

Company Registration No. 07328080 (England and Wales)

HAMLYN WILLIAMS LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED
31 DECEMBER 2020

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HAMLYN WILLIAMS LIMITED

COMPANY INFORMATION

Director	N Vaughan
Secretary	D Baker
Company number	07328080
Registered office	Golate House 2nd Floor, 101 St Mary Street Cardiff Wales CF10 1DX
Auditor	Albert Goodman LLP Goodwood House Blackbrook Park Avenue Taunton Somerset TA1 2PX

HAMLYN WILLIAMS LIMITED

STRATEGIC REPORT

FOR THE PERIOD ENDED 31 DECEMBER 2020

The director presents the strategic report for the period ended 31 December 2020.

Fair review of the business

It has been a year of targeted and purposeful growth for Hamlyn Williams, set against a backdrop of unprecedented challenges to the business as a result of the COVID-19 pandemic and uncertainty caused by the UK's exit from the European Union. The business reacted well to these challenges, supporting teams where necessary as well as taking advantage of market opportunities toward the end of the year.

Hamlyn Williams launched a Healthcare brand in the United States and increased existing brand investment with new offices in Germany and the Netherlands. Each of these investments were targeted at serving key markets that we anticipate providing significant revenue growth opportunities in 2021 and beyond.

The Group now employs 148 staff (2019: 111) across offices in London, Cardiff, Amsterdam, Frankfurt, New York, Dallas and San Diego. The Group's strategy to both grow headcount in existing markets and also make investments in key new markets in 2020 results in Hamlyn Williams being well placed to service its customers in an anticipated 2021 economic recovery, as well as continuing to take market share.

As a result, top line performance in turnover increased from £17.1m to £27.8m in 2020. Gross profit increased from £7.9m to £10.6m. The Group recorded a small EBITDA loss of £(0.003m) for the year 2020. The loss in part is attributable to the early stage of investments made by the Group and more significantly the macro-economic impact of the COVID-19 pandemic where the business recognised its first significant bad debt.

A full breakdown of the 2020 performance can be seen under "Key Performance Indicators" below.

The full year 2020 accounts are based on a 15 month period where the year-end was extended to align with the calendar year.

Principal risks and uncertainties

Foreign Exchange Risk

The Group's global distribution of offices and clients, operating in multiple currencies, results in some exposure to foreign exchange risk. The Group has good banking and forex service support and maintains accounts in all major currencies in which it transacts. Cost bases are aligned to revenue streams in same currency where possible and by continually reviewing foreign exchange rates and maintaining access to leading forex conversion markets, risk is minimised.

Liquidity

Hamlyn Williams aims to maintain sufficient levels of liquidity through its operations. The Group maintains invoice discounting facilities to service its contract business in the US and UK. The Group invested in its credit control function in 2020 and established stronger credit control measures to offset increased risk of extended payment cycles from its clients during the economic impact of the COVID-19 pandemic.

Information Technology/Cyber Risks

The Group began a migration of all key systems to cloud-based environments in 2019 and successfully completed the switch in the first quarter of 2020, reducing the risk of local IT disruption in all geographies. The Group appointed a new IT Infrastructure partner in 2020 and will continue to invest in IT and Cyber capabilities.

People Risk

Hamlyn Williams' most important asset is its people. The ability to retain key existing staff and also hire and develop high calibre future employees is key to the Group achieving its business goals. Hamlyn Williams will develop its people strategy in 2021 with expansion in HR, Learning & Development and Talent Acquisition teams. The Group will continue to operate and grow its share option scheme as a reward and retention mechanism and offer clear career and promotion paths for its people.

HAMLYN WILLIAMS LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2020

Future developments

Hamlyn Williams forecasts both strong revenue and gross margin growth as the global economy recovers from the COVID-19 Pandemic and associated staffing markets improve. The Group also anticipates strong EBITDA recovery as its 2020 investments into new Geography and Brands add return on investment in 2021. Hamlyn Williams does not anticipate any investments into new markets or geographies in 2021 however Hamlyn Williams will continue to invest strongly into its existing estate. The Group will continue to recruit key personnel to deliver its 2021 objectives.

Key performance indicators

The Group's key performance indicators are turnover, gross profit (net fee income), EBITDA and net profit. The Director provides below a summary of these key performance indicators:

	2020	2019
Turnover	27,829,781	17,076,621
Gross Profit	10,613,731	7,996,245
EBITDA and exchange differences	(3,192)	1,587,152
Net Profit/(Loss)	(137,622)	1,041,353

The split at the Gross Profit level between the contract and permanent revenue streams of the business in 2020 was 45% and 55% respectively.

Brexit

Hamlyn Williams engaged early in strategic planning to mitigate any associated trading risk linked to the UK's exit from the European Union. The Group supports a number of Global clients with European and cross border operations and generated 24% of 2020 revenues from the European region. The launching of offices in the Netherlands and Germany in 2020 were in part to remove any uncertainty for the Group's clients relating to support post-Brexit.

Impact of COVID-19

During the first quarter of 2020 at the outbreak of the COVID-19 pandemic, the Group appointed a new IT Infrastructure provider with the aim to facilitate employees to work from home. Investments into new IT equipment and software were made to aid the transition however some challenges were still felt across the business. The UK business made a small but targeted utilization of the UK Government's Coronavirus Job Retention Scheme and both the UK and US operations were able to make use of Government Business support initiatives.

Hamlyn Williams was able to remain resilient in the face of the pandemic challenges, protecting headcount and placing the business well for 2021 growth.

On behalf of the board



N Vaughan
Director

Date: 20/12/2021

HAMLYN WILLIAMS LIMITED

DIRECTOR'S REPORT

FOR THE PERIOD ENDED 31 DECEMBER 2020

The director presents his annual report and financial statements for the 15 month period ended 31 December 2020. The prior year accounts are for the 12 months to 28 September 2019.

Principal activities

The principal activity of Hamlyn Williams is to offer specialist recruitment services, providing both interim (contract) and permanent staff within the Financial Services, Professional Services, Life Science, Technology and Healthcare Industries. We work with our customers on a global basis from offices in the UK, Europe, and Northern America.

Results and dividends

The results for the period are set out on page 9.

Ordinary dividends were paid amounting to £257,013. The director does not recommend payment of a further dividend.

Director

The director who held office during the period and up to the date of signature of the financial statements was as follows:

N Vaughan

Auditor

Albert Goodman LLP were appointed as Auditor to the group and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

Strategic report

The group has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the group's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report. It has done so in respect of business review, future developments and principal risks.

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, each director has taken all the necessary steps that he ought to have taken as a director in order to make himself aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board



N Vaughan
Director

Date: 20/12/2021

HAMLYN WILLIAMS LIMITED

DIRECTOR'S RESPONSIBILITIES STATEMENT FOR THE PERIOD ENDED 31 DECEMBER 2020

The director is responsible for preparing the Strategic Report and the Director's Report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the group and company, and of the profit or loss of the group for that period. In preparing these financial statements, the director is 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 group and company will continue in business.

The director is responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and company and enable them to ensure that the financial statements comply with the Companies Act 2006. He is also responsible for safeguarding the assets of the group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HAMLYN WILLIAMS LIMITED

Opinion

We have audited the financial statements of Hamlyn Williams Limited (the 'parent company') and its subsidiaries (the 'group') for the period ended 31 December 2020 which comprise the consolidated statement of comprehensive income, the consolidated statement of financial position, the company statement of financial position, the consolidated statement of changes in equity, the company statement of changes in equity, the consolidated statement of cash flows and notes to the financial statements, including a summary of 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 group's and of the parent company's affairs as at 31 December 2020 and of the group's loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 group and parent 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 director's 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 original financial statements were authorised for issue.

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

Other information

The director is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HAMLYN WILLIAMS LIMITED (CONTINUED)

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 director's report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the director's report have been prepared in accordance with applicable legal requirements.

In the light of our knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Director's Report.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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 director

As explained more fully in the director's responsibilities statement set out on page 4, the director is 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 director determines 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 director is responsible for assessing the group's and the parent 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 director either intends to liquidate the group or the parent company or to cease operations, or has 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:

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HAMLYN WILLIAMS LIMITED (CONTINUED)

The extent to which the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the group through discussions with director and other management, and from our commercial knowledge and experience of the temporary employment and recruitment agency sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the group, including the Companies Act 2006, taxation legislation, data protection, anti-bribery, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the group's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators and the group's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the director and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HAMLYN WILLIAMS LIMITED (CONTINUED)

Use of our report

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.



Christopher Walford ACA (Senior Statutory Auditor)
For and on behalf of Albert Goodman LLP, Statutory Auditor
Goodwood House
Blackbrook Park Avenue
Taunton
Somerset, TA1 2PX

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20/12/2021

HAMLYN WILLIAMS LIMITED

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 DECEMBER 2020

		Period ended 31 December 2020 £	Year ended 28 September 2019 £
	Notes		
Turnover	3	27,829,781	17,076,621
Cost of sales		(17,216,050)	(9,080,376)
Gross profit		10,613,731	7,996,245
Administrative expenses		(10,915,249)	(6,841,936)
Other operating income	3	127,045	237,364
Operating (loss)/profit	7	(174,473)	1,391,673
Interest payable and similar expenses	9	(160,790)	(77,372)
(Loss)/profit before taxation		(335,263)	1,314,301
Tax on (loss)/profit	10	167,631	(326,722)
(Loss)/profit for the financial period		(167,632)	987,579
Other comprehensive income net of taxation			
Currency translation differences		30,010	53,774
Total comprehensive (expense)/income for the period		(137,622)	1,041,353
(Loss)/profit for the financial period is attributable to:			
- Owners of the parent company		(148,500)	986,001
- Non-controlling interests		(19,132)	1,578
		(167,632)	987,579
Total comprehensive income for the period is attributable to:			
- Owners of the parent company		(118,490)	1,039,775
- Non-controlling interests		(19,132)	1,578
		(137,622)	1,041,353

HAMLIN WILLIAMS LIMITED**CONSOLIDATED STATEMENT OF FINANCIAL POSITION****AS AT 31 DECEMBER 2020**

	Notes	31 December 2020		28 September 2019	
		£	£	£	£
Fixed assets					
Intangible assets	12	9,333		-	
Tangible assets	13	251,517		59,121	
		260,850		59,121	
Current assets					
Debtors falling due after more than one year	16	2,698,847		-	
Debtors falling due within one year	16	5,950,438		4,855,294	
Cash at bank and in hand		829,508		576,054	
		9,478,793		5,431,348	
Creditors: amounts falling due within one year	17	(6,365,470)		(4,079,347)	
Net current assets		3,113,323		1,352,001	
Total assets less current liabilities		3,374,173		1,411,122	
Creditors: amounts falling due after more than one year	18	(2,343,656)		-	
Provisions for liabilities	21	(17,673)		(3,643)	
Net assets		1,012,844		1,407,479	
Capital and reserves					
Called up share capital	23	100		100	
Profit and loss reserves	24	1,030,298		1,405,801	
Equity attributable to owners of the parent company		1,030,398		1,405,901	
Non-controlling interests		(17,554)		1,578	
		1,012,844		1,407,479	

The financial statements were approved and signed by the director and authorised for issue on 20/12/2021


 N D Vaughan
 Director

HAMLIN WILLIAMS LIMITED**COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2020**

	Notes	31 December 2020 £	28 September 2019 £
Fixed assets			
Intangible assets	12	2,258	-
Tangible assets	13	142,420	27,993
Investments	14	102,279	-
		<u>246,957</u>	<u>27,993</u>
Current assets			
Debtors falling due after more than one year	16	2,369,669	-
Debtors falling due within one year	16	3,131,314	2,950,556
Cash at bank and in hand		171,376	219,759
		<u>5,672,359</u>	<u>3,170,315</u>
Creditors: amounts falling due within one year	17	<u>(2,239,235)</u>	<u>(1,953,820)</u>
Net current assets		<u>3,433,124</u>	<u>1,216,495</u>
Total assets less current liabilities		<u>3,680,081</u>	<u>1,244,488</u>
Creditors: amounts falling due after more than one year	18	(1,993,209)	-
Provisions for liabilities	21	(17,673)	(3,643)
Net assets		<u>1,669,199</u>	<u>1,240,845</u>
Capital and reserves			
Called up share capital	23	100	100
Profit and loss reserves	24	1,669,099	1,240,745
Total equity		<u>1,669,199</u>	<u>1,240,845</u>

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes as it prepares group accounts. The company's profit for the year was £685,367 (2019 - £859,587 profit).

The financial statements were approved and signed by the director and authorised for issue on 20/12/2021.



N Vaughan
Director

HAMLYN WILLIAMS LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 DECEMBER 2020

	Notes	Share capital £	Profit and loss reserves £	Total controlling interest £	Non-controlling interest £	Total £
Balance at 29 September 2018		100	475,290	475,390	-	475,390
Year ended 28 September 2019:						
Profit for the period		-	986,001	986,001	1,578	987,579
Other comprehensive income net of taxation:						
Currency translation differences		-	53,774	53,774	-	53,774
Total comprehensive income for the period		-	1,039,775	1,039,775	1,578	1,041,353
Dividends	11	-	(109,264)	(109,264)	-	(109,264)
Balance at 28 September 2019		100	1,405,801	1,405,901	1,578	1,407,479
Period ended 31 December 2020:						
Loss for the period		-	(148,500)	(148,500)	(19,132)	(167,632)
Other comprehensive income net of taxation:						
Currency translation differences		-	30,010	30,010	-	30,010
Total comprehensive income for the period		-	(118,490)	(118,490)	(19,132)	(137,622)
Dividends	11	-	(257,013)	(257,013)	-	(257,013)
Balance at 31 December 2020		100	1,030,298	1,030,398	(17,554)	1,012,844

HAMLIN WILLIAMS LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 DECEMBER 2020

	Notes	Share capital £	Profit and loss reserves £	Total £
Balance at 29 September 2018		100	490,422	490,522
Year ended 28 September 2019:				
Profit and total comprehensive income for the period		-	859,587	859,587
Dividends	11	-	(109,264)	(109,264)
Balance at 28 September 2019		100	1,240,745	1,240,845
Period ended 31 December 2020:				
Profit and total comprehensive income for the period		-	685,367	685,367
Dividends	11	-	(257,013)	(257,013)
Balance at 31 December 2020		100	1,669,099	1,669,199

HAMLYN WILLIAMS LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 DECEMBER 2020

		Period ended 31 December 2020		Year ended 28 September 2019	
	Notes	£	£	£	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	25		(2,862,727)		704,853
Interest paid			(152,547)		(77,372)
Income taxes paid			(182,671)		(73,776)
Net cash (outflow)/inflow from operating activities			(3,197,945)		553,705
Investing activities					
Purchase of intangible assets		(12,145)		-	
Purchase of tangible fixed assets		(230,071)		(41,252)	
Other investments and loans made		-		(23,750)	
Net cash used in investing activities			(242,216)		(65,002)
Financing activities					
Proceeds of new bank loans		3,827,012		-	
Repayment of bank loans		(93,895)		(35,868)	
Payment of finance leases obligations		(12,499)		-	
Dividends paid to equity shareholders		(257,013)		(109,264)	
Net cash generated from/(used in) financing activities			3,463,605		(145,132)
Net increase in cash and cash equivalents			23,444		343,571
Cash and cash equivalents at beginning of period			(948,595)		(1,344,186)
Effect of foreign exchange rates			36,203		52,020
Cash and cash equivalents at end of period			(888,948)		(948,595)
Relating to:					
Cash at bank and in hand			829,508		576,054
Bank overdrafts included in creditors payable within one year			(1,718,456)		(1,524,649)

HAMLYN WILLIAMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2020

1 Accounting policies

Company information

Hamlyn Williams Limited ("the company") is a private company limited by shares and is registered and incorporated in England and Wales. The registered office is Golate House, 2nd Floor, 101 St Mary Street, Cardiff, Wales, CF10 1DX.

The group consists of Hamlyn Williams Limited and all of its subsidiaries.

The company's and the group's principal activities and nature of its operations are disclosed in the Director's Report.

Change in reporting date

The financial statements for the Group are for the period of 15 months to 31 December 2020. The prior year is for the 12 months to the 28 September 2019. The reason for the change of the year end was to align all companies in the group to the same year end. As a result, the length of the current and comparative financial reporting periods are not entirely comparable.

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, including the provisions for the Large and Medium-sized companies and Group Regulations 2008.

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.

Reduced disclosure

The 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 for parent company information presented within the consolidated financial statements:

- 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 financial instruments not measured at fair value; 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.

Company statement of comprehensive income

As permitted by s408 Companies Act 2006, the Company has not presented its own statement of comprehensive income as it prepares group accounts and the company's individual statement of financial position shows the company's profit or loss for the financial year.

HAMLYN WILLIAMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2020

1 Accounting policies (Continued)

Basis of consolidation

The consolidated financial statements incorporate those of Hamlyn Williams Limited and all of its subsidiaries (i.e. entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes.

All financial statements are made up to 31 December 2020. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Non-controlling interest

Any non-controlling interest in subsidiary undertakings are recognised at the non-controlling interest's share of the subsidiary's net identifiable assets, liabilities and provisions for contingent liabilities recognised at the incorporation date.

Going concern

The board has given consideration to the unprecedented impact of COVID-19 on the business with an immediate review of trade and plans to preserve the solvency of the business, and the Group continues to trade with no significant adverse cash flow impact. The board will continue to review the business position and react accordingly. The board has reviewed the government backed reliefs and initiatives made available to support businesses in the United Kingdom. Having taken these steps, the board believe that the business has sufficient prospect of trade and cash reserves to continue to trade for a period of no less than twelve months from the approval of these accounts.

Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and 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.

Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Software	3 years straight line
Website cost	4 years straight line

Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

HAMLYN WILLIAMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2020

1 Accounting policies (Continued)

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Short leasehold improvements	2 years straight line
Fixtures, fittings and equipment	3 years straight line
Motor vehicles	Straight line over the length of the lease

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

Fixed asset investments

In the accounts of the company, interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

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

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

Cash and cash equivalents

Cash and cash equivalents are basic financial instruments 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.

HAMLYN WILLIAMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2020

1 Accounting policies (Continued)

Financial instruments

The group 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 when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and 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.

The Group holds only basic financial instruments which arise directly from operations. Trade and other debtors are initially recognised at transaction value and thereafter reviewed for impairment where there is objective evidence that a balance may be impaired. Trade and other creditors and accruals are initially recognised at transaction value. The Groups cash holdings are measured at face value.

Basic financial assets

Basic financial assets, which include trade and other 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 financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

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 group after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including trade and other 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.

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

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the group's contractual obligations are discharged, cancelled, or they expire.

Equity instruments

Equity instruments issued by the group are recorded at the fair value of 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 group.

HAMLYN WILLIAMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2020

1 Accounting policies (Continued)

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is recognised on income and expenses from subsidiaries that will be assessed to or allow for tax in a future period except where the group is able to control the reversal of the timing difference and it is probable that the timing difference will not reverse in the foreseeable future.

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.

Retirement benefits

For defined contribution schemes the amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the statement of financial position as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

HAMLYN WILLIAMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2020

1 Accounting policies (Continued)

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

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.

Foreign exchange

Transactions in currencies other than the functional currency (foreign currency) are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction, or, if the asset or liability is measured at fair value, the rate when that fair value was determined.

All translation differences are taken to profit or loss, except to the extent that they relate to gains or losses on non-monetary items recognised in other comprehensive income, when the related translation gain or loss is also recognised in other comprehensive income.

Debt financing

Trade debtors are subject to a financing agreement whereby an advance is received based upon and secured against trade receivables.

Where the company has retained significant benefits and risks relating to the factored debts, separate presentation is adopted whereby the gross debts and a corresponding liability in respect of the advance received are shown separately on the balance sheet. The interest element of the factor's charges is recognised as it accrues and is included in the profit and loss account with other interest charges.

HAMLIN WILLIAMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2020

2 Judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, the director is 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.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Trade debtor provisions

Management assesses the expected recoverable amount for each trade debtor at the year end and provides where they believe a recoverability exposure exists.

Amounts due to related parties due after more than one year

The related party transactions are disclosed in note 28. Whilst there are currently no repayment terms with regards this debt and management remain confident of full recovery it is not anticipated that this will occur within the next 12 months. The debt has therefore be recognised as due within more than one year.

3 Turnover and other revenue

	2020 £	2019 £
Turnover analysed by class of business		
Recruitment services	27,829,781	17,076,621
	<hr/>	<hr/>
	2020 £	2019 £
Other revenue		
Grants received	127,045	237,364
	<hr/>	<hr/>

HAMLYN WILLIAMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2020

3 Turnover and other revenue (Continued)

	2020 £	2019 £
Turnover analysed by geographical market		
United Kingdom	3,344,370	1,308,463
United States of America	17,396,161	12,999,021
Europe	6,711,771	2,552,822
Canada	27,363	19,852
Middle East	41,771	33,216
Asia Pacific	308,345	163,247
	<u>27,829,781</u>	<u>17,076,621</u>

During the period, the company qualified for the government's Coronavirus Job Retention Scheme (CJRS), and Coronavirus Business Interruption Payment (BIP), in response to the COVID-19 pandemic. Grants of £69,529 and £57,516 were received respectively. During the prior period, the company qualified for the Welsh government's Business Finance Funding to aid job creation which granted the company £237,364.

4 Share option scheme

The company operates a share option scheme for employees of the company and its subsidiaries. No charge has been recognised in respect of these options as the director believes the impact is not material to the accounts. No options were exercised in the current financial year. As at 31 December 2020, the total number of action options were 30,300, (28 September 2019 - 30,300).

5 Employees

The average monthly number of persons (including directors) employed during the period was:

Group 2020 Number	2019 Number	Company 2020 Number	2019 Number
148	111	87	58

Their aggregate remuneration comprised:

	Group 2020 £	2019 £	Company 2020 £	2019 £
Wages and salaries	7,025,019	4,337,656	3,377,393	1,610,235
Social security costs	643,471	334,033	338,979	163,897
Pension costs	47,777	18,714	45,756	17,967
	<u>7,716,267</u>	<u>4,690,403</u>	<u>3,762,128</u>	<u>1,792,099</u>

HAMLYN WILLIAMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2020

6 Director's remuneration

	2020 £	2019 £
Remuneration for qualifying services	12,000	25,762
Company pension contributions to defined contribution schemes	91	-
	<u>12,091</u>	<u>25,762</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2019 - 0).

The number of directors accruing retirement benefits for the period ended 31 December 2020 was 1 (2019: nil).

7 Operating (loss)/profit

	2020 £	2019 £
Operating (loss)/profit for the period is stated after charging/(crediting):		
Exchange differences apart from those arising on financial instruments measured at fair value through profit or loss	107,279	152,018
Government grants	(127,045)	(237,364)
Depreciation of owned tangible fixed assets	60,800	38,527
Loss on disposal of tangible fixed assets	710	-
Amortisation of intangible assets	2,366	2,078
Loss on disposal of intangible assets	125	2,856
Operating lease charges	<u>725,390</u>	<u>417,305</u>

8 Auditor's remuneration

	2020 £	2019 £
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the group and company	<u>22,250</u>	<u>-</u>

9 Interest payable and similar expenses

	2020 £	2019 £
Interest on bank overdrafts and loans	<u>160,790</u>	<u>77,372</u>

HAMLIN WILLIAMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2020

10 Taxation

	2020 £	2019 £
Current tax		
Corporation tax on profits for the current period	149,778	291,776
Adjustments in respect of prior periods	(2,261)	29,622
Total current tax	147,517	321,398
Deferred tax		
Origination and reversal of timing differences	(315,148)	5,324
Total tax (credit)/charge	(167,631)	326,722

The total tax (credit)/charge for the period included in the income statement can be reconciled to the (loss)/profit before tax multiplied by the standard rate of tax as follows:

	2020 £	2019 £
(Loss)/profit before taxation	(335,263)	1,314,301
Expected tax (credit)/charge based on the standard rate of corporation tax in the UK of 19.00% (2019: 19.00%)	(63,700)	249,717
Tax effect of expenses that are not deductible in determining taxable profit	18,819	4,324
Tax effect of income not taxable in determining taxable profit	(8,821)	-
Deferred tax loss assets not recognised	33,886	7,869
Adjustments in respect of prior years	(2,261)	29,622
Fixed asset differences	476	174
Effect of foreign tax rate	(146,459)	36,521
Other group movements	-	(1,505)
Remeasurement of deferred tax for changes in tax rates	429	-
Taxation (credit)/charge	(167,631)	326,722

11 Dividends

	2020 £	2019 £
Recognised as distributions to equity holders:		
Final paid	257,013	109,264

HAMLIN WILLIAMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2020

12 Intangible fixed assets

Group	Software £	Website cost £	Total £
Cost			
At 29 September 2019	-	26,080	26,080
Additions - separately acquired	9,645	2,500	12,145
Disposals	-	(400)	(400)
Exchange adjustments	(418)	-	(418)
At 31 December 2020	9,227	28,180	37,407
Amortisation and impairment			
At 29 September 2019	-	26,080	26,080
Amortisation charged for the period	2,249	117	2,366
Disposals	-	(275)	(275)
Exchange adjustments	(97)	-	(97)
At 31 December 2020	2,152	25,922	28,074
Carrying amount			
At 31 December 2020	7,075	2,258	9,333
At 28 September 2019	-	-	-
Company		Website cost £	
Cost			
At 29 September 2019		26,080	
Additions - separately acquired		2,500	
Disposals		(400)	
At 31 December 2020		28,180	
Amortisation and impairment			
At 29 September 2019		26,080	
Amortisation charged for the period		117	
Disposals		(275)	
At 31 December 2020		25,922	
Carrying amount			
At 31 December 2020		2,258	
At 28 September 2019		-	

Amortisation is recognised in administrative expenses.

HAMLYN WILLIAMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2020

13 Tangible fixed assets

Group	Short leasehold improvements £	Fixtures, fittings and equipment £	Motor vehicles £	Total £
Cost				
At 29 September 2019	139,198	279,554	-	418,752
Additions	23,436	206,635	29,707	259,778
Disposals	-	(961)	-	(961)
Exchange adjustments	(338)	(15,781)	-	(16,119)
At 31 December 2020	162,296	469,447	29,707	661,450
Depreciation and impairment				
At 29 September 2019	135,063	224,568	-	359,631
Depreciation charged in the period	3,069	51,837	5,894	60,800
Eliminated in respect of disposals	-	(251)	-	(251)
Exchange adjustments	(14)	(10,233)	-	(10,247)
At 31 December 2020	138,118	265,921	5,894	409,933
Carrying amount				
At 31 December 2020	24,178	203,526	23,813	251,517
At 28 September 2019	4,135	54,986	-	59,121
Company				
	Short leasehold improvements £	Fixtures, fittings and equipment £	Motor vehicles £	Total £
Cost				
At 29 September 2019	139,198	140,885	-	280,083
Additions	15,651	103,250	29,707	148,608
At 31 December 2020	154,849	244,135	29,707	428,691
Depreciation and impairment				
At 29 September 2019	135,063	117,027	-	252,090
Depreciation charged in the period	2,745	25,542	5,894	34,181
At 31 December 2020	137,808	142,569	5,894	286,271
Carrying amount				
At 31 December 2020	17,041	101,566	23,813	142,420
At 28 September 2019	4,135	23,858	-	27,993

HAMLYN WILLIAMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2020

14 Fixed asset investments

	Notes	Group 2020 £	2019 £	Company 2020 £	2019 £
Investments in subsidiaries	15	-	-	102,279	-

Fair value of financial assets carried at amortised cost

Additions of £102,279 in the period relate to the incorporation of subsidiary undertakings. Within this amount is a reclassification of a balance of £22,179 relating to the incorporation of Hamlyn Williams GmbH and £8 relating to the incorporation of Dupont Consulting Limited that was included within current assets in the comparative period.

Movements in fixed asset investments

Company	Shares in group undertakings £
Cost or valuation	
At 29 September 2019	-
Additions	102,279
At 31 December 2020	102,279
Carrying amount	
At 31 December 2020	102,279
At 28 September 2019	-

15 Subsidiaries

Details of the company's subsidiaries at 31 December 2020 are as follows:

Name of undertaking	Country	Nature of business	Class of shares held	% Held Direct
Hamlyn Williams Inc (a)	USA	Recruitment services	Ordinary shares	100.00
Hamlyn Williams GmbH (b)	Germany	Recruitment services	Ordinary shares	100.00
Hamlyn Williams Ireland (c)	Ireland	Dormant	Ordinary shares	100.00
DuPont Consulting Limited (f)	UK	Recruitment services	Ordinary shares	80.00
Hamlyn Williams Netherlands B.V. (d)	Netherlands	Recruitment services	Ordinary shares	100.00
Hamlyn Williams Talent Solutions PTE Ltd (e)	Singapore	Recruitment services	Ordinary shares	100.00
Talent Crunch Ltd (f)	UK	Recruitment services	Ordinary shares	80.00
Rec Ventures Ltd (f)	UK	Dormant	Ordinary shares	100.00

HAMLIN WILLIAMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2020

15 Subsidiaries (Continued)

Registered office addresses:

- a Resident Agents Inc. 8 The Green, STE R, Dover, Delaware, 19901, United States of America.
- b c/o Intertrust Deutschland GmbH, Eschersheimer Landstraße 14, 60322 Frankfurt am Main, Germany.
- c FDW House, Blackthorn Business Park, Coes Road, Dundalk, Co. Louth, Ireland.
- d Weteringschans 165 C, 1017XD Amsterdam, Netherlands.
- e 77 Robinson Road, 13-00, Robinson 77, Singapore (068896).
- f Golate House 2nd Floor, 1010 St Mary Street, Cardiff, Wales, CF10 1DX.

16 Debtors

	Group 2020	2019	Company 2020	2019
	£	£	£	£
Amounts falling due within one year:				
Trade debtors	4,685,060	2,767,376	1,868,713	1,366,692
Corporation tax recoverable	14,296	7,541	-	-
Amounts owed by group undertakings	-	-	464,996	108,023
Other debtors	973,286	1,940,659	685,145	1,395,136
Prepayments and accrued income	277,796	139,718	112,460	80,705
	<u>5,950,438</u>	<u>4,855,294</u>	<u>3,131,314</u>	<u>2,950,556</u>
Amounts falling due after more than one year:				
Amount owed by related parties	2,369,669	-	2,369,669	-
Deferred tax asset (note 21)	329,178	-	-	-
	<u>2,698,847</u>	<u>-</u>	<u>2,369,669</u>	<u>-</u>
Total debtors	<u>8,649,285</u>	<u>4,855,294</u>	<u>5,500,983</u>	<u>2,950,556</u>

Trade debtors have been pledged as security against amounts due in respect of financed trade receivables.

HAMLYN WILLIAMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2020

17 Creditors: amounts falling due within one year

	Notes	Group 2020 £	2019 £	Company 2020 £	2019 £
Bank loans and overdrafts	19	3,207,520	1,618,543	262,500	93,894
Obligations under finance leases	20	11,499	-	11,499	-
Invoice discounting facility		291,960	425,340	291,960	425,340
Trade creditors		1,175,021	896,052	664,671	498,910
Amounts owed to group undertakings		-	-	33,226	173,449
Corporation tax payable		221,204	249,603	221,204	249,603
Other taxation and social security		526,350	287,998	512,573	287,998
Other creditors		119,140	76,165	39,898	76,165
Accruals and deferred income		812,776	525,646	201,704	148,461
		<u>6,365,470</u>	<u>4,079,347</u>	<u>2,239,235</u>	<u>1,953,820</u>

Amounts due in respect of financed receivables amounting to £291,960 (2019 - £425,340) are secured by a fixed and floating charge over the assets of the company, including the trade debtors of the company.

Included within accruals and deferred income is deferred income of £216,568 (2019 - £nil).

18 Creditors: amounts falling due after more than one year

	Notes	Group 2020 £	2019 £	Company 2020 £	2019 £
Bank loans and overdrafts	19	2,337,947	-	1,987,500	-
Obligations under finance leases	20	5,709	-	5,709	-
		<u>2,343,656</u>	<u>-</u>	<u>1,993,209</u>	<u>-</u>

Amounts included above which fall due after five years are as follows:

Payable by instalments	<u>187,500</u>	<u>-</u>	<u>187,500</u>	<u>-</u>
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HAMLYN WILLIAMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2020

19 Borrowings

	Group 2020 £	2019 £	Company 2020 £	2019 £
Bank loans	3,827,011	93,894	2,250,000	93,894
Bank overdrafts	1,718,456	1,524,649	-	-
	<u>5,545,467</u>	<u>1,618,543</u>	<u>2,250,000</u>	<u>93,894</u>
Payable within one year	3,207,520	1,618,543	262,500	93,894
Payable after one year	<u>2,337,947</u>	<u>-</u>	<u>1,987,500</u>	<u>-</u>

The bank holds a fixed and floating charge over all assets of the company and group in respect of the Coronavirus Business Interruption Loan (CBIL) of £2,250,000 (2019 - £nil).

The CBIL from the UK Government is repayable in equal monthly instalments over 5 years, with an interest rate of 3.99% per annum over the Bank of England base rate.

The HSBC loan is payable in 18 monthly instalments commencing 6 months from the date of drawdown. Interest is charged at 1.00% per annum.

The Group has applied to have the Paycheck Protection Program loan awarded to Hamlyn Williams Inc forgiven, and is awaiting a decision on this application.

20 Finance lease obligations

	Group 2020 £	2019 £	Company 2020 £	2019 £
Future minimum lease payments due under finance leases:				
Less than one year	11,499	-	11,499	-
Between one and five years	<u>5,709</u>	<u>-</u>	<u>5,709</u>	<u>-</u>
	<u>17,208</u>	<u>-</u>	<u>17,208</u>	<u>-</u>

Finance lease payments represent rentals payable by the company or group for certain motor vehicles. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. The average lease term is 26 months. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

HAMLIN WILLIAMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2020

21 Deferred taxation

The major deferred tax liabilities and assets recognised by the group and company are:

	Liabilities 2020 £	Liabilities 2019 £	Assets 2020 £	Assets 2019 £
Group				
Accelerated capital allowances	20,371	4,199	-	-
Short term timing differences	(2,698)	(556)	329,178	-
	<u>17,673</u>	<u>3,643</u>	<u>329,178</u>	<u>-</u>
	Liabilities 2020 £	Liabilities 2019 £	Assets 2020 £	Assets 2019 £
Company				
Accelerated capital allowances	20,371	4,199	-	-
Short term timing differences	(2,698)	(556)	-	-
	<u>17,673</u>	<u>3,643</u>	<u>-</u>	<u>-</u>
			Group 2020 £	Company 2020 £
Movements in the period:				
Liability at 29 September 2019			3,643	3,643
(Credit)/charge to profit or loss			(315,148)	14,030
			<u>(311,505)</u>	<u>17,673</u>

22 Retirement benefit schemes

	2020 £	2019 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	<u>47,777</u>	<u>18,309</u>

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

HAMLIN WILLIAMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2020

23 Share capital

	Group and Company			
	2020	2019	2020	2019
	Number	Number	£	£
Ordinary share capital Issued and fully paid				
Ordinary shares of 0.1p each	100,000	100,000	100	100

On 31 March 2021 the existing share capital of 100,000 Ordinary shares of 0.1p each were redesignated into 65,005 Ordinary A shares, 30,000 Ordinary B shares and 1,665 each of Ordinary C, Ordinary D and Ordinary E shares all at par value of 0.1p.

Each ordinary share carries full voting rights, full rights to participate in any distribution, full rights to participate in any capital distribution and is not subject to any redemption provisions.

24 Reserves

Profit and loss reserves

The profit and loss reserves represent the cumulative profit and loss net of distributions to owners.

25 Cash (absorbed by)/generated from group operations

	2020	2019
	£	£
(Loss)/profit for the period after tax	(167,632)	987,579
Adjustments for:		
Taxation (credited)/charged	(167,631)	326,722
Finance costs	160,790	77,372
Loss on disposal of tangible fixed assets	710	-
Loss on disposal of intangible assets	125	2,856
Amortisation and impairment of intangible assets	2,366	2,078
Depreciation and impairment of tangible fixed assets	60,800	38,527
Impairment losses	-	23,750
Movements in working capital:		
Increase in debtors	(3,458,058)	(831,142)
Increase in creditors	705,803	77,111
Cash (absorbed by)/generated from operations	(2,862,727)	704,853

HAMLYN WILLIAMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2020

26 Analysis of changes in net debt - group

	29 September 2019	Cash flows	New finance leases	Exchange rate movements	31 December 2020
	£	£	£	£	£
Cash at bank and in hand	576,054	217,251	-	36,203	829,508
Bank overdrafts	(1,524,649)	(193,807)	-	-	(1,718,456)
	(948,595)	23,444	-	36,203	(888,948)
Borrowings excluding overdrafts	(93,894)	(3,733,117)	-	-	(3,827,011)
Obligations under finance leases	-	12,499	(29,707)	-	(17,208)
	(1,042,489)	(3,697,174)	(29,707)	36,203	(4,733,167)

27 Operating lease commitments

Lessee

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group 2020 £	2019 £	Company 2020 £	2019 £
Within one year	752,840	51,140	178,464	51,140
Between one and five years	2,156,814	178,990	63,925	178,990
In over five years	2,742,016	-	-	-
	5,651,670	230,130	242,389	230,130

On 19th March 21 the company entered into a sub lease agreement in relation to the lease of the previous registered office.

28 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel of the group, who are also directors, is as follows.

	2020 £	2019 £
Aggregate compensation	381,241	267,839

HAMLYN WILLIAMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2020

28 Related party transactions (Continued)

Transactions with related parties

During the period the group entered into the following transactions with related parties:

	Services provided		Services received	
	2020	2019	2020	2019
	£	£	£	£
Group				
Entities under common control	282,551	221,945	-	7,200
	<u>282,551</u>	<u>221,945</u>	<u>-</u>	<u>7,200</u>
Company				
Subsidiary undertaking	1,609,635	1,193,926	70,000	-
Entities under common control	282,551	221,945	-	7,200
	<u>282,551</u>	<u>221,945</u>	<u>-</u>	<u>7,200</u>

The following amounts were outstanding at the reporting end date:

Amounts due to related parties	2020	2019
	£	£
Company		
Subsidiary undertaking	33,226	173,449
Entities under common control	-	52,196
	<u>-</u>	<u>52,196</u>

The following amounts were outstanding at the reporting end date:

Amounts due from related parties	2020	2019
	Balance	Balance
	£	£
Group		
Entities under common control	2,770,837	1,088,771
	<u>2,770,837</u>	<u>1,088,771</u>
Company		
Subsidiary undertaking	464,996	108,023
Entities under common control	2,518,776	939,824
	<u>2,518,776</u>	<u>939,824</u>

Other information

The amounts outstanding are unsecured, non-interest bearing and will be settled in cash. No guarantees have been given or received. No expense has been recognised in the year (2019 - £nil) in respect of bad debts from other related parties.

HAMLYN WILLIAMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2020

29 Directors' transactions

During the year, advances to the directors were granted amounting to £373,033 (2019 - £307,255) and repayments were made of £151,378 (2019 - £76,904).

At the year-end, the balance on the directors loan account was a receivable of £312,497 (2019 - £90,842) and has been included in other debtors within one year. This balance is not interest bearing and is repayable on demand.

30 Controlling party

The ultimate controlling party is N D Vaughan.