

AUTOSCRIPT LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

Registered number 01787605



AUTOSCRIPT LIMITED

DIRECTORS' REPORT

The Directors present their report and the audited Financial Statements for the year ended 31 December 2020.

The Directors' Report has been prepared in accordance with the special provisions applicable to the small companies' exemptions under sections 415A and 382 (3) of the Companies Act 2006. The Company has taken advantage of the exemption available to it under section 414B of the Companies Act 2006 to not prepare a Strategic Report.

Principal activity

The Company's principal activity includes hiring out of broadcast equipment, prompting equipment and operators to the broadcast market. A change in the Company's activities is not expected in the foreseeable future.

Results and Dividend

Turnover for the year was £1,662,000 (2019: £2,129,000). The business made a loss of £270,000 (2019: loss of £176,000).

The Directors do not recommend the payment of a dividend (2019: £nil). The loss for the year was transferred to reserves.

Directors

The Directors of the Company in the year under review and to the date of this report were:

Jonathan Bolton
Martin Green
Phillip Beckett

Detail of Directors' remuneration is provided in note 9 to the Financial Statements.

The ultimate parent company has granted indemnities to some of the Company's Directors to the extent permitted by law. Qualifying third party indemnity provisions (as defined in Section 324 of the Companies Act 2006) have been adopted for some Directors and indemnify in relation to certain losses and liabilities which the Directors may incur to third parties in the course of acting as Directors of the Company.

Events occurring after the balance sheet date

Details of significant events occurring after the balance sheet date can be found in Note 20.

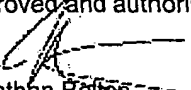
Disclosure of information to the auditor

The Directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information (as defined in section 418(2) of the Companies Act 2006) of which the Company's auditor is unaware; and each Director has taken all the steps that they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

Deloitte LLP has indicated its willingness to continue in office. Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be re-appointed and Deloitte LLP will therefore continue in office.

Approved and authorised for issue by the Board


Jonathan Bolton
Director

22 July 2021

Registered Office:
Bridge House
Heron Square
Richmond
TW9 1EN

AUTOSCRIPT LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

The Directors are responsible for preparing the Directors' Report and the Financial Statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare Financial Statements for each financial year. Under that law 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), including FRS 101 "Reduced Disclosure Framework".

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; and
- 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 responsible for such internal control as they determine is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

AUTOSCRIPT LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AUTOSCRIPT LIMITED

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Autoscript Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 December 2020 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the profit and loss account;
- the balance sheet;
- the statement of changes in equity; and
- the related notes 1 to 21.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

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 auditor's 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 Financial Reporting Council's (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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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.

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 course of 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 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 material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

AUTOSCRIPT LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AUTOSCRIPT LIMITED (continued)

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, 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 is 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.

Auditor's 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 an auditor's report 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 FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of its policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory frameworks that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act, pension legislation and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

AUTOSCRIPT LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AUTOSCRIPT LIMITED (continued)

Report on other legal and regulatory requirements

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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the directors' report.

Matters on which we are required to report by exception

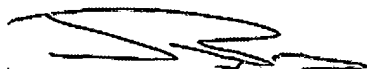
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- 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.
- the directors were not entitled to take advantage of the small companies' exemption in preparing the directors' report and from the requirement to prepare a strategic report.

We have nothing to report in respect of these matters.

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 an auditor's report 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.



James Brass FCA (Senior statutory auditor)

For and on behalf of Deloitte LLP

Statutory Auditor

St Albans

United Kingdom

22nd July 2021

AUTOSCRIPT LIMITED

PROFIT AND LOSS ACCOUNT for the year ended 31 December 2020

	Notes	2020 £'000	2019 £'000
Turnover	5	1,662	2,129
Other income		121	-
Cost of sales		(1,211)	(1,412)
Gross profit		572	717
Operating expenses	6	(809)	(873)
Operating loss		(237)	(156)
Interest payable		(22)	-
Loss before taxation	7	(259)	(156)
Tax on loss	10	(11)	(20)
Loss after taxation		(270)	(176)

The Profit and Loss Account contains all the gains and losses from continuing operations recognised in the year and therefore no separate Statement of Other Comprehensive Income has been prepared.

The notes on pages 9 to 17 form an integral part of these Financial Statements.

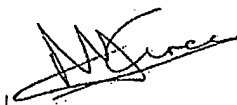
AUTOSCRIPT LIMITED

BALANCE SHEET as at 31 December 2020

	Notes	2020 £'000	2019 £'000
Fixed assets			
Intangible assets	11	121	121
Tangible fixed assets	12	806	277
		<u>927</u>	<u>398</u>
Current assets			
Debtors – (including £87,000 (2019: £98,000) due after more than one year)	13	4,760	5,016
		<u>4,760</u>	<u>5,016</u>
Current liabilities			
Creditors – amounts falling due within one year	15	(318)	(190)
Net current assets		<u>4,442</u>	<u>4,826</u>
Total assets less current liabilities		<u>5,369</u>	<u>5,224</u>
 Provisions for liabilities – amounts falling due after one year	16	(62)	(62)
Creditors – amounts falling due after more than one year	17	(415)	-
Net assets		<u>4,892</u>	<u>5,162</u>
 Capital and reserves			
Called up share capital	18	1	1
Share premium account		44	44
Profit and loss account		4,847	5,117
Shareholder's funds		<u>4,892</u>	<u>5,162</u>

The notes on pages 9 to 17 form an integral part of these Financial Statements.

The Financial Statements on pages 6 to 17 were approved by the Board of Directors on 22 July 2021 and were signed on its behalf by:



Martin Green
Director

Registered in England number 01787605

Autoscript Limited is a private company limited by shares and is incorporated and domiciled in the UK.

AUTOSCRIPT LIMITED

STATEMENT OF CHANGES IN EQUITY

	Called up share capital £'000	Share premium account £'000	Profit and loss account £'000	Total equity £'000
Balance at 1 January 2020	1	44	5,117	5,162
Loss for the year	-	-	(270)	(270)
Total comprehensive expense for the year	-	-	(270)	(270)
Balance at 31 December 2020	1	44	4,847	4,892
Balance at 1 January 2019	1	44	5,293	5,338
Loss for the year	-	-	(176)	(176)
Total comprehensive expense for the year	-	-	(176)	(176)
Balance at 31 December 2019	1	44	5,117	5,162

The notes on pages 9 to 17 form an integral part of these Financial Statements.

AUTOSCRIPT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

1. Basis of preparation

These Financial Statements have been prepared on the historical cost basis and in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101").

These financial statements have been prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 and International Financial Reporting Standards as issued by the IASB but makes amendments where necessary in order to comply with the Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions have been taken.

The Company is an indirect wholly owned subsidiary of The Vitec Group plc and is included in the consolidated Financial Statements of The Vitec Group plc, which are publicly available.

2. Impact of adoption of new accounting standards

There has been no material impact on the Financial Statements of adopting other new standards or amendments.

3. Exemptions taken by the Company under FRS 101

The Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- Cash flow statement and related notes;
- Comparative period reconciliations for share capital, tangible fixed assets and intangible assets;
- Disclosures in respect of transactions with wholly owned subsidiaries;
- Disclosures in respect of capital management;
- Disclosures in respect of revenue from contracts with customers;
- Disclosures in respect of leases;
- The effects of new but not yet effective IFRSs; and
- Disclosures in respect of the compensation of Key Management Personnel.

As the consolidated financial statements of The Vitec Group plc include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- Certain disclosures required by IFRS 3 Business Combinations in respect of business combinations undertaken by the Company in the current and prior periods; and
- Certain disclosures required by IFRS 13 Fair Value Measurement and the disclosures required by IFRS 7 Financial Instrument Disclosures.

AUTOSCRIPT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

4. Accounting policies

The following accounting policies have been applied consistently to all periods presented in these Financial Statements.

a) Going concern

As part of the Company's Directors' consideration of the appropriateness of adopting the going concern basis in preparing the Company's financial statements, the latest forecasts of the Company have been reviewed.

While the Company's trading performance continues to improve following the easing of restrictions imposed by governments around the world in response to COVID-19, the rate of recovery is difficult to predict. The forecast recovery is based on a number of factors including assumptions around the overall global economic environment, how long it takes for our end markets to resume creation of original content, and continued actions that governments might take in relation to controlling the pandemic.

The Company's Directors have reviewed the scenarios modelled and are satisfied that the Company has access to adequate cash resources to settle obligations as they fall due for at least twelve months from the date of approval of the financial statements. They also consider that the current operations provide sufficient financial sustainability to generate positive cash flows for the foreseeable future.

Accordingly, the Company's Directors continue to adopt the going concern basis in preparing the annual financial statements.

b) Turnover

Turnover comprises the hire of broadcast equipment, teleprompting equipment and operators (excluding VAT). Turnover from rental of assets is recognised in the accounting period in which the services are rendered. Payment terms vary and there can be small advanced payments but typically payments are due as services are rendered.

c) Foreign currencies

Transactions in foreign currencies are translated at the exchange rate on that day. Foreign currency monetary assets and liabilities are translated at the year-end exchange rate. Where there is a movement in the exchange rate between the date of the transaction and the year-end, a currency translation gain or loss may arise. Any such differences are recognised in the Profit and Loss Account.

d) Goodwill

Purchased goodwill (representing the excess of the fair value of the consideration given over the fair value of the separable net assets acquired) arising on business combinations in respect of acquisitions since 1 January 1998 is capitalised. An impairment review is carried out each year by the business. The Company measures goodwill at cost less impairment in accordance with IFRS 3. The non-amortisation of goodwill conflicts with paragraph 22 of Schedule 1 to the Regulations, which requires acquired goodwill to be written off over its useful economic life. The Directors believe that the goodwill recognised has an indefinite useful life and so their treatment provides a true and fair view of the Company's financial position and profit or loss.

e) Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Depreciation is provided to write off the cost of the relevant assets, less their estimated residual values, on a straight line basis over their estimated useful lives. Fixed assets are depreciated as follows:

Leasehold improvements	remaining period of lease
Plant, machinery and tooling	4-5 years
Motor vehicles	4 years

f) Trade and other debtors

Trade debtors and contract assets are recognised initially at fair value, and subsequently at amortised cost using the effective interest rate method, less provision for impairment. The Company applies the IFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade debtors and contract assets.

To measure the expected credit losses, trade debtors and contract assets have been grouped based on shared credit risk characteristics and the number of days past due. The expected loss rates are based on payment profiles of sales over a preceding 36 month period and the corresponding historical credit losses experienced within this period. When appropriate, the historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the debtors where a trend exists.

AUTOSCRIPT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

4. Accounting policies (continued)

f) Trade and other debtors (continued)

Trade debtors are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Company, and a failure to make contractual payments for an extended period. Amounts recoverable on contracts are included in trade debtors and represent turnover recognised in excess of payments on account.

g) Trade and other creditors

Trade payables are generally recognised at the value of the invoice received from a supplier.

h) Cash and cash equivalents

Cash and cash equivalents in the Balance Sheet represent cash on hand and at banks.

i) Taxation

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

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

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

j) Leases

This note provides information in relation to leases when the Company is a lessee. The Company does not have any material leases where it acts as a lessor.

Each lease is recognised as a right-of-use asset with a corresponding liability at the date at which the leased asset is available for use by the Company.

Assets and liabilities arising from a lease are initially measured on a present value basis.

Interest expense is charged to the Profit and Loss Account over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability.

The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

For the Company, lease payments generally comprise fixed payments, less any lease incentives receivable.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Right-of-use assets are measured at cost comprising the amount of the initial measurement of the lease liability, and lease payments made at or before the commencement date less any lease incentives received, any initial direct costs, and restoration costs.

When an adjustment to lease payments based on an index takes effect, the liability is remeasured with a corresponding adjustment to the right-of-use asset.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in the Profit and Loss Account.

The Company's leasing activities

The Company's only lease is a warehouse in Twickenham. This contract has a wide range of terms and conditions but does not impose any additional covenants.

AUTOSCRIPT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

4. Accounting policies (continued)

k) Pensions

All UK employees of the Company are offered membership of The Vitec Group 2014 Pension Scheme, which is a defined contribution scheme, and from 1 April 2014 all employees are automatically enrolled into that scheme. The Company's legal or constructive obligation is limited to the contributions made. The costs of providing pensions for employees under defined contribution schemes are expensed as incurred.

l) Accounting estimates and judgments

There are no significant estimates or judgments contained in the Financial Statements.

k) Government grants

The Company has received government assistance as a result of the COVID-19 pandemic in the form of contributions towards employee costs. For government assistance which meets the definition of a government grant, under IAS 20 the Company applies the income approach to account for the grants received. As such, the grant is recognised in the Profit and Loss Account separately under the heading 'Other income'. In the year ending 31 December 2020, grant income of £121,000 (2019: £nil) was received. There are no unfulfilled conditions or other contingencies attached to this government assistance.

5. Turnover

Turnover by geographic market is presented as follows:

	2020 £'000	2019 £'000
United Kingdom	1,660	2,111
The rest of the World	2	18
	<u>1,662</u>	<u>2,129</u>

6. Operating expenses

	2020 £'000	2019 £'000
Marketing, selling and distribution costs	-	1
Administration costs	809	872
	<u>809</u>	<u>873</u>

7. Loss before taxation

Loss before taxation is stated after charging:

	2020 £'000	2019 £'000
Auditor remuneration: Audit of Company's annual accounts	12	10
Depreciation	223	91
	<u>223</u>	<u>91</u>

8. Staff costs

Aggregate remuneration of all employees during the year:

	2020 £'000	2019 £'000
Government grants receivable	(121)	-
Wages and salaries including employee benefits	1,054	1,167
Employer's social security costs	111	121
Employer's pension costs	79	64
	<u>1,123</u>	<u>1,352</u>

AUTOSCRIPT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

8. Staff costs (continued)

The average monthly number of persons employed by the Company during the year:

	2020	2019
Operations	24	24
Administration	6	6
	<u>30</u>	<u>30</u>

9. Directors' remuneration

No Directors were employed by the Company during the year hence no remuneration or other costs were paid by the Company to any Directors (2019: £nil).

Directors' employed by other Group companies received £nil remuneration from the Company in respect of qualifying services to the Company.

During the year two (2019:one) Directors exercised share options in the ultimate parent company.

10. Tax on loss

(a) Tax charged in the profit and loss account:

	2020 £'000	2019 £'000
<i>Current tax:</i>		
UK corporation tax	<u>-</u>	<u>-</u>
<i>Deferred tax:</i>		
Origination and reversal of timing differences	23	23
Effect of rate change	(12)	(2)
Prior year adjustment	-	(1)
Deferred tax charge – Note 14	<u>11</u>	<u>20</u>
Tax charge on loss before tax	<u>11</u>	<u>20</u>

(b) Reconciliation of the total tax charge:

The tax assessed on the loss before tax for the year is higher (2019: higher) than the standard rate of corporation tax in the UK of 19% (2019: 19%). The differences are reconciled below:

	2020 £'000	2019 £'000
Loss before tax	<u>(259)</u>	<u>(156)</u>
Loss at the UK statutory rate of 19.00% (2019: 19.00%)	(49)	(30)
<i>Effects of:</i>		
Expenses not deductible for tax purposes	8	1
Effect of rate change	(12)	(2)
Prior year adjustment	-	(1)
Group relief surrendered free of charge	<u>64</u>	<u>52</u>
Total tax charge reported in the profit and loss account	<u>11</u>	<u>20</u>

The UK tax rate for the year ended 31 December 2020 is 19%.

AUTOSCRIPT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

10. Tax on loss (continued)

Further reductions to 17% to be effective 1 April 2020 were enacted as part of the Finance Act 2017 on 27 April 2017. A further change to the UK tax rate was substantively enacted on 17 March 2020 reversing the reductions to 17% meaning the applicable rate from 1 April 2020 remained at 19%.

On 3 March 2021 the UK government announced an intention to increase the UK corporation tax to 25% with effect from 1 April 2023.

11. Intangible assets

Cost and net book value

At 1 January and 31 December 2020

£'000

121

All goodwill relates to The Camera Store cash-generating unit (CGU). It is assessed for impairment annually.

As part of the annual impairment test review, the carrying value of goodwill has been assessed with reference to value in use over a projected period of five years together with a terminal value. This reflects the projected cash flows based on the actual operating results, the most recent Board approved budget, strategic plans and management projections.

The key assumptions on which the value in use calculation is based relate to business performance over the next five years, long term growth rates beyond 2025 and the discount rates applied.

The key judgements are the level of revenue and operating margins anticipated and the proportion of operating profit converted into cash flow in each year. Forecasts are based on past experience and take into account current and future market conditions and opportunities. Growth rates for the period beyond 2025 are assumed to be 0% which is considered to be at long-term market trends. The cash flow projections have been discounted to present value using 12.4% which is the Company's pre-tax weighted average cost of capital adjusted for economic and specific risk factors including market and size of business.

The following specific individual sensitivities of reasonable possible change have been considered for the CGU in relation to the weighted average cost of capital used in the value in use calculations, resulting in the carrying amount not exceeding the recoverable amount for each CGU:

- if the long-term growth rate assumption was reduced by 2% point; and
- a 1% point increase in the discount rate applied.

12. Tangible fixed assets

	Leasehold improvements £'000	Warehouse (Right of Use Asset) £'000	Plant, machinery & tooling £'000	Motor vehicles £'000	Total £'000
Cost					
At 1 January 2020	117	-	1,129	103	1,349
Additions	-	726	30	-	756
Disposals	-	-	(79)	(1)	(80)
At 31 December 2020	<u>117</u>	<u>726</u>	<u>1,080</u>	<u>102</u>	<u>2,025</u>
Depreciation					
At 1 January 2020	117	-	881	74	1,072
Charge	-	130	83	10	223
Disposals	-	-	(76)	-	(76)
At 31 December 2020	<u>117</u>	<u>130</u>	<u>888</u>	<u>84</u>	<u>1,219</u>
Net book value					
As at 31 December 2020	<u>-</u>	<u>596</u>	<u>192</u>	<u>18</u>	<u>806</u>
As at 31 December 2019	<u>-</u>	<u>-</u>	<u>248</u>	<u>29</u>	<u>277</u>

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NOTES TO THE FINANCIAL STATEMENTS (continued)

12. Tangible fixed assets (continued)

The total cash outflow for leases in 2020 was £170,994 of which £21,990 relates to interest and £149,004 to principal lease repayments.

13. Debtors

	2020 £'000	2019 £'000
Amounts due within one year		
Trade debtors, net of provisions	298	371
Amounts owed by group undertakings	4,332	4,445
Prepayments	33	96
Contract assets	10	6
	<u>4,673</u>	<u>4,918</u>
Amounts due after more than one year		
Deferred tax asset (note 14)	87	98
Total debtors	<u>4,760</u>	<u>5,016</u>

Amounts owed by group undertakings are unsecured, bear no interest and are payable on demand.

14. Deferred taxation

(a) The deferred tax included in the balance sheet (in note 13) is as follows:

	2020 £'000	Recognised in profit and loss £'000	2019 £'000
Assets			
Property, plant, equipment & other	<u>87</u>	<u>(11)</u>	<u>98</u>
Net	<u>87</u>	<u>(11)</u>	<u>98</u>

	2019 £'000	Recognised in profit and loss £'000	2018 £'000
Assets			
Property, plant, equipment & other	<u>98</u>	<u>(20)</u>	<u>118</u>
Net	<u>98</u>	<u>(20)</u>	<u>118</u>

(b) Factors that may affect future tax charges

The UK tax rate for the year ended 31 December 2020 is 19%.

Further reductions to 17% to be effective 1 April 2020 were enacted as part of the Finance Act 2017 on 27 April 2017. A further change to the UK tax rate was substantively enacted on 17 March 2020 reversing the reductions to 17% meaning the applicable rate from 1 April 2020 remained at 19%.

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NOTES TO THE FINANCIAL STATEMENTS (continued)

15. Creditors – amounts falling due within one year

	2020 £'000	2019 £'000
Trade creditors	2	19
Lease liability	133	-
Amounts owed to group undertakings	38	-
Other taxes including social security	37	37
Other creditors	-	31
Accruals	108	103
	<u>318</u>	<u>190</u>

Amounts owed to group undertakings are unsecured, bear no interest and are payable on demand.
The lease liability is owed to another group undertaking.

16. Provisions for liabilities – amounts falling due after one year

	2020 £'000	2019 £'000
Non-current dilapidation provision	<u>62</u>	<u>62</u>

Under the lease agreement the business is obliged to re-instate its property to its original condition when vacated.
It is likely this provision will be used when the lease expires.

17. Creditors – amounts due falling after more than one year

	2020 £'000	2019 £'000
Lease liabilities	<u>415</u>	<u>-</u>
	<u>415</u>	<u>-</u>

Lease liabilities are due after more than one year but less than five years.
The lease liability is owed to another group undertaking.

18. Called up share capital

	2020 £'000	2019 £'000
Issued, allotted and called up: 1,221 Ordinary shares of £1 each	<u>1</u>	<u>1</u>

19. Contingent liabilities

The Company is a guarantor to a £165 million Multicurrency Revolving Credit Facility Agreement, with an initial five-year term and a two year extension option. This facility will expire on 14 February 2025 without the utilisation of the extensions. The agreement is between The Vitec Group plc, several of its subsidiaries and five banks. This guarantee is considered to be an inter group insurance arrangement and in accordance with IFRS 4 is accounted for as a contingent liability.

Details of the financing facility can be found in the Annual Report & Accounts 2020 of The Vitec Group plc.

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NOTES TO THE FINANCIAL STATEMENTS (continued)

19. Contingent liabilities (continued)

The Company is a guarantor in an agreement between various parties, including The Vitec Group plc, to a Euro Commercial Paper Programme, set up to access the Bank of England's Covid Corporate Finance Facility scheme (the "CCFF"). At 31 December 2020, £50,000,000 had been drawn down under the CCFF.

20. Post balance sheet events

The Company utilised UK Government support in the form of furlough payments which have been recognised within Other Income in the profit and loss account and subsequently repaid in March 2021.

The entire amount drawn under the CCFF was repaid in March 2021 by the Vitec Group plc.

There were no other material adjusting or non-adjusting events that require disclosure between the Balance Sheet date and the date of this report.

21. Ultimate parent company

The Company is a wholly owned subsidiary of Vizua Limited and of its ultimate parent, The Vitec Group plc. The ultimate parent undertaking and the smallest and largest group to consolidate these financial statements is The Vitec Group plc, a company which is registered in England and Wales. Copies of the Annual Report & Financial Statements 2020 of The Vitec Group plc are available from the Company Secretary, Bridge House, Heron Square, Richmond, TW9 1EN.