

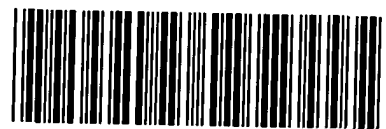
**Avidity Group Holdings Limited**

**Annual report and unaudited financial  
statements**

**Registered number SC295046**

**30 June 2022**

TUESDAY



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## **Directors and officers**

<b>Directors</b>	M Jordan J Matheson J Ross
<b>Secretary</b>	M Jordan
<b>Registered office</b>	c/o Dickson Minto WS 16 Charlotte Square Edinburgh EH2 4DF
<b>Bankers</b>	Bank of Scotland 110 St Vincent Street Glasgow G2 5ER
<b>Solicitors</b>	Dickson Minto WS 16 Charlotte Square Edinburgh EH2 4DF

## Directors' report

The directors present their annual report and financial statements for the year ended 30 June 2022.

### Review of business and dividends

The Company's principal activity is that of an investment holding company.

The profit for the year before taxation amounted to £2,568,000 (2021: £1,672,000).

Dividends of £2,568,000 (2021: £1,672,000) have been paid during the year.

### Directors

The directors during the year and up to the date of signing were as follows:

M Jordan  
J Matheson  
J Ross

### Financing

The directors have reviewed the Company's projections and forecasts and are confident that the Company has adequate resources to continue operations for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

By order of the board

*Michelle C. Jordan*

**M Jordan**  
Secretary

c/o Dickson Minto WS  
16 Charlotte Square  
Edinburgh  
EH2 4DF

27 October 2022

## **Statement of directors' responsibilities in respect of the directors' report and the financial statements**

The directors are responsible for preparing the Directors' 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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and 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;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

**Statement of income and retained earnings**  
*for the year ended 30 June 2022*

	<i>Note</i>	<b>2022</b> <b>£000</b>	<b>2021</b> <b>£000</b>
Income		42	42
Income from shares in Group undertakings		2,567	1,681
Other operating costs		(42)	(42)
		<hr/>	<hr/>
<b>Operating profit</b>	2	2,567	1,681
Interest receivable and similar income	3	1	-
Interest payable and similar charges	4	-	(9)
		<hr/>	<hr/>
<b>Profit on ordinary activities before taxation</b>		2,568	1,672
Tax credit on profit on ordinary activities	5	-	15
		<hr/>	<hr/>
<b>Profit for the financial year</b>		2,568	1,687
		<hr/>	<hr/>
<b>Retained earnings at 1 July</b>		93	78
Profit for the financial year		2,568	1,687
Interim dividends declared and payable for the period		(2,568)	(1,672)
		<hr/>	<hr/>
<b>Retained earnings at 30 June</b>		93	93
		<hr/>	<hr/>

All of the activities of the Company are classed as continuing.

The Company has no other comprehensive income other than the results for the current and prior financial periods as set out above.

Notes on pages 6 to 10 form part of the financial statements.

**Balance sheet**  
*at 30 June 2022*

	Note	2022 £000	2021 £000
<b>Fixed assets</b>			
Investments	6	47,452	47,452
<b>Current assets</b>			
Debtors	7	4,661	4,170
Cash at bank and in hand		20	151
		<hr/>	<hr/>
<b>Creditors: amounts falling due within one year</b>	8	4,681 (4,676)	4,321 (4,316)
		<hr/>	<hr/>
<b>Net current assets</b>		5	5
		<hr/>	<hr/>
<b>Net assets</b>		47,457	47,457
		<hr/>	<hr/>
<b>Capital and reserves</b>			
Called up share capital	10	1,595	1,595
Merger reserve	11	14,175	14,175
Capital contribution reserve	11	31,594	31,594
Profit and loss account		93	93
		<hr/>	<hr/>
<b>Equity shareholders' funds</b>		47,457	47,457
		<hr/>	<hr/>

For the year ending 30 June 2022 the Company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

Directors' responsibilities:

- The members have not required the Company to obtain an audit of its accounts for the year in question in accordance with section 476.
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements were approved by the board of directors on 27 October 2022 and were signed on its behalf by:

*Michelle C. Jordan*

**M Jordan**  
Director

Company registered number: SC295046

## Notes

*(forming part of the financial statements)*

### 1 Accounting policies

Avidity Group Holdings Limited (the “Company”) is a company limited by shares and incorporated and domiciled in the UK.

These financial statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (“FRS 102”) as issued in August 2014. The amendments to FRS 102 issued in July 2015 and effective immediately have been applied. The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1,000.

The Company’s ultimate parent undertaking, Avidity Group Limited, includes the Company in its consolidated financial statements. The consolidated financial statements of Avidity Group Limited are available to the public and may be obtained from Companies House, 4th Floor, Edinburgh Quay 2, 139 Fountainbridge, Edinburgh, EH3 9FF. In these financial statements, the Company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to end of the period;
- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

#### 1.1 Measurement convention

The financial statements are prepared on the historical cost basis.

#### 1.2 Going concern

The financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reason.

The directors have prepared cash flow forecasts for a period of 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides and any residual or potential effects of Covid-19, inflationary pressures, or the war in Ukraine on its operations and its financial resources, the Company will have sufficient funds through its cash balances and cash flows to meet its liabilities as they fall due for that period.

Consequently, the directors are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

#### 1.3 Investments

Investments are carried at nominal value of the shares issued in respect of their acquisition less amounts written off. Dividend income is recognised in the statement of income and retained earnings on the date the entity’s right to receive payments is established.

#### 1.4 Basic financial instruments

##### *Trade and other debtors / creditors*

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument.



## Notes (continued)

### 1.5 Taxation

Tax on the profit for the year comprises current and deferred tax. Tax is recognised in the statement of income except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is provided in respect of the additional tax that will be paid or avoided on differences between the amount at which an asset (other than goodwill) or liability is recognised in a business combination and the corresponding amount that can be deducted or assessed for tax. Goodwill is adjusted by the amount of such deferred tax.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

### 1.6 Dividends on shares presented within shareholders' funds

Dividends unpaid at the balance sheet date are only recognised as a liability at that date to the extent that they are appropriately authorised and are no longer at the discretion of the Company. Unpaid dividends that do not meet these criteria are disclosed in the notes to the financial statements.

## 2 Staff numbers and costs

The average number of persons employed by the Company (including directors) during the year was as follows:

	2022 Number of employees	2021
Average number of employees	3	3

The staff members employed by the Company during the year are directors who received no remuneration from the Company in the year.

## 3 Interest receivable and similar income

	2022 £000	2021 £000
Foreign exchange gain	1	-
	1	-

## 4 Interest payable and similar charges

	2022 £000	2021 £000
Foreign exchange loss	-	9

## Notes (continued)

### 5 Taxation

#### Total tax credit recognised in the statement of income and retained earnings

	2022 £000	2021 £000
<i>Current tax</i>		
Current tax credit on income for the period	-	(2)
<i>Deferred tax (see note 9)</i>		
Origination and reversal of timing differences	-	(13)
	<hr/>	<hr/>
Taxation credit on profit on ordinary activities	-	(15)
	<hr/>	<hr/>

#### Reconciliation of effective tax rate

##### Factors affecting the tax charge for the current period

	2022 £000	2021 £000
Profit on ordinary activities before tax	2,568	1,672
	<hr/>	<hr/>
Current tax at 19% (2021: 19%)	488	318
<i>Effects of:</i>		
Income not subject to tax	(488)	(320)
Other timing differences	-	(8)
Prior year adjustment	-	(2)
Remeasurement of deferred tax for changes in tax rates	-	(3)
	<hr/>	<hr/>
Tax credit on profit on ordinary activities	-	(15)
	<hr/>	<hr/>

### 6 Investments in subsidiaries

	£000
Investment in subsidiaries at beginning and end of year	47,452
	<hr/>

The Company's investment in the ordinary share capital of its subsidiary undertakings at the balance sheet date comprised the following:

<i>Subsidiary undertakings</i>	Registered office	Nature of trade	Class of shares held
Experience Wave Limited	Broadgate Tower, 20 Primrose St, London EC2A 2EW	Field sales execution & experiential services	Ordinary: 100%
McCurrach Financial Services Limited	74 Waterloo St., Glasgow, G2 7DJ	Field sales services	Ordinary: 100%
McCurrach Investments Limited	74 Waterloo St., Glasgow, G2 7DJ	Investment holding	Ordinary: 100%
McCurragh Limited	108 Q House, Furze Rd. Dublin 18	Field sales services	Ordinary: 100%
Standout Field Marketing Limited	Broadgate Tower, 20 Primrose St, London EC2A 2EW	Field sales services	Ordinary: 100%
The Sellex Company Limited	Broadgate Tower, 20 Primrose St, London EC2A 2EW	Consultancy	Ordinary: 100%
Thumbprint Technology Limited	Broadgate Tower, 20 Primrose St, London EC2A 2EW	Data analytics & digital products/services	Ordinary: 100%

## Notes (continued)

### 6 Investments in subsidiaries (continued)

#### Related undertakings

ABC 2007 Limited	74 Waterloo St., Glasgow, G2 7DJ	Non trading	Ordinary: 100%
Brown & Gracie Limited	74 Waterloo St., Glasgow, G2 7DJ	Non trading	Ordinary: 100%
McCurrach UK Limited	74 Waterloo St., Glasgow, G2 7DJ	Field sales services	Ordinary: 100%
McCurrach U.K. Brokers Limited	74 Waterloo St., Glasgow, G2 7DJ	Non trading	Ordinary: 100%
Scotsell Marketing Limited	74 Waterloo St., Glasgow, G2 7DJ	Non trading	Ordinary: 100%
U.K. Brokers Limited	74 Waterloo St., Glasgow, G2 7DJ	Non trading	Ordinary: 100%

### 7 Debtors

	2022 £000	2021 £000
<b>Due within 1 year:</b>		
Amounts owed by Group undertakings	4,648	4,157
Deferred tax	13	13
	<u>4,661</u>	<u>4,170</u>

Amounts due by Group undertakings are interest free and repayable on demand.

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

	2022 £000	2021 £000
Accruals and deferred income	66	66
Amounts owed to Group undertakings	2,038	4,250
Amounts owed to parent company	2,572	-
	<u>4,676</u>	<u>4,316</u>

### 9 Deferred taxation

	2022 £000	2021 £000
<i>Deferred tax</i>		
Asset at beginning of year	(13)	-
Credited to the profit and loss account	-	(13)
	<u>(13)</u>	<u>(13)</u>
Asset at end of year	(13)	(13)

Deferred tax assets are attributable to the following:

	2022 £000	2021 £000
Timing differences	(13)	(13)

## Notes (continued)

### 10 Share capital

Share capital at beginning and end of year

£000

*Allotted, called up and fully paid*

9,543,750 B ordinary shares of £0.10 each

954

6,206,250 C ordinary shares of £0.10 each

621

2,000,000 E ordinary shares of £0.01 each

20

Shares classified as shareholders' funds

1,595

The holders of ordinary shares are entitled to receive dividends as declared from time to time.

### 11 Other reserves

	Merger reserve	Capital contribution reserve	Total other reserves
	£000	£000	£000
Balance at beginning and end of year	14,175	31,594	45,769

### 12 Capital commitments

The directors have confirmed there are no capital commitments which should be disclosed at 30 June 2022 and 30 June 2021.

### 13 Ultimate parent company and parent company of larger group

The Company is a wholly owned subsidiary of Avidity Group Acquisitions Limited. The ultimate parent of the Company is Avidity Group Limited, which is incorporated in the UK. The only consolidation in which this Company is included is that of Avidity Group Limited. The consolidated financial statements of this Group are available to the public and may be obtained from Companies House, 4th Floor, Edinburgh Quay 2, 139 Fountainbridge, Edinburgh, EH3 9FF.

### 14 Post balance sheet event

There were no subsequent events post the balance sheet date and prior to the date of signing these accounts that would have a material impact on the results reported or the financial position of the Company.

### 15 Accounting estimates and judgements

The preparation of financial statements in accordance with FRS 102 requires estimates and assumptions by the directors. These estimates and assumptions might affect the reported amount of assets and liabilities, contingent liabilities and contingent assets at the reporting date as well as income and expenses during the reporting period. The actual outcomes and results may differ from these estimates and assumptions.

Estimates and underlying assumptions are reviewed on an ongoing basis. Impacts from revision to accounting estimates are recognised in the period in which the estimates are revised and for any future periods affected.

There were no significant estimates or judgements in the year or prior year.