

## Palladium Group Limited

Annual Report and Unaudited Financial Statements  
For the year ended 31 January 2021

Registered Number: 09460746



# **Palladium Group Limited**

**Annual report and financial statements**  
**For the year ended 31 January 2021**

## **Contents**

### **Page:**

2	Officers
3	Strategic Report
5	Report of the Directors
6	Directors' responsibilities statement
7	Profit and loss account
8	Balance sheet
9	Statement of changes in equity
10	Notes to the financial statements

---

# **Palladium Group Limited**

**Officers**  
**Annual report and financial statements**  
**For the year ended 31 January 2021**

---

## **Directors**

M R Lewis  
J Prebble  
P J Harris  
J A Peachey

## **Company Secretary**

E L Wood

## **Registered office**

75 Bermondsey Street, London SE1 3XF, United Kingdom.

## **Registered number**

09460746

# Palladium Group Limited

## Strategic Report For the year ended 31 January 2021

The Directors present their Strategic Report together with the unaudited financial statements of Palladium Group Limited (the "Company") for the year ended 31 January 2021.

*The purpose of the Strategic Report is to inform shareholders of the Company and help them to assess how the Directors have performed their duty under section 172 of the Companies Act 2006 (duty to promote the success of the Company).*

### Change in accounting reference date

In the prior period, the Company changed its accounting reference date to 31 January to align it with the ultimate parent undertaking, Next Fifteen Communications Group plc ('Next 15'). The prior period covered by the financial statements is therefore 1 April 2019 to 31 January 2020. The current period is the 12 months to 31 January 2021 and is therefore not entirely comparable.

### Principal activities and review of the business

The principal activity of the Company in the year under review was that of digital consulting for the Private Equity market.

*In the prior year, on 2 April 2019, Next 15 purchased 100% of the share capital of the Company.*

The results of the Company are set out in the profit and loss account on page 7. The Company had a strong year with net revenue increasing when comparing like for like 12 month periods. The Company also reported a profit after tax of £873,935 during the period (2020: £440,627).

The Company's Balance Sheet at the year-end had a net asset position of £967,226 (2020: £693,291).

### Future developments

The Directors do not anticipate any changes to the principal activity of the Company in the foreseeable future.

### Key performance indicators

The principal financial indicators which the company uses to monitor performance throughout the year are net revenue, operating profit margin and net current assets.

The key financial performance indicators for the period were as follows:

	Year ended 31 January 2021	Period ended 31 January 2020
Net revenue (£)	3,339,217	2,622,194
Operating profit margin	28.6%	16.9%
Net current assets (£)	847,483	672,218

The principal non-financial indicators are the level of new business won from both existing and new clients, and the level of staff turnover.

# Palladium Group Limited

## Strategic Report (continued) For the year ended 31 January 2021

---

**Company number 09460746**

### **Principal risks and uncertainties**

The principal risks of the Company are considered to be in relation to our people, clients and products.

Our people are key to ensuring consistency and quality of delivery and, in turn, ensure higher retention rates of our clients. Incentive and retention packages are reviewed annually and targeted at the key executives.

Over reliance on key clients can represent a significant risk to the business. This is monitored on a regular basis by the Directors.

As with all businesses there is a risk from new products and services so we must be aware of threats and develop refined services that help to ensure client retention by adding value.

The impact of the Covid-19 pandemic has led to significant uncertainty both in terms of the severity and duration of the macroeconomic impact. In uncertain economic times, there is an increased risk that customers cut marketing spend leading to reduced revenue and profit for the Company. The Board continues to monitor the latest macroeconomic developments to inform the Company strategy.

As a result of the United Kingdom leaving the European Union, the Directors have assessed the impact on the Company's long-term performance, and they do not consider this to be a material risk. The Directors are continuing to manage the risks by closely monitoring developments and are confident that the Company will be able to amend and modify its procedures to remain fully compliant with any new rules and regulations, and to maintain its standing and reputation in the marketplace.

### **Financial risk management objectives and policies**

#### **Liquidity risk**

The Company had a Balance Sheet with net assets of £967,226 for the year ended 31 January 2021. There is no reliance on external debt or intercompany funding. The ultimate parent undertaking, Next Fifteen Communications Group plc ("Next 15" or the "Group"), is able to provide support in relation to liquidity should it be required.

#### **Credit risk**

The Balance Sheet of the Company includes intercompany and external balances. The Company is therefore exposed to credit risk on these balances, although credit is spread evenly across counterparties.

We have considered the impact of other risks such as interest rates and foreign exchange volatility but, whilst there is some exposure, we do not consider the risks to be material to the Company.

The Strategic Report as set out on pages 3 to 4 was approved by the Board on 22 October 2021 and signed on its behalf by:

  
Peter Harris (Orl 22, 2021 13:31 GMT+1)

P J Harris  
**Director**  
22 October 2021

**Report of the Directors**  
**For the year ended 31 January 2021**

The Company has chosen, in accordance with section 414C(11) of Companies Act 2006, to include such matters of strategic importance to the Company in the Strategic Report which otherwise would be required to be disclosed in the Directors' Report. These items form part of this report by cross reference.

The profit and loss account is set out on page 7 and shows a profit of £873,935 for the year (2020: profit of £440,627).

The Directors paid dividends of £600,000 during the year (2020: £nil). Subsequent to the balance sheet date and up to the date of signing, the Directors have not declared any dividend payments.

The Directors of the Company during the year and up to the date of signing were:

M R Lewis  
J Prebble  
P J Harris  
J A Peachey

The Company Secretaries who held office during the year and up to the date of this report were:

N Lee Morrison (appointed 2 April 2019, resigned 11 December 2020)  
E L Wood (appointed 11 December 2020)

There are no significant post balance sheet events between the financial year end date and the date of this report.

In light of the global health crisis as a result of the Covid-19 pandemic, the future performance of the Company is anticipated to be affected, but since the balance sheet date the Company has continued to trade well. Although it is hard to assess the long-term impact of the continued outbreak of Covid-19 on the trading for the year ahead, the Directors have analysed the forecast covering the next twelve months from date of these financial statements and are satisfied that the Company will continue to generate sufficient cash to continue in operational existence. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

The Company has made qualifying third-party indemnity provisions for the benefit of its Directors which remain in force at the date of this report.

The Company has made charitable donations of £1,607 in the year (2020: £100).

The Company is exempt from the requirements of the Companies Act 2006 relating to the audit of individual accounts by virtue of section 479A of that Act. The ultimate holding company and controlling party is Next Fifteen Communications Group plc. The consolidated financial statements of Next Fifteen Communications Group plc are available to the public and can be obtained from the Company Secretary at the registered office at 75 Bermondsey Street, London, SE1 3XF.

Approved by the Board on 22 October 2021 and signed on their behalf by

Peter Harris

Peterburu 0422 2011 152 GMT

P J Harris

**Director**

22 October 2021

# **Palladium Group Limited**

## **Directors' responsibilities statement For the year ended 31 January 2021**

---

### **Directors' responsibilities statement**

The Directors are responsible for preparing the Annual Report and the 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 (United Kingdom Accounting Standards and applicable law), including FRS 101 "Reduced Disclosure Framework". 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 judgments and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the 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.

# Palladium Group Limited

## Profit and loss account For the year ended 31 January 2021

	Note	Year ended 31 January 2021 £	10 month period ended 31 January 2020 £
<b>Revenue</b>	3	<b>3,708,491</b>	2,755,787
Direct costs		<b>(369,274)</b>	(133,593)
<b>Net revenue</b>		<b>3,339,217</b>	2,622,194
Administrative expenses		<b>(2,385,302)</b>	(2,178,166)
<b>Operating profit</b>	4	<b>953,915</b>	444,028
Interest receivable and similar income	7	<b>841</b>	-
Interest payable and similar expense	8	<b>(14)</b>	-
<b>Profit before tax</b>		<b>954,742</b>	444,028
Tax charge on profit	9	<b>(80,807)</b>	(3,401)
<b>Profit for the financial year / period</b>		<b>873,935</b>	440,627

All amounts relate to continuing activities within this Company.

There were no items of comprehensive income in the current year or prior period other than the profit for the year/period and, accordingly, no separate statement of comprehensive income is presented.

The accompanying notes on pages 10 to 20 form an integral part of these financial statements.



# Palladium Group Limited

## Balance sheet As at 31 January 2021

Registered number 09460746	Note	31 January 2021 £	31 January 2020 £
<b>Fixed assets</b>			
Tangible assets	10	22,432	21,073
Intangible assets	11	97,311	-
		<b>119,743</b>	21,073
<b>Current assets</b>			
Debtors	12	739,866	660,932
Cash at bank and in hand		607,229	586,384
		<b>1,347,095</b>	1,247,316
<b>Creditors: Amounts falling due within one year</b>	13	<b>(499,612)</b>	(575,098)
<b>Net current assets</b>		<b>847,483</b>	672,218
<b>Net assets</b>		<b>967,226</b>	693,291
<b>Capital and reserves</b>			
Called up share capital	15	80	80
Capital redemption reserve		20	20
Profit and loss account		967,126	693,191
<b>Shareholders' funds</b>		<b>967,226</b>	693,291

For the year ending 31 January 2021, the Company was entitled to exemption from audit under Section 479A of the Companies Act 2006 relating to subsidiary companies. The members have not required the Company to obtain an audit of its accounts for the year in question in accordance with Section 476 of the Companies Act 2006.

The Directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The financial statements were approved by the Board and authorised for issue on 22 October 2021. They were signed on its behalf by:

*Peter Harris*  
Peter Harris Oct 22 2021 13:01 GMT+1

P J Harris  
**Director**  
22 October 2021

The accompanying notes on pages 10 to 20 form an integral part of these financial statements.

## Palladium Group Limited

### Statement of changes in equity For the year ended 31 January 2021

	Capital redemption reserve £	Called up share capital (note 15) £	Profit and Loss Account £	Total £
<b>Balance at 31 March 2019</b>	20	80	252,564	252,664
Profit for the period	-	-	440,627	440,627
Total comprehensive income for the period	-	-	440,627	440,627
<b>Balance at 31 January 2020</b>	20	80	693,191	693,291
Profit for the year	-	-	873,935	873,935
Dividends Paid (note 16)	-	-	(600,000)	(600,000)
<b>Balance at 31 January 2021</b>	20	80	967,126	967,226

The accompanying notes on pages 10 to 20 form an integral part of these financial statements.

# Palladium Group Limited

## Notes to the financial statements For the year ended 31 January 2021

### 1 General Information

Palladium Group Limited is a private company limited by shares, incorporated and registered in England and Wales under the Companies Act 2006. The address of the registered office is given on page 2. The nature of the Company's operations and its principal activities are set out in the Strategic Report on pages 3 to 4. These financial statements are presented in pounds sterling because that is the currency of the primary economic environment in which the Company operates. These financial statements are separate financial statements.

### 2 Significant accounting policies

#### *Basis of accounting*

The Company meets the definition of a qualifying entity under FRS 100 (Financial Reporting Standard 100) issued by the Financial Reporting Council. Accordingly, these financial statements were prepared in accordance with FRS 101 (Financial Reporting Standard 101) 'Reduced Disclosure Framework' as issued by the Financial Reporting Council.

As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to business combinations, share-based payment, financial instruments, capital management, presentation of comparative information in respect of certain assets, presentation of a cash flow statement, standards not yet effective, impairment of assets and related-party transactions.

The financial statements are prepared under the historical cost convention.

The following principal accounting policies have been applied:

#### *Change in accounting reference date*

In the prior period the Company has changed its accounting reference date to 31 January to align it with the ultimate parent undertaking resulting in this being the 10 month period from 1 April 2019 to 31 January 2020. The current period is the 12 months to 31 January 2021 and is therefore not entirely comparable.

#### *Adoption of new and revised standards*

The Company has adopted all new accounting standards which were required to be adopted in the current period, none of which had a significant impact on the Company's results or financial position.

The Company has not yet adopted certain new standards which have been published but are only effective for accounting periods beginning on or after 1 February 2021 or later periods. The Directors do not expect that the adoption of these standards to have a material impact on the financial statements of the Company in the future.

#### *Going concern*

The financial statements have been prepared using the going concern basis of accounting. The Company's business activities, together with the factors likely to affect its future development and performance are set out in the Strategic Report. The Strategic Report details the financial position of the Company, as well as the Company's objectives and financial risk management policies. In light of the global health crisis as a result of the Covid-19 pandemic, the future performance of the Company is still likely to be affected, but since the balance sheet date the Company has continued to trade well. Although it is hard to assess the long-term impact of the continued outbreak of Covid-19 on the trading for the year ahead, the Directors have analysed the forecast for the year ahead and are satisfied that the Company will continue to generate sufficient cash to continue in operational existence.

# Palladium Group Limited

## Notes to the financial statements *(continued)* For the year ended 31 January 2021

---

### 2 Significant accounting policies (continued)

#### *Revenue recognition*

Revenue comprises commission and fees earned and is recognised when a performance obligation is satisfied, in accordance with the terms of the contractual agreement. Typically, performance obligations are satisfied over time as services are rendered.

Revenue recognised over time is based on the proportion of the level of service performed. Either an input method or an output method, depending on the particular arrangement, is used to measure progress for each performance obligation. In the majority of cases, relevant output measures such as the completion of performance obligations set out in the contract are used to assess proportional performance. Where this is not the case then an input method based on costs incurred to date is used to measure performance. The primary input of substantially all work performed is represented by labour. As a result of the relationship between labour and cost there is normally a direct correlation between costs incurred and the proportion of the contract performed to date.

The amount of revenue recognised depends on whether we act as an agent or as a principal. The Company acts as principal when we control the specified good or service prior to transfer. When the Company acts as a principal the revenue recorded is the gross amount billed. Out-of-pocket costs such as travel are also recognised at the gross amount billed with a corresponding amount recorded as a direct cost. Certain other arrangements with our clients are such that our responsibility is to arrange for a third party to provide a specified good or service to the client. In these cases, we are acting as an agent and we do not control the relevant good or service before it is transferred to the client. When the Company is acting as an agent, the revenue is recorded at the net amount retained. There is deemed to be no significant judgements in applying IFRS 15 and in evaluating when customers obtain control of the promised goods or services.

Direct costs comprise fees paid to external suppliers when they are engaged to perform part or all of a specific project and are charged directly to clients but where the Company retains quality control oversight, such as production or research costs.

#### *Accrued and deferred income*

Accrued income is a contract asset and is recognised when a performance obligation has been satisfied but has not yet been billed. Contract assets are transferred to receivables when the right to consideration is unconditional and billed per the terms of the contractual agreement.

In certain cases, payments are received from customers prior to satisfaction of performance obligations and recognised as deferred income on the Company's balance sheet. These balances are considered contract liabilities and are typically related to prepayments for third party expenses that are incurred shortly after billing.

# Palladium Group Limited

## Notes to the financial statements (*continued*) For the year ended 31 January 2021

---

### 2 Significant accounting policies (*continued*)

#### *Tangible assets*

Fixed assets are stated at cost, net of depreciation and accumulated impairment. Depreciation is provided on all tangible fixed assets, at annual rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life as follows:

Office furniture and equipment      -    Over 3 years

#### *Foreign currencies*

The financial statements are presented in pounds sterling, which is the currency of the primary economic environment in which the Company operates (its functional currency).

Transactions in currencies other than the Company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences are recognised in profit or loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings; and
- exchange differences on transactions entered into to hedge certain foreign currency risks (see below under financial instruments / hedge accounting).

#### *Taxation*

The tax expense represents the sum of the tax currently payable and deferred tax.

#### *Current tax*

The tax currently payable is based on taxable profit for the period. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

#### *Deferred tax*

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

# Palladium Group Limited

## Notes to the financial statements *(continued)* For the year ended 31 January 2021

### 2 Significant accounting policies *(continued)*

#### *Deferred tax (continued)*

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the balance sheet date.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

#### *Current tax and deferred tax for the period*

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

#### *Leased assets*

The Company recognises a right-of-use asset and a corresponding lease liability at the commencement date with respect to all lease agreements in which it is the lessee, except for short term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets, where the Company has elected to use the exemption. The total rentals payable under these leases are charged to the profit and loss account on a straight-line basis over the lease term.

The lease liability is initially measured at the present value of the lease payments not paid at the commencement date, discounted using the interest rate implicit in the lease. When this rate cannot be determined, the Company uses the incremental borrowing rate for the same term as the underlying lease. The lease liability is subsequently remeasured when there is a change in future lease payments due to a renegotiation or market rent review, or a reassessment of the lease term. Lease modifications result in remeasurement of the lease liability with a corresponding adjustment to the related right-of-use asset. Interest expense is included within finance expense in the Profit and Loss Account.

The right-of-use asset is initially measured based on the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred, less any lease incentives received, plus the estimated cost for any restoration costs the Group is obligated to at lease inception. Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses. They are depreciated on a straight-line basis over the shorter of the lease term or the useful life of the asset.

#### *Provisions*

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

# Palladium Group Limited

## Notes to the financial statements *(continued)* For the year ended 31 January 2021

---

### **2 Significant accounting policies *(continued)***

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

#### *Critical accounting judgements and key sources of estimation uncertainty*

In the application of the Company's accounting policies, which are described above, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Management believe there are no material critical accounting judgements or estimates present.

## Palladium Group Limited

### Notes to the financial statements *(continued)* For the year ended 31 January 2021

3 Revenue	Year ended 31 January 2021 £	10 month period ended 31 January 2020 £
-----------	------------------------------------	--

An analysis of the Company's revenue is as follows:

Rendering of services	3,354,631	2,480,293
Recharged expenses	353,860	141,901
	<u>3,708,491</u>	<u>2,622,194</u>

All revenue relates to continuing operations and arises from the provision of services within the UK.

4 Operating profit	Year ended 31 January 2021 £	10 month period ended 31 January 2020 £
--------------------	------------------------------------	--

Operating profit for the year / period has been arrived at after charging:

Depreciation of tangible assets (note 10)	13,791	6,877
Exchange differences	10,166	2,746
Staff costs (see note 5)	<u>1,973,627</u>	<u>1,720,459</u>

5 Employees	Year ended 31 January 2021 £	10 month period ended 31 January 2020 £
-------------	------------------------------------	--

Staff costs, including Directors, consist of:

Wages and salaries	1,859,588	1,631,652
Social security costs	93,157	71,782
Other pension costs	20,882	17,025
	<u>1,973,627</u>	<u>1,720,459</u>



# Palladium Group Limited

## Notes to the financial statements *(continued)* For the year ended 31 January 2021

### 5 Employees *(continued)*

The monthly average number of employees during the year / period was as follows:

	2021 Number	2020 Number
Directors	2	2
Other staff	13	13
	<u>15</u>	<u>15</u>

### 6 Directors' remuneration

	Year ended 31 January 2021 £	10 month period ended 31 January 2020 £
Total remuneration of all Directors:		
Aggregate emoluments	188,000	152,887
Company contributions to defined contribution schemes	7,140	4,550
	<u>195,140</u>	<u>157,437</u>

*P J Harris and J A Peachey are Directors of more than one Group company. P J Harris is a director and employee of the ultimate parent Next Fifteen Communications Group plc. J A Peachey is an employee of Next Fifteen Communications Group plc. They received emoluments from other entities within the Next 15 Group during the year, but it is not practicable to allocate this between their services as Directors of the Company and as directors of other Group companies. Included within this amount are amounts accruing under individual pension schemes for their services to the Group.*

### 7 Interest receivable and similar income

	Year ended 31 January 2021 £	10 month period ended 31 January 2020 £
Intercompany interest receivable	841	-

### 8 Interest payable and similar expense

	Year ended 31 January 2021 £	10 month period ended 31 January 2020 £
External bank interest paid	14	-

# Palladium Group Limited

## Notes to the financial statements *(continued)* For the year ended 31 January 2021

### 9 Tax charge

	Year ended 31 January 2021 £	10 month period ended 31 January 2020 £
a) Analysis of tax charge in the year / period		
Current tax for the year / period	87,583	-
Adjustments in respect of prior periods	(16,511)	(1,588)
Analysis of deferred tax balances (note 14)		
Origination and reversal of timing differences	10,749	1,455
Adjustments in respect of prior periods	(1,014)	3,534
	<hr/>	<hr/>
Total tax charge for the year / period (note 9b)	80,807	3,401
b) Factors affecting total tax		
The tax assessed for the year differs from the standard rate of corporation tax in the UK. The differences are explained below:		
	Year ended 31 January 2021 £	10 month period ended 31 January 2020 £
Profit on ordinary activities before tax for the year / period	954,742	444,028
Tax on profit on ordinary activities at the standard rate of corporation tax in the UK of 19% (2020: 19%)	181,401	84,365
Effects of:		
Tax incentives	-	(24,281)
Disallowed expenses	1,476	2,580
Adjustments in respect of prior periods	(17,525)	1,813
Group relief received for no consideration	(84,545)	(61,076)
	<hr/>	<hr/>
Total tax charge for the year / period (note 9a)	80,807	3,401

The UK income tax expense is based on the UK statutory rate of corporation tax for the period to 31 January 2021 of 19% (2020: 19%)

# Palladium Group Limited

## Notes to the financial statements (*continued*) For the year ended 31 January 2021

### 10 Tangible assets

	Office Equipment £	Total £
<i>Cost</i>		
At 31 January 2020	38,788	38,788
Additions	15,150	15,150
	<hr/>	<hr/>
<b>At 31 January 2021</b>	<b>53,938</b>	<b>53,938</b>
	<hr/>	<hr/>
<i>Accumulated depreciation</i>		
At 31 January 2020	17,715	17,715
Charge for the year	13,791	13,791
	<hr/>	<hr/>
<b>At 31 January 2021</b>	<b>31,506</b>	<b>31,506</b>
	<hr/>	<hr/>
<i>Net book value</i>		
<b>At 31 January 2021</b>	<b>22,432</b>	<b>22,432</b>
	<hr/>	<hr/>
At 31 January 2020	21,073	21,073
	<hr/>	<hr/>

### 11 Intangible assets

	Software £	Total £
<i>Cost</i>		
At 31 January 2020	-	-
Additions	37,285	37,285
Capitalised internal development	60,026	60,026
	<hr/>	<hr/>
<b>At 31 January 2021</b>	<b>97,311</b>	<b>97,311</b>
	<hr/>	<hr/>
<i>Accumulated depreciation</i>		
<b>At 31 January 2020 and 31 January 2021</b>	-	-
	<hr/>	<hr/>
<i>Net book value</i>		
<b>At 31 January 2021</b>	<b>97,311</b>	<b>97,311</b>
	<hr/>	<hr/>
At 31 January 2020	-	-
	<hr/>	<hr/>

# Palladium Group Limited

Notes to the financial statements (continued)  
For the year ended 31 January 2021

<b>12 Debtors</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Amounts falling due within one year</b>		
Trade debtors	433,170	447,628
Amounts owed by group undertakings	16,500	54,000
Prepayments and accrued income	230,196	87,220
Other debtors	42,928	1,012
Corporation tax	17,072	71,072
	<u>739,866</u>	<u>660,932</u>
<b>13 Creditors</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Amounts falling due within one year</b>		
Trade creditors	213,476	167,307
Amounts owed to Group undertakings	87,332	196,088
Other taxation and social security	79,224	80,500
Other creditors	-	17,072
Accruals and deferred income	104,856	109,142
Deferred tax	14,724	4,989
	<u>499,612</u>	<u>575,098</u>
<b>14 Deferred taxation</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
The deferred tax liability included in the balance sheet is as follows:		
Included in creditors (note 13)	<u>(14,724)</u>	<u>(4,989)</u>
The movement in the deferred taxation account during the year was:		
Balance at beginning of the year	(4,989)	-
Charge to the profit and loss account for the year / period (note 9)	(9,735)	(4,989)
	<u>(14,724)</u>	<u>(4,989)</u>
Balance at end of the year / period	<u>(14,724)</u>	<u>(4,989)</u>
The balance of the deferred taxation account consists of the tax effect of timing differences in respect of:		
Accelerated capital allowances	(15,667)	(5,017)
Other	943	29
	<u>(14,724)</u>	<u>(4,989)</u>

## Palladium Group Limited

### Notes to the financial statements (*continued*) For the year ended 31 January 2021

---

#### 15 Called up share capital

	2021 Number	2020 Number	2021 £	2020 £
<b>Called up, allotted and fully paid</b>				
Ordinary shares of £1 each	80	80	80	80
	<hr/>	<hr/>	<hr/>	<hr/>

#### 16 Dividends in the year

The Directors paid dividends of £600,000 during the year (2020: £nil). Subsequent to the balance sheet date and up to the date of signing, the Directors have not declared any dividend payments.

#### 17 Controlling party

The ultimate parent undertaking, controlling party and parent of the smallest and largest group in which this company is consolidated is Next Fifteen Communications Group plc, which is incorporated and registered in England and Wales. The consolidated financial statements of Next Fifteen Communications Group plc are available to the public and can be obtained from the Company Secretary at the registered office at 75 Bermondsey Street, London SE1 3XF.