

Registered number
08902364

258 Marketing Limited

Report and Financial Statements

28 February 2022

258 Marketing Limited
Report and Financial Statements
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258 Marketing Limited
Company Information

Directors

Mr A O O Joshua

Mr F J L Cunningham

Auditors

Platts Chartered Accountants

Churchill House

Suite 112 - 118

120 Bunns Lane

Mill Hill

NW7 2AS

Registered office

Churchill House

Suite 112 - 118

120 Bunns Lane

Mill Hill

NW7 2AS

Registered number

08902364

258 Marketing Limited
Registered number: 08902364
Directors' Report

The directors present their report and financial statements for the year ended 28 February 2022.

Principal activities

The company's principal activity during the year continued to be the provision of marketing services for sponsorships and endorsements.

Dividends

The directors recommend a final dividend of £57,000 (£57,000 per share).

Directors

The following persons served as directors during the year:

Mr A O O Joshua
Mr F J L Cunningham

Directors' responsibilities

The directors are responsible for preparing the report and 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 United Kingdom Generally Accepted Accounting Practice (Financial Reporting Standard 102 and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

Each person who was a director at the time this report was approved confirms that:

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

This report was approved by the board on 30 September 2022 and signed on its behalf.

Mr A O O Joshua

Director

258 Marketing Limited

Strategic Report

The directors presents their strategic report on the company for the year ended 28 February 2022.

Business review

The company's principal business activity is marketing services for sponsorships and endorsements. The turnover of the company from the provision of its services analysed by territory is as follows:

Territory	2022			2021		
	UK	EU	Non-EU	UK	EU	Non-EU
Sponsorships	2,914,285	1,014,687	1,598,980	3,477,958	1,398,833	3,576,787

The sponsorships and endorsements division has decreased by 35% from 2021 to 2022. This is as a result of third parties placing less value on the use of the fighter's image rights.

The company faces a number of risks and uncertainties and the director believes the key business risks are in respect of competition from both within the UK and international markets. In view of this risk and uncertainty, the director is aware that the development of the company may be affected by factors outside its control.

Principal risks and uncertainties

Risk	Impact on Company	Mitigation
Advertising	The company must ensure that the fighter's image rights are not used in a negative manner.	The company ensures that it does not enter into contracts that may harm the image of the fighter. The fighter has also built a very good image of themselves to the public through various media outlets such as YouTube and Instagram.
COVID-19	The pandemic has had an impact on spectators ability to attend live matches and on the boxer's ability to train and fight.	The company has worked closely with key stakeholders, its sponsors, to ensure that any prior engagements are carried out in accordance with government guidelines for COVID-19 compliance.

The directors have considered the effect of 'Brexit' on the business specifically. Given that the company currently operates within the UK market and its customers are based in the UK, there is no direct or immediate impact envisaged by the director, on the company.

The directors acknowledge that there may be contingent liabilities, such as the potential impact on profitability of non-recoverable VAT for companies which currently incur and recover input VAT in other EU states, the effect upon the availability of EU grants and subsidies and the effect upon available workforce, that may arise from 'Brexit', depending on the dissolution terms to be agreed with the EU.

Future developments

The directors anticipate the business environment will remain competitive. The directors believe that the company is in a good financial position and that the risks that have been identified are being well managed. The directors are confident in the company's ability to maintain and build on this position, albeit with cautious growth expectations.

Financial instruments

The company has a normal level of exposure to price, credit, liquidity and cash flow risks arising from trading activities which are only conducted in sterling. The company does not enter into any hedging transactions.

Research and development

The company is currently undertaking research and development to improve its sponsorship income from the provision of the fighter's image rights.

This report was approved by the board on 30 September 2022 and signed on its behalf.

Mr A O O Joshua
Director

258 Marketing Limited
Independent auditor's report
to the members of 258 Marketing Limited

Opinion

We have audited the financial statements of 258 Marketing Limited (the 'company') for the year ended 28 February 2022 which comprise the Income Statement, the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and notes to the Financial Statements, including 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 the 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 company's affairs as at 28 February 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the 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 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.

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.

Opinions 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 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 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, 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 company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the director either intends to liquidate the 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 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:

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, through discussion with the directors and other management (as required by auditing standards), and from inspection of the company's regulatory and legal correspondence and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. This included communication from the group to component audit teams of relevant laws and regulations identified at company level.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation, taxation legislation and pension legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation or the loss of the company's licences to operate. We identified the following areas as those most likely to have such an effect: anti-bribery, regulations affecting waste management providers, and certain aspects of company legislation recognising the financial and regulated nature of the company's activities (reflecting compliance with waste management regulators). Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Through these procedures, we became aware of actual or suspected non-compliance and considered the effect as part of our procedures on the related financial statement items.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to revenue recognition. We performed the following procedures over this risk area:

- We performed walkthroughs to understand the key processes and identify key controls;
- We performed procedures to test on a sample basis the appropriateness of journal entries recorded in the general ledger by correlating sales postings with cash receipts throughout the year;
- We tested whether revenue was recorded in the correct period by testing whether a sample of waste services rendered within 1 month either side of the year end had legally completed in the period in which it was accounted;
- We tested all material manual journals to assess for any evidence of management bias by checking supporting documentation; and
- We assessed the adequacy of the related disclosures in the Financial Statements.

Based on our audit procedures we have concluded that revenue is appropriately recognised and that there was no evidence of management bias.

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.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the

financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Adrian Platt (Senior Statutory Auditor)

For and on behalf of Platts Chartered Accountants (Statutory Auditor)

Churchill House

Suite 112 - 118

120 Bunns Lane

Mill Hill

NW7 2AS

30 September 2022

258 Marketing Limited
Income Statement
for the year ended 28 February 2022

	Notes	2022 £	2021 £
Turnover	3	5,527,952	8,453,578
Cost of sales		(56,032)	-
Gross profit		<u>5,471,920</u>	<u>8,453,578</u>
Administrative expenses		(660,194)	(1,003,514)
Operating profit	4	<u>4,811,726</u>	<u>7,450,064</u>
Gain on revaluation of investments		-	42
Interest receivable		24,862	19,588
Interest payable	7	(4,999)	-
Profit on ordinary activities before taxation		<u>4,831,589</u>	<u>7,469,694</u>
Tax on profit on ordinary activities	8	(918,335)	(1,417,902)
Profit for the financial year		<u>3,913,254</u>	<u>6,051,792</u>

258 Marketing Limited
Statement of Comprehensive Income
for the year ended 28 February 2022

	Notes	2022 £	2021 £
Profit for the financial year		3,913,254	6,051,792
Other comprehensive income			
Total comprehensive income for the year		<u>3,913,254</u>	<u>6,051,792</u>

258 Marketing Limited
Statement of Financial Position
as at 28 February 2022

	Notes	2022 £	2021 £
Fixed assets			
Tangible assets	9	3,505	5,257
Investments	10	479	479
		<u>3,984</u>	<u>5,736</u>
Current assets			
Debtors	11	705,883	1,034,021
Cash at bank and in hand		22,995,033	19,951,678
		<u>23,700,916</u>	<u>20,985,699</u>
Creditors: amounts falling due within one year	12	(574,406)	(1,717,195)
Net current assets		<u>23,126,510</u>	<u>19,268,504</u>
Net assets		<u>23,130,494</u>	<u>19,274,240</u>
Capital and reserves			
Called up share capital	13	1	1
Profit and loss account	14	23,130,493	19,274,239
Total equity		<u>23,130,494</u>	<u>19,274,240</u>

Mr A O O Joshua

Director

Approved by the board on 30 September 2022

258 Marketing Limited
Statement of Changes in Equity
for the year ended 28 February 2022

	Share capital	Profit and loss account	Total
	£	£	£
At 1 March 2020	1	13,534,447	13,534,448
Profit for the financial year	_____	6,051,792	6,051,792
Dividends	_____	(312,000)	(312,000)
At 28 February 2021	<u>1</u>	<u>19,274,239</u>	<u>19,274,240</u>
 At 1 March 2021	 1	 19,274,239	 19,274,240
Profit for the financial year	_____	3,913,254	3,913,254
Dividends	_____	(57,000)	(57,000)
At 28 February 2022	<u>1</u>	<u>23,130,493</u>	<u>23,130,494</u>

258 Marketing Limited
Statement of Cash Flows
for the year ended 28 February 2022

	Notes	2022 £	2021 £
Operating activities			
Profit for the financial year		3,913,254	6,051,792
Adjustments for:			
Gain on revaluation of investments		-	(42)
Interest receivable		(24,862)	(19,588)
Interest payable		4,999	-
Tax on profit on ordinary activities		918,335	1,417,902
Depreciation		1,752	1,752
Decrease in debtors		328,138	424,525
(Decrease)/increase in creditors		(420,942)	555,245
		<u>4,720,674</u>	<u>8,431,586</u>
Interest received		24,862	19,588
Interest paid		(4,999)	-
Corporation tax paid		(1,640,182)	(1,070,196)
Cash generated by operating activities		<u>3,100,355</u>	<u>7,380,978</u>
Investing activities			
Payments to acquire tangible fixed assets		-	(7,009)
Cash used in investing activities		<u>-</u>	<u>(7,009)</u>
Financing activities			
Equity dividends paid		(57,000)	(312,000)
Cash used in financing activities		<u>(57,000)</u>	<u>(312,000)</u>
Net cash generated			
Cash generated by operating activities		3,100,355	7,380,978
Cash used in investing activities		-	(7,009)
Cash used in financing activities		(57,000)	(312,000)
Net cash generated		<u>3,043,355</u>	<u>7,061,969</u>
Cash and cash equivalents at 1 March		<u>19,951,678</u>	<u>12,889,709</u>
Cash and cash equivalents at 28 February		<u>22,995,033</u>	<u>19,951,678</u>
Cash and cash equivalents comprise:			
Cash at bank		<u>22,995,033</u>	<u>19,951,678</u>

258 Marketing Limited
Notes to the Financial Statements
for the year ended 28 February 2022

1 Summary of significant accounting policies

General information

258 Marketing Limited ('the company') operates from one UK based head office site. The company is a private company limited by shares and is incorporated in England. The address of its registered office is Churchill House, Suite 112 - 118, 120 Bunns Lane, Mill Hill, London, NW7 2J. The address of its principal place of business is, Unit 23, Flotilla House, Juniper Drive, Battersea Reach, SW18 1FX.

Statement of compliance

The financial statements of 258 Marketing Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland' ('FRS 102') and the Companies Act 2006.

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with FRS 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

The company (a wholly owned subsidiary) has taken advantage of the exemption under FRS 102, Section 33.1A that, disclosures need not be given of transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

Going concern

The company meets its day-to-day working capital requirements through its bank facilities. The current economic conditions continue to create uncertainty over (a) the level of demand for the company's services; and (b) the availability of bank finance for the foreseeable future.

The company's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the company should be able to operate within the level of its current facilities.

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

Consolidated financial statements

The company is a wholly owned subsidiary of its ultimate parent, Sparta Promotions Limited. It is included in the consolidated financial statements of Sparta Promotions Limited which are publicly available. The company is exempt by virtue of section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements. The ultimate parent undertaking, Sparta Promotions Limited, consolidates these financial statements. The address of the parent's registered office is Churchill House, Suite 112 - 118, 120 Bunns Lane, Mill Hill, London, NW7 2J.

These financial statements are the company's separate financial statements.

Foreign currency

The company's functional and presentation currency is the pound sterling.

Revenue recognition

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

Turnover includes revenue mainly earned from the rendering of sales from endorsements and sponsorship deals.

The company bases its estimate of returns on historical results, taking into consideration the type of customer, type of transaction and the specifics of each arrangement.

The company recognises revenue when (a) the significant risks and rewards of ownership have been transferred to the buyer; (b) the company retains no continuing involvement or control over the goods; (c) the amount of revenue can be measured reliably; (d) it is probable that future economic benefits will flow to the entity and (e) when the specific criteria relating to each of the company's sales channels have been met, as described below.

i. Sales – endorsement and sponsorship deals

Turnover from the rendering of endorsement and sponsorship deals is recognised as the contract progresses.

Turnover from endorsement and sponsorship income is recognised in accordance with the specific endorsement or sponsorship agreement in place. For each agreement, certain obligations have to be fulfilled and conditions met prior to recognition by reference to stage of completion of an agreement.

ii. Interest income

Interest income is recognised using the effective interest rate method.

iii. Dividend income

Dividend income is recognised when the right to receive payment is established.

Employee benefits

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

i. Short term benefits

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

ii. Defined contribution pension plan

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

The contributions are recognised as an expense when they are due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

iii. Annual bonus plan

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

Taxation

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other financial statements.

comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income directly in equity respectively

Current or deferred taxation assets and liabilities are not discounted.
i. Current tax

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

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

ii. Deferred tax

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

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

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

Tangible fixed assets

Tangible assets are stated at cost (or deemed cost) less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price, costs directly attributable to bringing the asset to its working condition for its intended use, dismantling and restoration costs.

i. Fixtures, fittings, tools and equipment

Fixtures, fittings, tools and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

ii. Depreciation and residual value

Depreciation on other assets is calculated, using the reducing balance method, to allocate the depreciable amount over their residual values over their estimated useful lives, as follows:

Fixtures, fittings, tools and equipment	15% reducing balance
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The assets' residual values and useful lives are reviewed, and adjusted, if appropriate, at the end of each reporting period. The effect of any change is accounted for prospectively.

iii. Subsequent additions and major components

Subsequent costs, including major inspections, are included in the assets' carrying amount or recognised as a separate asset, as appropriate, only when it is probable that economic benefits associated with the item will flow to the Company and the cost can be measured reliably.

The carrying amount of any replaced component is derecognised. Major components are treated as separate assets where they have significantly different patterns of consumption of economic benefits and are depreciated separately over their useful lives.

Repairs, maintenance and minor inspection costs are expensed as incurred.

iv. Assets in the course of construction

Assets in the course of construction are stated at cost. These assets are not depreciated until they are available for use.

v. Derecognition

Tangible assets are derecognised on disposal or when no future economic benefits are expected. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in profit or loss and included in 'Other operating (losses)/gains'.

Investments - company

i. Investment in other investments

Investments in other investments represents listed shares held at market value.

Borrowing costs

All borrowing costs are recognised in profit or loss in the period in which they are incurred.

Impairment of non-financial assets

At each balance sheet date non-financial assets not carried at fair value are assessed to determine whether there is an indication that the asset (or asset's cash generating unit) may be impaired. If there is such an indication, the recoverable amount of the asset (or asset's cash generating unit) is compared to the carrying amount of the asset.

The recoverable amount of the asset (or asset's cash generating unit) is the higher of the fair value less costs to sell and value in use. Value in use is defined as the present value of the future cash flows before interest and taxes, and obtainable as a result of the asset's (or asset's cash generating unit's) continued use. These cash flows are discounted using a pre-tax discount rate that represents the current market risk-free rate and the risks inherent in the asset.

If the recoverable amount of the asset (or asset's cash generating unit) is estimated to be lower than the carrying amount, the carrying amount is reduced to its recoverable amount. An impairment loss is recognised in the profit or loss account, unless the asset has been revalued when the amount is recognised in other comprehensive income, in which case the extent of any previously recognised revaluation is taken into account. Thereafter any excess is recognised in profit or loss.

If an impairment loss is subsequently reversed, the carrying amount of the asset (or asset's cash generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the revised carrying amount does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had the impairment loss been recognised in prior periods. A reversal of an impairment loss is recognised in the profit and loss account.

Cash and cash equivalents

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

Provisions

i. Provision

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

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of outflow with respect to any one item included in the same class of obligations might be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as a finance cost.

iii. Contingencies

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

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

Financial Instruments

i. Financial Assets

Basic financial assets, including trade and other receivables, cash and bank balances and investments in commercial paper, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party, or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

ii. Financial Liabilities

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

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

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

iii.

Offsetting

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Distributions to equity holders

Dividends and other distributions to the company's shareholders are recognised as a liability in the financial statements in the period in which the dividends and other distributions are approved by the shareholders. The amounts are recognised in the statement of changes in equity.

Related party transactions

The company discloses transactions with related parties which are not wholly owned within the same group. It does not disclose transactions with its parent or with members of the same group that are wholly owned.

2 Critical accounting estimates and judgements

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

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

(i) Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investment, economic utilisation and the physical condition of the assets. See note 9 for the carrying amount of the fixtures, fittings, tools and equipment, and note 1 for the useful economic lives for each class of assets.

(ii) Impairment of debtors

The company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the age profile of debtors and historical experience. See note 9 for the net carrying amount of the debtors and associated impairment provision.

3 Analysis of turnover	2022	2021
	£	£
Services rendered	5,527,952	8,453,517
By geographical market:		
UK	2,914,285	3,477,517
Europe	1,014,687	1,398,817
Rest of world	1,598,980	3,576,717
	5,527,952	8,453,517
4 Operating profit	2022	2021
	£	£
This is stated after charging:		
Depreciation of owned fixed assets	1,752	1,752
Auditors' remuneration for audit services	5,000	5,000
Key management personnel compensation (including directors' emoluments)	162,428	446,017
5 Directors' emoluments	2022	2021
	£	£
Emoluments	161,108	444,717
Company contributions to defined contribution pension plans	1,320	1,300
	162,428	446,017
Highest paid director:		
Emoluments	141,121	424,717
Company contributions to defined contribution pension plans	1,320	1,300
	142,441	426,017
Number of directors to whom retirement benefits accrued:	2022	2021
	Number	Number
Defined contribution plans	1	1
6 Staff costs	2022	2021
	£	£
Wages and salaries	385,770	676,117
Social security costs	66,497	87,217
Other pension costs	6,022	5,000
	458,289	768,417

Average number of employees during the year		Number	Number
Administration		5	
		5	
7	Interest payable	2022	2021
		£	£
Bank loans and overdrafts		4,999	
8	Taxation	2022	2021
		£	£
Analysis of charge in period			
Current tax:			
UK corporation tax on profits of the period		918,335	1,417,9
Tax on profit on ordinary activities		918,335	1,417,9
Factors affecting tax charge for period			
The differences between the tax assessed for the period and the standard rate of corporation tax are explained follows:			
		2022	2021
		£	£
Profit on ordinary activities before tax		4,831,589	7,469,6
Standard rate of corporation tax in the UK		19%	1
		£	£
Profit on ordinary activities multiplied by the standard rate of corporation tax		918,002	1,419,2
Effects of:			
Capital allowances for period in excess of depreciation		333	(1,3
Income not subject to tax		-	
Current tax charge for period		918,335	1,417,9
9	Tangible fixed assets		
			Fixtur fittin tools a equipm At c

Cost or valuation

At 1 March 2021	7,0
At 28 February 2022	<u>7,0</u>

Depreciation

At 1 March 2021	1,7
Charge for the year	<u>1,7</u>
At 28 February 2022	<u>3,4</u>

Carrying amount

At 28 February 2022	<u>3,4</u>
At 28 February 2021	<u>5,2</u>

10 Investments

**Other
investments**

Cost

At 1 March 2021	4
At 28 February 2022	<u>4</u>

11 Debtors

**2022
£**

Trade debtors	612,108	1,018,7
Related company loan debtors	73,144	3,4
Other debtors	7,500	7,8
Prepayments and accrued income	13,131	4,8
	<u>705,883</u>	<u>1,034,6</u>

12 Creditors: amounts falling due within one year

**2022
£**

Related company loan creditors	347,156	736,5
Corporation tax	171,801	893,6
Other taxes and social security costs	19,822	39,7
Other creditors	21,204	47,2
Accruals and deferred income	14,423	
	<u>574,406</u>	<u>1,717,7</u>

13 Share capital

Nominal 2022 2022 2021

	value	Number	£
Allotted, called up and fully paid:			
Ordinary shares	£1 each	1	<u>1</u>

14 Profit and loss account

	2022	2021
	£	£

At 1 March	19,274,239	13,534,4
Profit for the financial year	3,913,254	6,051,7
Dividends	(57,000)	(312,0
At 28 February	<u>23,130,493</u>	<u>19,274,2</u>

15 Dividends

	2022	2021
	£	£

Dividends on ordinary shares (note 14)	57,000	312,0
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16 Related party transactions

The company (a wholly owned subsidiary) has taken advantage of the exemption under FRS 102, Section 33.1A that, disclosures need not be given of transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member of the group.

Included within Related company loan debtors are as follows:

At the balance sheet date, the company was owed an amount in the sum of £69,517 (2021 - £Nil) from 2 Investments Limited, a company controlled by a common director and shareholder. The balance has arisen due to providing working capital assistance. The receivable is repayable on demand and is unsecured.

At the balance sheet date, the company was owed an amount in the sum of £3,627 (2021 - £3,457) from 2 Merchandise Limited, a company controlled by a common director and shareholder. The balance has arisen due to providing working capital assistance. The receivable is repayable on demand and is unsecured.

See note 5 for disclosure of the directors' remuneration.

Key management compensation for the year amounted to £162,428 (2021 - £446,072).

17 Controlling party

The immediate parent undertaking is Sparta Promotions Limited.

The ultimate controlling party is Mr A O O Joshua.

The address from which consolidated accounts can be obtained is Churchill House, Suite 112 - 118, 120 Bunns Lane, Mill Hill, London, NW7 2AS.

18 Legal form of entity and country of incorporation

258 Marketing Limited is a private company limited by shares and incorporated in England.

19 Principal place of business

The address of the company's principal place of business is:

Unit 23, Flotilla House
Juniper Drive
Battersea Reach
SW18 1FX

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