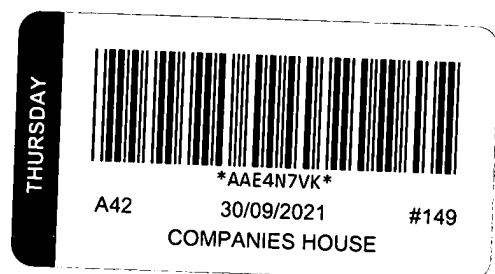


DIRECT APPROACH DESIGN AND MARKETING LIMITED
UNAUDITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020



DIRECT APPROACH DESIGN AND MARKETING LIMITED
REGISTERED NUMBER:03483999

BALANCE SHEET
AS AT 31 DECEMBER 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	4	5,611	8,216
		<u>5,611</u>	<u>8,216</u>
Current assets			
Stocks		1,200	1,200
Debtors: amounts falling due within one year	5	56,441	129,232
Bank and cash balances		163,465	145,744
		<u>221,106</u>	<u>276,176</u>
Creditors: amounts falling due within one year	6	(99,969)	(101,503)
Net current assets		<u>121,137</u>	<u>174,673</u>
Total assets less current liabilities		<u>126,748</u>	<u>182,889</u>
Creditors: amounts falling due after more than one year	7	(47,500)	-
Provisions for liabilities			
Deferred tax		(930)	(1,100)
Net assets		<u><u>78,318</u></u>	<u><u>181,789</u></u>
Capital and reserves			
Called up share capital		100	100
Share premium account		9,950	9,950
Capital redemption reserve		50	50
Profit and loss account		68,218	171,689
		<u><u>78,318</u></u>	<u><u>181,789</u></u>

DIRECT APPROACH DESIGN AND MARKETING LIMITED
REGISTERED NUMBER:03483999

BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2020

The directors consider that the company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

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 have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

The company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

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

Sheryl Pointer

.....
Ms S Pointer
Director

Date: 29.09.21

The notes on pages 3 to 9 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

1. General information

Direct Approach Design and Marketing Limited ("the company") is a private company limited by shares incorporated in England and Wales under the Companies Act.

The registered number and address of the registered office are given in the company information.

The functional and presentational currency of the Company is pounds sterling (£) and rounded to the nearest whole pound.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Going concern

The financial statements have been prepared on a going concern basis. The Directors have considered relevant information, including the annual budget, forecast future cash flows and the impact of subsequent events in making their assessment. In response to the COVID-19 pandemic, the Directors have taken into account the potential impact on the business of possible future scenarios arising from the impact of COVID-19. This analysis also considers the effectiveness of available measures to assist in mitigating the impact.

Based on these assessments and having regard to the resources available to the entity, the Directors have concluded that there is no material uncertainty and that they can continue to adopt the going concern basis in preparing the annual report and accounts.

2.3 Revenue

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

Rendering of services

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

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

2. Accounting policies (continued)**2.4 Tangible fixed assets**

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

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a reducing balance and straight line basis.

Depreciation is provided on the following basis:

Fixtures and fittings	- 25% reducing balance
Computer equipment	- 33% straight line

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

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.5 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

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

2.6 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.7 Financial instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

2. Accounting policies (continued)

2.7 Financial instruments (continued)

for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an 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.

2.8 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.9 Government grants

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

Grants of a revenue nature are recognised in the Statement of comprehensive income in the same period as the related expenditure.

2.10 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

2.11 Operating leases: the company as lessee

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

2. Accounting policies (continued)

2.12 Pensions

Defined contribution pension plan

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

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the company in independently administered funds.

2.13 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.14 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

2.15 Current and deferred taxation

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

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company operates and generates income.

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

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

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

3. Employees

The average monthly number of employees, including directors, during the year was 7 (2019 - 7).

DIRECT APPROACH DESIGN AND MARKETING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

4. Tangible fixed assets

	Fixtures and fittings £	Computer equipment £	Total £
Cost			
At 1 January 2020	28,073	37,999	66,072
Additions	-	2,310	2,310
Disposals	-	(12,607)	(12,607)
At 31 December 2020	<u>28,073</u>	<u>27,702</u>	<u>55,775</u>
Depreciation			
At 1 January 2020	27,199	30,657	57,856
Charge for the year on owned assets	219	4,571	4,790
Disposals	-	(12,482)	(12,482)
At 31 December 2020	<u>27,418</u>	<u>22,746</u>	<u>50,164</u>
Net book value			
At 31 December 2020	<u>655</u>	<u>4,956</u>	<u>5,611</u>
At 31 December 2019	<u>874</u>	<u>7,342</u>	<u>8,216</u>

5. Debtors

	2020 £	2019 £
Trade debtors	52,196	43,463
Amounts owed by group undertakings	-	45,991
Other debtors	51	34,269
Prepayments and accrued income	4,194	5,509
	<u>56,441</u>	<u>129,232</u>

Amounts owed by group undertakings are unsecured, are interest free and repayable on demand.

DIRECT APPROACH DESIGN AND MARKETING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

6. Creditors: Amounts falling due within one year

	2020 £	2019 £
Bank loans	2,500	-
Trade creditors	30,364	46,816
Amounts owed to group undertakings	2,329	-
Corporation tax	13,154	58
Other taxation and social security	7,340	15,755
Other creditors	40,282	34,874
Accruals and deferred income	4,000	4,000
	<u>99,969</u>	<u>101,503</u>

Amounts owed to group undertakings are unsecured, are interest free and repayable on demand.

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

	2020 £	2019 £
Bank loans	47,500	-
	<u>47,500</u>	<u>-</u>

8. Pension commitments

The Company contributes to a defined contribution pension scheme for its directors and employees.

At the balance sheet date there were outstanding contributions of £716 (2019: £723). This balance is included within other creditors.

9. Commitments under operating leases

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

	2020 £	2019 £
Not later than 1 year	12,500	12,500
Later than 1 year and not later than 5 years	-	12,500
	<u>12,500</u>	<u>25,000</u>

DIRECT APPROACH DESIGN AND MARKETING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

10. Related party transactions

Included within other debtors are balances due from Coolstatus Limited, a company with a director in common, of £ nil (2019: £34,219).

Also included within other creditors are balances owed to each of the three directors, totalling £23,641 (2019: £15,305), £13,810 (2019: £16,433) and £1,837 (2019: £1,166).

All balances are interest free and repayable on demand.

11. Controlling party

The company's immediate and ultimate parent company is Direct Approach Holdings Limited, a company incorporated in England and Wales, and holding 95% of the issued ordinary shares in this company. The registered office of Direct Approach Holdings Limited is Camrascan House, Isis Way, Minerva Business Park, Lynch Wood, Peterborough, PE2 6QR.