

**GROUP STRATEGIC REPORT, REPORT OF THE DIRECTORS AND
CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019
FOR
BRITISH HARLEQUIN PLC**

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FOR THE YEAR ENDED 31 DECEMBER 2019**

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BRITISH HARLEQUIN PLC

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2019**

DIRECTORS: R K Dagger
G F W Dagger
Ms A C Dagger

SECRETARY: Ms A C Dagger

REGISTERED OFFICE: Festival House
Chapman Way
Tunbridge Wells
Kent
TN2 3EF

REGISTERED NUMBER: 01420396 (England and Wales)

AUDITORS: Greenaway Chartered Accountants
and Statutory Auditors
150 High Street
Sevenoaks
Kent
TN13 1XE

BANKERS: Barclays Bank plc
80 High Street
Sevenoaks
Kent
TN13 1LR

**GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019**

The directors present their strategic report of the company and the group for the year ended 31 December 2019.

REVIEW OF BUSINESS

Harlequin is the world leader in advanced technology floors for the performing arts.

Established in the UK over 40 years ago, Harlequin remains the industry choice for the world's most prestigious dance and performing arts companies, theatres, venues and schools, production companies and global events.

Harlequin's experience and reputation are founded on the design, manufacture, supply and installation of a range of high quality portable and permanent sprung and vinyl floors, wooden dance surfaces, ballet barres and mirrors for dance studios and performance spaces. Chosen by the world's leading venues - from the Royal Opera House to the Bolshoi Theatre, the Paris Opera Ballet to the Royal New Zealand Ballet.

Harlequin is the global leader in its field with offices in Europe, the Americas and Asia Pacific.

Business Strategy

Harlequin is implementing a growth strategy to build on its current market position. The key elements of this strategy are:

- i) Unification - One of Harlequin's strengths is our global reach and capability. By increasing standardisation and applying best practice across the group, we will improve financial performance. To support unification, a common ERP is now being adopted across the group.
- ii) Investment for growth - Targeting sales and marketing investment into those areas that offer greatest potential for growth, including eCommerce.
- iii) Driving innovation by building on what we know - Innovation is critical from a brand perspective and Harlequin will maintain a healthy product development programme
- iv) Maintaining exceptional levels of service - The exceptional level of service we provide to our customers is a core brand value.
- v) Investing in people - Harlequin will invest in people. Our growth plan will be delivered through having the best people, motivated to deliver on strategic objectives.

Innovation Update

Product development within the areas of our expertise continued in 2019 with the launch of BLOC stage system. Harlequin BLOC is a high-quality flexible modular stage floor system that allows custom sizing and shaping for all technical requirements.

The group's eCommerce offering has been fully reviewed and the digital offering will be rolled out across all regions over the upcoming years.

**GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019**

BUSINESS ENVIRONMENT

It is the directors' duty to focus on the principal risks confronting the business such as those relating to commercial, staff resource, liquidity, operation, regulatory risk and business continuity. The material risks and responses currently being managed are:

British exit from the European Union (Brexit)

On 23rd June 2016, the British people elected to leave the European Union. This risk is largely mitigated by the global nature of Harlequin Floors as we can naturally hedge cash flows around the group.

The longer-term impact of Brexit remains uncertain, though may include increased governance and regulation of stock movement between the UK and Continental Europe. To mitigate this possible risk, we have invested in an operational plant and warehouse in Liege. This facility will allow a greater proportion of purchases made within the European Union to remain within the European Union and thus not be impacted by additional costs associated with stock movement into or out of the UK.

Covid-19 pandemic

On 11th March 2020, the Covid-19 outbreak was confirmed as a pandemic by the World Health Organization. The impact of the pandemic on the reported 2019 numbers was limited in nature. During 2020 the group has remained in a strong liquidity position as a direct result of cost control within the business and liquidity planning from the start of the Covid-19 outbreak. The group has also utilised many of the products offered by governments in each of our markets. Our business strategy has been followed, resulting in a focus on two key areas:

- i) Installation sales as customers undertake capital investment while attendance at facilities is reduced or not possible
- ii) Acceleration of the digital channel development within the business to improve the eCommerce offering to private and commercial customers.

Our employees remain critical to the success of the group and where possible, our employees are working from home using enabling technology solutions and working flexibly around their domestic circumstances. For those employees unable to work from home, primarily our factory-based teams, we have implemented both social distancing and elevated health measures, including temperature checking and additional cleaning regimes. All employees classified as vulnerable, or with a vulnerable family member, were identified early on and special measures put in place to support and safeguard them. We have adopted all government and public health authority guidelines in each of our markets. We have also put additional measures in place to support the health and wellbeing of all our employees in these uncertain times.

Commercial Risk

The directors remain informed of the competitive landscape by membership of key trade associations, attendance at relevant trade fairs and our close working relationships with key customers. Competitor activity is continually monitored and short and long-term responses managed through senior management forums and the business strategy as appropriate.

Liquidity and business continuity risk

The company seeks to mitigate any liquidity risk by maintaining sufficient levels of funds within the business to meet its forecast working capital requirements. The group policy has consistently been to build up its reserves to enable it to manage its resources and such risks. These risks are managed by management on a regular basis with reference to trading and cashflow forecasts. The group has developed appropriate, reliable IT systems to manage financial performance, stock control and its business services to customers.

**GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019**

BUSINESS PERFORMANCE

The London office continues to benefit from originating the group business strategy and fully adopting it. The 2019 year saw sales growth of over 10% on prior year as a result of strong performance across both supply only and installation sales.

The Luxembourg office has achieved sales growth of approximately 10% on prior year driven by a strong performance in most regions, attributed to the investment in people and leverage of the CRM system implemented in 2017.

The Berlin office operations have been reviewed in 2019, applying group business strategy. The resulting investment in people and processes, supported by the operational plant and warehouse in Liege is expected to see improved profitability in 2020 and beyond.

The Sydney office experienced a transitional year in 2019 and operated with a higher cost burden than in prior years. The sales team has now been restructured and operates on a more efficient cost base.

The Hong Kong office had a stable year, maintaining good sales and profitability.

The Liege plant became fully operational in 2019. The costs of the initial set up have been absorbed by the group in 2019 and the business is expected to be profitable in 2020.

ON BEHALF OF THE BOARD:

G F W Dagger - Director

30 September 2020

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2019**

The directors present their report with the financial statements of the company and the group for the year ended 31 December 2019.

PRINCIPAL ACTIVITY

The principal activity of the group in the year under review was that of dealing in goods and services connected with education, the theatre and entertainment industry.

DIVIDENDS

The total distribution of dividends for the year ended 31 December 2019 will be £ 202,000 .

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2019 to the date of this report.

R K Dagger
G F W Dagger
Ms A C Dagger

DONATIONS

During the year the group made charitable donations amounting to £2,458

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Group 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 the group and of the profit or loss of the group 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group 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 the group 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 group's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2019**

AUDITORS

The auditors, Greenaway Chartered Accountants, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

G F W Dagger - Director

30 September 2020

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF BRITISH HARLEQUIN PLC

Opinion

We have audited the financial statements of British Harlequin Plc (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2019 which comprise the Consolidated Income Statement, Consolidated Other Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flow Statement and Notes to the Consolidated Cash Flow Statement, 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 group's and of the parent company affairs as at 31 December 2019 and of the group's 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 group 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group Strategic Report and 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 materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material 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 Group 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 Group 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 BRITISH HARLEQUIN PLC

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Report of the Directors.

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 by the parent company, or returns adequate for our audit
- have not been received from branches not visited by us; or
- the parent company 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 five, 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 group's and the parent 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 group or the parent company or to cease operations, or have no realistic alternative but to do so.

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.

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.

Robert Lovitt (Senior Statutory Auditor)
for and on behalf of Greenaway Chartered Accountants
and Statutory Auditors
150 High Street
Sevenoaks
Kent
TN13 1XE

30 September 2020

**CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Notes	31/12/19 £	31/12/18 £
TURNOVER	3	16,019,299	16,170,895
Cost of sales		<u>9,500,137</u>	<u>9,182,688</u>
GROSS PROFIT		6,519,162	6,988,207
Administrative expenses		<u>7,157,632</u> (638,470)	<u>6,904,613</u> 83,594
Other operating income		<u>1,028,754</u>	<u>861,820</u>
OPERATING PROFIT	5	390,284	945,414
Interest receivable and similar income		<u>1,603</u> 391,887	<u>5,206</u> 950,620
Interest payable and similar expenses	6	<u>33,212</u>	<u>31,788</u>
PROFIT BEFORE TAXATION		358,675	918,832
Tax on profit	7	<u>164,543</u>	<u>202,654</u>
PROFIT FOR THE FINANCIAL YEAR		194,132	716,178
Profit attributable to: Owners of the parent		<u>194,132</u>	<u>716,178</u>

The notes form part of these financial statements

**CONSOLIDATED OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Notes	31/12/19 £	31/12/18 £
PROFIT FOR THE YEAR		194,132	716,178
OTHER COMPREHENSIVE INCOME			
Exchange differences on conversion		(92,633)	43,575
Income tax relating to other comprehensive income		-	-
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX		(92,633)	43,575
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>101,499</u>	<u>759,753</u>
Total comprehensive income attributable to: Owners of the parent		<u>101,499</u>	<u>759,753</u>

CONSOLIDATED BALANCE SHEET
31 DECEMBER 2019

	Notes	31/12/19 £	£	31/12/18 £	£
FIXED ASSETS					
Intangible assets	10		(114,485)		(142,432)
Tangible assets	11		2,336,302		2,336,858
Investments	12		-		-
			<u>2,221,817</u>		<u>2,194,426</u>
CURRENT ASSETS					
Stocks	13	3,548,111		3,235,222	
Debtors	14	2,344,433		2,532,711	
Cash at bank and in hand		<u>1,896,966</u>		<u>1,810,159</u>	
		7,789,510		7,578,092	
CREDITORS					
Amounts falling due within one year	15	<u>3,294,355</u>		<u>2,844,109</u>	
NET CURRENT ASSETS			<u>4,495,155</u>		<u>4,733,983</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>6,716,972</u>		<u>6,928,409</u>
CREDITORS					
Amounts falling due after more than one year	16		(855,878)		(966,814)
PROVISIONS FOR LIABILITIES	20		<u>(37,058)</u>		<u>(37,058)</u>
NET ASSETS			<u>5,824,036</u>		<u>5,924,537</u>
CAPITAL AND RESERVES					
Called up share capital	21		50,000		50,000
Revaluation reserve	22		471,855		471,855
Other reserves	22		190,470		144,635
Retained earnings	22		<u>5,111,711</u>		<u>5,258,047</u>
SHAREHOLDERS' FUNDS			<u>5,824,036</u>		<u>5,924,537</u>

The financial statements were approved by the Board of Directors and authorised for issue on 30 September 2020 and were signed on its behalf by:

G F W Dagger - Director

COMPANY BALANCE SHEET
31 DECEMBER 2019

	Notes	31/12/19 £	£	31/12/18 £	£
FIXED ASSETS					
Intangible assets	10		52,002		40,709
Tangible assets	11		2,124,622		2,180,413
Investments	12		1,634,918		1,634,918
			3,811,542		3,856,040
CURRENT ASSETS					
Stocks	13	1,651,905		1,656,643	
Debtors	14	3,458,791		2,304,331	
Cash at bank and in hand		467,067		572,473	
		5,577,763		4,533,447	
CREDITORS					
Amounts falling due within one year	15	1,901,907		1,575,118	
NET CURRENT ASSETS			3,675,856		2,958,329
TOTAL ASSETS LESS CURRENT LIABILITIES			7,487,398		6,814,369
CREDITORS					
Amounts falling due after more than one year	16		(855,878)		(966,814)
PROVISIONS FOR LIABILITIES	20		(37,058)		(37,058)
NET ASSETS			6,594,462		5,810,497
CAPITAL AND RESERVES					
Called up share capital	21		50,000		50,000
Revaluation reserve	22		471,855		471,855
Retained earnings	22		6,072,607		5,288,642
SHAREHOLDERS' FUNDS			6,594,462		5,810,497
Company's profit for the financial year			985,965		853,581

The financial statements were approved by the Board of Directors and authorised for issue on 30 September 2020 and were signed on its behalf by:

G F W Dagger - Director

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Called up share capital £	Retained earnings £	Revaluation reserve £	Other reserves £	Total equity £
Balance at 1 January 2018	50,000	4,742,149	471,855	142,780	5,406,784
Changes in equity					
Dividends	-	(242,000)	-	-	(242,000)
Total comprehensive income	-	757,898	-	1,855	759,753
Balance at 31 December 2018	<u>50,000</u>	<u>5,258,047</u>	<u>471,855</u>	<u>144,635</u>	<u>5,924,537</u>
Changes in equity					
Dividends	-	(202,000)	-	-	(202,000)
Total comprehensive income	-	55,664	-	45,835	101,499
Balance at 31 December 2019	<u>50,000</u>	<u>5,111,711</u>	<u>471,855</u>	<u>190,470</u>	<u>5,824,036</u>

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2019

	Called up share capital £	Retained earnings £	Revaluation reserve £	Total equity £
Balance at 1 January 2018	50,000	4,677,061	471,855	5,198,916
Changes in equity				
Dividends	-	(242,000)	-	(242,000)
Total comprehensive income	-	853,581	-	853,581
Balance at 31 December 2018	<u>50,000</u>	<u>5,288,642</u>	<u>471,855</u>	<u>5,810,497</u>
Changes in equity				
Dividends	-	(202,000)	-	(202,000)
Total comprehensive income	-	985,965	-	985,965
Balance at 31 December 2019	<u>50,000</u>	<u>6,072,607</u>	<u>471,855</u>	<u>6,594,462</u>

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Notes	31/12/19 £	31/12/18 £
Cash flows from operating activities			
Cash generated from operations	1	755,190	485,160
Interest paid		(32,571)	(31,788)
Interest element of hire purchase or finance lease rental payments paid		(641)	-
Tax paid		(253,910)	(136,527)
Net cash from operating activities		<u>468,068</u>	<u>316,845</u>
Cash flows from investing activities			
Purchase of intangible fixed assets		(18,030)	-
Purchase of tangible fixed assets		(191,825)	(97,750)
Sale of tangible fixed assets		1,446	4,167
Interest received		1,603	5,206
Net cash from investing activities		<u>(206,806)</u>	<u>(88,377)</u>
Cash flows from financing activities			
New loans in year		-	1,146,000
Loan repayments in year		(101,573)	(748,498)
Amount introduced by directors		28,981	28,533
Amount withdrawn by directors		100,137	(28,865)
Equity dividends paid		(202,000)	(242,000)
Net cash from financing activities		<u>(174,455)</u>	<u>155,170</u>
Increase in cash and cash equivalents		<u>86,807</u>	<u>383,638</u>
Cash and cash equivalents at beginning of year	2	<u>1,810,159</u>	<u>1,426,521</u>
Cash and cash equivalents at end of year	2	<u><u>1,896,966</u></u>	<u><u>1,810,159</u></u>

The notes form part of these financial statements

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2019

1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	31/12/19	31/12/18
	£	£
Profit before taxation	358,675	918,832
Depreciation charges	166,886	155,165
Loss on disposal of fixed assets	7,700	593
Exchange difference on conversion	(86,201)	42,783
Finance costs	33,212	31,788
Finance income	(1,603)	(5,206)
	<u>478,669</u>	<u>1,143,955</u>
Increase in stocks	(312,889)	(419,218)
Decrease/(increase) in trade and other debtors	160,403	(187,340)
Increase/(decrease) in trade and other creditors	<u>429,007</u>	<u>(52,237)</u>
Cash generated from operations	<u>755,190</u>	<u>485,160</u>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 December 2019

	31/12/19	1/1/19
	£	£
Cash and cash equivalents	<u>1,896,966</u>	<u>1,810,159</u>

Year ended 31 December 2018

	31/12/18	1/1/18
	£	£
Cash and cash equivalents	<u>1,810,159</u>	<u>1,426,521</u>

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/1/19	Cash flow	At 31/12/19
	£	£	£
Net cash			
Cash at bank and in hand	<u>1,810,159</u>	<u>86,807</u>	<u>1,896,966</u>
	<u>1,810,159</u>	<u>86,807</u>	<u>1,896,966</u>
Debt			
Debts falling due within 1 year	(96,153)	(9,363)	(105,516)
Debts falling due after 1 year	<u>(966,814)</u>	<u>110,936</u>	<u>(855,878)</u>
	<u>(1,062,967)</u>	<u>101,573</u>	<u>(961,394)</u>
Total	<u>747,192</u>	<u>188,380</u>	<u>935,572</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

1. **STATUTORY INFORMATION**

British Harlequin Plc is a private company, registered in England and Wales. The company's registered number and registered office address can be found on the General Information page.

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 as modified by the revaluation of certain assets.

Basis of consolidation

The group financial statements consolidate the financial statements of the company and its subsidiary undertakings made up to 31 December 2018.

The profits and losses of subsidiary undertakings are consolidated from the date of acquisition. The difference between the cost of shares in subsidiaries and the fair value of the separable net assets acquired is amortised through the profit and loss account in equal instalments over its estimated useful life.

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.

Transactions between group entities which have been eliminated on consolidation are not disclosed within the financial statements.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Goodwill

Goodwill, being the full amount paid in connection with the acquisition of the subsidiary companies, is being amortised evenly over its estimated useful life of twenty years.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Patents and licences are being amortised evenly over their estimated useful life of nil years.

Tangible fixed assets

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

Freehold property	- 4% on cost
Short leasehold	- 10% on cost
Improvements to property	- 4% on cost
Plant and machinery	- 50% on cost and 33% on cost
Fixtures and fittings	- 50% on cost, 33% on cost, 20% on cost, 15% on reducing balance and at varying rates on cost
Motor vehicles	- 33% on cost and 20% on reducing balance

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2019**

2. ACCOUNTING POLICIES - continued

Stocks

Stocks and work in progress are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Cost is calculated using the first-in, first-out method and includes all purchase, transport, and handling costs in bringing stocks to their present location and condition.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Consolidated 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.

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

The Group financial statements are presented in pound sterling.

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.

Financial statements of overseas subsidiaries are translated at the rate ruling at the balance sheet date.

Hire purchase and leasing commitments

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

Pension costs and other post-retirement benefits

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2019

3. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the group.

An analysis of turnover by geographical market is given below:

	31/12/19	31/12/18
	£	£
United Kingdom	4,434,467	3,998,252
Europe	7,987,304	7,903,331
Rest of the world	3,597,528	4,269,312
	<u>16,019,299</u>	<u>16,170,895</u>

An analysis of turnover by geographical origin is given below:

	2019	2018
£	£	
United Kingdom	6,003,578	5,119,498
Europe	6,799,510	7,039,675
Rest of the World	3,216,211	4,011,722
	<u>16,019,299</u>	<u>16,170,895</u>

4. EMPLOYEES AND DIRECTORS

	31/12/19	31/12/18
	£	£
Wages and salaries	4,077,878	4,004,188
Social security costs	290,960	257,829
Other pension costs	74,001	81,471
	<u>4,442,839</u>	<u>4,343,488</u>

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

	31/12/19	31/12/18
Installation	6	4
Administration	20	21
Selling	46	42
Warehouse	9	9
	<u>81</u>	<u>76</u>

The average number of employees by undertakings that were proportionately consolidated during the year was 37 (2018 - 32) .

	31/12/19	31/12/18
	£	£
Directors' remuneration	185,462	176,763
Directors' pension contributions to money purchase schemes	<u>-</u>	<u>8,409</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2019

5. OPERATING PROFIT

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

	31/12/19	31/12/18
	£	£
Hire of plant and machinery	9,939	10,179
Other operating leases	204,987	192,014
Depreciation - owned assets	176,149	164,893
Loss on disposal of fixed assets	7,700	593
Goodwill amortisation	(16,654)	(16,654)
Patents and licences amortisation	6,737	6,125
Auditors' remuneration	13,200	16,800
Auditors' remuneration for non audit work	5,058	2,736
Foreign exchange differences	(243)	(388)
Component auditors remuneration	<u>7,125</u>	<u>7,231</u>

6. INTEREST PAYABLE AND SIMILAR EXPENSES

	31/12/19	31/12/18
	£	£
Bank interest	161	1,155
Bank loan interest	31,519	30,633
HMRC Interest	891	-
Leasing	641	-
	<u>33,212</u>	<u>31,788</u>

7. TAXATION

Analysis of the tax charge

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

	31/12/19	31/12/18
	£	£
Current tax:		
UK corporation tax	164,314	203,242
Under/over provision in prior years	229	-
Total current tax	<u>164,543</u>	<u>203,242</u>
Deferred tax	-	(588)
Tax on profit	<u>164,543</u>	<u>202,654</u>

UK corporation tax has been charged at 19% (2018 - 19%).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2019

7. TAXATION - continued

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:

	31/12/19 £	31/12/18 £
Profit before tax	<u>358,675</u>	<u>918,832</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2018 - 19%)	68,148	174,578
Effects of:		
Expenses not deductible for tax purposes	1,839	5,570
Income not taxable for tax purposes	(35,571)	-
Depreciation in excess of capital allowances	10,722	4,930
Non taxable overseas income	18,688	(126,722)
Overseas Tax	100,488	144,886
Deferred tax movement	-	(588)
Underprovision in prior year	229	-
Total tax charge	<u>164,543</u>	<u>202,654</u>

Tax effects relating to effects of other comprehensive income

	31/12/19 Gross £	31/12/19 Tax £	Net £
Exchange differences on conversion	<u>(92,633)</u>	<u>-</u>	<u>(92,633)</u>
	31/12/18 Gross £	31/12/18 Tax £	Net £
Exchange differences on conversion	<u>43,575</u>	<u>-</u>	<u>43,575</u>

Included in UK Corporation Tax charge is an amount of £100,287 (2018: £143,739) relating to taxation charges from the overseas subsidiaries,

8. INDIVIDUAL INCOME STATEMENT

As permitted by Section 408 of the Companies Act 2006, the Income Statement of the parent company is not presented as part of these financial statements.

9. DIVIDENDS

	31/12/19 £	31/12/18 £
Interim	<u>202,000</u>	<u>242,000</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2019

10. INTANGIBLE FIXED ASSETS

Group

	Goodwill £	Patents and licences £	Totals £
COST			
At 1 January 2019	(333,079)	62,692	(270,387)
Additions	-	18,030	18,030
At 31 December 2019	<u>(333,079)</u>	<u>80,722</u>	<u>(252,357)</u>
AMORTISATION			
At 1 January 2019	(149,938)	21,983	(127,955)
Amortisation for year	(16,654)	6,737	(9,917)
At 31 December 2019	<u>(166,592)</u>	<u>28,720</u>	<u>(137,872)</u>
NET BOOK VALUE			
At 31 December 2019	<u>(166,487)</u>	<u>52,002</u>	<u>(114,485)</u>
At 31 December 2018	<u>(183,141)</u>	<u>40,709</u>	<u>(142,432)</u>

Company

	Patents and licences £
COST	
At 1 January 2019	62,692
Additions	18,030
At 31 December 2019	<u>80,722</u>
AMORTISATION	
At 1 January 2019	21,983
Amortisation for year	6,737
At 31 December 2019	<u>28,720</u>
NET BOOK VALUE	
At 31 December 2019	<u>52,002</u>
At 31 December 2018	<u>40,709</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2019

11. TANGIBLE FIXED ASSETS

Group

	Freehold property £	Short leasehold £	Improvements to property £	Plant and machinery £
COST OR VALUATION				
At 1 January 2019	1,974,273	3,195	144,026	238,044
Additions	-	-	61,262	75,510
Disposals	-	(3,195)	-	(14,041)
Exchange differences	-	-	(153)	(6,511)
At 31 December 2019	<u>1,974,273</u>	<u>-</u>	<u>205,135</u>	<u>293,002</u>
DEPRECIATION				
At 1 January 2019	105,651	1,598	40,491	175,702
Charge for year	15,093	319	9,914	24,660
Eliminated on disposal	-	(1,917)	-	(12,976)
Exchange differences	-	-	(44)	(6,942)
At 31 December 2019	<u>120,744</u>	<u>-</u>	<u>50,361</u>	<u>180,444</u>
NET BOOK VALUE				
At 31 December 2019	<u>1,853,529</u>	<u>-</u>	<u>154,774</u>	<u>112,558</u>
At 31 December 2018	<u>1,868,622</u>	<u>1,597</u>	<u>103,535</u>	<u>62,342</u>
	Fixtures and fittings £	Motor vehicles £	Integral Features £	Totals £
COST OR VALUATION				
At 1 January 2019	608,650	149,099	25,079	3,142,366
Additions	35,038	12,263	7,752	191,825
Disposals	(1,276)	(11,043)	(1,633)	(31,188)
Exchange differences	(12,711)	(1,060)	(421)	(20,856)
At 31 December 2019	<u>629,701</u>	<u>149,259</u>	<u>30,777</u>	<u>3,282,147</u>
DEPRECIATION				
At 1 January 2019	374,482	99,447	8,137	805,508
Charge for year	104,284	17,280	4,599	176,149
Eliminated on disposal	(1,275)	(4,267)	(1,607)	(22,042)
Exchange differences	(7,873)	(522)	1,611	(13,770)
At 31 December 2019	<u>469,618</u>	<u>111,938</u>	<u>12,740</u>	<u>945,845</u>
NET BOOK VALUE				
At 31 December 2019	<u>160,083</u>	<u>37,321</u>	<u>18,037</u>	<u>2,336,302</u>
At 31 December 2018	<u>234,168</u>	<u>49,652</u>	<u>16,942</u>	<u>2,336,858</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2019

11. TANGIBLE FIXED ASSETS - continued

Group

Cost or valuation at 31 December 2019 is represented by:

	Freehold property £	Improvements to property £	Plant and machinery £
Valuation in 2009	342,488	-	-
Valuation in 2011	50,000	-	-
Cost	1,581,785	205,135	293,002
	<u>1,974,273</u>	<u>205,135</u>	<u>293,002</u>

	Fixtures and fittings £	Motor vehicles £	Integral Features £	Totals £
Valuation in 2009	-	-	-	342,488
Valuation in 2011	-	-	-	50,000
Cost	629,701	149,259	30,777	2,889,659
	<u>629,701</u>	<u>149,259</u>	<u>30,777</u>	<u>3,282,147</u>

Company

	Freehold property £	Short leasehold £	Improvements to property £	Plant and machinery £
COST OR VALUATION				
At 1 January 2019	1,974,273	3,195	140,876	92,550
Additions	-	-	7,340	6,268
Disposals	-	(3,195)	-	(1,249)
At 31 December 2019	<u>1,974,273</u>	<u>-</u>	<u>148,216</u>	<u>97,569</u>
DEPRECIATION				
At 1 January 2019	105,651	1,598	39,580	67,945
Charge for year	15,093	319	6,892	6,906
Eliminated on disposal	-	(1,917)	-	(188)
At 31 December 2019	<u>120,744</u>	<u>-</u>	<u>46,472</u>	<u>74,663</u>
NET BOOK VALUE				
At 31 December 2019	<u>1,853,529</u>	<u>-</u>	<u>101,744</u>	<u>22,906</u>
At 31 December 2018	1,868,622	1,597	101,296	24,605

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2019

11. TANGIBLE FIXED ASSETS - continued

Company

	Fixtures and fittings £	Motor vehicles £	Integral Features £	Totals £
COST OR VALUATION				
At 1 January 2019	350,574	122,323	14,450	2,698,241
Additions	27,275	-	834	41,717
Disposals	-	(5,000)	-	(9,444)
At 31 December 2019	<u>377,849</u>	<u>117,323</u>	<u>15,284</u>	<u>2,730,514</u>
DEPRECIATION				
At 1 January 2019	215,521	86,248	1,285	517,828
Charge for year	48,906	13,427	726	92,269
Eliminated on disposal	-	(2,100)	-	(4,205)
At 31 December 2019	<u>264,427</u>	<u>97,575</u>	<u>2,011</u>	<u>605,892</u>
NET BOOK VALUE				
At 31 December 2019	<u>113,422</u>	<u>19,748</u>	<u>13,273</u>	<u>2,124,622</u>
At 31 December 2018	<u>135,053</u>	<u>36,075</u>	<u>13,165</u>	<u>2,180,413</u>

Included in cost or valuation of land and buildings is freehold land of £ 896,298 (2018 - £ 896,298) which is not depreciated.

Cost or valuation at 31 December 2019 is represented by:

	Freehold property £	Improvements to property £	Plant and machinery £
Valuation in 2009	342,488	-	-
Valuation in 2011	50,000	-	-
Cost	<u>1,581,785</u>	<u>148,216</u>	<u>97,569</u>
	<u>1,974,273</u>	<u>148,216</u>	<u>97,569</u>

	Fixtures and fittings £	Motor vehicles £	Integral Features £	Totals £
Valuation in 2009	-	-	-	342,488
Valuation in 2011	-	-	-	50,000
Cost	<u>377,849</u>	<u>117,323</u>	<u>15,284</u>	<u>2,338,026</u>
	<u>377,849</u>	<u>117,323</u>	<u>15,284</u>	<u>2,730,514</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2019

11. TANGIBLE FIXED ASSETS - continued

Company

If freehold land and buildings had not been revalued they would have been included at the following historical cost:

	31/12/19	31/12/18
	£	£
Cost	<u>1,107,512</u>	<u>1,107,512</u>
Aggregate depreciation	<u>157,500</u>	<u>157,500</u>
Value of land in freehold land and buildings	<u>950,012</u>	<u>950,012</u>

Freehold land and buildings were valued on an open market basis on 19 July 2011 by Jones Lang Lasalle

12. FIXED ASSET INVESTMENTS

Company

	Shares in group undertakings £
COST	
At 1 January 2019 and 31 December 2019	<u>1,634,918</u>
NET BOOK VALUE	
At 31 December 2019	<u>1,634,918</u>
At 31 December 2018	<u>1,634,918</u>

The group or the company's investments at the Balance Sheet date in the share capital of companies include the following:

Subsidiaries

Theatre Flooring Company

Registered office: Festival House, Chapman Way, Tunbridge Wells, Kent, TN2 3EF, United Kingdom

Nature of business: Dormant Company

	% holding	31/3/20	31/3/19
		£	£
Class of shares:			
Ordinary	100.00	<u>3</u>	<u>3</u>
Aggregate capital and reserves			

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2019

12. FIXED ASSET INVESTMENTS - continued

Harlequin Europe S.A.

Registered office: 29 Rue Notre Dame, Luxembourg, L-2240, Luxembourg

Nature of business: Theatre and Entertainment Industry

	% holding	31/12/19	31/12/18
Class of shares:		£	£
Ordinary	100.00	1,914,021	1,836,093
Aggregate capital and reserves		169,413	382,434
Profit for the year			

Harlequin Asia Limited

Registered office: 2/F The Strand, 49 Bonham Strand, Sheung Wan, Hong Kong

Nature of business: Theatre and Entertainment Industry

	% holding	31/12/19	31/12/18
Class of shares:		£	£
Ordinary	100.00	476,604	265,683
Aggregate capital and reserves		220,317	374,828
Profit for the year			

Harlequin Deutschland GmbH

Registered office: Melanchthonstraße 16, D-10557 Berlin, Germany

Nature of business: Theatre and Entertainment Industry

	% holding	31/12/19	31/12/18
Class of shares:		£	£
Ordinary	100.00	(241,947)	(31,389)
Aggregate capital and reserves		(212,121)	(29,999)
Loss for the year			

Australian Harlequin Pty Limited

Registered office: 1/47 Prime Drive, Seven Hills, NSW 2147, Australia

Nature of business: Theatre and Entertainment Industry

	% holding	31/12/19	31/12/18
Class of shares:		£	£
Ordinary	100.00	(436,558)	(182,651)
Aggregate capital and reserves		(261,138)	(98,369)
Loss for the year			

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2019

12. FIXED ASSET INVESTMENTS - continued

Harlequin Central Services

Registered office: 29 Rue Notre Dame, Luxembourg, L-2240, Luxembourg

Nature of business: Theatre and Entertainment Industry

	% holding	31/12/19	31/12/18
Class of shares:		£	£
Ordinary	100.00	9,925	6
Aggregate capital and reserves		9,921	<u>(3,481)</u>
Profit/(loss) for the year			

Harlequin Central Operations

Registered office: 3 Rue de Benister, Aywaille, 4920, Belgium

Nature of business: Theatre and Entertainment Industry

	% holding	31/12/19	31/12/18
Class of shares:		£	£
Ordinary	100.00	(221,162)	9,620
Aggregate capital and reserves		(230,424)	<u>(1,324)</u>
Loss for the year			

13. STOCKS

	Group		Company	
	31/12/19	31/12/18	31/12/19	31/12/18
	£	£	£	£
Stocks	3,504,346	3,205,106	1,608,140	1,626,527
Work-in-progress	43,765	30,116	43,765	30,116
	<u>3,548,111</u>	<u>3,235,222</u>	<u>1,651,905</u>	<u>1,656,643</u>

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	31/12/19	31/12/18	31/12/19	31/12/18
	£	£	£	£
Trade debtors	1,652,276	1,818,573	316,255	352,928
Amounts due from associate undertakings	89,319	75,910	2,869,927	1,760,426
Other debtors	158,529	345,483	28,251	17,955
Directors' current accounts	840	28,715	840	28,715
VAT	133,794	43,111	-	-
Prepayments and accrued income	309,675	220,919	243,518	144,307
	<u>2,344,433</u>	<u>2,532,711</u>	<u>3,458,791</u>	<u>2,304,331</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2019

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	31/12/19	31/12/18	31/12/19	31/12/18
	£	£	£	£
Bank loans and overdrafts (see note 17)	105,516	96,153	105,516	96,153
Trade creditors	1,666,351	1,427,614	769,002	730,478
Amounts due to associated undertakings	537	-	441	440
Tax	105,251	194,618	64,698	59,503
Social security and other taxes	123,020	83,421	55,064	52,789
VAT	-	-	54,921	29,465
Other creditors	719,517	696,134	551,078	480,473
Directors' current accounts	119,116	17,873	118,850	17,596
Accruals and deferred income	455,047	328,296	182,337	108,221
	<u>3,294,355</u>	<u>2,844,109</u>	<u>1,901,907</u>	<u>1,575,118</u>

16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Company	
	31/12/19	31/12/18	31/12/19	31/12/18
	£	£	£	£
Bank loans (see note 17)	<u>855,878</u>	<u>966,814</u>	<u>855,878</u>	<u>966,814</u>

17. LOANS

An analysis of the maturity of loans is given below:

	Group		Company	
	31/12/19	31/12/18	31/12/19	31/12/18
	£	£	£	£
Amounts falling due within one year or on demand:				
Bank loans	<u>105,516</u>	<u>96,153</u>	<u>105,516</u>	<u>96,153</u>
Amounts falling due between one and two years:				
Bank loans - 1-2 years	<u>105,521</u>	<u>96,157</u>	<u>105,521</u>	<u>96,157</u>
Amounts falling due between two and five years:				
Bank loans - 2-5 years	<u>750,357</u>	<u>870,657</u>	<u>750,357</u>	<u>870,657</u>

The mortgage loan is secured by a first legal charge over the freehold land and buildings.

18. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2019**Group**

	Non-cancellable operating leases	
	31/12/19	31/12/18
	£	£
Within one year	10,000	23,107
Between one and five years	596,565	1,040,762
	<u>606,565</u>	<u>1,063,869</u>

Company

	Non-cancellable operating leases	
	31/12/19	31/12/18
	£	£
Between one and five years	<u>-</u>	<u>118,764</u>

In addition to the above, the company rents a property from the Dagger Executive Pension Scheme. The rent is £40,000 per annum, there is not a defined term on the lease. However, the company must give three months notice if they wish to terminate it.

19. **SECURED DEBTS**

The following secured debts are included within creditors:

	Company	
	31/12/19	31/12/18
	£	£
Bank loans	<u>961,394</u>	<u>1,062,967</u>

The bank overdrafts are secured by a debenture dated 10 September 2010.

20. **PROVISIONS FOR LIABILITIES**

	Group		Company	
	31/12/19	31/12/18	31/12/19	31/12/18
	£	£	£	£
Deferred tax	<u>37,058</u>	<u>37,058</u>	<u>37,058</u>	<u>37,058</u>

Group

	Deferred tax £
Balance at 1 January 2019	37,058
Balance at 31 December 2019	<u>37,058</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2019

20. PROVISIONS FOR LIABILITIES - continued

Company

	Deferred tax £
Balance at 1 January 2019	37,058
Balance at 31 December 2019	<u>37,058</u>

21. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value: £1	31/12/19 £	31/12/18 £
50,000	Ordinary		<u>50,000</u>	<u>50,000</u>

22. RESERVES

Group

	Retained earnings £	Revaluation reserve £	Other reserves £	Totals £
At 1 January 2019	5,258,047	471,855	144,635	5,874,537
Profit for the year	194,132			194,132
Dividends	(202,000)			(202,000)
Transfer between reserves	(10,607)	-	10,607	-
Exchange differences	(127,861)	-	35,228	(92,633)
At 31 December 2019	<u>5,111,711</u>	<u>471,855</u>	<u>190,470</u>	<u>5,774,036</u>

Company

	Retained earnings £	Revaluation reserve £	Totals £
At 1 January 2019	5,288,642	471,855	5,760,497
Profit for the year	985,965		985,965
Dividends	(202,000)		(202,000)
At 31 December 2019	<u>6,072,607</u>	<u>471,855</u>	<u>6,544,462</u>

23. ULTIMATE PARENT COMPANY

Harlequin Holdings International Limited is regarded by the directors as being the company's ultimate parent company.

24. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is G F W Dagger.

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.