

**STRATEGIC REPORT, REPORT OF THE DIRECTORS AND**

**AUDITED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

**FOR**

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

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for the Year Ended 31 December 2021**

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**COMPANY INFORMATION  
for the Year Ended 31 December 2021**

**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 2021**

The directors present their strategic report for the year ended 31 December 2021.

**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 2021 were £26,942,866 (2020: £21,851,393) and operating profit was £7,529,973 (2020: £5,062,726).

The directors are satisfied with the results for the year in which the business has responded well to the ongoing impact of the global pandemic.

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. The business has remained profitable by flexing headcount and reducing operating expenses. Cash position at the end of 2021 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 2022.

**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 2022

**REPORT OF THE DIRECTORS  
for the Year Ended 31 December 2021**

The directors present their report with the financial statements of the company for the year ended 31 December 2021.

**DIVIDENDS**

The total distribution of dividends for the year ended 31 December 2021 will be £5,942,699 (2020: £2,298,530).

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 January 2021 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 2022

**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 2021 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 2021 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 and one day 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:

- 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. Management override;
  2. Employee expense claims;
  3. Using suppliers not appropriate for the business.

**Audit response to the risks identified**

We identified management override, employee expense claims and using suppliers not appropriate for the business as matters that would most likely be susceptible to fraud. Our procedures to respond to these risks included the following:

1. Review of the journals posted in the year to identify any unusual or suspicious entries.
2. Reviewing a sample of employee expense claims to ensure expenses reimbursed are in line with the activities of the business and that expense claims have supporting receipts that have been authorised by management.
3. Reviewing a sample of suppliers to determine whether the supply and rates charged are reasonable given the business activities.

Further, we also identified compliance with the Companies Act 2006 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 on the financial statements whilst testing supporting documentation in assessing compliance with Companies Act 2006;
2. Safeguard review of financial statements by a qualified individual and of the tax computation by a person qualified as a Chartered Tax Adviser or equivalent, not on the engagement team.

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.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Auditors.



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

**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 2022

**INCOME STATEMENT  
for the Year Ended 31 December 2021**

|  | Notes | 31.12.21<br>£           | 31.12.20<br>£           |
|--|-------|-------------------------|-------------------------|
| <b>TURNOVER</b>  |       | 26,942,866              | 21,851,393              |
| Cost of sales  |       | <u>5,140,771</u>        | <u>4,554,212</u>        |
| <b>GROSS PROFIT</b>                                    |       | 21,802,095              | 17,297,181              |
| Administrative expenses                                |       | <u>14,274,450</u>       | <u>13,349,694</u>       |
|  |       | 7,527,645               | 3,947,487               |
| Other operating income                                 |       | <u>2,328</u>            | <u>1,115,239</u>        |
| <b>OPERATING PROFIT and<br/>PROFIT BEFORE TAXATION</b> |       | 7,529,973               | 5,062,726               |
| Tax on profit  | 6     | <u>1,444,089</u>        | <u>967,341</u>          |
| <b>PROFIT FOR THE FINANCIAL YEAR</b>                   |       | <u><u>6,085,884</u></u> | <u><u>4,095,385</u></u> |

The notes form part of these financial statements

**OTHER COMPREHENSIVE INCOME  
for the Year Ended 31 December 2021**

|                                   |       |                  |                  |
|-----------------------------------|-------|------------------|------------------|
|                                   | Notes | 31.12.21<br>£    | 31.12.20<br>£    |
| <b>PROFIT FOR THE YEAR</b>        |       | 6,085,884        | 4,095,385        |
| <b>OTHER COMPREHENSIVE INCOME</b> |       | <u>-</u>         | <u>-</u>         |
| <b>TOTAL COMPREHENSIVE INCOME</b> |       |                  |                  |
| <b>FOR THE YEAR</b>               |       | <u>6,085,884</u> | <u>4,095,385</u> |

**SIMON, KUCHER & PARTNERS STRATEGY &  
MARKETING CONSULTANTS LIMITED (REGISTERED NUMBER: 04144765)**

**BALANCE SHEET  
31 December 2021**

|  | Notes | 31.12.21<br>£    | £                | 31.12.20<br>£    | £                |
|--|-------|------------------|------------------|------------------|------------------|
| <b>FIXED ASSETS</b>                          |       |                  |                  |                  |                  |
| Intangible assets                            | 8     |                  | -                |                  | -                |
| Tangible assets                              | 9     |                  | 177,324          |                  | 250,589          |
|  |       |                  | <u>177,324</u>   |                  | <u>250,589</u>   |
| <b>CURRENT ASSETS</b>                        |       |                  |                  |                  |                  |
| Debtors                                      | 10    | 6,874,601        |                  | 6,648,003        |                  |
| Cash at bank and in hand                     |       | <u>4,253,971</u> |                  | <u>5,326,962</u> |                  |
|  |       | 11,128,572       |                  | 11,974,965       |                  |
| <b>CREDITORS</b>                             |       |                  |                  |                  |                  |
| Amounts falling due within one year          | 11    | <u>5,005,368</u> |                  | <u>6,103,401</u> |                  |
| <b>NET CURRENT ASSETS</b>                    |       |                  | <u>6,123,204</u> |                  | <u>5,871,564</u> |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b> |       |                  | 6,300,528        |                  | 6,122,153        |
| <b>PROVISIONS FOR LIABILITIES</b>            | 14    |                  | <u>115,446</u>   |                  | <u>80,256</u>    |
| <b>NET ASSETS</b>                            |       |                  | <u>6,185,082</u> |                  | <u>6,041,897</u> |
| <b>CAPITAL AND RESERVES</b>                  |       |                  |                  |                  |                  |
| Called up share capital                      | 15    |                  | 100,000          |                  | 100,000          |
| Retained earnings                            | 16    |                  | <u>6,085,082</u> |                  | <u>5,941,897</u> |
| <b>SHAREHOLDERS' FUNDS</b>                   |       |                  | <u>6,185,082</u> |                  | <u>6,041,897</u> |

The financial statements were approved and authorised for issue by the Board of Directors and authorised for issue on 26 April 2022 and were signed on its behalf by:

J Brown - Director

**STATEMENT OF CHANGES IN EQUITY  
for the Year Ended 31 December 2021**

|                                    | Called up<br>share<br>capital<br>£ | Retained<br>earnings<br>£ | Total<br>equity<br>£ |
|------------------------------------|------------------------------------|---------------------------|----------------------|
| <b>Balance at 1 January 2020</b>   | 100,000                            | 4,145,042                 | 4,245,042            |
| <b>Changes in equity</b>           |                                    |                           |                      |
| Dividends                          | -                                  | (2,298,530)               | (2,298,530)          |
| Total comprehensive income         | -                                  | 4,095,385                 | 4,095,385            |
| <b>Balance at 31 December 2020</b> | <u>100,000</u>                     | <u>5,941,897</u>          | <u>6,041,897</u>     |
| <b>Changes in equity</b>           |                                    |                           |                      |
| Dividends                          | -                                  | (5,942,699)               | (5,942,699)          |
| Total comprehensive income         | -                                  | 6,085,884                 | 6,085,884            |
| <b>Balance at 31 December 2021</b> | <u>100,000</u>                     | <u>6,085,082</u>          | <u>6,185,082</u>     |

**NOTES TO THE FINANCIAL STATEMENTS  
for the Year Ended 31 December 2021**

**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 2021**

**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**

|                       | 31.12.21          | 31.12.20          |
|-----------------------|-------------------|-------------------|
|                       | £                 | £                 |
| Wages and salaries    | 9,655,559         | 9,204,791         |
| Social security costs | 1,202,633         | 1,138,065         |
| Other pension costs   | 206,890           | 194,790           |
|                       | <u>11,065,082</u> | <u>10,537,646</u> |

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

|                | 31.12.21   | 31.12.20  |
|----------------|------------|-----------|
| Directors      | 3          | 3         |
| Sales          | 78         | 76        |
| Administration | 20         | 20        |
|                | <u>101</u> | <u>99</u> |

**4. DIRECTORS' EMOLUMENTS**

|                         | 31.12.21         | 31.12.20         |
|-------------------------|------------------|------------------|
|                         | £                | £                |
| Directors' remuneration | <u>1,473,303</u> | <u>1,385,153</u> |

**NOTES TO THE FINANCIAL STATEMENTS - continued  
for the Year Ended 31 December 2021**

**4. DIRECTORS' EMOLUMENTS - continued**

Information regarding the highest paid director is as follows:

|                | 31.12.21       | 31.12.20       |
|----------------|----------------|----------------|
|                | £              | £              |
| Emoluments etc | <u>870,287</u> | <u>592,087</u> |

The directors are also key management personnel.

One director is in the company pension scheme, and during the year contributions of £990 (2020: nil) were made towards this scheme on behalf of the director.

**5. OPERATING PROFIT**

The operating profit is stated after charging:

|                              | 31.12.21      | 31.12.20      |
|------------------------------|---------------|---------------|
|                              | £             | £             |
| Depreciation - owned assets  | 176,635       | 210,235       |
| Auditors' remuneration       | 19,500        | 16,800        |
| Foreign exchange differences | <u>34,201</u> | <u>12,891</u> |

**6. TAXATION**

**Analysis of the tax charge**

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

|                    | 31.12.21         | 31.12.20       |
|--------------------|------------------|----------------|
|                    | £                | £              |
| Current tax:       |                  |                |
| UK corporation tax | 1,444,089        | 967,341        |
| Tax on profit      | <u>1,444,089</u> | <u>967,341</u> |

**Reconciliation of total tax charge included in profit and loss**

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

|   | 31.12.21         | 31.12.20         |
|---|------------------|------------------|
|   | £                | £                |
| Profit before tax   | <u>7,529,973</u> | <u>5,062,726</u> |
| Profit multiplied by the standard rate of corporation tax in the UK of 19% (2020 - 19%) | 1,430,695        | 961,918          |
| Effects of:   |                  |                  |
| Expenses not deductible for tax purposes  | 1,899            | 1,004            |
| Depreciation in excess of capital allowances  | 11,495           | 4,419            |
| Total tax charge  | <u>1,444,089</u> | <u>967,341</u>   |



NOTES TO THE FINANCIAL STATEMENTS - continued  
for the Year Ended 31 December 2021

7. **DIVIDENDS**

|                            | 31.12.21<br>£    | 31.12.20<br>£    |
|----------------------------|------------------|------------------|
| Ordinary shares of £1 each |                  |                  |
| Interim                    | <u>5,942,699</u> | <u>2,298,530</u> |

8. **INTANGIBLE FIXED ASSETS**

|                       | Patents<br>and<br>licences<br>£ |
|-----------------------|---------------------------------|
| <b>COST</b>           |                                 |
| At 1 January 2021     |                                 |
| and 31 December 2021  | <u>65,564</u>                   |
| <b>AMORTISATION</b>   |                                 |
| At 1 January 2021     |                                 |
| and 31 December 2021  | <u>65,564</u>                   |
| <b>NET BOOK VALUE</b> |                                 |
| At 31 December 2021   | <u>-</u>                        |
| At 31 December 2020   | <u>-</u>                        |

9. **TANGIBLE FIXED ASSETS**

|                       | Fixtures<br>and<br>fittings<br>£ | Computer<br>equipment<br>£ | Totals<br>£    |
|-----------------------|----------------------------------|----------------------------|----------------|
| <b>COST</b>           |                                  |                            |                |
| At 1 January 2021     | 276,174                          | 279,405                    | 555,579        |
| Additions             | <u>2,461</u>                     | <u>100,909</u>             | <u>103,370</u> |
| At 31 December 2021   | <u>278,635</u>                   | <u>380,314</u>             | <u>658,949</u> |
| <b>DEPRECIATION</b>   |                                  |                            |                |
| At 1 January 2021     | 139,978                          | 165,012                    | 304,990        |
| Charge for year       | <u>85,428</u>                    | <u>91,207</u>              | <u>176,635</u> |
| At 31 December 2021   | <u>225,406</u>                   | <u>256,219</u>             | <u>481,625</u> |
| <b>NET BOOK VALUE</b> |                                  |                            |                |
| At 31 December 2021   | <u>53,229</u>                    | <u>124,095</u>             | <u>177,324</u> |
| At 31 December 2020   | <u>136,196</u>                   | <u>114,393</u>             | <u>250,589</u> |

**NOTES TO THE FINANCIAL STATEMENTS - continued  
for the Year Ended 31 December 2021**

**10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

|                                    | 31.12.21         | 31.12.20         |
|------------------------------------|------------------|------------------|
|                                    | £                | £                |
| Trade debtors                      | 6,122,720        | 4,651,944        |
| Amounts owed by group undertakings | 314,586          | 576,476          |
| Other debtors                      | 1,499            | 649,664          |
| Tax                                | 16,756           | -                |
| Prepayments and accrued income     | 419,040          | 769,919          |
|                                    | <u>6,874,601</u> | <u>6,648,003</u> |

**11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

|                                    | 31.12.21         | 31.12.20         |
|------------------------------------|------------------|------------------|
|                                    | £                | £                |
| Trade creditors                    | 493,075          | 125,843          |
| Amounts owed to group undertakings | 1,105,768        | 2,802,167        |
| Tax                                | -                | 81,341           |
| Social security and other taxes    | 630,359          | 985,788          |
| VAT                                | 554,869          | 1,295,960        |
| Other creditors                    | 21,533           | (78)             |
| Accrued expenses                   | 295,698          | 595,400          |
| Deferred income                    | 1,904,066        | 216,980          |
|                                    | <u>5,005,368</u> | <u>6,103,401</u> |

**12. LEASING AGREEMENTS**

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

|                            | 31.12.21         | 31.12.20       |
|----------------------------|------------------|----------------|
|                            | £                | £              |
| Within one year            | 614,430          | 389,378        |
| Between one and five years | 934,445          | -              |
|                            | <u>1,548,875</u> | <u>389,378</u> |

The amounts paid in the year relating to the operating lease were £671,865 (2020: £731,110).

**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**

|                  | 31.12.21       | 31.12.20      |
|------------------|----------------|---------------|
|                  | £              | £             |
| Deferred tax     | 43,412         | 43,412        |
| Other provisions | 72,034         | 36,844        |
|                  | <u>115,446</u> | <u>80,256</u> |

**NOTES TO THE FINANCIAL STATEMENTS - continued  
for the Year Ended 31 December 2021**

**14. PROVISIONS FOR LIABILITIES - continued**

|                             | Deferred<br>tax<br>£ |
|-----------------------------|----------------------|
| Balance at 1 January 2021   | <u>43,412</u>        |
| Balance at 31 December 2021 | <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:<br>Number: | Class:   | Nominal<br>value:<br>£1 | 31.12.21<br>£  | 31.12.20<br>£  |
|---|----------|-------------------------|----------------|----------------|
| 100,000                                     | Ordinary |                         | <u>100,000</u> | <u>100,000</u> |

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

**16. RESERVES**

|                     | Retained<br>earnings<br>£ |
|---------------------|---------------------------|
| At 1 January 2021   | 5,941,897                 |
| Profit for the year | 6,085,884                 |
| Dividends           | <u>(5,942,699)</u>        |
| At 31 December 2021 | <u>6,085,082</u>          |

**17. PENSION COMMITMENTS**

The company operates a defined contribution pension scheme. The total contributions for the year ended 31 December 2021 were £212,897 (2020: £194,790) and there was an outstanding balance of £NIL at the balance sheet date (2020: £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](http://www.bundesanzeiger.de).

**19. ULTIMATE CONTROLLING PARTY**

There is no ultimate controlling party.

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.