capital

	2020	2019
	£	£
Ordinary share capital		
Issued and fully paid		
1,500 Ordinary shares of £1 each	1,500	1,500
	<u> </u>	<u> </u>