

STRATEGIC REPORT, REPORT OF THE DIRECTORS AND

AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

FOR

**SIMON, KUCHER & PARTNERS
STRATEGY & MARKETING
CONSULTANTS LIMITED**

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for the Year Ended 31 December 2022**

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**COMPANY INFORMATION
for the Year Ended 31 December 2022**

DIRECTORS:

M S Billige
J Brown
D Hiotis

SECRETARY:

M S Billige

REGISTERED OFFICE:

Herschel House
58 Herschel Street
Slough
Berkshire
SL1 1PG

REGISTERED NUMBER:

04144765 (England and Wales)

AUDITORS:

Oury Clark Chartered Accountants
Statutory Auditors
Herschel House
58 Herschel Street
Slough
Berkshire
SL1 1PG

**STRATEGIC REPORT
for the Year Ended 31 December 2022**

The directors present their strategic report for the year ended 31 December 2022.

REVIEW OF BUSINESS

The company is a management consulting firm and its principal activity is advising companies with regards to their pricing, marketing and sales strategies.

Sales for the year ended 31 December 2022 were £37,028,196 (2021: £26,942,866) and operating profit was £8,054,123 (2021: £7,529,973).

The directors are satisfied with the results for the year in which the business has grown significantly.

The market is competitive but the Directors are encouraged by the resilience the company has shown and remain fully confident in the underlying strength of the business.

PRINCIPAL RISKS AND UNCERTAINTIES

COVID-19 Impact:

The company has adapted well to the ongoing impact of the Covid pandemic. Enforced change in the shape of the business has resulted in reduced consulting spend in certain sectors (e.g. Leisure and Travel which made up a significant portion of our business in 2019), but resources have been largely re-deployed elsewhere. Growth plans were put on hold during 2020 and part of 2021. Growth has returned to pre-pandemic levels in 2022. The business has remained profitable by flexing headcount and reducing operating expenses. Cash position at the end of 2022 was strong. The Directors continue to monitor the business landscape closely and remain confident that the company's business model will continue to allow growth during 2023.

Competition risk:

The UK consultancy market is large, fragmented and highly competitive. The company's principal competitors are large, global consultancies who have significant presence in the UK market.

The company's ongoing success is dependent on its ability to maintain its positioning as the world leader in its key specialist topics of pricing, sales and marketing and thus its unique competitive advantage versus bigger, more generalist competitors. That distinctive specialism and the company's strong track record in that area allows the company to win new business and recruit high quality employees. Being part of a larger group also gives the company business advantage due to its ability to manage employee utilisation across offices and teams globally. The principal risk to the company is that competitors build specific expertise in the company's specialist areas of pricing, sales and marketing and are thereby able to win more business in this area and/or recruit specialist employees away from the company.

KEY PERFORMANCE INDICATORS

The company's key performance indicators are based on profitability and turnover growth to assess performance in the year.

COMPLIANCE WITH MODERN SLAVERY ACT

Following the enactment of the Modern Slavery Act in October 2015 the company continues to monitor its procurement and human rights practices and remains compliant. Simon Kucher & Partners Strategy & Marketing Consultants Limited does not support forced and compulsory labour or the exploitation of children.

ON BEHALF OF THE BOARD:

J Brown - Director

26 April 2023

**REPORT OF THE DIRECTORS
for the Year Ended 31 December 2022**

The directors present their report with the financial statements of the company for the year ended 31 December 2022.

DIVIDENDS

The total distribution of dividends for the year ended 31 December 2022 will be £6,085,080 (2021: £5,942,699).

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2022 to the date of this report.

M S Billige
J Brown
D Hiotis

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, the Report of the Directors 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). 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 accounting estimates that are reasonable and prudent;
- 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director 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 auditors are aware of that information.

AUDITORS

The auditors, Oury Clark, are deemed to be re-appointed under Section 487 (2) of the Companies Act 2006.

ON BEHALF OF THE BOARD:

J Brown - Director

26 April 2023

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
SIMON, KUCHER & PARTNERS
STRATEGY & MARKETING
CONSULTANTS LIMITED**

Opinion

We have audited the financial statements of Simon, Kucher & Partners Strategy & Marketing Consultants Limited (the 'company') for the year ended 31 December 2022 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity and Notes to the Financial Statements, including a summary of 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 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 31 December 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 Auditors' 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 directors are responsible for the other information. The other information comprises the information in the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be misstated. If we identify such inconsistencies or apparent 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 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 Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
SIMON, KUCHER & PARTNERS
STRATEGY & MARKETING
CONSULTANTS LIMITED**

Matters on which we are required to report by exception

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any matters in the Strategic Report or the Report of the Directors that are inconsistent with our overall view of the financial statements.

We have nothing to report in respect of the following matters where 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 Statement of Directors' Responsibilities set out on page three, 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 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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
SIMON, KUCHER & PARTNERS
STRATEGY & MARKETING
CONSULTANTS LIMITED**

Auditors' 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 a Report of the Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Identifying and assessing potential irregularities, including fraud

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- Considering the nature of the industry, sector, control environment and current business activities, including possible performance targets and subsequent remuneration.
- Enquiring of management concerning policies and procedures relating to complying with laws and regulations and whether there were any instances of non-compliance.
- Enquiring of management concerning policies and procedures relating to mitigating, detecting and responding to fraud risk and whether there has been any actual or possible instances of fraud.
- Discussion within the engagement team regarding how and where fraud may occur in the financial statements. We identified the following areas most likely to be susceptible to fraud:
 1. Revenue recognition;
 2. Management override.
- Discussing within the engagement team and internal specialists where necessary, the legal and regulatory framework in which the company operates and in particular those which would have an impact on the financial statements. The key laws and regulations considered were the Companies Act 2006, employment law, and UK tax legislation.

Audit response to the risks identified

We identified revenue recognition and management override as matters that would most likely be susceptible to fraud. Our procedures to respond to these risks included the following:

1. Review of sales to ensure the correct revenue was recognised in the year, including invoices issued around the year end and recalculation of a sample of deferred revenue entries;
2. Review of the journals posted in the year to identify any unusual or suspicious entries.

Further, we also identified compliance with the Companies Act 2006, UK employment law and UK tax legislation as being key areas where there may be possible non-compliance. Our procedures to respond to these risks included the following:

1. Review the disclosures in the financial statements and testing supporting documentation to assess compliance with the Companies Act 2006;
2. Safeguard review of the accounts by a qualified accountant not associated with the audit team, and of the corporation tax by a Chartered Tax Adviser;
3. A review of expenses for any items not allowable for UK corporation tax, and to ensure the tax computation complies with UK tax legislation;
4. A review of employees' right to work in the UK.

The above matters and identified laws and regulations and potential fraud risks were communicated to all engagement team members in order to enable the team to have the ability to identify such risks. The whole team remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

There are inherent limitations in the audit procedures described above and the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
SIMON, KUCHER & PARTNERS
STRATEGY & MARKETING
CONSULTANTS LIMITED**

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

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 a Report of the Auditors 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.

Emma Crowley (Senior Statutory Auditor)
for and on behalf of Oury Clark Chartered Accountants
Statutory Auditors
Herschel House
58 Herschel Street
Slough
Berkshire
SL1 1PG

26 April 2023

INCOME STATEMENT
for the Year Ended 31 December 2022

	Notes	31.12.22 £	31.12.21 £
TURNOVER		37,028,196	26,942,866
Cost of sales		<u>8,161,008</u>	<u>5,140,771</u>
GROSS PROFIT		28,867,188	21,802,095
Administrative expenses		<u>20,831,185</u>	<u>14,274,450</u>
		8,036,003	7,527,645
Other operating income		<u>18,120</u>	<u>2,328</u>
OPERATING PROFIT and			
PROFIT BEFORE TAXATION		8,054,123	7,529,973
Tax on profit	6	<u>1,515,635</u>	<u>1,444,089</u>
PROFIT FOR THE FINANCIAL YEAR		<u><u>6,538,488</u></u>	<u><u>6,085,884</u></u>

The notes form part of these financial statements

OTHER COMPREHENSIVE INCOME
for the Year Ended 31 December 2022

	Notes	31.12.22 £	31.12.21 £
PROFIT FOR THE YEAR		6,538,488	6,085,884
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME			
FOR THE YEAR		<u>6,538,488</u>	<u>6,085,884</u>

BALANCE SHEET
31 December 2022

	Notes	31.12.22 £	£	31.12.21 £	£
FIXED ASSETS					
Intangible assets	8		-		-
Tangible assets	9		<u>237,145</u>		<u>177,324</u>
			237,145		177,324
CURRENT ASSETS					
Debtors	10	9,120,710		6,874,601	
Cash at bank		<u>2,581,285</u>		<u>4,253,971</u>	
		11,701,995		11,128,572	
CREDITORS					
Amounts falling due within one year	11	<u>5,257,238</u>		<u>5,005,368</u>	
NET CURRENT ASSETS			<u>6,444,757</u>		<u>6,123,204</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			6,681,902		6,300,528
PROVISIONS FOR LIABILITIES	14		<u>43,412</u>		<u>115,446</u>
NET ASSETS			<u>6,638,490</u>		<u>6,185,082</u>
CAPITAL AND RESERVES					
Called up share capital	15		100,000		100,000
Retained earnings	16		<u>6,538,490</u>		<u>6,085,082</u>
SHAREHOLDERS' FUNDS			<u>6,638,490</u>		<u>6,185,082</u>

The financial statements were approved and authorised for issue by the Board of Directors and authorised for issue on 26 April 2023 and were signed on its behalf by:

J Brown - Director

**STATEMENT OF CHANGES IN EQUITY
for the Year Ended 31 December 2022**

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 January 2021	100,000	5,941,897	6,041,897
Changes in equity			
Dividends	-	(5,942,699)	(5,942,699)
Total comprehensive income	-	6,085,884	6,085,884
Balance at 31 December 2021	<u>100,000</u>	<u>6,085,082</u>	<u>6,185,082</u>
Changes in equity			
Dividends	-	(6,085,080)	(6,085,080)
Total comprehensive income	-	6,538,488	6,538,488
Balance at 31 December 2022	<u>100,000</u>	<u>6,538,490</u>	<u>6,638,490</u>

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 December 2022**

1. STATUTORY INFORMATION

Simon, Kucher & Partners Strategy & Marketing Consultants Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The normal place of business is 3rd floor, 1 Plough Place, Fetter Lane, London, EC4A 1DE.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Financial Reporting Standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows.

Related party exemption

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Significant judgements and estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of further events that are believed to be reasonable under the circumstances.

Turnover

Turnover represents net invoiced sales of services, excluding value added tax, recognised on a time spent basis over the length of the contract, which relates entirely to the principal activity.

Intangible assets

Amortisation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Licences - 33% on cost

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings - 25% on cost

Computer equipment - 33% on cost

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2022**

2. ACCOUNTING POLICIES - continued

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

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

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.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

Financial instruments

Basic Financial Instruments as covered by Section 11 of FRS102 are measured at amortised cost. The company does not have any Other Financial Instruments as covered by Section 12 of FRS102.

Government grants

Government grants relating to the Coronavirus Job Retention Scheme are recognised on an accruals basis.

3. EMPLOYEES AND DIRECTORS

	31.12.22	31.12.21
	£	£
Wages and salaries	14,061,777	9,655,559
Social security costs	1,804,069	1,202,633
Other pension costs	274,991	206,890
	<u>16,140,837</u>	<u>11,065,082</u>

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

	31.12.22	31.12.21
Directors	3	3
Sales	101	78
Administration	21	20
	<u>125</u>	<u>101</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2022

4. DIRECTORS' EMOLUMENTS

	31.12.22	31.12.21
	£	£
Directors' remuneration	<u>1,865,744</u>	<u>1,473,303</u>

Information regarding the highest paid director is as follows:

	31.12.22	31.12.21
	£	£
Emoluments etc	<u>1,014,313</u>	<u>870,287</u>

The directors are also key management personnel.

One director is in the company pension scheme, and during the year contributions of £1,321 (2021: £990) were made towards this scheme on behalf of the director.

5. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	31.12.22	31.12.21
	£	£
Depreciation - owned assets	117,777	176,635
Auditors' remuneration	23,000	19,500
Foreign exchange differences	<u>(104,847)</u>	<u>34,201</u>

6. TAXATION

Analysis of the tax charge

The tax charge on the profit for the year was as follows:

	31.12.22	31.12.21
	£	£
Current tax:		
UK corporation tax	<u>1,515,635</u>	<u>1,444,089</u>
Tax on profit	<u>1,515,635</u>	<u>1,444,089</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2022

6. TAXATION - continued

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	31.12.22 £	31.12.21 £
Profit before tax	<u>8,054,123</u>	<u>7,529,973</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2021 - 19%)	1,530,283	1,430,695
Effects of:		
Expenses not deductible for tax purposes	5,021	1,899
Capital allowances in excess of depreciation	(22,966)	-
Depreciation in excess of capital allowances	-	11,495
Adjustments to tax charge in respect of previous periods	<u>3,297</u>	<u>-</u>
Total tax charge	<u>1,515,635</u>	<u>1,444,089</u>

7. DIVIDENDS

	31.12.22 £	31.12.21 £
Ordinary shares of £1 each		
Interim	<u>6,085,080</u>	<u>5,942,699</u>

8. INTANGIBLE FIXED ASSETS

	Patents and licences £
COST	
At 1 January 2022 and 31 December 2022	<u>65,564</u>
AMORTISATION	
At 1 January 2022 and 31 December 2022	<u>65,564</u>
NET BOOK VALUE	
At 31 December 2022	<u>-</u>
At 31 December 2021	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2022

9. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1 January 2022	278,635	380,314	658,949
Additions	46,392	131,206	177,598
At 31 December 2022	<u>325,027</u>	<u>511,520</u>	<u>836,547</u>
DEPRECIATION			
At 1 January 2022	225,406	256,219	481,625
Charge for year	35,058	82,719	117,777
At 31 December 2022	<u>260,464</u>	<u>338,938</u>	<u>599,402</u>
NET BOOK VALUE			
At 31 December 2022	<u>64,563</u>	<u>172,582</u>	<u>237,145</u>
At 31 December 2021	<u>53,229</u>	<u>124,095</u>	<u>177,324</u>

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.22 £	31.12.21 £
Trade debtors	5,758,238	6,122,720
Amounts owed by group undertakings	2,385,058	314,586
Other debtors	378	1,499
Tax	-	16,756
Prepayments and accrued income	977,036	419,040
	<u>9,120,710</u>	<u>6,874,601</u>

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.22 £	31.12.21 £
Trade creditors	349,761	493,075
Amounts owed to group undertakings	919,535	1,105,768
Tax	133,720	-
Social security and other taxes	1,345,181	630,359
VAT	513,321	554,869
Other creditors	3,437	21,533
Accrued expenses	397,561	295,698
Deferred income	1,594,722	1,904,066
	<u>5,257,238</u>	<u>5,005,368</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2022

12. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	31.12.22	31.12.21
	£	£
Within one year	499,224	614,430
Between one and five years	4,251,488	934,445
In more than five years	2,461,388	-
	<u>7,212,100</u>	<u>1,548,875</u>

The amounts paid in the year relating to the operating lease were £665,632 (2021: £671,865).

13. SECURED DEBTS

There is a debenture in favour of HSBC Bank Plc over the assets of the company, as security over the available banking facility.

14. PROVISIONS FOR LIABILITIES

	31.12.22	31.12.21
	£	£
Deferred tax	43,412	43,412
Other provisions	-	72,034
	<u>43,412</u>	<u>115,446</u>

	Deferred tax
	£
Balance at 1 January 2022	<u>43,412</u>
Balance at 31 December 2022	<u>43,412</u>

The deferred tax liability relates entirely to accelerated capital allowances. It is unknown when the provision will be realised as a liability.

Other provisions relate entirely to customer rebates that have not yet been paid.

15. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	31.12.22	31.12.21
			£	£
100,000	Ordinary	£1	<u>100,000</u>	<u>100,000</u>

All shares have equal voting rights, equal dividend rights and equal rights on winding up.

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2022

16. RESERVES

	Retained earnings £
At 1 January 2022	6,085,082
Profit for the year	6,538,488
Dividends	<u>(6,085,080)</u>
At 31 December 2022	<u>6,538,490</u>

17. PENSION COMMITMENTS

The company operates a defined contribution pension scheme. The total contributions for the year ended 31 December 2022 were £276,312 (2021: £212,897) and there was an outstanding balance of £NIL at the balance sheet date (2021: £NIL).

18. ULTIMATE PARENT COMPANY

Simon Kucher & Co Holding GmbH (incorporated in Germany) is regarded by the directors as being the company's ultimate parent company.

The registered office address of Simon Kucher & Co Holding GmbH is Willy-Brandt-Allee 13, 53113, Bonn, Germany.

The accounts of Simon Kucher & Co Holding GmbH are publicly available at the following website: www.bundesanzeiger.de.

19. RELATED PARTY DISCLOSURES

During the year the company had transactions with a company under common control, Simon Kucher & Partners Strategy & Marketing Consultants AB, incorporated in Sweden. During the year Simon Kucher & Partners Strategy & Marketing Consultants Limited made sales to them of £144,062 (2021: £nil), purchases of £nil (2021: £nil) and was owed £46,015 (2021: £nil) at year end.

20. ULTIMATE CONTROLLING PARTY

There is no ultimate controlling party.

21. GOVERNMENT GRANTS

All government grants relate to the Coronavirus Job Retention Scheme. £nil was received in respect of this scheme in 2022 (2021: £1,500.)

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.