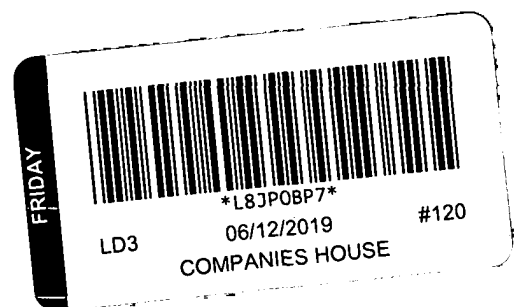


**The Hotwire Public Relations Group  
Limited**

Annual Report and Financial Statements

Registered number 04039379

Year ended 30 June 2019



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## Directors' report

The directors present their report together with the audited financial statements of The Hotwire Public Relations Group Limited ("the Company") for the year ended 30 June 2019.

### Principal activities

The Company is the intermediary holding company for Enero Group Limited's investment in the Hotwire Group.

### Business review

The profit and loss account is set out on page 6 and shows the profit for the year. The Company achieved a profit on ordinary activities before tax of £826,169 (2018: £3,155,727) for the year. The directors are satisfied with the performance of the Company for the year. There have been no events since the balance sheet date which materially affect the position of the Company.

### Strategic report

This directors' report has been prepared under the small company provisions of the Companies Act 2006 and accordingly no strategic report has been prepared.

### Proposed dividend

No dividend was declared in respect of the year ended 30 June 2019 (2018: £3,500,000).

### Directors

The directors who held office during the year and since the year end were as follows:

Matthew Melhuish	
Brendan York	appointed on 7 February 2019
Adrian Talbot	appointed on 11 March 2019
Andrew West	resigned on 18 March 2019
Alex MacLaverty	resigned on 7 February 2019

### Charitable and political contributions

The Company made no political or charitable contributions during the current or prior reporting period.

### Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

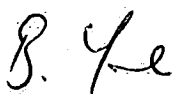
### Auditor

Pursuant to section 487 of the Companies Act 2006, the auditor will be deemed to be re-appointed and KPMG LLP will therefore continue in office.

### Small Companies exemption

This report is prepared taking advantage of exemptions available under the small companies' regime of the Companies Act 2006.

By order of the board



**Brendan York**  
Director

69 Wilson Street  
London  
EC2A 2BB  
26 November 2019

## **Statement of Directors' Responsibilities in Respect of the Directors' Report and the Financial Statements**

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 Reduced Disclosure Framework.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

# **Independent Auditor's Report to the Members of The Hotwire Public Relations Group Limited**

## **Opinion**

We have audited the financial statements of The Hotwire Public Relations Group Limited ("the company") for the year ended 30 June 2019 which comprise the Profit and Loss Account and Other Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 *Reduced Disclosure Framework*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

### **The impact of uncertainties due to the UK exiting the European Union on our audit**

Uncertainties related to the effects of Brexit are relevant to understanding our audit of the financial statements. All audits assess and challenge the reasonableness of estimates made by the directors, and related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the company's future prospects and performance.

Brexit is one of the most significant economic events for the UK, and at the date of this report its effects are subject to unprecedented levels of uncertainty of outcomes, with the full range of possible effects unknown. We applied a standardised firm-wide approach in response to that uncertainty when assessing the company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a company and this is particularly the case in relation to Brexit.

### **Going concern**

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model, including the impact of Brexit, and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the company will continue in operation.

## **Independent Auditor's Report to the Members of The Hotwire Public Relations Group Limited (continued)**

### **Directors' report**

The directors are responsible for the directors' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the directors' report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

### **Matters on which we are required to report by exception**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

### **Directors' responsibilities**

As explained more fully in their statement set out on page 2, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

## **Independent Auditor's Report to the Members of The Hotwire Public Relations Group Limited (continued)**

### **The purpose of our audit work and to whom we owe our responsibilities**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

*Frederic Caharel*

**Frederic Caharel (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**  
*Chartered Accountants*  
15 Canada Square  
London  
United Kingdom  
E14 5GL  
26 November 2019

**Profit and Loss Account and Other Comprehensive Income**  
*for the year ended 30 June 2019*

	<i>Note</i>	<b>2019</b> £	<b>2018</b> £
<b>Gross profit</b>		-	-
Administrative expenses	2-4	(2,259,120)	(1,876,587)
<b>Operating loss</b>		<b>(2,259,120)</b>	<b>(1,876,587)</b>
Income from subsidiary undertakings	5	3,085,289	5,032,314
<b>Profit on ordinary activities before taxation</b>		<b>826,169</b>	<b>3,155,727</b>
Tax on profit on ordinary activities	6	(34,173)	(44,776)
<b>Profit for the financial year</b>		<b>791,996</b>	<b>3,110,951</b>
<b>Other comprehensive income</b>			
Items that are or may be classified subsequently to profit or loss:			
Tax credit on ultimate parent undertakings employee share scheme		6,290	1,559
<b>Other comprehensive income for the year, net of income tax</b>		<b>6,290</b>	<b>1,559</b>
<b>Total comprehensive income for the year</b>		<b>798,286</b>	<b>3,112,510</b>

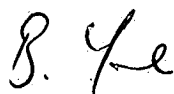
All results are from continuing activities.

The accompanying notes form an integral part of these financial statements.

**Balance Sheet**  
*as at 30 June 2019*

	<i>Note</i>	<b>2019</b>		<b>2018</b>	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	8	-		215	
Investments	9	35,781		32,086	
			35,781		32,301
<b>Current assets</b>					
Debtors	10	2,549,380		983,156	
Cash at bank and in hand		-		1,155	
		2,549,380		984,311	
<b>Creditors: amounts falling due within one year</b>	11	(1,412,623)		(642,360)	
<b>Net current assets</b>		1,136,757		341,951	
<b>Total assets less current liabilities</b>		1,172,538		374,252	
<b>Net assets</b>		1,172,538		374,252	
<b>Capital and reserves</b>					
Called up share capital	14	897		897	
Share premium account		158,235		158,235	
Profit and loss account		1,013,406		215,120	
<b>Shareholders' funds</b>		1,172,538		374,252	

These financial statements were approved by the board of directors on 26 November 2019 and were signed on its behalf by:



**Brendan York**  
*Director*

Company number: 04039379

The accompanying notes form an integral part of these financial statements.

**Statement of Changes in Equity**  
*for the year ended 30 June 2019*

	<b>Called up Share Capital £</b>	<b>Share Premium £</b>	<b>Profit and loss account £</b>	<b>Total £</b>
Balance at 1 July 2017	897	158,235	602,610	761,742
<b>Total comprehensive income for the year</b>				
Profit for the year	-	-	3,110,951	3,110,951
Other comprehensive income for the year	-	-	1,559	1,559
<b>Total comprehensive income for the year</b>	-		<b>3,112,510</b>	<b>3,112,510</b>
<b>Transactions with owners, recorded directly in equity</b>				
Dividends (note 7)	-	-	(3,500,000)	(3,500,000)
<b>Total contributions by and distributions to owners</b>	-	-	<b>(3,500,000)</b>	<b>(3,500,000)</b>
<b>Balance at 30 June 2018</b>	<b>897</b>	<b>158,235</b>	<b>215,120</b>	<b>374,252</b>
Balance at 1 July 2018	897	158,235	215,120	374,252
<b>Total comprehensive income for the year</b>				
Profit for the year	-	-	791,996	791,996
Other comprehensive income for the year	-	-	6,290	6,290
<b>Total comprehensive income for the year</b>	-	-	<b>798,286</b>	<b>798,286</b>
<b>Transactions with owners, recorded directly in equity</b>				
Dividends (note 7)	-	-	-	-
<b>Total contributions by and distributions to owners</b>	-	-	-	-
<b>Balance at 30 June 2019</b>	<b>897</b>	<b>158,235</b>	<b>1,013,406</b>	<b>1,172,538</b>

The accompanying notes form an integral part of these financial statements.

## Notes

*(forming part of the financial statements)*

### 1 Accounting policies

The Hotwire Public Relations Group Limited (the “Company”) is a private company incorporated, domiciled and registered in England in the United Kingdom.

The registered number is 04039379 and the registered address is 69 Wilson Street, London, EC2A 2BB.

The Company is exempt by virtue of section 401 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (“FRS 101”).

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU (“Adopted IFRSs”), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The Company’s ultimate parent undertaking, Enero Group Limited includes the Company in its consolidated financial statements. The consolidated financial statements of Enero Group Limited are prepared in accordance with International Financial Reporting Standards and are available to the public and may be obtained from Level 2, 100 Harris Street, Pyrmont, NSW 2009, Australia.

In these financial statements, the company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- a Cash Flow Statement and related notes;
- Comparative period reconciliation for share capital, tangible fixed assets and intangible assets;
- Disclosures in respect of transactions with wholly owned subsidiaries;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs; and
- Disclosures in respect of the compensation of Key Management Personnel.

As the consolidated financial statements of Enero Group Limited include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- IFRS 2 Share Based Payments in respect of group settled share based payments;
- Certain disclosures required by IAS 36 Impairment of assets in respect of the impairment of goodwill and indefinite life intangible assets; and
- Certain disclosures required by IFRS 13 Fair Value Measurement and the disclosures required by IFRS 7 Financial Instrument Disclosures.

The Company proposes to continue to adopt the reduced disclosure framework of FRS 101 in its next financial statements.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

## **Notes (continued)**

### **1 Accounting policies (continued)**

#### ***Measurement convention***

The financial statements are prepared on the historical cost basis.

#### ***Going concern***

These financial statements have been prepared on a going concern basis as the directors have a reasonable expectation that the Company will continue its operations and be able to meet its obligations as and when they become due and payable. This is based on an analysis of the Company's ability to meet its future cash flow requirements using its projected cash flows from operations and existing cash reserves held as at the balance sheet date.

#### ***Foreign currencies***

Transactions in foreign currencies are translated to the Company's functional currencies at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Foreign exchange differences arising on translation are recognised in the profit and loss account.

#### ***Tangible fixed assets***

Tangible fixed assets are stated at historical cost less accumulated depreciation and accumulated impairment losses.

Depreciation is charged to the profit and loss account on a straight-line basis over the estimated useful lives of tangible fixed assets. The estimated useful lives are as follows:

Computer equipment	33.3% per annum straight line
--------------------	-------------------------------

Depreciation methods, useful lives and residual values are reviewed at each balance sheet date.

#### ***Employee benefits***

##### ***Pension scheme***

The Company operates a defined contribution pension scheme. The amount charged to the profit and loss account represents the contributions for the year. A defined contribution plan is a post-employment benefit plan under which the company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss account in the periods during which services are rendered by employees.

##### ***Short-term benefits***

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

#### ***Investments***

Investments in subsidiary undertakings are stated at cost less accumulated impairment. Investments are testing of impairment at each reporting date. Where the carrying value of investment exceeds its recoverable value an impairment loss is recognised in the profit and loss account.

#### ***Trade and other debtors***

Trade and other debtors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

## Notes (continued)

### 1 Accounting policies (continued)

#### Trade and other creditors

Trade and other creditors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

#### Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

### 2 Expenses and auditor's remuneration

	2019 £	2018 £
<i>Profit on ordinary activities before taxation is stated after charging:</i>		
Depreciation and other amounts written off tangible fixed assets:		
- Owned (note 8)	215	526
<i>Auditors' remuneration</i>		
Audit of these financial statements	6,000	6,000

## Notes (continued)

### 3 Directors' Remuneration

Remuneration of two directors was paid by other group companies. Remuneration disclosed below represents cost of services provided by the directors to the Company.

	2019 £	2018 £
Directors' remuneration	336,244	304,899
Company contributions to defined contribution pension plan	16,629	18,805
	<u>352,873</u>	<u>323,704</u>

The aggregate of emoluments and amounts receivable under long-term incentive schemes of the highest paid director was £191,846 (2018: £181,239), and Company contributions of £4,562 (2018: £12,105) were made to a defined contribution scheme on his behalf.

	Number of directors	
	2019	2018
Retirement benefits are accruing to the following number of directors under:		
Defined contribution pension schemes	<u>3</u>	<u>2</u>

### 4 Staff numbers and costs

The average number of persons employed by the Company (including directors) during the year, analysed by category, was as follows:

	2019 Number of employees	2018 Number of employees
Administration staff	<u>13</u>	<u>17</u>
	<u>13</u>	<u>17</u>

The aggregate payroll costs of these persons were as follows:

	2019 £	2018 £
Wages and salaries	1,497,408	1,209,684
Social security costs	150,383	145,342
Other pension costs	95,777	94,490
	<u>1,743,568</u>	<u>1,449,516</u>

**Notes** *(continued)*

**5 Income from subsidiary undertakings**

	2019 £	2018 £
Dividends received from subsidiary undertakings	655,008	2,933,269
Other income from subsidiary undertakings	2,430,281	2,099,045
	<u>3,085,289</u>	<u>5,032,314</u>

**6 Taxation**

**Recognised in the profit and loss account**

	2019 £	2018 £
<i>UK corporation tax</i>		
Current tax on income for the year	33,754	46,547
Total current tax	<u>33,754</u>	<u>46,547</u>
<i>Deferred tax</i>		
Origination and reversal of timing differences	419	(1,771)
Total deferred tax (see note 12)	<u>419</u>	<u>(1,771)</u>
<b>Tax charge on profit on ordinary activities</b>	<u><b>34,173</b></u>	<u><b>44,776</b></u>

**Reconciliation of effective tax rate**

	2019 £	2018 £
Profit for the year	791,996	3,110,951
Total tax expense	34,173	44,776
Profit on ordinary activities before tax	<u>826,169</u>	<u>3,155,727</u>
Tax using the UK corporate tax rate of 19% (2018: 19%)	156,972	599,588
<i>Effects of:</i>		
Expenses not deductible for tax purposes	1,702	2,300
Income not taxable for tax purposes	(124,452)	(557,321)
Permanent timing difference	(49)	209
<b>Tax charge on profit on ordinary activities</b>	<u><b>34,173</b></u>	<u><b>44,776</b></u>

All tax is recognised directly in the profit and loss account.

**Notes (continued)**

**7 Dividends**

The aggregate amount of dividends comprises:

	2019 £	2018 £
Final dividend paid in respect of current year	-	3,500,000
Aggregate amount of dividends paid in financial year	-	3,500,000

**8 Tangible fixed assets**

	Computer equipment £
<b>Cost</b>	
Balance at 1 July 2018	31,110
Disposals	(31,110)
Balance at 30 June 2019	-
<b>Depreciation</b>	
Balance at 1 July 2018	30,895
Charge for year	215
Disposals	(31,110)
Balance at 30 June 2019	-
<b>Net book value</b>	
At 1 July 2018	215
At 30 June 2019	-

## Notes (continued)

### 9 Fixed asset investments

	Shares in group undertakings £
<i>Cost</i>	
At 1 July 2018	32,086
Addition	3,695
<b>At 30 June 2019</b>	<b>35,781</b>

Addition during the year relates to investment in 90% ordinary shares of Hotwire Global Communications Mexico S de R.L de C.V. Hotwire Global Communications Mexico S de R.L de C.V was incorporated on 12 July 2018.

The companies in which the Company's interests at the year-end are as follows:

<i>Subsidiary undertakings</i>	<i>Registered Address</i>	<i>Country of incorporation</i>	<i>Principal activity</i>	<i>Percentage and Class of shared held</i>
Hotwire Public Relations Ltd	69 Wilson Street, London, EC2A 2BB	UK	Public Relations	100% Ordinary Shares
Hotwire Public Relations Germany GmbH	Friedensstrabe 6-10 60311 Frankfurt am Main	Germany	Public Relations	100% Ordinary Shares
Hotwire Public Relations France SARL	105-109 rue de Faubourg Saint Honore, Paris 75008	France	Public Relations	100% Ordinary Shares
Hotwire Public Relations Spain SL	Edificio Cuzco IV Paseo De La Castellana 141 21Planta Madrid 28046	Spain	Public Relations	100% Ordinary Shares
Hotwire Public Relations Italy Srl	Via Conservatorio 22, 20122, Milan	Italy	Public Relations	100% Ordinary Shares
Skywrite Communications Ltd	69 Wilson Street, London, EC2A 2BB	UK	Dormant	100% Ordinary Shares
33 Digital Ltd	69 Wilson Street, London, EC2A 2BB	UK	Dormant	100% Ordinary Shares
Hotwire Global Communications Mexico S de R.L de C.V	Av. Paseo de la Reforma 296, Piso 42, oficina 38-116, Colonia Juárez, Delegación Cuauhtémoc, C.P. 06600	Mexico	Public Relations	90% Ordinary Shares

### 10 Debtors

	2019 £	2018 £
Amounts owed by group undertakings	2,242,909	858,750
Other debtors	15,779	18,351
Deferred tax (note 12)	12,875	13,294
Prepayments	277,817	92,761
	<b>2,549,380</b>	<b>983,156</b>

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

**Notes (continued)**

**11 Creditors: amounts falling due within one year**

	2019	2018
	£	£
Trade creditors	1,800	3,153
Amounts owed to group undertakings	697,401	55,939
Corporation tax	27,464	44,988
Taxation and social security	158,826	127,159
Accruals	526,925	411,121
Bank overdraft	207	-
	<u>1,412,623</u>	<u>642,360</u>

The company does not have any borrowing facility. Bank overdraft balance of £207 as at 30 June 2019 represents amount temporary overdrawn at that date which has been subsequently repaid.

**12 Deferred tax asset**

Movement in deferred tax during the year:

	1 July 2018	Recognised in income statement	30 June 2019
	£	£	£
Tangible fixed assets	6,672	(1,171)	5,501
Employee benefits	6,622	752	7,374
	<u>13,294</u>	<u>(419)</u>	<u>12,875</u>

Movement in deferred tax during the prior year:

	1 July 2017	Recognised in income statement	30 June 2018
	£	£	£
Tangible fixed assets	8,055	(1,383)	6,672
Employee benefits	3,468	3,154	6,622
	<u>11,523</u>	<u>1,771</u>	<u>13,294</u>

Deferred tax asset is included in debtors (see note 10)

From 1 April 2017, the main rate of corporation tax was reduced to 19%. A further reduction to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016. This will reduce the company's future current tax charge accordingly. Any deferred tax at 30 June 2019 has been calculated based on the rate of 17% being the rate substantively enacted at the balance sheet date.

## Notes (continued)

### 13 Employee benefits

#### Defined contribution pension plan

The Company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the Company to the scheme and amounted to £95,777 (2018: £94,490).

There was an outstanding pension contribution at the end of the financial year for £43,375 (2018: £38,954).

### 14 Capital and reserves

#### Share capital

	2019	2018
	£	£
<i>Allotted, called up and fully paid</i>		
897,000 ordinary shares of 0.1p each	897	897

The holders of ordinary shares are entitled to receive dividend as declared from time to time and are entitled to one vote per share at meetings of the Company.

### 15 Related party disclosures

#### Transactions with key management personnel

Key management personnel consist of directors of the company. The Company has claimed an exemption in respect of disclosures of the compensation of Key Management Personnel.

#### Transactions with related parties

The Company has claimed an exemption in respect of disclosures of transactions with wholly owned subsidiaries. There were no transactions with other related parties.

### 16 Ultimate parent company and parent undertaking of larger group of which the Company is a member

The Company is a wholly owned subsidiary of Enero Group Limited which is the ultimate parent company incorporated in Australia.

The largest group in which the results of the Company are consolidated is that headed by Enero Group Limited, incorporated in Australia. No other group financial statements include the results of the Company. The consolidated financial statements of these groups are available to the public and may be obtained from Level 2, 100 Harris Street, Pyrmont, NSW 2009, Australia.

### 17 Accounting estimates and judgements

The preparation of financial statements in conformity with UK Generally Accepted Accounting Practices (including FRS 101 Reduced Disclosure Framework) requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources.

There are no critical accounting estimates and judgements.