

Company Registration No. 10757123 (England and Wales)

**INNOVATION BROKING GROUP LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**  
**PAGES FOR FILING WITH REGISTRAR**



# **INNOVATION BROKING GROUP LIMITED**

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# INNOVATION BROKING GROUP LIMITED

## BALANCE SHEET

AS AT 31 DECEMBER 2019

|  | Notes | 2019<br>£      | £                | 2018<br>£      | £                |
|--|-------|----------------|------------------|----------------|------------------|
| <b>Fixed assets</b>  |       |                |                  |                |                  |
| Tangible assets  | 3     |                | -                |                | 5,400            |
| Investments  | 4     |                | 142,856          |                | 142,856          |
|  |       |                | <u>142,856</u>   |                | <u>148,256</u>   |
| <b>Current assets</b>  |       |                |                  |                |                  |
| Debtors  | 5     | 502,027        |                  | 503,887        |                  |
| Cash at bank and in hand                                       |       | 131,032        |                  | 201,481        |                  |
|  |       | <u>633,059</u> |                  | <u>705,368</u> |                  |
| <b>Creditors: amounts falling due within one year</b>          | 6     | (500,769)      |                  | (201,265)      |                  |
| <b>Net current assets</b>                                      |       |                | <u>132,290</u>   |                | <u>504,103</u>   |
| <b>Total assets less current liabilities</b>                   |       |                | <u>275,146</u>   |                | <u>652,359</u>   |
| <b>Creditors: amounts falling due after more than one year</b> | 7     |                | (1,025,000)      |                | (1,025,000)      |
| <b>Net liabilities</b>   |       |                | <u>(749,854)</u> |                | <u>(372,641)</u> |
| <b>Capital and reserves</b>                                    |       |                |                  |                |                  |
| Called up share capital  |       |                | 142,856          |                | 142,856          |
| Profit and loss reserves                                       |       |                | (892,710)        |                | (515,497)        |
| <b>Total equity</b>  |       |                | <u>(749,854)</u> |                | <u>(372,641)</u> |

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 1 May 2020 and are signed on its behalf by:



A Buckingham  
Director

Company Registration No. 10757123

# INNOVATION BROKING GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 DECEMBER 2019**

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### **1 Accounting policies**

#### **Company information**

Innovation Broking Group Limited is a private company limited by shares incorporated in England and Wales. The registered office is Avenue House, 31 The Avenue, Waterford, WD17 4AJ.

#### **1.1 Accounting convention**

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### **1.2 Going concern**

The directors have reviewed the risks associated with COVID-19 and consider there are suitable measures and controls in place to monitor any impact on the business and take appropriate actions if needed. The financial statements show a loss for the year of £377,213 and negative shareholders funds of £749,854. The directors of the group have confirmed that group support in particular loans of £1,025,000, will continue to be available. In light of this the directors believe it is appropriate for the financial statements to be prepared on a going concern basis.

The directors do however recognise that significant uncertainty exists surrounding the duration and impact of COVID-19 and hence there is an inherent risk regarding the success and sustainability of these plans. The risk represents a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern, however the Directors have concluded that the Company remains a going concern whilst such viable options are available to it. The directors therefore continue to adopt the going concern basis of preparation for these financial statements.

#### **1.3 Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

|                       |             |
|-----------------------|-------------|
| Fixtures and fittings | 10% on cost |
|-----------------------|-------------|

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

#### **1.4 Fixed asset investments**

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

# **INNOVATION BROKING GROUP LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2019**

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### **1 Accounting policies**

**(Continued)**

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

#### **1.5 Impairment of fixed assets**

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### **1.6 Cash at bank and in hand**

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

#### **1.7 Equity instruments**

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

# INNOVATION BROKING GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

### 1 Accounting policies

(Continued)

#### 1.8 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.9 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### 1.10 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

### 2 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

|       | 2019<br>Number | 2018<br>Number |
|-------|----------------|----------------|
| Total | 5              | 5              |

### 3 Tangible fixed assets

|  | Fixtures and fittings<br>£ |
|--|----------------------------|
| <b>Cost</b>                            |                            |
| At 1 January 2019 and 31 December 2019 | 6,000                      |
| <b>Depreciation and impairment</b>     |                            |
| At 1 January 2019                      | 600                        |
| Depreciation charged in the year       | 5,400                      |
| At 31 December 2019                    | 6,000                      |
| <b>Carrying amount</b>                 |                            |
| At 31 December 2019                    | -                          |
| At 31 December 2018                    | 5,400                      |

# INNOVATION BROKING GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2019

#### 4 Fixed asset investments

|  | 2019<br>£ | 2018<br>£ |
|--|-----------|-----------|
| Shares in group undertakings and participating interests | 142,856   | 142,856   |

#### Movements in fixed asset investments

|                                      | Shares in<br>group<br>undertakings<br>£ |
|--------------------------------------|---|
| <b>Cost or valuation</b>             |   |
| At 1 January 2019 & 31 December 2019 | 142,856                                 |
| <b>Carrying amount</b>               |   |
| At 31 December 2019                  | 142,856                                 |
| At 31 December 2018                  | 142,856                                 |

#### 5 Debtors

|  | 2019<br>£ | 2018<br>£ |
|--|-----------|-----------|
| <b>Amounts falling due within one year:</b>          |           |           |
| Other debtors  | 2,027     | 3,887     |
| <b>Amounts falling due after more than one year:</b> |           |           |
| Amounts owed by group undertakings                   | 500,000   | 500,000   |
| <b>Total debtors</b>                                 | 502,027   | 503,887   |

#### 6 Creditors: amounts falling due within one year

|                                    | 2019<br>£ | 2018<br>£ |
|------------------------------------|-----------|-----------|
| Trade creditors                    | -         | 8,592     |
| Amounts owed to group undertakings | 476,427   | 170,500   |
| Taxation and social security       | 19,937    | 18,213    |
| Other creditors                    | 4,405     | 3,960     |
|                                    | 500,769   | 201,265   |

# **INNOVATION BROKING GROUP LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2019**

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**7 Creditors: amounts falling due after more than one year**

|                 | <b>2019</b>      | <b>2018</b>      |
|-----------------|------------------|------------------|
|                 | <b>£</b>         | <b>£</b>         |
| Other creditors | <u>1,025,000</u> | <u>1,025,000</u> |



# **INNOVATION BROKING GROUP LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2019**

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### **8 Audit report information**

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

#### **Material uncertainty related to going concern**

We draw attention to note 1.2 in the financial statements which discusses the Directors' assessment of the impact of the COVID-19 pandemic on the Company. As stated in the accounting policy note, these events or conditions, along with other matters as set forth in the going concern policy, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter

The senior statutory auditor was John Warner.

The auditor was BHP LLP.

### **9 Events after the reporting date**

As part of their assessment of the going concern basis of preparation, the Directors have considered the impact of the COVID -19 pandemic on the Company's trade, work force, supply chain and the wider economies in which it operates. See note 1.2 for further details. It is the view of the directors that the events which have significantly impacted the Company are the direct result of Government and international policy in response to the pandemic (for example restrictions on travel, trade and personal interactions) and such policy only arose after the balance sheet date. The Directors therefore consider the impact of the COVID-19 on the business to be a non-adjusting post-balance sheet event.