

**Frame Group Limited**

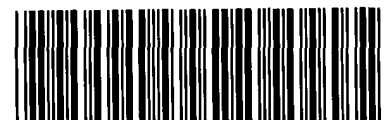
Unaudited Financial Statements

Year Ended

31 December 2019

Company Number SC346207

TUESDAY



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## **Frame Group Limited**

### **Company Information**

**Directors**

G O'Donnell  
A Walker  
R Mackay

**Registered number**

SC346207

**Registered office**

Four Winds Pavilion  
Pacific Quay  
Glasgow  
G51 1DZ

**Accountants**

BDO LLP  
4 Atlantic Quay  
70 York Street  
Glasgow  
G2 8JX

## **Frame Group Limited**

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## **Frame Group Limited**

### **Chartered accountants' report to the board of directors on the unaudited financial statements of Frame Group Limited**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Frame Group Limited for the year ended 31 December 2019 which comprise the Balance Sheet and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance/>

It is your duty to ensure that Frame Group Limited has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and profit of Frame Group Limited. You consider that Frame Group Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Frame Group Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.

#### **Use of our report**

This report is made solely to the board of directors of Frame Group Limited, as a body, in accordance with the terms of our engagement letter dated 2 May 2018. Our work has been undertaken solely to prepare for your approval the accounts of Frame Group Limited and state those matters that we have agreed to state to the board of directors of Frame Group Limited, as a body, in this report in accordance with ICAEW Technical Release TECH07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Frame Group Limited and its board of directors as a body for our work or for this report.

*BDO LLP*

**BDO LLP**  
*Chartered Accountants*  
Glasgow  
UK  
21 September 2020

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

**Frame Group Limited**  
**Registered number: SC346207**

**Balance sheet**  
**As at 31 December 2019**

	Note	2019 £	2018 £
<b>Fixed assets</b>			
Investments	6	792,927	792,927
		<u>792,927</u>	<u>792,927</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	7	295,818	-
Cash at bank and in hand	8	75,404	54,675
		<u>371,222</u>	<u>54,675</u>
Creditors: amounts falling due within one year	9	(793,320)	(476,681)
<b>Net current liabilities</b>		<u>(422,098)</u>	<u>(422,006)</u>
<b>Total assets less current liabilities</b>		<u>370,829</u>	<u>370,921</u>
<b>Net assets</b>		<u><u>370,829</u></u>	<u><u>370,921</u></u>
<b>Capital and reserves</b>			
Called up share capital		29	29
Share premium account		255,663	255,663
Capital redemption reserve		25	25
Profit and loss account		115,112	115,204
		<u>370,829</u>	<u>370,921</u>

The directors consider that the company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the company to obtain an audit 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 financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

The company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

**Frame Group Limited**  
**Registered number: SC346207**

**Balance sheet (continued)**  
**As at 31 December 2019**

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

17 SEPTEMBER 2020

A handwritten signature in black ink, appearing to be 'G O'Donnell', written over the printed name.

**G O'Donnell**  
Director

The notes on pages 4 to 8 form part of these financial statements.

## **Frame Group Limited**

### **Notes to the financial statements For the year ended 31 December 2019**

#### **1. General information**

Frame Group Limited is a private company, limited by shares, incorporated in the United Kingdom and registered in Scotland under the Companies Act. The address of the registered office is given on the company information page and the nature of the company's principal activities is set out in the director's report.

#### **2. Accounting policies**

##### **2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The company is exempt from the requirement to prepare group financial statements by virtue of section 399 of the Companies Act 2006. These financial statements therefore present information about the company as an individual undertaking and not about its group.

The company's presentational currency is GBP. No level of rounding has been applied to these financial statements.

The following principal accounting policies have been applied:

##### **2.2 Going concern**

As at 31 December 2019, the company has net current liabilities of £422,098 (2018 - £422,006), including a balance of £520,467 (2018 - £296,489) payable to its wholly owned subsidiary, Frame Agency Limited.

These liabilities are supported by the £792,927 (2018 - £792,927) cost of its investment in Frame Agency Limited.

Net assets of Frame Agency Limited at 31 December 2019 amounted to £651,793 (2018 - £928,738).

The directors believe the value of the company's investment in Frame Agency Limited is significantly higher than the carrying value of the investment in the company's financial statements.

Frame Agency Limited continues to provide ongoing financial support through its loan to the company, and the directors are satisfied that this financial support will continue for the foreseeable future and that Frame Agency Limited will not call for repayment of the loan. Accordingly the financial statements have been prepared on the going concern basis and do not include any adjustments that may arise should this financial support be withdrawn.

The Directors of the company continue to assess the impact of Covid-19 on an ongoing basis, and while a number of steps have already been taken to lower costs and access new funding, it is difficult at this stage to fully understand the longer term impact on the company, its customers, employees and suppliers. The Directors are continually reviewing their plans and forecasts and they believe that the going concern basis remains appropriate. However, this may be under threat without further funding or support, should the nature of the crisis worsen significantly. The financial statements do not include any adjustments that might arise if the company was unable to continue as a going concern.

## **Frame Group Limited**

### **Notes to the financial statements For the year ended 31 December 2019**

## **2. Accounting policies (continued)**

### **2.3 Taxation**

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

### **2.4 Valuation of investments**

Investments in subsidiaries are measured at cost less accumulated impairment.

### **2.5 Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

### **2.6 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

### **2.7 Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

### **2.8 Financial instruments**

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the statement of comprehensive income.



## Frame Group Limited

### Notes to the financial statements For the year ended 31 December 2019

#### 2. Accounting policies (continued)

##### 2.8 Financial instruments (continued)

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the balance sheet date.

##### 2.9 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

#### 3. Judgments in applying accounting policies and key sources of estimation uncertainty

In the application of the company's accounting policies, which are described in note 2, directors are required to make judgments, 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.

In preparing these financial statements, the directors have made the following judgements:

- Determine whether there is any indication of impairment of the investments in subsidiaries. Factors taken into consideration include, net assets of the subsidiary, profitability of the subsidiary and any other relevant considerations.

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

#### 4. Employees

The average monthly number of employees, including directors, during the year was 3 (2018 - 3).

#### 5. Dividends

	2019 £	2018 £
<b>Ordinary</b>		
Dividends paid on equity capital	1,200,060	506,292
	<u>1,200,060</u>	<u>506,292</u>

**Frame Group Limited**

**Notes to the financial statements  
For the year ended 31 December 2019**

**6. Fixed asset investments**

	<b>Investments in subsidiary companies £</b>
<b>Cost or valuation</b>	
At 1 January 2019	<b>792,927</b>
At 31 December 2019	<b>792,927</b>

**Subsidiary undertakings**

The following were subsidiary undertakings of the Company:

<b>Name</b>	<b>Class of shares</b>	<b>Holding</b>
Frame Agency Limited	Ordinary	100%
Frame Creative PR Limited	Ordinary	50%

The aggregate of the share capital and reserves as at 31 December 2019 and the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

<b>Name</b>	<b>Aggregate of share capital and reserves £</b>	<b>Profit/(Loss) £</b>
Frame Agency Limited	<b>651,793</b>	<b>623,055</b>
Frame Creative PR Limited	<b>147,175</b>	<b>477,841</b>

# **Frame Group Limited**

## **Notes to the financial statements For the year ended 31 December 2019**

### **7. Debtors**

	2019 £	2018 £
Other debtors	295,818	-
	<u>295,818</u>	<u>-</u>

### **8. Cash and cash equivalents**

	2019 £	2018 £
Cash at bank and in hand	75,404	54,675
	<u>75,404</u>	<u>54,675</u>

### **9. Creditors: Amounts falling due within one year**

	2019 £	2018 £
Amounts owed to group undertakings	520,517	296,540
Other creditors	272,803	180,141
	<u>793,320</u>	<u>476,681</u>

### **10. Related party transactions**

Frame Agency Limited is a related party and a wholly owned subsidiary of the company. At 31 December 2019 Frame Group Limited owed £520,467 (2018 - £296,489) to Frame Agency Limited.

At 31 December 2019, Frame Group Limited owed £35,287 (2018 - £43,745) to G O'Donnell, £143,912 (2018 - £82,085) to A Walker and £18,437 (2018 - £17,743) to R Mackay, the directors of the company.

During the year to 31 December 2019, the company paid dividends to directors of £252,113 (2018 - £106,364), £453,804 (2018 - £183,979) and £191,606 (2018 - £80,837) to G O'Donnell, A Walker and R Mackay respectively.

### **11. Controlling party**

In the opinion of the director there is no ultimate controlling party of the company.