

Registered number: 04241679

## Diversified Business Communications UK Limited

### Annual Report and Financial Statements

For the Year Ended 31 December 2022



## **Diversified Business Communications UK Limited**

### **Company Information**

<b>Directors</b>	T R Wirth P P Warren ( <i>resigned 15 December 2022</i> ) W H Mitchell C Holm J Stenning-White ( <i>appointed 15 December 2022</i> )
<b>Company secretary</b>	J Stenning-White
<b>Registered number</b>	04241679
<b>Registered office</b>	The Brinell Building Ground Floor 30 Station Street Brighton BN1 4RB
<b>Independent auditors</b>	Kreston Reeves LLP Chartered Accountants & Statutory Auditor <i>Plus X Innovation Hub</i> Lewes Road Brighton East Sussex BN2 4GL

## **Diversified Business Communications UK Limited**

### **Contents**

	<b>Page</b>
<b>Group Strategic Report</b>	<b>3 - 4</b>
<b>Directors' Report</b>	<b>5 - 6</b>
<b>Independent Auditors' Report</b>	<b>7 - 10</b>
<b>Consolidated Statement of Comprehensive Income</b>	<b>11</b>
<b>Consolidated Balance Sheet</b>	<b>12</b>
<b>Company Balance Sheet</b>	<b>13</b>
<b>Consolidated Statement of Changes in Equity</b>	<b>14</b>
<b>Company Statement of Changes in Equity</b>	<b>15</b>
<b>Notes to the Financial Statements</b>	<b>16 - 37</b>

## **Diversified Business Communications UK Limited**

### **Group Strategic Report For the Year Ended 31 December 2022**

#### **Introduction**

The directors present their strategic report for the company and group for the year ended 31 December 2022

#### **Business review**

The company and group's principal activity continued to be that of organising trade shows, conferences and publishing trade magazines.

The key financial and other performance indicators during the year were as follows:

	2022 £	2021 £	Change %
Turnover	18,332,448	10,111,622	81%
Gross Profit/(Loss)	10,528,695	5,781,335	82%
Operating Profit/(Loss)	2,832,283	(548,119)	617%
Current assets as % of current liabilities	59%	118%	-50%
Average number of employees	97	75	29%

Following the lifting of the Covid-19 pandemic restrictions during the latter part of 2022, the company and group were able to run all its scheduled events during 2022 and turnover therefore represents these events along with digital webinars and revenues from publications during the year.

Current assets as a percentage of current liabilities have fallen against that for 2021 due, in part, to the company and group paying off the loan term UK Government's Business Recovery Loan scheme at the year and partially using funds from its holding company, the balance therewith being shown under current liabilities. Strong advanced sales of our 2023 shows reflects exhibitor confidence in our events and the business sectors in which they operate. All year end sales for 2023 events have been treated as deferred income and will all be released once the events have taken place. For further details see note 14.

As expected, following the Covid-19 pandemic, the company and group have been building back its employee base resulting in the increase in the average employee numbers from 75 in 2021 to 97 in 2022. As the company and group builds into 2023 these numbers will increase back to more normal levels.

#### **Principal risks and uncertainties**

The company and group are always at risk from market changes affecting the business sectors relating to its *trade shows, exhibitions and publications such as low visitor attendance, availability of suitable venues or new competitor shows coming to the market*. However, as the company operates its events across a broad spectrum of business sectors, any uncertainties arising can be managed accordingly.

Whilst there will always be some uncertainty about future strains of Covid-19, there is increasing confidence that exhibition venues will remain open for business during 2023, utilising Covid-19 vaccination and other checks and operating in line with Government advice and industry driven guidelines. The company and group monitors developments carefully and plans are constantly being amended following Government advice.

Given these uncertainties the company and group have prepared a number of contingency plans based around possible timing of events and is confident that in all these scenarios, it has the resources to manage these situations and therefore continues to trade on a going concern basis.

## **Diversified Business Communications UK Limited**

### **Group Strategic Report (continued) For the Year Ended 31 December 2022**

#### **Future developments & performance**

In 2023, the group will be changing its accounting & finance systems as well as its planning & budgeting software as a major step forward to integrate all its operating systems using recent development to its CRM systems as the core product to future proof company reporting and management.

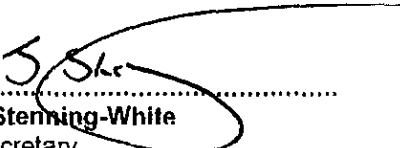
#### **Effects of the UK decision to leave the European Union**

Now that the UK has left the European Union, the company and group acknowledges that there is still uncertainty about the future economic and political consequences of Brexit especially with regards to future consumer and business confidence, political stability and market risks such as currency volatility, inflation and employment and will continue to monitor such risks.

#### **Position of the group at year end**

The group was fortunate to be able to repay the Business Recovery Loan in December 2022 using funds from cashflow as well as funds advanced from the parent company. This combined with good advanced 2023 bookings, parent company backing and ongoing support from the company bankers, means that the group is in a strong position to manage the challenges in 2023 and to take full advantage of any opportunities that might arise.

This report was approved by the board and signed on its behalf.



.....  
**J Stenning-White**  
Secretary

Date: 26 September 2023

## **Diversified Business Communications UK Limited**

### **Directors' Report For the Year Ended 31 December 2022**

The directors present their report and audited financial statements for the year ended 31 December 2022.

#### **Principal activity**

The principal activity of the company and group continued to be that of organising trade shows, conferences and publishing trade magazines.

#### **Future developments**

The company and group will continue to develop its online digital webinar and conference programme, following successful launches in previous years and to bring those to a wider audience in 2023.

*In addition the company and group are exploring the launch of new events in Europe as extensions to its already successful events in the UK.*

#### **Directors**

The directors who served during the year were:

T R Wirth  
P P Warren (resigned 15 December 2022)  
W H Mitchell  
C Holm  
J Stenning-White (appointed 15 December 2022)

#### **Financial risk management**

The company and group's operations expose it to a variety of financial risks that include the effects of changes in credit risk, liquidity risk and cash flow risk. The company has in place a risk management programme that seeks to limit the adverse effects on the financial performance of the company by monitoring levels of debt finance and the related finance costs.

Given the size of the group, the directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the board and instead the policies set by the board of directors are implemented by the group's finance department. The department has a policy that sets out specific guidelines to manage credit risk, liquidity risk and cash flow risk and circumstances where it would be appropriate to use financial instruments to manage these.

#### **Credit risk**

Credit risk arises from cash and cash equivalents, and deposits with banks and financial institutions, as well as credit exposures to wholesale and retail customers, including outstanding receivables and committed transactions. For banks and financial institutions, only independently rated parties with a minimum rating of 'A' are accepted. If wholesale customers are independently rated, these ratings are used. If there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings and are regularly monitored. The amount of exposure to any individual counterparty is subject to a limit, which is reviewed regularly by the finance department.

#### **Liquidity risk**

The company and group aims to mitigate liquidity risk by managing cash generation by its operations, applying cash collection targets and structured payment processes. The company via its group also manages liquidity risk via funds available from intercompany arrangements.

## **Diversified Business Communications UK Limited**

### **Directors' Report (continued) For the Year Ended 31 December 2022**

#### **Cash flow risk**

Cash flow risk is the risk of exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability such as exchange rate variations. The company and the group do manage this risk by utilising forward contracts for currency conversion.

#### **Statement of directors' responsibilities in respect of the financial statements**

The directors are responsible for preparing the Strategic Report, The Director's Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", 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 group and of the profit or loss of the company and group 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; and
- 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 group's transactions and disclose with reasonable accuracy at any time the financial position of the company and group and enable them to ensure that the financial statements comply with the Companies Act 2006.

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

#### **Directors' confirmation**

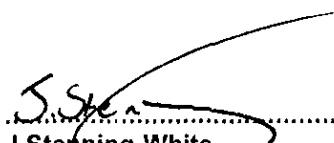
In the case of each director in office at the date the Directors' Report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company and group's auditors are aware of that information.

#### **Independent auditors**

Kreston Reeves LLP have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the Annual General Meeting.

This report was approved by the board and signed on its behalf.

  
.....  
**J Sterning-White**  
Director

Date: 26 September 2023

## **Diversified Business Communications UK Limited**

### **Independent Auditors' Report to the Members of Diversified Business Communications UK Limited**

#### **Opinion**

We have audited the financial statements of Diversified Business Communications UK Limited (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2022, which comprise the Group Statement of Comprehensive Income, the Group and Company Balance Sheets, the Group and Company Statement of Changes in Equity and the related notes, 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 Financial Reporting Standard 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 2022 and of the Group's 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group's or the parent Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

#### **Other information**

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' 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.



## **Diversified Business Communications UK Limited**

### **Independent Auditors' Report to the Members of Diversified Business Communications UK Limited (continued)**

We have nothing to report in this regard.

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

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

- the information given in the Group 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 Group Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the Group and the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Directors' Report.

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 directors**

As explained more fully in the Directors' Responsibilities Statement on page 5, 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 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 directors either intend to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

**Independent Auditors' Report to the Members of Diversified Business Communications UK Limited  
(continued)**

**Auditors' 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 Auditors' 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:

*Capability of the audit in detecting irregularities, including fraud*

Based on our understanding of the company and industry, and through discussion with the directors and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations related to health and safety, anti-bribery and employment law. We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and taxation legislation. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to; posting inappropriate journal entries to increase revenue or reduce expenditure and management bias in accounting estimates and judgemental areas of the financial statements such as the valuation of goodwill and other intangible assets and impairment of trade debtors. Audit procedures performed by the engagement team included:

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations (including health and safety) and fraud; and
- Assessment of identified fraud risk factors; and
- Challenging assumptions and judgements made by management in its significant accounting estimates; and
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business; and
- Performing analytical procedures with automated data analytics tools to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; and
- Reading minutes of meetings of those charged with governance; and
- Review of significant and unusual transactions and evaluation of the underlying financial rationale supporting the transactions; and
- Identifying and testing journal entries, in particular any manual entries made at the year end for financial statement preparation.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

**Independent Auditors' Report to the Members of Diversified Business Communications UK Limited  
(continued)**

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**Use of our report**

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

*Kreston Reeves LLP*

Alison Jones FCA (Senior Statutory Auditor)

for and on behalf of  
**Kreston Reeves LLP**

Chartered Accountants  
Statutory Auditor

Plus X Innovation Hub  
Lewes Road  
Brighton  
East Sussex  
BN2 4GL

26 September 2023

**Diversified Business Communications UK Limited**

**Consolidated Statement of Comprehensive Income  
For the Year Ended 31 December 2022**

	Note	2022 £	2021 £
Turnover	5	18,332,447	10,111,622
Cost of sales		(7,803,753)	(4,330,288)
<b>Gross profit</b>		<b>10,528,694</b>	<b>5,781,334</b>
Administrative expenses		(7,932,447)	(6,543,578)
Other operating income		37,604	214,125
<b>Operating profit/(loss)</b>		<b>2,633,851</b>	<b>(548,119)</b>
Interest receivable and similar income		6,865	3,275
Interest payable and expenses		(347,478)	(125,504)
<b>Profit/(loss) before tax</b>		<b>2,293,238</b>	<b>(670,348)</b>
Tax on profit/(loss)	10	(709,066)	345,732
<b>Profit/(loss) for the financial year</b>		<b>1,584,172</b>	<b>(324,616)</b>
<b>Other comprehensive income for the year</b>			
<b>Total comprehensive income for the year</b>		<b>1,584,172</b>	<b>(324,616)</b>
<b>Profit for the year attributable to:</b>			
Owners of the parent company		1,584,172	(324,616)
		<b>1,584,172</b>	<b>(324,616)</b>
<b>Total comprehensive income attributable to:</b>			

There were no recognised gains and losses for 2022 or 2021 other than those included in the consolidated statement of comprehensive income.

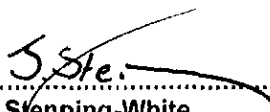
The notes on pages 16 to 37 form part of these financial statements.

**Diversified Business Communications UK Limited**  
**Registered number: 04241679**

**Consolidated Balance Sheet**  
**As at 31 December 2022**

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Intangible assets	11	8,109,872	5,685,359
Tangible assets	12	316,309	367,318
		<u>8,426,181</u>	<u>6,052,677</u>
<b>Current assets</b>			
Stocks		391,330	390,576
Debtors: amounts falling due within one year	15	5,042,050	5,109,773
Cash at bank and in hand	16	2,923,115	5,464,299
		<u>8,356,495</u>	<u>10,964,648</u>
Creditors: amounts falling due within one year		<u>(13,755,315)</u>	<u>(9,288,843)</u>
<b>Net current (liabilities)/assets</b>		<u>(5,398,820)</u>	<u>1,675,805</u>
<b>Total assets less current liabilities</b>		<u>3,027,361</u>	<u>7,728,482</u>
Creditors: amounts falling due after more than one year		(672,270)	(7,000,000)
<b>Provisions for liabilities</b>			
Deferred tax	19	<u>(42,437)</u>	<u>-</u>
		<u>(42,437)</u>	<u>-</u>
<b>Net assets</b>		<u><u>2,312,654</u></u>	<u><u>728,482</u></u>
<b>Capital and reserves</b>			
Called up share capital	21	338,101	338,101
Profit and loss account		1,974,553	390,381
		<u><u>2,312,654</u></u>	<u><u>728,482</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 26 September 2023.

  
**J Stenning-White**  
 Director

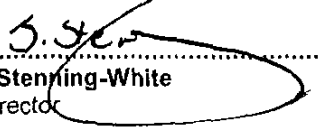
The notes on pages 16 to 37 form part of these financial statements.

**Diversified Business Communications UK Limited**  
**Registered number: 04241679**

**Company Balance Sheet**  
**As at 31 December 2022**

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Intangible assets	11	8,443,376	5,685,359
Tangible assets	12	316,309	367,318
Investments	13	1	-
		<u>8,759,686</u>	<u>6,052,677</u>
<b>Current assets</b>			
Stocks	14	391,330	390,576
Debtors: amounts falling due within one year	15	4,997,205	5,109,773
Cash at bank and in hand	16	2,825,004	5,464,299
		<u>8,213,539</u>	<u>10,964,648</u>
Creditors: amounts falling due within one year	17	(13,755,315)	(9,288,843)
<b>Net current (liabilities)/assets</b>		<u>(5,541,776)</u>	<u>1,675,805</u>
<b>Total assets less current liabilities</b>		<u>3,217,910</u>	<u>7,728,482</u>
Creditors: amounts falling due after more than one year	18	(672,270)	(7,000,000)
<b>Provisions for liabilities</b>			
Deferred taxation	19	(42,437)	-
		<u>(42,437)</u>	<u>-</u>
<b>Net assets</b>		<u>2,503,203</u>	<u>728,482</u>
<b>Capital and reserves</b>			
Called up share capital	21	338,101	338,101
Profit and loss account brought forward		390,381	714,997
Profit/(loss) for the year		1,774,721	(324,616)
Profit and loss account carried forward		<u>2,165,102</u>	<u>390,381</u>
		<u>2,503,203</u>	<u>728,482</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 26 September 2023.

  
**J Stenning-White**  
 Director

The notes on pages 16 to 37 form part of these financial statements.

**Diversified Business Communications UK Limited**

**Consolidated Statement of Changes in Equity  
For the Year Ended 31 December 2022**

	Called up share capital	Profit and loss account	Equity attributable to owners of parent Company	Total equity
	£	£	£	£
At 1 January 2022	338,101	390,381	728,482	728,482
<b>Comprehensive income for the year</b>				
Profit for the year	-	1,584,172	1,584,172	1,584,172
<b>Other comprehensive income for the year</b>	-	-	-	-
<b>Total comprehensive income for the year</b>	-	1,584,172	1,584,172	1,584,172
<b>Total transactions with owners</b>	-	-	-	-
<b>At 31 December 2022</b>	<b>338,101</b>	<b>1,974,553</b>	<b>2,312,654</b>	<b>2,312,654</b>

The notes on pages 16 to 37 form part of these financial statements.

**Consolidated Statement of Changes in Equity  
For the Year Ended 31 December 2021**

	Called up share capital	Profit and loss account	Equity attributable to owners of parent Company	Total equity
	£	£	£	£
At 1 January 2021	338,101	714,997	1,053,098	1,053,098
<b>Comprehensive income for the year</b>				
Loss for the year	-	(324,616)	(324,616)	(324,616)
<b>Other comprehensive income for the year</b>	-	-	-	-
<b>Total comprehensive income for the year</b>	-	(324,616)	(324,616)	(324,616)
<b>Total transactions with owners</b>	-	-	-	-
<b>At 31 December 2021</b>	<b>338,101</b>	<b>390,381</b>	<b>728,482</b>	<b>728,482</b>

The notes on pages 16 to 37 form part of these financial statements.

## Diversified Business Communications UK Limited

### Company Statement of Changes in Equity For the Year Ended 31 December 2022

	Called up share capital £	Profit and loss account £	Total equity £
At 1 January 2022	338,101	390,381	728,482
<b>Comprehensive income for the year</b>			
Profit for the year	-	1,774,721	1,774,721
<b>Other comprehensive income for the year</b>	-	-	-
<b>Total comprehensive income for the year</b>	-	1,774,721	1,774,721
<b>Total transactions with owners</b>	-	-	-
<b>At 31 December 2022</b>	<b>338,101</b>	<b>2,165,102</b>	<b>2,503,203</b>

The notes on pages 16 to 37 form part of these financial statements.

### Company Statement of Changes in Equity For the Year Ended 31 December 2021

	Called up share capital £	Profit and loss account £	Total equity £
At 1 January 2021	338,101	714,997	1,053,098
<b>Comprehensive income for the year</b>			
Loss for the year	-	(324,616)	(324,616)
<b>Other comprehensive income for the year</b>	-	-	-
<b>Total comprehensive income for the year</b>	-	(324,616)	(324,616)
<b>Total transactions with owners</b>	-	-	-
<b>At 31 December 2021</b>	<b>338,101</b>	<b>390,381</b>	<b>728,482</b>

The notes on pages 16 to 37 form part of these financial statements.



## **Diversified Business Communications UK Limited**

### **Notes to the Financial Statements For the Year Ended 31 December 2022**

#### **1. General information**

Diversified Business Communications UK Limited ('the company') organises trade shows, conferences and publishing trade magazines in the UK and Europe via its offices at Brighton, Nailsworth, Peterborough and London.

The company is a private company limited by shares and is incorporated and domiciled in England. The address of its registered office is The Brinell Building Ground Floor, 30 Station Street, Brighton, England, BN1 4RB.

#### **2. Statement of compliance**

The financial statements of the company and the group have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

#### **3. Summary of significant accounting policies**

##### **3.1 Basis of preparation of financial statements**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

These financial statements are prepared on a going concern basis, under the historical cost convention, as modified by the recognition of certain financial assets and liabilities measured at fair value.

The preparation of financial statements, in conformity with FRS 102, requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 4.

##### **3.2 Basis of consolidation**

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Balance Sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated Statement of Comprehensive Income from the date on which control is obtained. They are deconsolidated from the date control ceases.

## **Diversified Business Communications UK Limited**

### **Notes to the Financial Statements For the Year Ended 31 December 2022**

#### **3. Summary of significant accounting policies (continued)**

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

The company and group meets their day-to-day working capital requirements through their bank facilities and support from the parent company, who have confirmed support will continue for the foreseeable future. The company and the group's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the company and the group should be able to operate within the level of their current facilities.

Given the recent Covid-19 pandemic, the company and group's trading performance in 2021 and 2022 and the ongoing economic uncertainty in 2023, the company and the group have looked at a number of trading scenarios, discussed these with the parent company and with its bankers and has put a plan in place to manage these expectations in all cases and has agreed the financing required to deliver these outcomes.

The company repaid its HSBC Coronavirus Business Recovery Loan in December 2022 and no longer has the requirements of capital and interest payments in 2023.

Therefore, after making enquiries and with the parent company support confirmed, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. The company and the group therefore continues to adopt the going concern basis in preparing its financial statements.

##### **3.4 Exemptions for qualifying entities under FRS 102**

The company and group have taken advantage of the exemption, under FRS 102 paragraph 1.12(b), from preparing a statement of cash flows, on the basis that it is a qualifying entity and its ultimate parent company, Diversified Communications, a company incorporated in the United States of America, includes the company's cash flows in its own consolidated financial statements.

##### **3.5 Foreign currency translation**

###### **Functional and presentation currency**

The Company's functional and presentational currency is GBP.

###### **Transactions and balances**

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

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

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

**Notes to the Financial Statements  
For the Year Ended 31 December 2022**

**3. Summary of significant accounting policies (continued)**

**3.6 Revenue**

Revenue is measured at the fair value of the consideration received or receivable and represents the amount receivable for services rendered, net of returns, discounts and rebates allowed by the company and value added taxes.

The turnover shown in the statement of comprehensive income represents the invoiced value of space sold and other revenue received in respect of exhibitions held during the year, including publishing and conferences, excluding value added tax. To the extent that costs are expected to be recoverable, direct costs arising in the year relating to future events are deferred as work in progress, and income is deferred as deferred income until those events have taken place.

Revenue is recognised at the time of the event or conference or the date of publication.

**3.7 Employee benefits**

The company and the group provides a range of benefits to employees, including annual bonus arrangements, paid holiday arrangements and defined contribution pension plans.

*(i) Short term benefits*

Short term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received.

*(ii) Defined contribution pension plans*

The company and the group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations. The contributions are recognised as an expense when they are due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

*(iii) Annual Bonus Plan*

The company and group operates an annual bonus plan for employees. An expense is recognised in the statement of comprehensive income when the company has a legal or constructive obligation to make payments under the plan as a result of past events and a reliable estimate of the obligation can be made.

**Notes to the Financial Statements  
For the Year Ended 31 December 2022**

**3. Summary of significant accounting policies (continued)**

**3.8 Current and deferred taxation**

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current or deferred taxation assets and liabilities are not discounted.

**(i) Current tax**

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted relevant to the period.

**(ii) Deferred tax**

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements.

Deferred tax is recognised on all timing differences at the reporting date except for certain exceptions. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

**Notes to the Financial Statements  
For the Year Ended 31 December 2022**

**3. Summary of significant accounting policies (continued)**

**3.9 Business Combinations and goodwill**

Business combinations are accounted for by applying the purchase method.

The cost of a business combination is the fair value of the consideration given, liabilities incurred or assumed and of equity instruments issued plus the costs directly attributable to the business combination. Where control is achieved in stages the cost is the consideration at the date of each transaction.

Contingent consideration is initially recognised at estimated amount where the consideration is probable and can be measured reliably. Where (i) the contingent consideration is not considered probable or cannot be reliably measured but subsequently becomes probable and measurable or (ii) contingent consideration previously measured is adjusted, the amounts are recognised as an adjustment to the cost of the business combination.

On acquisition of a business, fair values are attributed to the identifiable assets, liabilities and contingent liabilities unless the fair value cannot be measured reliably, in which case the value is incorporated in goodwill. Where the fair value of contingent liabilities cannot be reliably measured they are disclosed on the same basis as other contingent liabilities.

Goodwill recognised represents the excess of the fair value and directly attributable costs of the purchase consideration over the fair values to the group's interest in the identifiable net assets, liabilities and contingent liabilities acquired.

Goodwill is amortised over its expected useful life. Where the group is unable to make a reliable estimate of useful life, goodwill is amortised over a period not exceeding ten years. Goodwill is assessed for impairment when there are indicators of impairment and any impairment is charged to the income statement. Reversals of impairment are recognised when the reasons for the impairment no longer apply.

**3.10 Intangible assets**

Intangible assets (excluding Goodwill as detailed in note 3 (i)) which are identifiable on the acquisition of business combinations and goodwill are stated at cost less accumulated amortisation and accumulated impairment losses amortised over their estimated useful lives as follows:

- Trade names and other intangible assets – 5 years
- Non-compete agreements – 3 years

Where factors, such as technological advancement or changes in market place, indicate that the residual value or useful life have changed, the residual value, useful life or amortisation rate are amended prospectively to reflect the new circumstances.

The assets are reviewed for impairment if the above factors indicate that the carrying amount may be impaired.

**3.11 Tangible fixed assets**

Tangible assets are stated at cost less accumulated depreciation.

**Notes to the Financial Statements  
For the Year Ended 31 December 2022**

**3. Summary of significant accounting policies (continued)**

**3.11 Tangible fixed assets (continued)**

**(i) Depreciation and residual values**

Depreciation on assets is calculated, using the straight-line method, to allocate the cost to their residual values over their estimated useful lives, as follows:

Depreciation is provided on the following basis:

Leasehold improvements	- over the period of the lease
Office equipment	- 3 to 10 years

The assets' residual values and useful lives are reviewed, and adjusted, if appropriate, at the end of each reporting period. The effect of any change is accounted for prospectively.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

**3.12 Leased assets: the Group as lessee**

At inception the company and group assesses agreements that transfer the right to use assets. The assessment considers whether the arrangement is, or contains, a lease based on the substance of the arrangement.

**3.13 Operating leases: the Group as lessee**

Leases that do not transfer all the risks and rewards of ownership are classified as operating leases. Payments under operating leases are charged to the statement of comprehensive income on a straight-line basis over the period of the lease.

**3.14 Stocks**

Work in progress is the costs incurred in relation to events that have not taken place at the balance sheet date, net of provision for foreseeable losses on these events. Costs include materials, direct labour and any other direct costs.

Stocks are recognised as an expense in the period in which the related revenue is recognised.

**3.15 Cash at bank and in hand**

Cash at bank and in hand includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

**Notes to the Financial Statements  
For the Year Ended 31 December 2022**

**3. Summary of significant accounting policies (continued)**

**3.16 Provisions for liabilities**

**(i) Provisions**

Provisions are recognised when the company and group have a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount of the obligation can be estimated reliably.

**(ii) Contingencies**

Contingent liabilities are not recognised. Contingent liabilities arise as a result of past events when (i) it is not probable that there will be an outflow of resources or that the amount cannot be reliably measured at the reporting date or (ii) when the existence will be confirmed by the occurrence or non-occurrence of uncertain future events not wholly within the company's control. Contingent liabilities, if any, are disclosed in the financial statements unless the probability of an outflow of resources is remote.

Contingent assets are not recognised. Contingent assets, if any, are disclosed in the financial statements when an inflow of economic benefits is probable.

**3.17 Financial instruments**

The company and group have chosen to adopt the Sections 11 and 12 of FRS 102 in respect of financial instruments.

**(i) Financial assets**

Basic financial assets, including trade and other receivables, cash and bank balances and investments in commercial paper, are initially recognised at transaction price, 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.

**(ii) Financial liabilities**

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies, 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 receipts discounted at a market rate of interest.

**3.18 Share capital**

Ordinary shares are classified as equity.

**3.19 Related party transactions**

As a wholly owned subsidiary, the company and group are exempt under the terms of section 33.1A of FRS 102 'Related Party Disclosures', from disclosing related party transactions with entities that are wholly owned within the Diversified Holding Co group.

**3.20 Government grants**

Grants of a revenue nature are recognised in the statement of comprehensive income in the same period as the related expenditure. During the year the company and group received assistance from the coronavirus job retention scheme.

**Notes to the Financial Statements  
For the Year Ended 31 December 2022**

**4. Critical accounting judgements and estimation uncertainty**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

**(a) Critical judgements in applying the entity's accounting policies**

Identifiable intangible assets are based on values agreed based on expected future cashflows at the time of acquisition derived from the allocation of the acquisition price under the asset sale agreement. There is a judgement regarding the categories of assets recognised and therefore the future amortisation period attributable to those assets.

**(b) Critical accounting estimates and assumptions**

The company and the group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

**(i) Useful economic lives of tangible assets**

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 11 for the carrying amount of the tangible assets and note 3(k) for the useful economic lives for each class of assets.

**(ii) Impairment of debtors**

The company and the group makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. See note 13 for the net carrying amount of the debtors and associated impairment provision.

**(iii) Goodwill**

Goodwill, as disclosed under note 3 (i) is amortised over its expected useful life. Where the group is unable to make a reliable estimate of useful life, goodwill is amortised over a period not exceeding ten years.

**(iv) Intangible assets**

Identifiable intangible assets, as disclosed under note 3 (j) are shown separately from goodwill and amortised over their expected useful life over periods between 3 and 5 years.



**Notes to the Financial Statements  
For the Year Ended 31 December 2022**

**5. Turnover**

Analysis of turnover by category & geography

	2022 £	2021 £
Sales of exhibition services	17,547,194	9,399,217
Sales of publications, eMedia and other services	785,253	712,405
	<u>18,332,447</u>	<u>10,111,622</u>

Analysis of turnover by country of destination:

	2022 £	2021 £
United Kingdom	12,428,449	5,636,879
Outside of the United Kingdom	5,903,998	4,474,743
	<u>18,332,447</u>	<u>10,111,622</u>

**6. Operating (loss)**

The operating (loss) is stated after charging:

	2022 £	2021 £
Amortisation of intangible assets	1,123,895	1,125,364
Depreciation of tangible fixed assets	111,658	127,345
Loss on disposal of tangible assets	1,586	1,356
Operating lease rentals	284,365	301,952
Fees payable to the Company's auditors for the audit of the financial statements	21,200	21,200
Fees payable to the Company's auditors for other services:		
• Tax compliance services	4,700	4,700
• Other services	900	900
Government grant income	<u>(30,000)</u>	<u>(214,125)</u>

## Diversified Business Communications UK Limited

### Notes to the Financial Statements For the Year Ended 31 December 2022

#### 7. Employees and directors

Staff costs, including directors' remuneration, were as follows:

	<b>Group 2022</b>	Group 2021	<b>Company</b>	Company
	<b>£</b>	<b>£</b>	<b>2022</b>	2021
			<b>£</b>	<b>£</b>
Staff salaries	<b>4,776,233</b>	3,366,523	<b>4,776,233</b>	3,366,523
Staff national insurance	<b>551,738</b>	381,328	<b>551,738</b>	381,328
Other pension costs	<b>211,234</b>	168,890	<b>211,234</b>	168,890
	<b>5,539,205</b>	3,916,741	<b>5,539,205</b>	3,916,741
<b>Directors</b>				
Aggregate emoluments (highest paid director £393,212 (2021: £334,696))	<b>530,573</b>	423,953	<b>530,573</b>	423,953
Aggregate amounts receivable under long-term incentive schemes (and highest paid director).	<b>130,319</b>	54,355	<b>130,319</b>	54,355
	<b>660,892</b>	478,308	<b>660,892</b>	478,308

Two directors (2021: two) are members of a defined contribution scheme and one director (2021: one) is accruing benefits under a long-term incentive scheme.

Two of the company's directors are directors of a number of fellow group companies and their remuneration was paid by another group company, which made no recharge to the company; it is not possible to make an accurate apportionment of their emoluments in respect of each of the subsidiaries.

The average monthly number of employees, including the directors, during the year was as follows:

	<b>Group</b>	Group	<b>Company</b>	Company
	<b>2022</b>	2021	<b>2022</b>	2021
	<b>No.</b>	<b>No.</b>	<b>No.</b>	<b>No.</b>
Sales and marketing	<b>58</b>	50	<b>58</b>	50
Production and operations	<b>25</b>	14	<b>25</b>	14
Administration	<b>14</b>	11	<b>14</b>	11
	<b>97</b>	75	<b>97</b>	75

#### 8. Interest receivable

	<b>2022</b>	2021
	<b>£</b>	<b>£</b>
Bank interest received	<b>6,865</b>	3,275
	<b>6,865</b>	3,275

**Diversified Business Communications UK Limited**

**Notes to the Financial Statements  
For the Year Ended 31 December 2022**

**9. Interest payable and similar expenses**

	<b>2022</b>	2021
	£	£
Bank and HM Revenue Customs VAT interest paid	<b>347,478</b>	125,504
	<b>347,478</b>	125,504

**10. Taxation**

	<b>2022</b>	2021
	£	£
<b>Corporation tax</b>		
Current tax on profits for the year	<b>380,833</b>	-
	<b>380,833</b>	-
<b>Total current tax</b>	<b>380,833</b>	-
<b>Deferred tax</b>		
Origination and reversal of timing differences	<b>328,233</b>	(345,732)
<b>Total deferred tax</b>	<b>328,233</b>	(345,732)
<b>Taxation on profit/(loss) on ordinary activities</b>	<b>709,066</b>	(345,732)

## Diversified Business Communications UK Limited

### Notes to the Financial Statements For the Year Ended 31 December 2022

#### 10. Taxation (continued)

##### Factors affecting tax charge for the year

The tax assessed for the year is higher than (2021 - lower than) the standard rate of corporation tax in the UK of 19% (2021 - 19%). The differences are explained below:

	2022 £	2021 £
Profit/(loss) on ordinary activities before tax	<u>2,293,238</u>	<u>(670,348)</u>
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	435,715	(127,366)
<b>Effects of:</b>		
Expenses not deductible for tax purposes	598,979	(218,366)
Relief for losses b/fwd utilised in the year	<u>(325,628)</u>	<u>-</u>
<b>Total tax charge for the year</b>	<u><b>709,066</b></u>	<u><b>(345,732)</b></u>

##### Factors that may affect future tax charges

The standard rate of corporation tax in the UK is 19% and therefore the group's profits for this financial year are taxed at an effective rate of 19.00% (2021: 19.00%).

A change to the main UK corporation tax rate, announced in the Budget on 3 March 2021, was substantively enacted for IFRS and UK GAAP purposes on 24 May 2021. The rate applicable from 1 April 2023 will be 25%, rather than the previously enacted rate of 19%. The relevant deferred tax balances at 31 December 2022 have been measured using the future UK Corporation tax rate of 25%.

**Notes to the Financial Statements  
For the Year Ended 31 December 2022**

**11. Intangible assets**

**Group**

	<b>Trademarks £</b>	<b>Goodwill £</b>	<b>Total £</b>
<b>Cost</b>			
At 1 January 2022	3,099,885	11,539,401	14,639,286
Additions	160,000	3,388,408	3,548,408
At 31 December 2022	<u>3,259,885</u>	<u>14,927,809</u>	<u>18,187,694</u>
<b>Amortisation</b>			
At 1 January 2022	2,968,218	5,985,709	8,953,927
Charge for the year on owned assets	77,334	1,046,561	1,123,895
At 31 December 2022	<u>3,045,552</u>	<u>7,032,270</u>	<u>10,077,822</u>
<b>Net book value</b>			
At 31 December 2022	<u>214,333</u>	<u>7,895,539</u>	<u>8,109,872</u>
At 31 December 2021	<u>131,667</u>	<u>5,553,692</u>	<u>5,685,359</u>

**Diversified Business Communications UK Limited**

**Notes to the Financial Statements  
For the Year Ended 31 December 2022**

**11. Intangible assets (continued)**

**Company**

	<b>Trademarks £</b>	<b>Goodwill £</b>	<b>Total £</b>
<b>Cost</b>			
At 1 January 2022	3,099,885	11,539,401	14,639,286
Additions	160,000	3,727,565	3,887,565
At 31 December 2022	<u>3,259,885</u>	<u>15,266,966</u>	<u>18,526,851</u>
<b>Amortisation</b>			
At 1 January 2022	2,968,218	5,985,709	8,953,927
Charge for the year	77,334	1,052,214	1,129,548
At 31 December 2022	<u>3,045,552</u>	<u>7,037,923</u>	<u>10,083,475</u>
<b>Net book value</b>			
At 31 December 2022	<u>214,333</u>	<u>8,229,043</u>	<u>8,443,376</u>
At 31 December 2021	<u>131,667</u>	<u>5,553,692</u>	<u>5,685,359</u>

## Diversified Business Communications UK Limited

### Notes to the Financial Statements For the Year Ended 31 December 2022

#### 11. Intangible assets (continued)

Diversified Business Communications UK Limited acquired 100% of the share capital of Holden Media Limited for consideration of £3,887,564 on 31st October 2022 and on that date hived up the trade and all of the assets to Diversified Business Communications UK Limited. As the trade and assets of the company have been transferred to Diversified Business Communications UK limited the consideration for this company has been shown as additions to Goodwill and not Investment. The Goodwill is being amortised over a period of 10 years.

The provisional fair value of the assets acquired is set out below. There were no fair value adjustments.

Holden Media Limited:

The results from the date of acquisition to the period end are not possible to obtain due to the merging of the activities into the existing business.

Deferred contingent consideration is based on target revenue for 2023 as specified in the contract, payable in 2023.

#### 12. Tangible fixed assets

##### Group

	Long-term leasehold property £	Fixtures and fittings £	Office equipment £	Total £
<b>Cost or valuation</b>				
At 1 January 2022	363,514	-	576,808	940,322
Additions	-	11,165	52,459	63,624
Disposals	(167)	(11,165)	(83,143)	(94,475)
At 31 December 2022	363,347	-	546,124	909,471
<b>Depreciation</b>				
At 1 January 2022	96,799	-	476,205	573,004
Charge for the year on owned assets	39,485	9,776	62,397	111,658
Disposals	(50)	(9,776)	(81,674)	(91,500)
At 31 December 2022	136,234	-	456,928	593,162
<b>Net book value</b>				
At 31 December 2022	227,113	-	89,196	316,309
At 31 December 2021	266,715	-	100,603	367,318

**Diversified Business Communications UK Limited**

**Notes to the Financial Statements  
For the Year Ended 31 December 2022**

**12. Tangible fixed assets (continued)**

**Company**

	Long-term leasehold property £	Office equipment £	Total £
<b>Cost or valuation</b>			
At 1 January 2022	363,514	576,808	940,322
Additions	-	52,459	52,459
Disposals	(167)	(83,143)	(83,310)
At 31 December 2022	<u>363,347</u>	<u>546,124</u>	<u>909,471</u>
<b>Depreciation</b>			
At 1 January 2022	96,799	476,205	573,004
Charge for the year on owned assets	39,485	62,397	101,882
Disposals	(50)	(81,674)	(81,724)
At 31 December 2022	<u>136,234</u>	<u>456,928</u>	<u>593,162</u>
<b>Net book value</b>			
At 31 December 2022	<u>227,113</u>	<u>89,196</u>	<u>316,309</u>
At 31 December 2021	<u>266,715</u>	<u>100,603</u>	<u>367,318</u>



## Diversified Business Communications UK Limited

### Notes to the Financial Statements For the Year Ended 31 December 2022

#### 13. Fixed asset investments

##### Company

	Investments in subsidiary companies £
<b>Cost or valuation</b>	
Additions	1
At 31 December 2022	<u>1</u>

For the period ended 31 December 2022 the subsidiary undertaking Holden Media Limited (Company number: 07522771) was entitled to exemption from audit under S479A of the Companies Act 2006 applicable to subsidiaries. The guarantee given by the company under section S479A of the Companies Act 2006 is disclosed in Note 26.

#### 14. Stocks

	<b>Group 2022 £</b>	<b>Group 2021 £</b>	<b>Company 2022 £</b>	<b>Company 2021 £</b>
Work in progress	<b>391,330</b>	390,576	<b>391,330</b>	390,576
	<u><b>391,330</b></u>	<u>390,576</u>	<u><b>391,330</b></u>	<u>390,576</u>

## Diversified Business Communications UK Limited

### Notes to the Financial Statements For the Year Ended 31 December 2022

#### 15. Debtors

	<b>Group 2022 £</b>	<b>Group 2021 £</b>	<b>Company 2022 £</b>	<b>Company 2021 £</b>
Trade debtors	<b>3,012,196</b>	1,441,334	<b>3,012,196</b>	1,441,334
Amounts owed by group undertakings	-	2,036,323	<b>98,111</b>	2,036,323
Other debtors	<b>1,886,898</b>	1,346,321	<b>1,886,898</b>	1,346,321
Tax recoverable	<b>142,956</b>	-	-	-
Deferred taxation	-	285,795	-	285,795
	<b><u>5,042,050</u></b>	<b><u>5,109,773</u></b>	<b><u>4,997,205</u></b>	<b><u>5,109,773</u></b>

Amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

#### 16. Cash and cash equivalents

	<b>Group 2022 £</b>	<b>Group 2021 £</b>	<b>Company 2022 £</b>	<b>Company 2021 £</b>
Cash at bank and in hand	<b>2,923,115</b>	5,464,299	<b>2,825,004</b>	5,464,299
	<b><u>2,923,115</u></b>	<b><u>5,464,299</u></b>	<b><u>2,825,004</u></b>	<b><u>5,464,299</u></b>

#### 17. Creditors: Amounts falling due within one year

	<b>Group 2022 £</b>	<b>Group 2021 £</b>	<b>Company 2022 £</b>	<b>Company 2021 £</b>
Trade creditors	<b>841,733</b>	123,018	<b>841,733</b>	123,018
Corporation tax	<b>415,136</b>	-	<b>415,136</b>	-
Other taxation and social security	<b>595,508</b>	108,171	<b>595,508</b>	108,171
Other creditors	<b>652,426</b>	514,004	<b>652,426</b>	514,004
Amounts owed to group undertakings	<b>2,485,778</b>	-	<b>2,485,778</b>	-
Accruals and deferred income	<b>8,764,734</b>	8,543,650	<b>8,764,734</b>	8,543,650
	<b><u>13,755,315</u></b>	<b><u>9,288,843</u></b>	<b><u>13,755,315</u></b>	<b><u>9,288,843</u></b>

At 31 December 2022 the company had outstanding pension contributions totalling £526 (2021: £302) included within other creditors.

**Notes to the Financial Statements  
For the Year Ended 31 December 2022**

**18. Creditors: Amounts falling due after more than one year**

	<b>Group 2022 £</b>	<b>Group 2021 £</b>	<b>Company 2022 £</b>	<b>Company 2021 £</b>
Bank loans	-	7,000,000	-	7,000,000
Other creditors	<b>672,270</b>	-	<b>672,270</b>	-
	<b>672,270</b>	7,000,000	<b>672,270</b>	7,000,000

Included within other creditors is £672,270 (2021: £nil) of contingent consideration payable on the acquisition of Holden Media Ltd arising during 2022.

Included within other creditors is £nil (2021: £7,000,000) in respect of an HSBC Coronavirus Business Recovery Loan, which replaced the Large Business Interruption Loan taken out in 2020 and finalised in December 2021. This new loan was repaid in December 2022 and the £4,000,000 intercompany parent company guarantee in favour of HSBC given from Diversified Communications has been cancelled.

A fixed and floating charge over all the assets of Diversified Communications is registered in favour of HSBC Bank plc securing debts owed by the company. The amount outstanding at 31 December 2022 was £nil (2021: £7,000,000).

## Diversified Business Communications UK Limited

### Notes to the Financial Statements For the Year Ended 31 December 2022

#### 19. Deferred taxation

##### Group

	2022 £
At beginning of year	(285,795)
Charged to profit or loss	328,232
<b>At end of year</b>	<b>(42,437)</b>

##### Company

	2022 £
At beginning of year	(285,795)
Charged to profit or loss	328,232
<b>At end of year</b>	<b>(42,437)</b>

The deferred taxation balance is made up as follows:

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Accelerated capital allowances	(42,914)	(42,914)	(42,914)	(42,914)
Tax losses carried forward	-	326,031	-	326,031
Other timing differences	477	2,678	477	2,678
	<b>(42,437)</b>	285,795	<b>(42,437)</b>	285,795

#### 20. Post-employment benefits (Company only)

##### Defined contribution

During the year the company operated a defined contribution pension scheme for its employees and the following contributions were payable by the company:

	2022 £	2021 £
Contributions payable by the company for the year	461,298	373,278
	<b>461,298</b>	<b>373,278</b>

## Diversified Business Communications UK Limited

### Notes to the Financial Statements For the Year Ended 31 December 2022

#### 21. Share capital

	2022 £	2021 £
<b>Allotted, called up and fully paid</b>		
338,101 (2021 - 338,101) Ordinary £1 Shares shares of £1.00 each	<b>338,101</b>	338,101

#### 22. Reserves

##### Retained Earnings

The retained earnings include all current and prior period retained profits and losses.

#### 23. Commitments under operating leases

The company was committed to making the following minimum lease payments under non-cancellable operating leases for each of the following periods:

	Land and Buildings 2022 £	Land and Buildings 2021 £	Other 2022 £	Other 2021 £
Not later than one year	256,432	256,432	10,856	24,942
Later than one year and not later than five years	1,025,728	1,025,728	4,840	8,011
Later than five years	384,648	641,080	-	-
Unused	-	-	-	-
	<b>1,666,808</b>	<b>1,923,240</b>	<b>15,696</b>	<b>32,953</b>

#### 24. Controlling party

The immediate parent undertaking is Diversified Communications, a company incorporated in the United States of America. The ultimate parent company, and largest company producing group financial statements which include the company is Diversified Holding Co, a company incorporated in the United States of America which has no controlling party. Copies of the financial statements can be obtained from 121 Free Street, Portland, ME 04101, USA.

**Notes to the Financial Statements  
For the Year Ended 31 December 2022**

**25. Related party relationships and transactions**

**Key Management Personnel**

The company considers its key management personnel for both 2022 and 2021 to comprise of:  
C Holm and P Warren.

Total compensation was £592,840 (2021: £411,076).

**Transactions with G Holm (director's wife)**

Transactions involve purchases from G Holm for consultancy services of £nil (2021: £3,630).

The company is exempt from disclosing other related party transactions as they are with other companies that are wholly owned within the group.

**26. Contingent liabilities**

In order for the subsidiary company named in Note 13 to take the audit exemption set out in section 479A of the Companies act 2006, the company has guaranteed all outstanding liabilities of the subsidiary company at 31 December 2022 until those liabilities are satisfied in full.