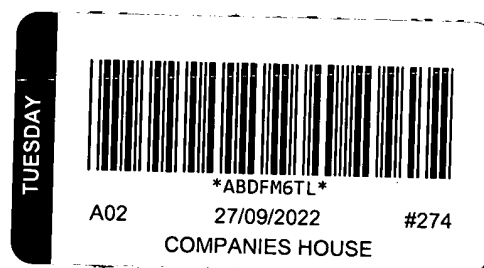


Registered number: 08731010

**BOAT INTERNATIONAL BUSINESS LIMITED (PREVIOUSLY BOAT BIDCO
LIMITED)**

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021



BOAT INTERNATIONAL BUSINESS LIMITED (PREVIOUSLY BOAT BIDCO LIMITED)

COMPANY INFORMATION

DIRECTORS	A Euden T Moore J Paton D Till A Wolfson M Hough (appointed 20 April 2022)
REGISTERED NUMBER	08731010
REGISTERED OFFICE	3 Cadogan Gate London SW1X 0AS
INDEPENDENT AUDITOR	Crowe U.K. LLP 4 Mount Ephraim Road Tunbridge Wells Kent TN1 1EE
BANKERS	Barclays Bank plc 27 Soho Square London W1D 3QR

BOAT INTERNATIONAL BUSINESS LIMITED (PREVIOUSLY BOAT BIDCO LIMITED)

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BOAT INTERNATIONAL BUSINESS LIMITED (PREVIOUSLY BOAT BIDCO LIMITED)

GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

INTRODUCTION

The principal activities of the group are the provision of media, marketing and data services relating to super yachts, including magazines, books, events and digital products.

BUSINESS REVIEW

The results of the group for the period, as set out on pages 10 to 35, show a loss on ordinary activities after tax and minority interests of £1,468,628 (2020: £1,479,724).

COVID-19 continued to impact on the business during 2021, with most live events being cancelled and global advertising revenues continuing at suppressed levels.

On 17th December 2021, the group acquired data, digital and B2B media organisation Boating Communications Limited, publisher of International Boat Industry (IBI) magazine. The acquisition sees the group strengthen its position in the B2B market. Founded in 1968, IBI is the most established and respected magazine serving the volume boat industry. The deal also includes IBI's market intelligence platform, IBI Plus, its digital channels and the company's events.

The directors use the following Key Performance Indicators (KPIs) to monitor the performance of the business:

Trading EBITDA, adjusted for exceptional items and bonus, of £205,632 (2020: £104,462). EBITDA of £632 (2020: £2,042).

Group Turnover £8,351,364 (2020: £8,449,614); being turnover per the statutory profit and loss account.

Cash at bank and in hand £1,051,018 (2020: £1,020,587).

PRINCIPAL RISKS AND UNCERTAINTIES

The publishing industry in which the business operates has in general seen a flight to digital as magazine advertising and circulation revenues decline and online alternatives and data become more widely adopted by consumers. The group is well placed through its website and data products to capitalise and manage the ongoing transition towards digital and to mitigate the risk posed by activity from both existing competitors and new entrants.

FUTURE DEVELOPMENTS

The group intends to continue its principle activities in the future, and, supported by the owners, develop and enhance its product offerings over time. Given its market leading position the outlook for the business remains strong.

GOING CONCERN

The directors have assessed the group's ability to continue as a going concern and believe the group can continue as a going concern based on trading budgets and cash flow forecasts for the group for the coming 12 months. These forecasts show that the group has sufficient cash reserves to enable the group to pay its debts as they fall due. Events will continue to grow following the easing of restrictions from the pandemic.

Having regard to the above, the directors believe it appropriate to adopt the going concern basis of accounting in preparing the financial statements

BOAT INTERNATIONAL BUSINESS LIMITED (PREVIOUSLY BOAT BIDCO LIMITED)

GROUP STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

FINANCIAL RISK MANAGEMENT POLICIES AND OBJECTIVES

The main risks arising from the Group's financial instruments are liquidity risk, cash flow interest rate risk, foreign currency risk and credit risk.

Liquidity risk

The Group's principal borrowings consist of loan notes issued to Boat International Business Limited of £1,525,000 and other loans amounting to £1,150,000 (2020: £1,150,000). Both the loan notes and the other loans are issued by shareholders in Boat International Business Limited. The Group's policy is to fund operations from trading cashflows.

Cash flow interest rate risk

The Group is not exposed to significant interest rate risk as the interest rates on the loan notes issued by Boat International Business Limited of £1,525,000 and the interest rate on the £1,150,000 other loans are fixed. The Group's policy is to monitor the level of borrowings and interest costs to ensure that any change in interest rates will not materially affect the ability of the group to manage its operations.

Foreign Currency risk

The Group is exposed in its trading operations to the risk of changes in foreign currency exchange rates as it both buys and sells goods and services, principally in Europe and the USA. The main foreign currencies in which the Group trades are the Euro and US dollar, with receipts exceeding costs in both currencies giving rise to the requirement to exchange foreign currency into Sterling. The group pursues a policy of selling forward prudent amounts of currency to mitigate against foreign currency risk.

Credit risk

The Group's principal financial assets are cash and trade debtors, which represent the Group's main exposure to credit risk.

Cash balances are held with reputable financial institutions and the exposure to credit risk on these balances is not considered by the directors to be significant.

In relation to trade debtors, the Group has no significant concentration of credit risk, with exposure spread over a large number of customers. The directors monitor the overall amount and duration of exposure to any one customer, and also requires prepayment for goods and services where appropriate until a credit history is built up.

The amounts presented in the balance sheet are net of allowances for doubtful debts, estimated by the directors based on prior experience and their assessment of the prevailing economic climate.

EMPLOYEE INVOLVEMENT

The quality and commitment of our people have played a major role in our business success. This has been demonstrated in many ways, including improvement in customer satisfaction, the development of our product lines and the flexibility they have shown in adapting to changing business requirements and new ways of working. Employees' performance is aligned to group goals through an annual performance review process that is carried out with all employees.

BOAT INTERNATIONAL BUSINESS LIMITED (PREVIOUSLY BOAT BIDCO LIMITED)

**GROUP STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

ENVIRONMENT

The Group's policy with regard to the environment is to ensure that the directors understand and effectively manage the actual and potential environmental impact of our activities. The Group's operations are conducted such that we comply with all legal requirements relating to the environment in all areas where we carry out business. During the period covered by this report the group has not incurred any fines or penalties or been investigated for any breach of environmental regulations.

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



A Euden
Director

Date: 08/06/2022

BOAT INTERNATIONAL BUSINESS LIMITED (PREVIOUSLY BOAT BIDCO LIMITED)

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021**

The directors present their report and the financial statements for the year ended 31 December 2021.

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Group Strategic Report, the Directors' Report and the consolidated financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 the Group and of the profit or loss of the Group for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Group's financial statements 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 will continue in business.

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

RESULTS AND DIVIDENDS

The loss for the year, after taxation, amounted to £1,468,628 (2020: loss £1,479,724).

DIRECTORS

The directors who served during the year were

A Wolfson
J Paton
T Haig (resigned 20 April 2022)
D Till
T Moore
A Euden

BOAT INTERNATIONAL BUSINESS LIMITED (PREVIOUSLY BOAT BIDCO LIMITED)

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

DISCLOSURE OF INFORMATION TO AUDITOR'S

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

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

AUDITORS

The auditor, Crowe U.K. LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

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



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A Euden
Director

Date: 08/06/2022

BOAT INTERNATIONAL BUSINESS LIMITED (PREVIOUSLY BOAT BIDCO LIMITED)

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF BOAT INTERNATIONAL BUSINESS LIMITED (PREVIOUSLY BOAT BIDCO LIMITED)

OPINION

We have audited the financial statements of Boat International Business Limited (previously Boat Bidco Limited) (the 'parent company') and its subsidiaries (the 'Group') for the year ended 31 December 2021, which comprise the Group Statement of Comprehensive Income, the Group and company Balance Sheets, the Group Statement of Cash Flows, 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 2021 and of the Group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the 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

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

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

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

BOAT INTERNATIONAL BUSINESS LIMITED (PREVIOUSLY BOAT BIDCO LIMITED)

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF BOAT INTERNATIONAL BUSINESS LIMITED (PREVIOUSLY BOAT BIDCO LIMITED) (CONTINUED)

OTHER INFORMATION

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

We have nothing to report in this regard.

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.

BOAT INTERNATIONAL BUSINESS LIMITED (PREVIOUSLY BOAT BIDCO LIMITED)

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF BOAT INTERNATIONAL BUSINESS LIMITED (PREVIOUSLY BOAT BIDCO LIMITED) (CONTINUED)

RESPONSIBILITIES OF DIRECTORS

As explained more fully in the Directors' Responsibilities Statement set out on page 4, 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.

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 Group 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:

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 company through discussions with directors and other management, and from our commercial knowledge and experience of the the 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 company, including the Companies Act 2006, taxation legislation and data protection,

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 a sample of journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in note 3 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

BOAT INTERNATIONAL BUSINESS LIMITED (PREVIOUSLY BOAT BIDCO LIMITED)

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF BOAT INTERNATIONAL BUSINESS LIMITED (PREVIOUSLY BOAT BIDCO LIMITED) (CONTINUED)

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 and relevant regulators;

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 directors 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.

USE OF OUR REPORT

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

Crowe U.K. LLP

Mark Anderson (Senior Statutory Auditor)

for and on behalf of
Crowe U.K. LLP

Statutory Auditor

4 Mount Ephraim Road
Tunbridge Wells
Kent
TN1 1EE
Date: 13/06/2022

BOAT INTERNATIONAL BUSINESS LIMITED (PREVIOUSLY BOAT BIDCO LIMITED)

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Note	2021 £	2020 £
Turnover	4	8,351,364	8,449,614
Cost of sales		(5,380,720)	(6,054,532)
Gross profit		2,970,644	2,395,082
Distribution costs		(559,536)	(539,455)
Administrative expenses		(3,750,818)	(3,193,642)
Other operating income	5	123,762	60,619
Operating loss	6	(1,215,948)	(1,277,396)
Adjust for:			
Exceptional items		235,659	284,068
Depreciation		51,602	46,555
Amortisation		1,134,319	1,051,235
Trading EBITDA		205,632	104,462
Interest payable and similar expenses	10	(225,763)	(214,546)
Loss before taxation		(1,441,711)	(1,491,942)
Tax on loss	11	(26,917)	11,453
Loss for the financial year		(1,468,628)	(1,480,489)
Total comprehensive income for the year		(1,468,628)	(1,480,489)
(Loss) for the year attributable to:			
Non-controlling interests		-	(765)
Owners of the parent company		(1,468,628)	(1,479,724)
		(1,468,628)	(1,480,489)
Total comprehensive income for the year attributable to:			
Non-controlling interest		-	(765)
Owners of the parent company		(1,468,628)	(1,479,724)
		(1,468,628)	(1,480,489)


The notes on pages 17 to 35 form part of these financial statements.

BOAT INTERNATIONAL BUSINESS LIMITED (PREVIOUSLY BOAT BIDCO LIMITED)
REGISTERED NUMBER: 08731010

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2021

	Note	2021 £	2020 £
Fixed assets			
Intangible assets	12	3,467,215	3,277,468
Tangible assets	13	95,992	75,141
		<u>3,563,207</u>	<u>3,352,609</u>
Current assets			
Stocks	16	88,899	49,027
Debtors	17	1,990,337	1,665,205
Cash at bank and in hand	18	1,054,824	1,020,587
		<u>3,134,060</u>	<u>2,734,819</u>
Creditors: amounts falling due within one year	19	(7,986,387)	(6,077,710)
Net current liabilities		<u>(4,852,327)</u>	<u>(3,342,891)</u>
Total assets less current liabilities		<u>(1,289,120)</u>	<u>9,718</u>
Creditors: amounts falling due after more than one year	20	(3,119,491)	(2,905,696)
Net liabilities		<u>(4,408,611)</u>	<u>(2,895,978)</u>
Capital and reserves			
Called up share capital	24	7,870,867	7,870,867
Foreign exchange reserve		316,181	360,186
Other reserves		289,988	412,286
Profit and loss account		(12,879,210)	(11,532,880)
Equity attributable to owners of the parent company		<u>(4,402,174)</u>	<u>(2,889,541)</u>
Non-controlling interests		(6,437)	(6,437)
		<u>(4,408,611)</u>	<u>(2,895,978)</u>

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


A Euden
Director 08/06/2022


The notes on pages 17 to 35 form part of these financial statements.

BOAT INTERNATIONAL BUSINESS LIMITED (PREVIOUSLY BOAT BIDCO LIMITED)
REGISTERED NUMBER: 08731010

COMPANY BALANCE SHEET
AS AT 31 DECEMBER 2021

	Note	2021 £	2020 £
Fixed assets			
Investments	14	12,869,113	12,869,113
		<u>12,869,113</u>	<u>12,869,113</u>
Current assets			
Debtors	17	1,059,452	1,059,141
		<u>1,059,452</u>	<u>1,059,141</u>
Creditors: amounts falling due within one year	19	(4,848,166)	(4,836,156)
Net current liabilities		<u>(3,788,714)</u>	<u>(3,777,015)</u>
Total assets less current liabilities		<u>9,080,399</u>	<u>9,092,098</u>
Creditors: amounts falling due after more than one year	20	(1,235,012)	(1,112,714)
Net assets		<u><u>7,845,387</u></u>	<u><u>7,979,384</u></u>
Capital and reserves			
Called up share capital	24	7,870,867	7,870,867
Other reserves		289,988	412,286
Profit and loss account brought forward		(303,769)	(289,366)
Loss for the year		(133,997)	(123,695)
Other changes in the profit and loss account		<u>122,298</u>	<u>109,292</u>
Profit and loss account carried forward		<u>(315,468)</u>	<u>(303,769)</u>
		<u><u>7,845,387</u></u>	<u><u>7,979,384</u></u>

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


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A Euden
Director 08/06/2022

The notes on pages 17 to 35 form part of these financial statements.

**BOAT INTERNATIONAL BUSINESS LIMITED (PREVIOUSLY BOAT
BIDCO LIMITED)**

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Called up share capital	Foreign exchange reserve	Capital contribution reserve	Profit and loss account	Equity attributable to owners of parent company	Non- controlling interests	Total equity
	£	£	£	£	£	£	£
At 1 January 2021	7,870,867	360,186	412,286	(11,532,880)	(2,889,541)	(6,437)	(2,895,978)
Comprehensive income for the year							
Loss for the year	-	-	-	(1,468,628)	(1,468,628)	-	(1,468,628)
Total comprehensive income for the year	-	-	-	(1,468,628)	(1,468,628)	-	(1,468,628)
Release of discounting on loan notes	-	-	(122,298)	122,298	-	-	-
Foreign exchange translation	-	(44,005)	-	-	(44,005)	-	(44,005)
At 31 December 2021	7,870,867	316,181	289,988	(12,879,210)	(4,402,174)	(6,437)	(4,408,611)

The notes on pages 17 to 35 form part of these financial statements.

**BOAT INTERNATIONAL BUSINESS LIMITED (PREVIOUSLY BOAT
BIDCO LIMITED)**

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

	Called up share capital	Foreign exchange reserve	Capital contribution reserve	Profit and loss account	Equity attributable to owners of parent company	Non- controlling interests	Total equity
	£	£	£	£	£	£	£
At 1 January 2020	7,870,333	348,904	412,286	(10,162,448)	(1,530,925)	(5,672)	(1,536,597)
Comprehensive income for the year							
Loss for the period	-	-	-	(1,479,724)	(1,479,724)	(765)	(1,480,489)
Total comprehensive income for the year	-	-	-	(1,479,724)	(1,479,724)	(765)	(1,480,489)
Shares issued during the year	534	-	-	-	534	-	534
Loan notes discounting adjustment	-	-	109,292	-	109,292	-	109,292
Release of discounting on loan notes	-	-	(109,292)	109,292	-	-	-
Foreign exchange translation	-	11,282	-	-	11,282	-	11,282
At 31 December 2020	7,870,867	360,186	412,286	(11,532,880)	(2,889,541)	(6,437)	(2,895,978)

The notes on pages 17 to 35 form part of these financial statements.

BOAT INTERNATIONAL BUSINESS LIMITED (PREVIOUSLY BOAT BIDCO LIMITED)

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Called up share capital	Capital contribution reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2021	7,870,867	412,286	(303,769)	7,979,384
Comprehensive income for the year				
Loss for the year	-	-	(133,997)	(133,997)
Total comprehensive income for the year	-	-	(133,997)	(133,997)
Release of discounting on loan notes	-	(122,298)	122,298	-
At 31 December 2021	7,870,867	289,988	(315,468)	7,845,387

The notes on pages 17 to 35 form part of these financial statements.

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

	Called up share capital	Capital contribution reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2020	7,870,333	412,286	(289,366)	7,993,253
Comprehensive income for the year				
Loss for the year	-	-	(123,695)	(123,695)
Total comprehensive income for the year	-	-	(123,695)	(123,695)
Shares issued during the year	534	-	-	534
Loan notes discounting adjustment	-	109,292	-	109,292
Release of discounting loan notes	-	(109,292)	109,292	-
At 31 December 2020	7,870,867	412,286	(303,769)	7,979,384

The notes on pages 17 to 35 form part of these financial statements.

BOAT INTERNATIONAL BUSINESS LIMITED (PREVIOUSLY BOAT BIDCO LIMITED)

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2021**

	2021 £	2020 £
Cash flows from operating activities		
Loss for the financial year	(1,468,628)	(1,480,489)
Adjustments for:		
Amortisation of intangible assets	1,134,319	1,051,235
Depreciation of tangible assets	51,602	46,555
Government grants	(123,762)	-
Loan interest accrued	213,795	214,546
Taxation	26,917	(11,453)
(Increase) in stocks	(39,872)	(20,442)
(Increase)/decrease in debtors	(325,132)	1,023,560
Increase/(decrease) in creditors	1,920,089	(715,473)
Foreign exchange	44,036	11,400
Net cash generated from operating activities	1,433,364	119,439
Cash flows from investing activities		
Purchase of intangible fixed assets	(1,324,065)	(165,469)
Purchase of tangible fixed assets	(72,422)	(61,798)
Net cash from investing activities	(1,396,487)	(227,267)
Cash flows from financing activities		
Issue of ordinary shares	-	534
New secured loans	-	99,669
Repayment of loans	(2,640)	-
Interest paid	-	74
Net cash used in financing activities	(2,640)	100,277
Net increase/(decrease) in cash and cash equivalents	34,237	(7,551)
Cash and cash equivalents at beginning of year	1,020,587	1,028,138
Cash and cash equivalents at the end of year	1,054,824	1,020,587
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	1,054,824	1,020,587
	1,054,824	1,020,587

The notes on pages 17 to 35 form part of these financial statements.

BOAT INTERNATIONAL BUSINESS LIMITED (PREVIOUSLY BOAT BIDCO LIMITED)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

1. GENERAL INFORMATION

The company is a private limited by shares company, which is incorporated and registered in England (Registered Number: 08731010).

The address of the registered office is 3 Cadogan Gate, London, SW1X 0AS.

The principal activities of the group are the provision of media, marketing and data services relating to super yachts, including magazines, books, events and digital products.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

2.2 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.

2.3 GOING CONCERN

The directors have assessed the group's ability to continue as a going concern and believe the group can continue as a going concern based on trading budgets and cash flow forecasts for the group for the coming 12 months. These forecasts show that the group has sufficient cash reserves to enable the group to pay its debts as they fall due.

Having regard to the above, the directors believe it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

2.4 REVENUE

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the period, exclusive of Value Added Tax and trade discounts.

Events revenue is recognised on the delivery of the relevant event.

Subscription revenue is recognised over the duration of the subscription.

Advertising revenue is recognised on the delivery of the service.

BOAT INTERNATIONAL BUSINESS LIMITED (PREVIOUSLY BOAT BIDCO LIMITED)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. ACCOUNTING POLICIES (CONTINUED)

2.5 INTANGIBLE ASSETS

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the consolidated statement of comprehensive income over its useful economic life.

Other intangible assets

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

Amortisation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives on a straight line basis:

Titles acquired	9 years
Intellectual property rights	16 years
Software	4 years

2.6 TANGIBLE FIXED ASSETS

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Leasehold property	- 20% per annum or over the remaining lease term if less than 5 years
Motor vehicles	- 25% per annum on cost
Fixtures and fittings	- 25% per annum on cost
Computer equipment and plant and machinery	- 33% per annum on cost

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

BOAT INTERNATIONAL BUSINESS LIMITED (PREVIOUSLY BOAT BIDCO LIMITED)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. ACCOUNTING POLICIES (CONTINUED)

2.7 OPERATING LEASES

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

2.8 VALUATION OF INVESTMENTS

Investments in subsidiaries are measured at cost less accumulated impairment.

2.9 STOCKS

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.10 DEBTORS

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.11 CASH AND CASH EQUIVALENTS

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Consolidated Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

BOAT INTERNATIONAL BUSINESS LIMITED (PREVIOUSLY BOAT BIDCO LIMITED)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. ACCOUNTING POLICIES (CONTINUED)

2.12 FINANCIAL INSTRUMENTS

The group only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and forward contracts on foreign currency.

2.13 CREDITORS

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.14 GOVERNMENT GRANTS

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Consolidated Statement of Comprehensive Income in the same period as the related expenditure.

2.15 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.

On consolidation, the results of overseas operations are translated into Sterling at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

2.16 FINANCE COSTS

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

BOAT INTERNATIONAL BUSINESS LIMITED (PREVIOUSLY BOAT BIDCO LIMITED)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. ACCOUNTING POLICIES (CONTINUED)

2.17 SHARE BASED PAYMENTS

Where share options are awarded to employees, the fair value of the options at the date of grant is charged to profit or loss over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each balance sheet date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Market vesting conditions are factored into the fair value of the options granted. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

The fair value of the award also takes into account non-vesting conditions. These are either factors beyond the control of either party (such as a target based on an index) or factors which are within the control of one or other of the parties (such as the Group keeping the scheme open or the employee maintaining any contributions required by the scheme).

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to profit or loss over the remaining vesting period.

Where equity instruments are granted to persons other than employees, profit or loss is charged with fair value of goods and services received.

2.18 PENSIONS

Defined contribution pension plan

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Group in independently administered funds.

2.19 PROVISIONS FOR LIABILITIES

Provisions are made where an event has taken place that gives the Group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

BOAT INTERNATIONAL BUSINESS LIMITED (PREVIOUSLY BOAT BIDCO LIMITED)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. ACCOUNTING POLICIES (CONTINUED)

2.20 CURRENT AND DEFERRED TAXATION

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

3. JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Preparation of the financial statements requires management to make significant judgements and estimates. The directors consider the significant judgements or estimates that would have a material impact on the financial statements is the annual impairment review of intangible assets, including goodwill.

4. TURNOVER

Analysis of turnover by country of destination:

	2021 £	2020 £
United Kingdom	1,519,957	1,449,356
Rest of Europe	2,550,774	3,754,144
Rest of the world	4,280,633	3,246,114
	<u>8,351,364</u>	<u>8,449,614</u>

BOAT INTERNATIONAL BUSINESS LIMITED (PREVIOUSLY BOAT BIDCO LIMITED)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

5. OTHER OPERATING INCOME

	2021	2020
	£	£
Government grants receivable	123,762	60,619
	123,762	60,619

Following the Covid-19 outbreak in March 2020, the company took advantage of the government's Coronavirus Job Retention Scheme and furloughed a number of its staff. Income received from the scheme in the year amounted to £30,669 (2020 - £60,619).

In the prior year, Boat International Media took out a Covid loan of £99,669 secured by the USA government. In the current year, the majority of this debt was forgiven. £3,543 remains outstanding at year end.

6. OPERATING LOSS

The operating loss is stated after charging:

	2021	2020
	£	£
Depreciation of tangible fixed assets	51,602	46,555
Exchange differences	35,960	(6,046)
Amortisation of intangible fixed assets	1,134,319	1,051,235
Other operating lease rentals	242,513	230,290

7. AUDITOR'S REMUNERATION

Fees payable to the Group's auditor and its associates in respect of:

The auditing of accounts of the group pursuant to legislation	30,650	29,850
Taxation compliance services	7,110	5,255
Other services	45,000	11,821
	82,760	46,926

BOAT INTERNATIONAL BUSINESS LIMITED (PREVIOUSLY BOAT BIDCO LIMITED)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

8. EMPLOYEES

Staff costs were as follows:

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Wages and salaries	3,195,222	2,899,979	-	-
Social security costs	447,426	309,433	-	-
Cost of defined contribution scheme	99,020	93,063	-	-
	<u>3,741,668</u>	<u>3,302,475</u>	<u>-</u>	<u>-</u>

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

	2021 No.	2020 No.
Advertising	3	3
Corporate	18	16
Digital	6	6
Events	7	4
Editorial	22	22
	<u>56</u>	<u>51</u>

9. DIRECTORS' REMUNERATION

The highest paid director received remuneration of £270,800 (2020 - £238,775).

The value of the Group's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £10,800 (2020 - £9,975).

The directors of the company are considered the key management personnel.

10. INTEREST PAYABLE

	2021 £	2020 £
Other interest payable	103,465	105,254
Discounting charge on loan notes	122,298	109,292
	<u>225,763</u>	<u>214,546</u>

BOAT INTERNATIONAL BUSINESS LIMITED (PREVIOUSLY BOAT BIDCO LIMITED)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

11. TAXATION

	2021 £	2020 £
Corporation tax		
Adjustments in respect of previous periods	-	(38,977)
	-	(38,977)
Total current tax	-	(38,977)
Deferred tax		
Origination and reversal of timing differences	29,791	27,524
Effect of tax rate change on opening balances	(2,874)	-
Total deferred tax	26,917	27,524
Taxation on profit/(loss) on ordinary activities	26,917	(11,453)

FACTORS AFFECTING TAX CHARGE FOR THE YEAR

The tax assessed for the year is higher than (2020 - *higher than*) the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

	2021 £	2020 £
Loss on ordinary activities before tax	(1,441,711)	(1,491,942)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	(273,925)	(283,469)
Effects of:		
Amortisation and depreciation on ineligible assets	173,944	175,631
Expenses not deductible for tax purposes	16,063	-
Capital allowances for year in excess of depreciation	-	3,430
Deferred tax not recognised	581,418	269,301
Difference in overseas tax rate	(28,246)	(11,774)
Changes in deferred tax rate	(442,337)	(125,595)
Adjustment to tax charge in respect of previous periods	-	(38,977)
Total tax benefit/(charge) for the year	26,917	(11,453)

BOAT INTERNATIONAL BUSINESS LIMITED (PREVIOUSLY BOAT BIDCO LIMITED)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

12. INTANGIBLE ASSETS

Group

	Goodwill £	Titles acquired £	Intellectual property rights £	Software £	Total £
Cost					
At 1 January 2021	9,458,744	4,899,824	337,097	1,508,615	16,204,280
Additions	1,101,187	5,940	-	216,938	1,324,065
At 31 December 2021	<u>10,559,931</u>	<u>4,905,764</u>	<u>337,097</u>	<u>1,725,553</u>	<u>17,528,345</u>
Amortisation					
At 1 January 2021	6,685,618	4,862,736	288,010	1,090,448	12,926,812
Charge for the year on owned assets	924,374	10,271	13,091	186,583	1,134,319
At 31 December 2021	<u>7,609,992</u>	<u>4,873,007</u>	<u>301,101</u>	<u>1,277,031</u>	<u>14,061,131</u>
Net book value					
At 31 December 2021	<u>2,949,939</u>	<u>32,757</u>	<u>35,996</u>	<u>448,522</u>	<u>3,467,214</u>
At 31 December 2020	<u>2,773,126</u>	<u>37,088</u>	<u>49,087</u>	<u>418,167</u>	<u>3,277,468</u>

On 17th December 2021, the group acquired data, digital and B2B media organisation Boating Communications Limited, publisher of International Boat Industry (IBI) magazine for a purchase price of £1,249,996 plus £333,000 of excess cash. As at 31 December 2021 the net assets of Boating Communications Limited were £481,809. The residual amount of £1,101,187 has been recognised as goodwill in the consolidated financial statements. As at 31 December 2021 there is deferred consideration owing to the seller of £1,019,557 which is shown in other creditors.

During the period all goodwill was reviewed for impairment. Forecasts were prepared over a ten year period assuming an average 5% growth rate and discount rate of 8%.

A sensitivity analysis was undertaken and based on the results of this and the impairment review, the directors consider there is no impairment.

BOAT INTERNATIONAL BUSINESS LIMITED (PREVIOUSLY BOAT BIDCO LIMITED)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

13. TANGIBLE FIXED ASSETS

Group

	Leasehold property £	Fixtures & fittings £	Other fixed assets £	Total £
Cost or valuation				
At 1 January 2021	128,474	254,749	518,320	901,543
Additions	1,324	23,319	47,779	72,422
Exchange adjustments	-	1,199	-	1,199
At 31 December 2021	<u>129,798</u>	<u>279,267</u>	<u>566,099</u>	<u>975,164</u>
Depreciation				
At 1 January 2021	121,654	240,656	464,093	826,403
Charge for the year on owned assets	5,068	7,684	38,850	51,602
Exchange adjustments	-	1,167	-	1,167
At 31 December 2021	<u>126,722</u>	<u>249,507</u>	<u>502,943</u>	<u>879,172</u>
Net book value				
At 31 December 2021	<u>3,076</u>	<u>29,760</u>	<u>63,156</u>	<u>95,992</u>
At 31 December 2020	<u>6,821</u>	<u>14,093</u>	<u>54,227</u>	<u>75,141</u>

BOAT INTERNATIONAL BUSINESS LIMITED (PREVIOUSLY BOAT BIDCO LIMITED)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

14. FIXED ASSET INVESTMENTS

Company

	Investments in subsidiary companies £
COST	
At 1 January 2021	12,869,113
At 31 December 2021	12,869,113

SUBSIDIARY UNDERTAKINGS

The following were subsidiary undertakings of the company:

Name	Registered office	Class of shares	Holding
Boat International Group Limited	Hartfield House, First Floor, 41-47 Hartfield Road, SW19 3RQ.	Ordinary	100%
Boat International Media Limited	Hartfield House, First Floor, 41-47 Hartfield Road, SW19 3RQ.	Ordinary	100%
Luxury Yacht Listing Services Limited	Hartfield House, First Floor, 41-47 Hartfield Road, SW19 3RQ.	Ordinary	80%
Edimer SAS	La Christoflerie, 242000 Marcillac St Quentin, France	Ordinary	100%
Boat International Media Inc	Suite 340, 1800 Southeast Tenth Avenue, Fort Lauderdale, Florida 33316, USA	Ordinary	100%
Superyacht Media Limited	Hartfield House, First Floor, 41-47 Hartfield Road, SW19 3RQ.	Ordinary	100%
Boating Communications Limited	Hartfield House, First Floor, 41-47 Hartfield Road, SW19 3RQ.	Ordinary	100%

BOAT INTERNATIONAL BUSINESS LIMITED (PREVIOUSLY BOAT BIDCO LIMITED)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

14. FIXED ASSET INVESTMENTS (CONTINUED)

SUBSIDIARY UNDERTAKINGS (CONTINUED)

The aggregate of the share capital and reserves as at 31 December 2021 and the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

Name	Aggregate of share capital and reserves £	Profit/(Loss) £
Boat International Group Limited	(1,574,779)	-
Boat International Media Limited	(499,411)	532,006
Luxury Yacht Listing Services Limited	(32,187)	-
Edimer SAS	890,089	(4,342)
Boat International Media Inc	1,649,527	(141,635)
Superyacht Media Limited	(7,800)	-
Boating Communications Limited	484,495	(2,686)

15. PARENT COMPANY PROFIT FOR THE YEAR

The company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements. The loss after tax of the parent company for the year was £133,997 (2020 - loss £123,695).

16. STOCKS

	Group 2021 £	Group 2020 £
Finished goods and goods for resale	88,899	49,027
	<u>88,899</u>	<u>49,027</u>

BOAT INTERNATIONAL BUSINESS LIMITED (PREVIOUSLY BOAT BIDCO LIMITED)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

17. DEBTORS

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Trade debtors	1,063,097	802,815	-	-
Amounts owed by group undertakings	-	-	1,059,452	1,059,141
Other debtors	101,888	174,625	-	-
Prepayments and accrued income	564,733	400,229	-	-
Deferred taxation	260,619	287,536	-	-
	<u>1,990,337</u>	<u>1,665,205</u>	<u>1,059,452</u>	<u>1,059,141</u>

18. CASH AND CASH EQUIVALENTS

	Group 2021 £	Group 2020 £
Cash at bank and in hand	1,054,824	1,020,587
	<u>1,054,824</u>	<u>1,020,587</u>

19. CREDITORS: Amounts falling due within one year

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Bank loans	3,543	99,669	-	-
Trade creditors	901,934	420,254	10,113	10,119
Amounts owed to group undertakings	-	-	9	9
Other taxation and social security	235,226	104,683	-	-
Other creditors	1,019,557	-	-	-
Accruals and deferred income	988,083	627,075	-	-
Preference shares accrual	4,838,044	4,826,029	4,838,044	4,826,028
	<u>7,986,387</u>	<u>6,077,710</u>	<u>4,848,166</u>	<u>4,836,156</u>

Other creditors include deferred consideration payments which arose from the acquisition of Boating Communications Limited.

BOAT INTERNATIONAL BUSINESS LIMITED (PREVIOUSLY BOAT BIDCO LIMITED)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

20. CREDITORS: Amounts falling due after more than one year

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Loan Notes	1,235,012	1,112,714	1,235,012	1,112,714
Other loans	1,884,479	1,792,982	-	-
	<u>3,119,491</u>	<u>2,905,696</u>	<u>1,235,012</u>	<u>1,112,714</u>

21. LOANS

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Amounts falling due within one year				
Bank loans	3,543	99,669	-	-
	<u>3,543</u>	<u>99,669</u>	<u>-</u>	<u>-</u>
Amounts falling due 2-5 years				
Loan Notes	1,235,012	1,112,714	1,235,012	1,112,714
Other loans	1,884,479	1,792,982	-	-
	<u>3,119,491</u>	<u>2,905,696</u>	<u>1,235,012</u>	<u>1,112,714</u>
	<u>3,123,034</u>	<u>3,005,365</u>	<u>1,235,012</u>	<u>1,112,714</u>

BOAT INTERNATIONAL BUSINESS LIMITED (PREVIOUSLY BOAT BIDCO LIMITED)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

21. LOANS (CONTINUED)

The group has loan notes totalling £1,440,000 with investors which include Pembroke VCT plc, Lepe Partners (Boat) LP, and Oakley Capital Limited. These loan notes are repayable over the period until 31 December 2023. The investor loan notes have been discounted previously by £521,578 to reflect the difference between commercial interest rates and the discounted rates agreed during 2019. The discounting adjustment has been added to a capital contribution reserve. The discounting adjustment will reverse on over the period up to the date of repayment of the loans. During the year a discounting charge of £122,298 (2020 - £109,292) was released to the statement of comprehensive income.

The group's remaining loan notes amount to £85,000. The loan notes are repayable over the period to 31 December 2024. The interest on the loan notes is 8%.

The group has loans with Pembroke VCT plc totalling £1,150,000 made up from two loans for £400,000 of which £150,000 was re-paid in 2019 and one loan for £500,000. The loans attract interest at a rate of 8% per annum. The two £400,000 loans are repayable on 27 May 2023 and 14 March 2024. The £500,000 is repayable on 18 May 2024.

During the prior year the group received a loan of £99,669 from the Bank of America as part of the Paycheck Protection Program under the Coronavirus Aid, Relief, and Economic Security Act. The loan attracts interest at a rate of 1% per annum. The balance due at the end of the year was £3,543 (2020 - £99,669)

22. FINANCIAL INSTRUMENTS

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Financial assets				
Financial assets measured at fair value through profit or loss	1,054,824	1,020,587	-	-
Financial assets that are debt instruments measured at amortised cost	1,104,268	839,449	1,059,452	1,059,141
	<u>2,159,092</u>	<u>1,860,036</u>	<u>1,059,452</u>	<u>1,059,141</u>
Financial liabilities				
Financial liabilities measured at amortised cost	(10,473,279)	(8,591,440)	-	-

Financial assets measured at amortised cost comprise cash at bank, trade debtors, other debtors (excluding VAT), amounts owed by group companies and accrued income.

Financial liabilities measured at amortised cost comprise bank overdrafts, bank loans, other loans, trade creditors, amounts owed to group undertakings and accruals.

BOAT INTERNATIONAL BUSINESS LIMITED (PREVIOUSLY BOAT BIDCO LIMITED)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

23. DEFERRED TAXATION

Group

	2021
	£
At beginning of year	287,536
Charged to profit or loss	(26,917)
At end of year	260,619

	Group	<i>Group</i>
	2021	<i>2020</i>
	£	<i>£</i>
Accelerated capital allowances	(20,147)	<i>7,670</i>
Tax losses carried forward	278,437	<i>278,437</i>
Short term timing differences	2,329	<i>1,429</i>
	260,619	<i>287,536</i>

24. SHARE CAPITAL

	2021	<i>2020</i>
	£	<i>£</i>
Shares classified as equity		
Allotted, called up and fully paid		
97,040 (2020 - 97,040) A Ordinary shares of £0.10 each	9,704	<i>9,704</i>
5,337 (2020 - 5,337) B Ordinary shares of £0.10 each	534	<i>534</i>
78,602,959 (2020 - 78,602,959) Preference shares of £0.10 each	7,860,296	<i>7,860,296</i>
3,330 (2019 - Nil 3,330) Deferred shares of £0.10 each	333	<i>333</i>
	7,870,867	<i>7,870,867</i>

The preference shares carry no voting rights, the preference shares are irredeemable. Dividends on the preference shares are compounded annually and are capped at the lower of available profits and 0.1%.

Ordinary A shares are entitled to 1 vote per share, and are entitled to dividends and a return of capital in the event of winding up or exit event of the group.

Ordinary B shares are not entitled to vote and have no dividend rights. Capital and pro-rated share of profits to be distributed on winding up or exit event of the group.

Deferred shares have no right to receive any dividend or other distribution. On winding up of the group holders are entitled to repayment of the sum of £1 for the entire class of deferred shares.

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25. SHARE BASED PAYMENTS

If an individual leaves the group before 3 years after the date of grant, their options will lapse.

If an individual dies before 3 years after the date of grant, the options may be exercised by their representatives within twelve months. After 3 years after the date of grant, if an individual leaves, their options must be exercised within two months. There are no performance conditions attached to the options.

The estimated fair value for the remaining options was calculated by applying a Black-Scholes option pricing model is as follows:

	Weighted average exercise price (pence) 2021	Number 2021	Weighted average exercise price (pence) 2020	Number 2020
Outstanding at the beginning of the year	10	14,673	10	7,331
Granted during the year		-	10	14,673
Forfeited during the year		-	10	(7,331)
Outstanding at the end of the year	10	14,673	10	14,673

The number of options exercisable at the end of the year is 14,673 (2020: 14,673).

	2021	2020
Exercise price (pence)	10	10
Expected volatility	60%	60%
Expected dividend growth rate	0%	0%
Risk-free interest rate	1%	1%

The share option charge has not been recognised in the group financial statements on the grounds that the impact on the financial statements would be insignificant.

26. PENSION COMMITMENTS

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £99,020 (2020 - £93,063).

At the year end £18,233 was owed to the pension provider (2020 - £17,215).

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27. COMMITMENTS UNDER OPERATING LEASES

At 31 December 2021 the Group and the company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 2021 £	Group 2020 £
Not later than 1 year	242,513	242,513
Later than 1 year and not later than 5 years	101,046	343,559
	<u>343,559</u>	<u>586,072</u>

28. RELATED PARTY TRANSACTIONS

The group has taken advantage of the exemption in 'FRS 102 Section 33 Related Party Disclosures' from disclosing transactions with companies where 100% of the voting rights are controlled within the group as consolidated accounts are publicly available.

At the balance sheet date, the company was due £19,422 (2020 - £19,422) from Luxury Yacht Listing Services Limited, a company in which the group holds 80% of the issued share capital.

During the year interest totalling £92,000 (2020 - £92,000) was accrued on loans due to Pembroke VCT plc, a major shareholder. At the balance sheet date loans totalling £1,150,000 (2020 - £1,150,000) and accrued interest totalling £734,479 (2020 - £642,982) were due to Pembroke VCT plc.

29. CONTROLLING PARTY

The directors believe there to be no ultimate controlling party.