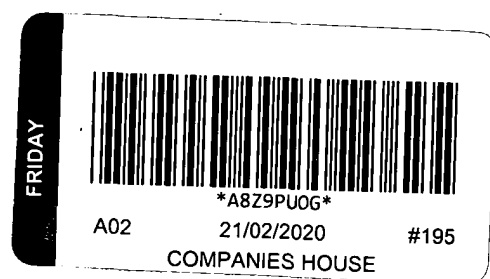


Company registration number: 08235569

**Social Communications Group Limited**

**Unaudited financial statements**

**31 October 2019**



 **leonherman**  
CHARTERED ACCOUNTANTS & BUSINESS ADVISERS

## **Social Communications Group Limited**

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## **Social Communications Group Limited**

### **Directors and other information**

<b>Directors</b>	Mr John Paul Quinton-Barber Mr Peter Samuel Wrathmell Mr David Cowans Mr Rob Luke Mr Christopher Robin Leslie Phillips Ms Amanda Williams	Resigned 15 October 2019
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<b>Company number</b>	08235569
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<b>Registered office</b>	2nd Floor 24-26 Lever Street Manchester M1 1DW
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<b>Business address</b>	2nd Floor 24-26 Lever Street Manchester M1 1DW
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<b>Accountants</b>	Leonherman Key House 7 Christie Way Christie Fields Manchester M21 7QY
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## **Social Communications Group Limited**

### **Directors report Year ended 31 October 2019**

The directors present their report and the unaudited financial statements of the company for the year ended 31 October 2019.

#### **Directors**

The directors who served the company during the year were as follows:

Mr John Paul Quinton-Barber

Mr Peter Samuel Wrathmell

Mr David Cowans

Mr Rob Luke

Mr Christopher Robin Leslie Phillips

Ms Amanda Williams

Resigned 15 October 2019

#### **Principal activities**

The principal activity of the company during the year under review was that of a public relations and communications consultancy.

#### **Review of Business**

The year to 31 October 2019 has seen the business deliver continued high turnover growth, of 19% in comparison to the year to 31 October 2018. At the same time we have also considerably improved profitability, achieving pre-tax profits of 7.4%.

These outcomes are testament to the efforts of the whole Social team to enhance the output and commerciality of the business consistent with our strong commitment to social value. The performance also reflects that some of the investment made in recent years - for example the costs associated with the opening of regional offices in Leeds in 2016 and Bristol in late 2017 - is translating into both turnover growth and enhanced profitability.

Having grown to deliver an annual turnover of £2.37m just 7 years since incorporation, our growth ambition remains high. In that vein, no dividends were paid during the period consistent with our approach of retaining profits within the business and looking to achieve further rapid growth.

Our priorities for the year ahead include:

- Driving the organic growth of the business, powered by a re-intensified focus on business development, our refreshed brand and marketing, and in the knowledge that scope exists to grow our fee-earning staff complement without the need for a significant parallel increase in back-office platform.

- Exploring wider opportunities to scale up further, including among other things by increasing our offer of strategic counsel and creative and marketing services and by considering new services, geographical and/or sectoral expansion and possible partnerships with like-minded businesses consistent with our growth strategy.

#### **Small company provisions**

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

**Social Communications Group Limited**

**Directors report (continued)**  
**Year ended 31 October 2019**

This report was approved by the board of directors on 12 February 2020 and signed on behalf of the board by:

A handwritten signature in black ink, consisting of a stylized 'J' and 'P' followed by a long horizontal line.

Mr John Paul Quinton-Barber  
Director

**Social Communications Group Limited**

**Chartered accountants report to the board of directors on the preparation of the  
unaudited statutory financial statements of Social Communications Group Limited  
Year ended 31 October 2019**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Social Communications Group Limited for the year ended 31 October 2019 which comprise the statement of comprehensive income, statement of financial position, statement of changes in equity and related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance/>.

This report is made solely to the board of directors of Social Communications Group Limited, as a body, in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the financial statements of Social Communications Group Limited and state those matters that we have agreed to state to the board of directors of Social Communications Group Limited as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Social Communications Group Limited and its board of directors as a body for our work or for this report.

It is your duty to ensure that Social Communications Group Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Social Communications Group Limited. You consider that Social Communications Group Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Social Communications Group Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.



Leonherman  
Chartered Accountants

Key House  
7 Christie Way  
Christie Fields  
Manchester  
M21 7QY

12 February 2020

**Social Communications Group Limited**

**Statement of comprehensive income  
Year ended 31 October 2019**

	<b>Note</b>	<b>2019</b> <b>£</b>	<b>2018</b> <b>£</b>
<b>Turnover</b>		2,370,023	1,990,536
Cost of sales		<u>(286,263)</u>	<u>(335,338)</u>
<b>Gross profit</b>		2,083,760	1,655,198
Administrative expenses		<u>(1,887,473)</u>	<u>(1,780,181)</u>
<b>Operating profit/(loss)</b>		196,287	(124,983)
Other interest receivable and similar income		49	-
Interest payable and similar expenses		<u>(20,024)</u>	<u>(16,463)</u>
<b>Profit/(loss) before taxation</b>	<b>5</b>	176,312	(141,446)
Tax on profit/(loss)		<u>(23,353)</u>	<u>13,683</u>
<b>Profit/(loss) for the financial year and total comprehensive income</b>		<u><u>152,959</u></u>	<u><u>(127,763)</u></u>

All the activities of the company are from continuing operations.

**The notes on pages 9 to 13 form part of these financial statements.**

**Social Communications Group Limited**

**Statement of financial position  
31 October 2019**

	Note	2019 £	£	2018 £	£
<b>Fixed assets</b>					
Intangible assets	6	15,375		-	
Tangible assets	7	29,272		23,356	
Investments	8	400		395	
			45,047		23,751
<b>Current assets</b>					
Debtors	9	449,414		426,278	
Cash at bank and in hand		203,444		6,728	
		652,858		433,006	
<b>Creditors: amounts falling due within one year</b>	10	(381,625)		(250,237)	
<b>Net current assets</b>			271,233		182,769
<b>Total assets less current liabilities</b>			316,280		206,520
<b>Creditors: amounts falling due after more than one year</b>	11		(133,383)		(181,558)
<b>Provisions for liabilities</b>			(4,976)		-
<b>Net assets</b>			177,921		24,962
<b>Capital and reserves</b>					
Called up share capital			1,200		1,200
Share premium account			69,900		69,900
Profit and loss account			106,821		(46,138)
<b>Shareholders funds</b>			177,921		24,962

For the year ending 31 October 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

**The notes on pages 9 to 13 form part of these financial statements.**



**Social Communications Group Limited**

**Statement of financial position (continued)**  
**31 October 2019**

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

These financial statements were approved by the board of directors and authorised for issue on 12 February 2020, and are signed on behalf of the board by:

A handwritten signature in black ink, appearing to read 'J. Barber', with a long horizontal stroke extending to the right.

Mr John Paul Quinton-Barber  
Director

Company registration number: 08235569

**The notes on pages 9 to 13 form part of these financial statements.**

**Social Communications Group Limited**

**Statement of changes in equity  
Year ended 31 October 2019**

	Called up share capital £	Share premium account £	Profit and loss account £	<b>Total</b>  £
<b>At 1 November 2017</b>	1,157	59,914	81,625	142,696
Profit/(loss) for the year			(127,763)	(127,763)
<b>Total comprehensive income for the year</b>	-	-	(127,763)	(127,763)
Issue of shares	43	9,986		10,029
<b>Total investments by and distributions to owners</b>	43	9,986	-	10,029
<b>At 31 October 2018 and 1 November 2018</b>	1,200	69,900	(46,138)	24,962
Profit/(loss) for the year			152,959	152,959
<b>Total comprehensive income for the year</b>	-	-	152,959	152,959
<b>At 31 October 2019</b>	1,200	69,900	106,821	177,921

## **Social Communications Group Limited**

### **Notes to the financial statements Year ended 31 October 2019**

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

The company is a private company limited by shares, registered in England & Wales. The address of the registered office is 2nd Floor, 24-26 Lever Street, Manchester, M1 1DW.

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

These financial statements have been prepared in compliance with the provisions of FRS 102, Section 1A, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

#### **3. Accounting policies**

##### **Basis of preparation**

The financial statements have been prepared on the historical cost basis.

The financial statements are prepared in sterling, which is the functional currency of the entity.

##### **Turnover**

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

Revenue from services is recognised when the service has been completed and approved.

##### **Taxation**

The taxation expense represents the aggregate amount of 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 capital and reserves. In this case, tax is recognised in other comprehensive income or directly in capital and reserves, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

##### **Operating leases**

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

##### **Intangible assets**

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses. Any intangible assets carried at a revalued amount, are recorded at the fair value at the date of revaluation, as determined by reference to an active market, less any subsequent accumulated amortisation and subsequent accumulated impairment losses.

## **Social Communications Group Limited**

### **Notes to the financial statements (continued) Year ended 31 October 2019**

#### **Amortisation**

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Combined other intangible assets       - 10%       straight line

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

#### **Tangible assets**

Tangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated depreciation and impairment losses.

#### **Depreciation**

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fittings fixtures and equipment       - 20%       reducing balance

If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of tangible assets, the depreciation is revised prospectively to reflect the new estimates.

#### **Fixed asset investments**

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses. Listed investments are measured at fair value with changes in fair value being recognised in profit or loss.

#### **Impairment**

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

#### **Provisions**

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event; it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised in finance costs in profit or loss in the period it arises.

## Social Communications Group Limited

### Notes to the financial statements (continued) Year ended 31 October 2019

#### Financial instruments

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

#### Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised in finance costs in profit or loss in the period in which it arises.

#### 4. Employee numbers

The average number of persons employed by the company during the year amounted to 37 (2018: 35).

#### 5. Profit/loss before taxation

Profit/loss before taxation is stated after charging/(crediting):

	2019	2018
	£	£
Depreciation of tangible assets	5,216	4,336

#### 6. Intangible assets

	Other intangible assets	Total
	£	£
<b>Cost</b>		
At 1 November 2018	-	-
Additions	15,375	15,375
<b>At 31 October 2019</b>	<b>15,375</b>	<b>15,375</b>
<b>Amortisation</b>		
At 1 November 2018 and 31 October 2019	-	-
<b>Carrying amount</b>		
At 31 October 2019	15,375	15,375
At 31 October 2018	-	-

**Social Communications Group Limited**  
**Notes to the financial statements (continued)**  
**Year ended 31 October 2019**

**7. Tangible assets**

	Plant and machinery	Total
	£	£
<b>Cost</b>		
At 1 November 2018	31,190	31,190
Additions	11,454	11,454
Disposals	(370)	(370)
<b>At 31 October 2019</b>	<u>42,274</u>	<u>42,274</u>
<b>Depreciation</b>		
At 1 November 2018	7,834	7,834
Charge for the year	5,216	5,216
Disposals	(48)	(48)
<b>At 31 October 2019</b>	<u>13,002</u>	<u>13,002</u>
<b>Carrying amount</b>		
<b>At 31 October 2019</b>	<u>29,272</u>	<u>29,272</u>
At 31 October 2018	<u>23,356</u>	<u>23,356</u>

**8. Investments**

	Shares in group undertakings and participating interests	Total
	£	£
<b>Cost</b>		
At 1 November 2018	395	395
Additions	5	5
<b>At 31 October 2019</b>	<u>400</u>	<u>400</u>
<b>Impairment</b>		
<b>At 1 November 2018 and 31 October 2019</b>	<u>-</u>	<u>-</u>
<b>Carrying amount</b>		
<b>At 31 October 2019</b>	<u>400</u>	<u>400</u>
At 31 October 2018	<u>395</u>	<u>395</u>

**Social Communications Group Limited**  
**Notes to the financial statements (continued)**  
**Year ended 31 October 2019**

**9. Debtors**

	2019	2018
	£	£
Trade debtors	405,274	368,910
Other debtors	44,140	57,368
	<u>449,414</u>	<u>426,278</u>

**10. Creditors: amounts falling due within one year**

	2019	2018
	£	£
Bank loans and overdrafts	48,175	48,175
Trade creditors	55,957	37,499
Corporation tax	18,377	-
Social security and other taxes	149,779	119,674
Other creditors	109,337	44,889
	<u>381,625</u>	<u>250,237</u>

Included in creditors is a fixed & floating charge secured on the assets of the company.

**11. Creditors: amounts falling due after more than one year**

	2019	2018
	£	£
Bank loans and overdrafts	<u>133,383</u>	<u>181,558</u>

**12. Operating leases**

**The company as lessee**

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2019	2018
	£	£
Not later than 1 year	41,260	37,955
Later than 1 year and not later than 5 years	12,256	16,131
	<u>53,516</u>	<u>54,086</u>