

Company Registration No. 07111550 (England and Wales)

**BRIGHTPOOL LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

# BRIGHTPOOL LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	DJ Baird MJ Oliver (Appointed 1 July 2020)
<b>Company number</b>	07111550
<b>Registered office</b>	One Angel Court 15th Floor London EC2R 7HJ
<b>Auditor</b>	BHP LLP New Chartford House Centurion Way Cleckheaton Bradford West Yorkshire BD19 3QB
<b>Business address</b>	3 Wellington Place Leeds West Yorkshire LS1 4AP

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# **BRIGHTPOOL LIMITED**

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# BRIGHTPOOL LIMITED

## STRATEGIC REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2020

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The directors present the strategic report for the year ended 31 December 2020.

#### Fair review of the business

##### Business model review of the business and future developments

Brightpool Limited forms part of the New Street Consulting Group, which is a leading leadership consulting & talent solutions provider, and offers clients access to a range of service lines that can be utilised individually or as an integrated end-to-end solution to solve complex talent and organisational challenges.

Over four decades, the Group has built lasting relationships with many world-leading organisations and recruited, assessed or developed over 10,000 leaders and executives.

Within the Group, Brightpool offers a complete agile strategic planning service which allows clients to fill critical roles at speed, and specialise in project based agile resourcing for both permanent and contingent workforce solutions, underpinned by human capital research and insight.

During 2020 the focus was both on securing of new clients and new projects, particularly in the financial services sector, as well as streamlining the company's cost base. The Covid-19 pandemic however had a significant impact on the businesses to whom the company provides services, and as such a decline in revenue and gross profit was seen as compared to the prior year. However, the streamlining of the company's fixed cost base meant that this decline in revenue was partly mitigated at the EBITDA level.

Whilst it is not possible to predict the ongoing impact of the Covid-19 pandemic, and the potential for an economic recession during the course of 2021 and beyond, the company continues to maintain strong relationships with its long-standing clients and expects to improve on the 2020 performance as the pandemic restrictions begin to ease, coupled with a greater level of cross-selling of services to clients of other group companies.

#### People

The Company has an experienced and high-performing team.

Investment in our people was a continued key focus for the year, with efforts on recruiting and retaining talent, succession planning, reward and recognition, work-life balance and corporate & social responsibility all contributing to New Street Consulting Group achieving 39th place in the Sunday Times Best Small Companies to Work for in the UK in 2021 as well as the 13th Best Company to Work for in Yorkshire, whilst the Company also retains the Investors in People Gold award status until 2022.

#### Financial review and KPIs

The Brightpool key performance indicators are:

	2020	2019
	£	£
Revenue (£000s)	10,801	19,787

This is the standard accounting revenue measure and indicates the trading performance of the Company.

Gross Profit (£000s)	1,520	2,866
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Gross profit is the Company's measure of net fee income from client assignments, and is the profit on an assignment after incurring the costs of the interim candidates placed with clients.

EBITDA (£000s)	285	544
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EBITDA is a measure of operating profit, adjusted for depreciation and amortisation. Growth in EBITDA reflects an increase in the long term value of the business and the quality of cost control.

## **BRIGHTPOOL LIMITED**

### **STRATEGIC REPORT (CONTINUED)**

#### ***FOR THE YEAR ENDED 31 DECEMBER 2020***

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The 45% reduction in revenue from 2019 is entirely driven by the impact of the Covid-19 pandemic. Gross margin % has reduced slightly from 14.5% to 14.1%, however EBITDA margin % has only marginally reduced from 2.7% in 2019 to 2.6% in 2020 as the company undertook measures to review and streamline its fixed overhead base.

On behalf of the board

DJ Baird  
**Director**

8 September 2021

# **BRIGHTPOOL LIMITED**

## **DIRECTORS' REPORT**

***FOR THE YEAR ENDED 31 DECEMBER 2020***

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

### **Principal activities**

Brightpool specialises in the areas of interim recruitment, talent pooling and agile resourcing.

### **Results and dividends**

The results for the year are set out on page 8.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

### **Directors**

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

DJ Baird

MJ Oliver

(Appointed 1 July 2020)

### **Auditor**

In accordance with the company's articles, a resolution proposing that BHP LLP be reappointed as auditor of the company will be put at a General Meeting.

### **Statement of disclosure to auditor**

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board

DJ Baird

**Director**

8 September 2021

## **BRIGHTPOOL LIMITED**

### **DIRECTORS' RESPONSIBILITIES STATEMENT**

***FOR THE YEAR ENDED 31 DECEMBER 2020***

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The directors are responsible for preparing the annual 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 the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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 also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# **BRIGHTPOOL LIMITED**

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBER OF BRIGHTPOOL LIMITED**

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#### **Opinion**

We have audited the financial statements of Brightpool Limited (the 'company') for the year ended 31 December 2020 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

#### **Other information**

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.



# **BRIGHTPOOL LIMITED**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE MEMBER OF BRIGHTPOOL LIMITED**

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

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us 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.

#### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for 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 the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

We gained an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates and considered the risk of acts by the company that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

We focussed on laws and regulations, relevant to the company, which could give rise to a material misstatement in the financial statements. Our tests included agreeing the financial statement disclosures to underlying supporting documentation, enquiries with management, review of company minutes and legal expenses. There are inherent limitations in the audit procedures described and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

As part of our audit, we addressed the risk of management override of internal controls, including testing of journals and review of nominal ledger. We evaluated whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

## **BRIGHTPOOL LIMITED**

### **INDEPENDENT AUDITOR'S REPORT (CONTINUED)** **TO THE MEMBER OF BRIGHTPOOL LIMITED**

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#### **Use of our report**

This report is made solely to the company's member 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 member 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 member for our audit work, for this report, or for the opinions we have formed.

**Nigel Bullas (Senior Statutory Auditor)**  
**For and on behalf of BHP LLP**

8 September 2021

**Chartered Accountants**  
**Statutory Auditor**

New Chartford House  
Centurion Way  
Cleckheaton  
Bradford  
West Yorkshire  
BD19 3QB

**BRIGHTPOOL LIMITED****STATEMENT OF COMPREHENSIVE INCOME****FOR THE YEAR ENDED 31 DECEMBER 2020**

	Notes	2020 £	2019 £
<b>Turnover</b>	<b>3</b>	10,800,545	19,787,230
Cost of sales		(9,280,432)	(16,920,998)
<b>Gross profit</b>		1,520,113	2,866,232
Administrative expenses		(1,288,697)	(2,322,496)
Other operating income		53,675	-
<b>Operating profit</b>	<b>4</b>	285,091	543,736
Interest receivable and similar income	<b>7</b>	24	1,219
Interest payable and similar expenses	<b>8</b>	(3,526)	(7,759)
<b>Profit before taxation</b>		281,589	537,196
Tax on profit	<b>9</b>	(34,646)	(102,541)
<b>Profit for the financial year</b>		246,943	434,655

The profit and loss account has been prepared on the basis that all operations are continuing operations.

# BRIGHTPOOL LIMITED

## BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
<b>Current assets</b>					
Debtors	10	3,793,670		3,787,261	
Cash at bank and in hand		533,473		177,773	
		<u>4,327,143</u>		<u>3,965,034</u>	
<b>Creditors: amounts falling due within one year</b>	11	<u>(2,267,889)</u>		<u>(2,152,723)</u>	
<b>Net current assets</b>			<u>2,059,254</u>		<u>1,812,311</u>
<b>Capital and reserves</b>					
Called up share capital	13		1		1
Profit and loss reserves			<u>2,059,253</u>		<u>1,812,310</u>
<b>Total equity</b>			<u>2,059,254</u>		<u>1,812,311</u>

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

DJ Baird  
Director

Company Registration No. 07111550

**BRIGHTPOOL LIMITED****STATEMENT OF CHANGES IN EQUITY*****FOR THE YEAR ENDED 31 DECEMBER 2020***

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	Share capital	Profit and loss reserves	Total
	£	£	£
<b>Balance at 1 January 2019</b>	1	1,377,655	1,377,656
<b>Year ended 31 December 2019:</b>			
Profit and total comprehensive income for the year	-	434,655	434,655
	<hr/>	<hr/>	<hr/>
<b>Balance at 31 December 2019</b>	1	1,812,310	1,812,311
<b>Year ended 31 December 2020:</b>			
Profit and total comprehensive income for the year	-	246,943	246,943
	<hr/>	<hr/>	<hr/>
<b>Balance at 31 December 2020</b>	<u>1</u>	<u>2,059,253</u>	<u>2,059,254</u>

# BRIGHTPOOL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 DECEMBER 2020**

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### **1 Accounting policies**

#### **Company information**

Brightpool Limited is a private company limited by shares incorporated in England and Wales. The registered office is One Angel Court, 15th Floor, London, EC2R 7HJ.

#### **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.

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. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues': Interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment': Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

Brightpool Limited is a wholly owned subsidiary of New Street Consulting Group Limited (formerly New Street (Group) Limited) and the results of Brightpool Limited are included in the consolidated financial statements of New Street (Holdco) Limited which are available from One Angel Court, 15 Floor, London, EC2R 7HJ.

#### **1.2 Going concern**

The directors have considered the impact of Covid-19 on the company's trade, workforce and supply chain, as well as the wider economy. Whilst it is not considered practical to accurately assess the duration and extent of the disruption, the directors are confident that they have in place plans to deal with and mitigate any financial losses that may arise. Such plans include, but are not limited to, the support that has been made available by the government in relation to staff costs, together with tax deferments.

The directors therefore continue to adopt the going concern basis of preparation for these financial statements.

# BRIGHTPOOL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

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### 1 Accounting policies

(Continued)

#### 1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

#### 1.4 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.

#### 1.5 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.

##### **Other financial assets**

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

##### **Impairment of financial assets**

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

# BRIGHTPOOL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

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### 1 Accounting policies

(Continued)

#### ***Derecognition of financial assets***

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

#### ***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.

#### ***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.

#### ***Other financial liabilities***

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

#### ***Derecognition of financial liabilities***

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

### 1.6 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.

### 1.7 Taxation

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



# BRIGHTPOOL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 1 Accounting policies

(Continued)

#### **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.

#### **1.8 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.

#### **1.9 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### **1.10 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.

Grants received in relation to the government Coronavirus Job Retention Scheme (Furlough) have been recognised within other operating income. The grant is accounted for on the accruals basis once the related payroll return has been submitted.

# BRIGHTPOOL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 1 Accounting policies

(Continued)

#### 1.11 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

#### 1.12 Classification of financial instruments issued by the group

In accordance with FRS 102.22, financial instruments issued by the group are treated as equity only to the extent that they meet the following two conditions:

- they include no contractual obligations upon the group to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the group; and
- where the instrument will or may be settled in the entity's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the entity's own equity instruments or is a derivative that will be settled by the entity exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the entity's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

### 2 Judgements and key sources of estimation uncertainty

In the application of the company'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 Turnover and other revenue

	2020	2019
	£	£
<b>Other significant revenue</b>		
Interest income	24	1,219
Grants received	53,675	-
	<u>          </u>	<u>          </u>

### 4 Operating profit

	2020	2019
	£	£
Operating profit for the year is stated after charging/(crediting):		
Government grants	(53,675)	-
Fees payable to the company's auditor for the audit of the company's financial statements	5,200	4,600
	<u>          </u>	<u>          </u>

# BRIGHTPOOL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 5 Employees

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

2020 Number	2019 Number
8	13

Their aggregate remuneration comprised:

	2020 £	2019 £
Wages and salaries	357,900	779,567
Social security costs	43,940	81,222
Pension costs	8,838	18,625
	<u>410,678</u>	<u>879,414</u>

### 6 Directors' remuneration

Directors emoluments equalled £nil in the year (2019 - £nil).

### 7 Interest receivable and similar income

	2020 £	2019 £
<b>Interest income</b>		
Interest on bank deposits	24	1,203
Other interest income	-	16
	<u>24</u>	<u>1,219</u>

### 8 Interest payable and similar expenses

	2020 £	2019 £
Interest on bank overdrafts and loans	<u>3,526</u>	<u>7,759</u>

### 9 Taxation

	2020 £	2019 £
<b>Current tax</b>		
UK corporation tax on profits for the current period	53,455	102,541
Adjustments in respect of prior periods	(18,809)	-
	<u>34,646</u>	<u>102,541</u>

# BRIGHTPOOL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 9 Taxation

(Continued)

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2020 £	2019 £
Profit before taxation	281,589	537,196
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2019: 19.00%)	53,502	102,067
Tax effect of expenses that are not deductible in determining taxable profit	285	474
Other non-reversing timing differences	(332)	-
Under/(over) provided in prior years	(18,809)	-
Taxation charge for the year	34,646	102,541

### 10 Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Trade debtors	1,239,320	1,688,819
Amounts owed by group undertakings	2,355,927	1,772,390
Other debtors	198,423	326,052
	3,793,670	3,787,261

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

	2020 £	2019 £
Trade creditors	239,967	866,784
Amounts owed to group undertakings	430,000	430,000
Corporation tax	138,544	102,525
Other taxation and social security	1,452,446	688,342
Other creditors	6,932	65,072
	2,267,889	2,152,723

## BRIGHTPOOL LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

#### 12 Retirement benefit schemes

	2020	2019
Defined contribution schemes	£	£
Charge to profit or loss in respect of defined contribution schemes	8,838	18,625

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

#### 13 Share capital

	2020	2019	2020	2019
Ordinary share capital	Number	Number	£	£
Issued and fully paid				
Ordinary share of £1 each	1	1	1	1

#### 14 Ultimate controlling party

New Street Consulting Group Limited (formerly New Street (Group) Limited) is the immediate parent company, incorporated in the UK.

New Street (Holdco) Limited is the Ultimate parent company, incorporated in the UK and is controlled by the director DJ Baird.

The financial statements contain information about Brightpool Limited as an individual company and do not contain consolidated financial information on the group to which Brightpool Limited belongs.

The financial statements of New Street (Holdco) Limited which consolidate those of its subsidiary companies are available from:

New Street (Holdco) Limited  
3 Wellington Place  
Leeds  
West Yorkshire  
LS1 4AP

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