

Registered number: 08731010

BOAT INTERNATIONAL BUSINESS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022



BOAT INTERNATIONAL BUSINESS LIMITED

COMPANY INFORMATION

DIRECTORS	A Wolfson J Paton D Till T Moore A Euden 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

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BOAT INTERNATIONAL BUSINESS LIMITED

GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

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 business has experienced its strongest revenue performance at £14,075,183 since 2008, driven by the key growth areas of digital, data and events. For the year ending December 2022 the Group delivered revenue of £14,075,183 versus £8,351,364 in 2021 an increase of +£5,723,819 and +69% growth Year on Year. This is a key KPI used by the directors for the business. Print yields also experienced double digit page yield growth due to a reduction in low yielding brokerage pages to higher yielding luxury client pages. This was part of the strategy to increase yields and decrease the reliance upon lower yielding brokerage pages.

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 £1,332,327 (2021: £1,468,628). This loss has been decreased and represents a +9% improvement Year on Year.

The second KPI used by the directors is Trading EBITDA, adjusted for exceptional items and bonus, improved by £796,368 or 387% from £205,632 in 2021 to £1,002,000 in 2022. EBITDA improved by £257,368 from £632 in 2021 to £258,000 in 2022. This performance is the strongest since before Covid in 2019.

Importantly cash at bank and in hand increased by £103,202 or 10% from £1,054,824 in 2021 to £1,158,026 in 2022.

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

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.

BOAT INTERNATIONAL BUSINESS LIMITED

GROUP STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

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 (2021: £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

**GROUP STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

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.



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A Euden
Director

Date: 29/09/23

BOAT INTERNATIONAL BUSINESS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

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

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 £1,332,327 (2021 - loss £1,468,628).

DIRECTORS

The directors who served during the year were

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

BOAT INTERNATIONAL BUSINESS LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

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 auditor is 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 auditor is aware of that information.

AUDITOR

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: 29/09/23

BOAT INTERNATIONAL BUSINESS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF BOAT INTERNATIONAL BUSINESS LIMITED

OPINION

We have audited the financial statements of Boat International Business Limited (the 'parent company') and its subsidiaries (the 'Group') for the year ended 31 December 2022, which comprise the Consolidated Statement of Comprehensive Income, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated Statement of Cash Flows, the Consolidated Statement of Changes in Equity, the 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 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

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF BOAT INTERNATIONAL BUSINESS 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

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF BOAT INTERNATIONAL BUSINESS
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.

BOAT INTERNATIONAL BUSINESS LIMITED

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

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.

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.

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. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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.

BOAT INTERNATIONAL BUSINESS LIMITED

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

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: 29th September 2023

BOAT INTERNATIONAL BUSINESS LIMITED

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Note	2022 £	2021 £
Turnover	4	14,075,183	8,351,364
Cost of sales		<u>(8,278,351)</u>	<u>(5,380,720)</u>
Gross profit		5,796,832	2,970,644
Distribution costs		(673,255)	(559,536)
Administrative expenses		(6,188,130)	(3,750,818)
Other operating income	5	<u>-</u>	<u>123,762</u>
Operating loss	6	(1,064,553)	(1,215,948)
Adjust for:			
Exceptional items		755,009	271,935
Depreciation		65,445	51,602
Amortisation		<u>1,239,662</u>	<u>1,134,319</u>
Trading EBITDA		1,002,000	205,632
Interest payable and similar expenses	10	<u>(242,493)</u>	<u>(225,763)</u>
Loss before taxation		(1,307,046)	(1,441,711)
Tax on loss	11	<u>(25,281)</u>	<u>(26,917)</u>
Loss for the financial year		<u>(1,332,327)</u>	<u>(1,468,628)</u>
(Loss) for the year attributable to:			
Owners of the parent company		<u>(1,332,327)</u>	<u>(1,468,628)</u>
		<u>(1,332,327)</u>	<u>(1,468,628)</u>

The notes on pages 18 to 36 form part of these financial statements.

BOAT INTERNATIONAL BUSINESS LIMITED
REGISTERED NUMBER: 08731010

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2022

	Note	2022 £	2021 £
Fixed assets			
Intangible assets	12	2,495,743	3,467,213
Tangible assets	13	109,993	95,993
		<u>2,605,736</u>	<u>3,563,206</u>
Current assets			
Stocks	16	85,189	88,899
Debtors	17	2,837,038	1,990,337
Cash at bank and in hand	18	1,158,026	1,054,824
		<u>4,080,253</u>	<u>3,134,060</u>
Creditors: amounts falling due within one year	19	<u>(8,890,656)</u>	<u>(7,986,386)</u>
Net current liabilities		<u>(4,810,403)</u>	<u>(4,852,326)</u>
Total assets less current liabilities		<u>(2,204,667)</u>	<u>(1,289,120)</u>
Creditors: amounts falling due after more than one year	20	<u>(3,288,091)</u>	<u>(3,119,491)</u>
Net liabilities		<u><u>(5,492,758)</u></u>	<u><u>(4,408,611)</u></u>
Capital and reserves			
Called up share capital	23	7,870,867	7,870,867
Foreign exchange reserve		557,924	316,181
Other reserves		153,137	289,988
Profit and loss account		(14,074,686)	(12,879,210)
Equity attributable to owners of the parent company		<u>(5,492,758)</u>	<u>(4,402,174)</u>
Non-controlling interests		-	(6,437)
		<u><u>(5,492,758)</u></u>	<u><u>(4,408,611)</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 29/09/23

The notes on pages 18 to 36 form part of these financial statements.

BOAT INTERNATIONAL BUSINESS LIMITED
REGISTERED NUMBER: 08731010

COMPANY BALANCE SHEET
AS AT 31 DECEMBER 2022

	Note	2022 £	2021 £
Fixed assets			
Investments	14	12,869,113	12,869,113
		<u>12,869,113</u>	<u>12,869,113</u>
Current assets			
Debtors	17	1,064,525	1,059,452
		<u>1,064,525</u>	<u>1,059,452</u>
Creditors: amounts falling due within one year	19	(4,863,341)	(4,848,166)
Net current liabilities		<u>(3,798,816)</u>	<u>(3,788,714)</u>
Total assets less current liabilities		<u>9,070,297</u>	<u>9,080,399</u>
Creditors: amounts falling due after more than one year	20	(1,371,864)	(1,235,012)
Net assets		<u><u>7,698,433</u></u>	<u><u>7,845,387</u></u>
Capital and reserves			
Called up share capital	23	7,870,867	7,870,867
Other reserves		153,137	289,988
Profit and loss account brought forward		(315,468)	(303,769)
Loss for the year		(146,954)	(133,997)
Other changes in the profit and loss account		<u>136,851</u>	<u>122,298</u>
Profit and loss account carried forward		<u>(325,571)</u>	<u>(315,468)</u>
		<u><u>7,698,433</u></u>	<u><u>7,845,387</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 29/09/23

The notes on pages 18 to 36 form part of these financial statements.

BOAT INTERNATIONAL BUSINESS LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022

	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 2022	7,870,867	316,181	289,988	(12,879,210)	(4,402,174)	(6,437)	(4,408,611)
Comprehensive income for the year							
Loss for the year	-	-	-	(1,332,327)	(1,332,327)	6,437	(1,325,890)
Total comprehensive income for the year	-	-	-	(1,332,327)	(1,332,327)	6,437	(1,325,890)
Contributions by and distributions to owners							
Release of discounting on loan notes	-	-	(136,851)	-	(136,851)	-	(136,851)
Release of discounting on loan notes	-	-	-	136,851	136,851	-	136,851
Foreign exchange translation	-	241,743	-	-	241,743	-	241,743
Total transactions with owners	-	241,743	(136,851)	136,851	241,743	-	241,743
At 31 December 2022	7,870,867	557,924	153,137	(14,074,686)	(5,492,758)	-	(5,492,758)

The notes on pages 18 to 36 form part of these financial statements.

BOAT INTERNATIONAL BUSINESS 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 period	-	-	-	(1,468,628)	(1,468,628)	-	(1,468,628)
Total comprehensive income for the year	-	-	-	(1,468,628)	(1,468,628)	-	(1,468,628)
Contributions by and distributions to owners							
Release of discounting on loan notes	-	-	(122,298)	122,298	-	-	-
Foreign exchange translation	-	(44,005)	-	-	(44,005)	-	(44,005)
Total transactions with owners	-	(44,005)	(122,298)	122,298	(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 18 to 36 form part of these financial statements.

BOAT INTERNATIONAL BUSINESS LIMITED

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Called up share capital	Capital contribution reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2022	7,870,867	289,988	(315,468)	7,845,387
Comprehensive income for the year				
Loss for the year	-	-	(146,954)	(146,954)
Other comprehensive income for the year	-	-	-	-
Release of discounting on loan notes	-	(136,851)	-	(136,851)
Discounted loan adjustment	-	-	136,851	136,851
Total transactions with owners	-	(136,851)	136,851	-
At 31 December 2022	7,870,867	153,137	(325,571)	7,698,433

The notes on pages 18 to 36 form part of these financial statements.

**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	-	-	-	-
Discounted loan adjustment	-	(122,298)	122,298	-
Total transactions with owners	-	(122,298)	122,298	-
At 31 December 2021	7,870,867	289,988	(315,468)	7,845,387

The notes on pages 18 to 36 form part of these financial statements.

BOAT INTERNATIONAL BUSINESS LIMITED

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022**

	2022 £	2021 £
Cash flows from operating activities		
Loss for the financial year	(1,332,327)	(1,468,628)
Adjustments for:		
Amortisation of intangible assets	1,239,662	1,134,319
Depreciation of tangible assets	65,445	51,602
Government grants	-	(123,762)
Taxation charge	25,281	26,917
Decrease/(increase) in stocks	3,710	(39,872)
(Increase) in debtors	(871,881)	(325,132)
Increase in creditors	892,927	1,920,089
Foreign exchange	241,713	44,036
Loan interest accrued	183,416	213,795
Net cash generated from operating activities	447,946	1,433,364
Cash flows from investing activities		
Purchase of intangible fixed assets	(268,192)	(1,324,065)
Purchase of tangible fixed assets	(79,446)	(72,422)
Net cash from investing activities	(347,638)	(1,396,487)
Cash flows from financing activities		
Repayment of loans	(3,543)	(2,640)
Dividends paid to non-controlling interests	6,437	-
Net cash used in financing activities	2,894	(2,640)
Net increase in cash and cash equivalents	103,202	34,237
Cash and cash equivalents at beginning of year	1,054,824	1,020,587
Cash and cash equivalents at the end of year	1,158,026	1,054,824
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	1,158,026	1,054,824
	1,158,026	1,054,824

The notes on pages 18 to 36 form part of these financial statements.

BOAT INTERNATIONAL BUSINESS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

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 considered to be 10 years.

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

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.

2.21 EXCEPTIONAL ITEMS

Exceptional items are transactions that fall within the ordinary activities of the Group but are presented separately due to their size or incidence.

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.

BOAT INTERNATIONAL BUSINESS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

4. TURNOVER

Analysis of turnover by country of destination:

	2022 £	2021 £
United Kingdom	3,126,820	1,519,957
Rest of Europe	4,842,301	2,550,774
Rest of the world	6,106,062	4,280,633
	<u>14,075,183</u>	<u>8,351,364</u>

5. OTHER OPERATING INCOME

	2022 £	2021 £
Government grants receivable	-	123,762
	<u>-</u>	<u>123,762</u>

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 £Nil (2021: £30,669).

In 2020, Boat International Media took out a Covid loan of £99,669 secured by the USA government. In the prior year, the majority of this debt was forgiven. £Nil remains outstanding at year end (2021: £3,543).

6. OPERATING LOSS

The operating loss is stated after charging:

	2022 £	2021 £
Depreciation of tangible fixed assets	65,445	51,602
Exchange differences	486,585	(316)
Amortisation of intangible fixed assets	1,239,662	1,134,319
Other operating lease rentals	<u>242,513</u>	<u>242,513</u>

BOAT INTERNATIONAL BUSINESS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

7. AUDITOR'S REMUNERATION

During the year, the Group obtained the following services from the company's auditor:

	2022 £	2021 £
Fees payable to the company's auditor for the audit of the consolidated and parent company's financial statements	32,900	30,650
Fees payable to the company's auditor in respect of:		
Taxation compliance services	8,150	7,110
All non-audit services not included above	-	45,000
	<u> </u>	<u> </u>

8. EMPLOYEES

Staff costs were as follows:

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Wages and salaries	4,140,048	3,195,622	-	-
Social security costs	397,615	460,427	-	-
Cost of defined contribution scheme	125,314	99,020	-	-
	<u>4,662,977</u>	<u>3,755,069</u>	<u> </u>	<u> </u>

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

	2022 No.	2021 No.
Advertising	5	3
Corporate	21	18
Digital	5	6
Events	6	7
Editorial	21	22
	<u>58</u>	<u>56</u>

BOAT INTERNATIONAL BUSINESS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

9. DIRECTORS' REMUNERATION

The highest paid director received remuneration of £343,333 (2021 - £270,800).

The value of the Group's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £7,600 (2021 - £10,800).

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

10. INTEREST PAYABLE

	2022 £	2021 £
Other interest payable	105,642	103,465
Discounting charge on loan notes	136,851	122,298
	<u>242,493</u>	<u>225,763</u>

11. TAXATION

	2022 £	2021 £
Total current tax	<u>-</u>	<u>-</u>
Deferred tax		
Origination and reversal of timing differences	25,281	29,791
Effect of tax rate change on opening balances	-	(2,874)
Total deferred tax	<u>25,281</u>	<u>26,917</u>
Taxation on profit on ordinary activities	<u>25,281</u>	<u>26,917</u>

BOAT INTERNATIONAL BUSINESS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

11. TAXATION (CONTINUED)

FACTORS AFFECTING TAX CHARGE FOR THE YEAR

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

	2022 £	2021 £
Loss on ordinary activities before tax	<u>(1,307,046)</u>	<u>(1,441,711)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	(248,339)	(273,925)
Effects of:		
Amortisation and depreciation on ineligible assets	187,311	173,944
Expenses not deductible for tax purposes	2,595	16,063
Deferred tax not recognised	121,536	581,418
Difference in overseas tax rate	(14,721)	(28,246)
Changes in deferred tax rate	<u>(23,101)</u>	<u>(442,337)</u>
Total tax charge for the year	<u>25,281</u>	<u>26,917</u>

BOAT INTERNATIONAL BUSINESS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

12. INTANGIBLE ASSETS

Group

	Goodwill £	Titles acquired £	Intellectual property rights £	Software £	Total £
Cost					
At 1 January 2022	10,559,931	4,905,764	337,097	1,725,553	17,528,345
Additions	-	12,342	-	255,850	268,192
At 31 December 2022	<u>10,559,931</u>	<u>4,918,106</u>	<u>337,097</u>	<u>1,981,403</u>	<u>17,796,537</u>
Amortisation					
At 1 January 2022	7,609,993	4,873,007	301,101	1,277,031	14,061,132
Charge for the year on owned assets	1,006,963	6,568	-	226,131	1,239,662
At 31 December 2022	<u>8,616,956</u>	<u>4,879,575</u>	<u>301,101</u>	<u>1,503,162</u>	<u>15,300,794</u>
Net book value					
At 31 December 2022	<u>1,942,975</u>	<u>38,531</u>	<u>35,996</u>	<u>478,241</u>	<u>2,495,743</u>
At 31 December 2021	<u>2,949,938</u>	<u>32,757</u>	<u>35,996</u>	<u>448,522</u>	<u>3,467,213</u>

BOAT INTERNATIONAL BUSINESS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

13. TANGIBLE FIXED ASSETS

Group

	Leasehold property £	Fixtures & fittings £	Other fixed assets £	Total £
Cost or valuation				
At 1 January 2022	129,798	279,267	566,099	975,164
Additions	6,059	14,991	58,396	79,446
At 31 December 2022	135,857	294,258	624,495	1,054,610
Depreciation				
At 1 January 2022	126,722	249,507	502,943	879,172
Charge for the year on owned assets	6,389	5,288	53,768	65,445
At 31 December 2022	133,111	254,795	556,711	944,617
Net book value				
At 31 December 2022	2,746	39,463	67,784	109,993
At 31 December 2021	3,076	29,761	63,156	95,993

BOAT INTERNATIONAL BUSINESS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

14. FIXED ASSET INVESTMENTS**Company**

	Investments in subsidiary companies £
COST	
At 1 January 2022	12,869,113
At 31 December 2022	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%
Boating Communications Limited	Hartfield House, First Floor, 41-47 Hartfield Road, SW19 3RQ.	Ordinary	100%
Edimer SAS	La Christoflerie, 242000 Marcillac St Quentin, France	Ordinary	100%
Boat International Media Inc	Suite 200, 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%

BOAT INTERNATIONAL BUSINESS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

14. FIXED ASSET INVESTMENTS (CONTINUED)

SUBSIDIARY UNDERTAKINGS (CONTINUED)

The aggregate of the share capital and reserves as at 31 December 2022 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	(1,574,777)	-
Boat International Media Limited	(829,384)	(303,057)
Boating Communications Limited	-	3,381
Edimer SAS	938,811	7,727
Boat International Media Inc	1,907,906	62,668
Superyacht Media Limited	(7,800)	-

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 £146,954 (2021 - loss £133,997).

16. STOCKS

	Group 2022 £	Group 2021 £
Finished goods and goods for resale	85,189	88,899
	<u>85,189</u>	<u>88,899</u>

BOAT INTERNATIONAL BUSINESS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

17. DEBTORS

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Trade debtors	1,203,447	1,063,097	-	-
Amounts owed by group undertakings	-	-	1,064,525	1,059,452
Other debtors	269,253	101,888	-	-
Prepayments and accrued income	1,129,000	564,733	-	-
Deferred taxation	235,338	260,619	-	-
	<u>2,837,038</u>	<u>1,990,337</u>	<u>1,064,525</u>	<u>1,059,452</u>

18. CASH AND CASH EQUIVALENTS

	Group 2022 £	Group 2021 £
Cash at bank and in hand	1,158,026	1,054,824
	<u>1,158,026</u>	<u>1,054,824</u>

19. CREDITORS: Amounts falling due within one year

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Bank loans	-	3,543	-	-
Trade creditors	1,362,893	901,934	10,404	10,113
Amounts owed to group undertakings	-	-	9	9
Other taxation and social security	171,018	235,226	-	-
Other creditors	405,322	1,019,556	-	-
Accruals and deferred income	2,098,495	988,083	-	-
Preference shares accrual	4,852,928	4,838,044	4,852,928	4,838,044
	<u>8,890,656</u>	<u>7,986,386</u>	<u>4,863,341</u>	<u>4,848,166</u>

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

BOAT INTERNATIONAL BUSINESS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

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

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Loan Notes	1,371,863	1,235,012	1,371,864	1,235,012
Other loans	1,916,228	1,884,479	-	-
	<u>3,288,091</u>	<u>3,119,491</u>	<u>1,371,864</u>	<u>1,235,012</u>

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 30 June 2026. The investor loan notes have been discounted previously by £289,988 to reflect the difference between commercial interest rates and the discounted rates agreed during 2022. 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 £136,851 (2021 - £122,298) 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 a loan with Pembroke VCT plc totalling £1,150,000. The loan attracts interest at a rate of 8% per annum and is repayable on 31 December 2025. Interest accrued to date is £766,228.

21. FINANCIAL INSTRUMENTS

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Financial assets				
Financial assets measured at fair value through profit or loss	1,158,026	1,054,824	-	-
Financial assets that are debt instruments measured at amortised cost	2,601,700	1,104,268	-	1,059,452
	<u>3,759,726</u>	<u>2,159,092</u>	<u>-</u>	<u>1,059,452</u>
Financial liabilities				
Financial liabilities measured at amortised cost	(10,276,041)	(10,473,279)	-	-

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

22. DEFERRED TAXATION

Group

	2022 £
At beginning of year	260,619
Charged to profit or loss	(25,281)
At end of year	235,338

	Group 2022 £	Group 2021 £
Accelerated capital allowances	(53,220)	(20,147)
Tax losses carried forward	278,437	278,437
Short term timing differences	10,121	2,329
	235,338	260,619

23. SHARE CAPITAL

	2022 £	2021 £
Shares classified as equity		
Allotted, called up and fully paid		
97,040 (2021 - 97,040) A Ordinary shares of £0.10 each	9,704	9,704
5,337 (2021 - 5,337) B Ordinary shares of £0.10 each	534	534
78,602,959 (2021 - 78,602,959) Preference shares of £0.10 each	7,860,296	7,860,296
3,330 (2021 - 3,330) Deferred shares of £0.10 each	333	333
	<hr/>	<hr/>
	7,870,867	7,870,867
	<hr/>	<hr/>

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.

BOAT INTERNATIONAL BUSINESS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

24. 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) 2022	Number 2022	<i>Weighted average exercise price (pence) 2021</i>	<i>Number 2021</i>
Outstanding at the beginning of the year	10	14,673	10	14,673
Granted during the year		-		-
Forfeited during the year		-		-
Outstanding at the end of the year		14,673		14,673

The number of options exercisable at the end of the year is 14,673 (2021: 14,673).

	2022	<i>2021</i>
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.

25. 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 £125,314 (2021: £99,020).

At the year end £24,940 was owed to the pension provider (2021: £18,233).

BOAT INTERNATIONAL BUSINESS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

26. COMMITMENTS UNDER OPERATING LEASES

At 31 December 2022 the Group and the company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 2022 £	<i>Group 2021 £</i>
Not later than 1 year	101,046	242,513
Later than 1 year and not later than 5 years	-	101,046
	<u>101,046</u>	<u>343,559</u>

27. 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 £Nil (2021: £19,422) from Luxury Yacht Listing Services Limited, a company in which the group held 80% of the issued share capital. This company was struck off during the current year.

During the year interest totalling £91,957 (2021: £92,000) was accrued on loans due to Pembroke VCT plc, a major shareholder. At the balance sheet date a loan totalling £1,150,000 (2021: £1,150,000) and accrued interest totalling £766,228 (2021: £734,479) were due to Pembroke VCT plc.

28. CONTROLLING PARTY

The directors believe there to be no ultimate controlling party.