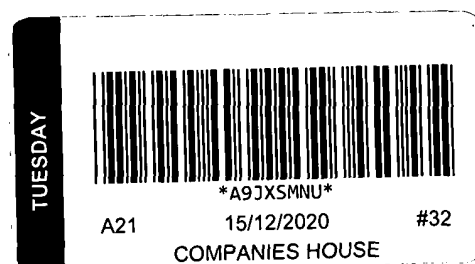


4Choice Ltd

Financial statements

for the year ended 31 December 2019

Registered number: 06809309



Statement of financial position

as at 31 December 2019

| | Notes | 2019 £ | As restated 2018 £ |
|--|-------|----------------|--------------------------|
| Fixed assets | | | |
| Intangible assets | 4 | 55,146 | 54,157 |
| Investments | 5 | 46,018 | 26,900 |
| | | 101,164 | 81,057 |
| Current assets | | | |
| Debtors: amounts falling due within one year | 6 | 334,717 | 363,677 |
| Cash at bank and in hand | | 587,628 | 1,605,714 |
| | | 922,345 | 1,969,391 |
| Creditors: amounts falling due within one year | 7 | (48,104) | (264,634) |
| Net current assets | | 874,241 | 1,704,757 |
| Total assets less current liabilities | | 975,405 | 1,785,814 |
| Net assets | | 975,405 | 1,785,814 |
| Capital and reserves | | | |
| Share capital | | 786 | 798 |
| Share premium account | | 37,165 | 37,165 |
| Capital redemption reserve | | 226 | 214 |
| Profit and loss account | | 937,228 | 1,747,637 |
| | | 975,405 | 1,785,814 |

Statement of financial position (continued)

as at 31 December 2019

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 income and retained earnings 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:



.....
P B Zaborszky
Director

Date: 14 December 2020

The notes on pages 4 to 11 form part of these financial statements.

Statement of changes in equity
for the year ended 31 December 2019

| | Share capital | Share premium account | Capital redemption reserve | Profit and loss account | Total equity |
|--|---------------|-----------------------|----------------------------|-------------------------|------------------|
| | £ | £ | £ | £ | £ |
| At 1 January 2018 | 798 | 37,165 | 214 | 2,242,467 | 2,280,644 |
| Profit for the year (as restated) | - | - | - | 139,465 | 139,465 |
| Dividends: Equity capital | - | - | - | (634,295) | (634,295) |
| Total transactions with owners | - | - | - | (634,295) | (634,295) |
| At 1 January 2019 (as restated) | 798 | 37,165 | 214 | 1,747,637 | 1,785,814 |
| Loss for the year | - | - | - | (377,061) | (377,061) |
| Purchase of own shares | (12) | - | - | - | (12) |
| Dividends: Equity capital | - | - | - | (300,095) | (300,095) |
| Purchase of own shares | - | - | 12 | (133,253) | (133,241) |
| Total transactions with owners | - | - | 12 | (433,348) | (433,336) |
| At 31 December 2019 | 786 | 37,165 | 226 | 937,228 | 975,405 |

The notes on pages 4 to 11 form part of these financial statements.

Notes to the financial statements

for the year ended 31 December 2019

1. General information

The company is a private company limited by shares and incorporated in England and Wales. The registered office and principal place of business is Manor Coach House, Church Hill, Aldershot, Hampshire, GU12 4RQ. The company registration number is 06809309.

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 Republic of Ireland' and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies.

The following principal accounting policies have been applied:

2.2 Going concern

The company has sufficient liquid resources to continue as a going concern for the foreseeable future and the directors believe that the company will be able to meet its liabilities as they fall due for at least twelve months from the date of approval of these financial statements.

The directors have considered the impact of the current COVID-19 pandemic and have implemented contingency plans, including utilising government support schemes to mitigate any negative effect on the company and to maintain cash flows, the directors are also considering other options to diversify the primary activity. Due to the nature of the company's operations, the increased online activity of individuals caused by the pandemic has in fact had a positive impact on sales in the short term, post year end. The key assumption used by the directors is that there will be no negative effect within the industry when lockdown restrictions are fully lifted. The directors are continually reviewing the situation, however, do not consider the current crisis to be cause for material uncertainty in respect of the company's ability to continue as a going concern. The financial statements have therefore been prepared on the going concern basis.

2.3 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the turnover can be reliably measured. Turnover 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 turnover is recognised:

Rendering of services

Turnover 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 turnover 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 2019

2. Accounting policies (continued)

2.4 Interest income

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

2.5 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.6 Borrowing costs

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

2.7 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 Statement of financial position. The assets of the plan are held separately from the company in independently administered funds.

2.8 Taxation

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 reporting date in the countries where the company operates and generates income.

2.9 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

| | | |
|---------|---|---------|
| Website | - | 3 years |
|---------|---|---------|

Notes to the financial statements

for the year ended 31 December 2019

2. Accounting policies (continued)

2.10 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, using the straight-line method.

Depreciation is provided on the following basis:

| | | | |
|-----------------------|---|-----|---------------|
| Plant and machinery | - | 20% | straight line |
| Fixtures and fittings | - | 25% | 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.

2.11 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.12 Debtors

Short term debtors are measured at transaction price, less any impairment.

2.13 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.

2.14 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.

2.15 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.

Notes to the financial statements

for the year ended 31 December 2019

2. Accounting policies (continued)

2.16 Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of income and retained earnings within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

3. Employees

The average monthly number of employees, including directors, during the year was 11 (2018 - 11).

Notes to the financial statements

for the year ended 31 December 2019

4. Intangible assets

| | Website £ |
|-----------------------|--------------|
| Cost | |
| At 1 January 2019 | 229,534 |
| Additions - internal | 82,719 |
| | <hr/> |
| At 31 December 2019 | 312,253 |
| | <hr/> |
| Amortisation | |
| At 1 January 2019 | 175,377 |
| Charge for the year | 81,730 |
| | <hr/> |
| At 31 December 2019 | 257,107 |
| | <hr/> |
| Net book value | |
| At 31 December 2019 | 55,146 |
| | <hr/> <hr/> |
| At 31 December 2018 | 54,157 |
| | <hr/> <hr/> |

Notes to the financial statements

for the year ended 31 December 2019

5. Fixed asset investments

| | Investments in subsidiary companies £ | Other fixed asset investments £ | Total £ |
|--------------------------|--|--|------------|
| Cost or valuation | | | |
| At 1 January 2019 | 1,193,222 | 26,900 | 1,220,122 |
| Additions | 19,118 | - | 19,118 |
| At 31 December 2019 | 1,212,340 | 26,900 | 1,239,240 |
| Impairment | | | |
| At 1 January 2019 | 1,193,222 | - | 1,193,222 |
| At 31 December 2019 | 1,193,222 | - | 1,193,222 |
| Net book value | | | |
| At 31 December 2019 | 19,118 | 26,900 | 46,018 |
| At 31 December 2018 | - | 26,900 | 26,900 |

During the year, the company acquired 400 ordinary £1 shares in 4Choice Holdings Limited (formerly Buffered Limited).

Subsidiary undertaking

The following was a subsidiary undertaking of the company:

| Name | Registered office | Class of shares | Holding |
|--------------------------|-------------------|-----------------|---------|
| 4Choice Holdings Limited | Gibraltar | Ordinary | 90% |

Notes to the financial statements

for the year ended 31 December 2019

6. Debtors

| | 2019 | As restated 2018 |
|--------------------------------|----------------|---------------------|
| | £ | £ |
| Trade debtors | 173,966 | 253,957 |
| Other debtors | 160,751 | 53,428 |
| Prepayments and accrued income | - | 56,292 |
| | 334,717 | 363,677 |

7. Creditors: amounts falling due within one year

| | 2019 | As restated 2018 |
|------------------------------------|---------------|---------------------|
| | £ | £ |
| Bank overdrafts | 24,966 | 91,573 |
| Trade creditors | 3,934 | 14,979 |
| Corporation tax | - | 119,349 |
| Other taxation and social security | 4,560 | 13,208 |
| Other creditors | 1,229 | 1,960 |
| Accruals | 13,415 | 23,565 |
| | 48,104 | 264,634 |

8. Contingent liabilities

The company has no contingent liabilities as at 31 December 2019 or 31 December 2018.

9. Capital commitments

The company has no capital commitments as at 31 December 2019 or 31 December 2018.

10. Pension commitments

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £7,914 (2018 - £4,103). Amounts totalling £1,229 (2018 - £1,960) were payable in contributions to the fund at the reporting date.

Notes to the financial statements

for the year ended 31 December 2019

11. Commitments under operating leases

At 31 December 2019 the company had future minimum lease payments under non-cancellable operating leases as follows:

| | 2019 £ | 2018 £ |
|--|---------------|---------------|
| Not later than 1 year | 18,956 | 10,605 |
| Later than 1 year and not later than 5 years | 36,787 | - |
| | <u>55,743</u> | <u>10,605</u> |

12. Prior year adjustment

The directors have identified that accrued income of £56,292 was incorrectly omitted from the financial statements in the prior year.

Adjusting for this error relating to prior periods had the following impact in the year ended 31 December 2018:

- Increase sales by £56,292
- Increase accrued income by £56,292
- Increase tax charge for the year by £10,695
- Increase the corporation tax creditor by £10,695

13. Inclusion in group financial statements

The group, which includes the company, qualifies as small as set out in section 383 of the Companies Act 2006 and the parent and group are considered eligible for the exemption to prepare consolidated accounts.

14. Auditor's information

The auditor's report on the financial statements for the year ended 31 December 2019 was unqualified and there were no matters to which the auditor drew attention by way of emphasis. The auditor's report was signed by Simon Wax (Senior statutory auditor) for and on behalf of Buzzacott LLP, 130 Wood Street, London, EC2V 6DL.

The audit report was signed on 14 December 2020 by Simon Wax (Senior statutory auditor) on behalf of Buzzacott LLP.