

**Group Strategic Report,  
Report of the Directors and  
Consolidated Financial Statements  
For The Year Ended 31 December 2020  
for  
Metia Group Limited**

**Contents of the Consolidated Financial Statements  
For The Year Ended 31 December 2020**

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Company Information  
For The Year Ended 31 December 2020

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<b>DIRECTORS:</b>	Mr S A Ellis P Burcher
<b>REGISTERED OFFICE:</b>	77 Shaftesbury Avenue London W1D 5DU
<b>REGISTERED NUMBER:</b>	04171401 (England and Wales)
<b>AUDITORS:</b>	Giess Wallis Crisp LLP Registered Auditor 10-12 Mulberry Green Old Harlow Essex CM17 0ET
<b>BANKERS:</b>	Coutts & Co 188 Fleet Street London EC4A 2HT

**Group Strategic Report  
For The Year Ended 31 December 2020**

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The directors present their strategic report of the Company and the Group for the year ended 31st December 2020.

**BUSINESS OVERVIEW**

Founded in 1988, Metia is an independent marketing agency serving leading global brands worldwide. Our purpose is to be an essential business partner to client organisations by providing customer-focused marketing that is authentic, innovative and measurable.

We do this at scale, using technology platforms and audience expertise. Metia is an international business with offices in London, Seattle, Austin, and Singapore. In the past two years we have successfully delivered marketing programmes into more than 88 countries and in 39 languages.

Today we employ over 100 highly skilled marketing professionals including developers, designers, UX specialists, copywriters, editors, project managers, data analysts, systems architects, insight, analytics and marketing consultants. Metia extends its delivery capability through our Global Content Network, a retained team of subject matter specialists. Our multi-disciplinary teams enable us to deliver highly integrated and effective performance marketing campaigns at scale.

**REVIEW OF THE BUSINESS**

Metia has a record of profitable organic growth and expansion. This is made possible by our enviable record of maintaining long-term client relationships, evidenced by an average tenure with our top eight global clients which remains in excess of ten years, and also by attracting new client brands through our innovative and differentiated service offerings.

Total reported revenue fell slightly to £13.11 million, a 1.15% decrease on 2019 revenue of £13.26 million.

Reported operating profit was £0.46 million, compared to an operating profit of £0.23 million in 2019. This increase was driven by strong growth in our international operations across the United States, Asia and continental Europe.

Our underlying profit, as measured on an EBITDA basis (operating profit excluding tax, depreciation, amortisation and interest), was £0.48 million (2019: £0.31 million).

Metia Group's balance sheet remains strong with cash balances at year end of £3.51 million (2019: £2.63 million), zero debt and a liquidity cover of 196.3% (2019 232.7%).

Metia continues to invest in talent and technology to support our core digital and demand marketing capabilities, and grow our client relationships. During the year, we extended our product offerings around Insight (data science and analytics), Demand and Content. Since the year end we have continued to augment these offerings and invested further in differentiated systems and tools to support them. Our Customer Resonance System (CRS) is being used by both existing and new clients, including some of the world's largest brands, to measure the gap between their corporate content and their customer's conversations. Our Performance Benchmark Index (PBX) has been used at scale to drive substantial performance improvement in multi-country digital marketing campaigns.

We have recruited specialist experts to work with our clients and teams to integrate these capabilities into customer programmes. We continue to grow our team and capabilities in these and other new areas of innovation.

**PRINCIPAL RISKS AND UNCERTAINTIES**

The Group seeks to maximise revenue and profitability while taking a sensible approach to risk. We aim to be diverse in our revenue streams, including the contributions from individual clients and geographic territories. We manage our cash reserves conservatively, retaining considerable positive balances.

**EMPLOYEE INVOLVEMENT AND EQUAL OPPORTUNITIES**

Metia places considerable value on the involvement of its employees and has continued its previous practice of keeping them informed on matters affecting them as employees and on the various factors affecting the performance of the Group. Metia is an equal opportunities employer and does not discriminate against any current or potential employees on any basis.

We are hugely grateful for the hard work of all the talented Metia people around the world over the last twelve months; their passion, creativity and innovation makes us what we are.

**Group Strategic Report  
For The Year Ended 31 December 2020**

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**OUTLOOK**

Our reputation as a thought leader in our areas of specialization continues to gain recognition in the market. We continue to benefit from the broader changes in the marketplace, led by digital transformation in all industries, driving toward greater use of data led insight and digital techniques to improve the return on investment from marketing programmes.

**ON BEHALF OF THE BOARD:**

Mr S A Ellis - Director

21 September 2021

**Report of the Directors  
For The Year Ended 31 December 2020**

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The directors present their report with the financial statements of the company and the group for the year ended 31 December 2020.

**DIVIDENDS**

No dividends are to be paid in the year ended 31st December 2020.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 January 2020 to the date of this report.

Mr S A Ellis  
P Burcher

**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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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;
- 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 ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

**AUDITORS**

The auditors, Giess Wallis Crisp LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD:**

Mr S A Ellis - Director

21 September 2021

### **Opinion**

We have audited the financial statements of Metia Group Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2020 which comprise the Consolidated Income Statement, Consolidated Other Comprehensive Income, Consolidated Statement of Financial Position, Company Statement of Financial Position, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Statement of Cash Flows and Notes to the Consolidated Statement of Cash Flows, 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 2020 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**

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 group's and the parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

### **Other information**

The directors are responsible for the other information. The other information comprises the information in the 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 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.

### **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.

**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 four, 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.

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:

Based on our understanding of the the company and the industry in which they operate, we identified the significant laws and regulations in relation to this company as being: financial reporting legislation (including Companies Act 2006) and taxation legislation (including corporation tax act 2010), and we considered the extent to which non-compliance might have a material effect on the financial statements. These laws and regulations could have a direct impact on the financial statements. As part of the planning process we evaluated the management's incentives and opportunities for fraudulent manipulation of the financial statements and concluded that the principal risk is related to the possible override of controls by management. The results of the above assessment were communicated to the engagement team during the engagement team briefing prior to the commencement of the audit field work.

Audit procedures performed in response to the potential risks relating to irregularities , fraud and non-compliance with laws and regulations comprised of:

- Enquiries of management and those charged with governance.
- Evaluation and testing of the effectiveness of internal controls via a combination of walkthrough testing and detailed controls testing.
- Testing the appropriateness of entries in the nominal ledger, including journal entries.
- Review and testing of transactions either side of the end of the reporting period.
- Analytical review of the financial statements at both planning and completion stage to identify any anomalies or unexpected movements in account balances which may be indicative of fraud.

The results of the above audit procedures were that no instances of non-compliance with laws and regulations were identified and no instances of material fraud were identified.



## **Report of the Independent Auditors to the Members of Metia Group Limited**

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There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, 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 by, for example, forgery or intentional misrepresentations, or through collusion. There is therefore an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISA's (UK).

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.

### **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.

Michael Wallis FCA (Senior Statutory Auditor)  
for and on behalf of Giess Wallis Crisp LLP  
Registered Auditor  
10-12 Mulberry Green  
Old Harlow  
Essex  
CM17 0ET

21 September 2021

**Consolidated Income Statement**  
**For The Year Ended 31 December 2020**

	Notes	2020 £	2019 £
<b>TURNOVER</b>	4	<b>13,110,383</b>	13,262,592
Cost of sales		<u>3,452,332</u>	<u>3,630,710</u>
<b>GROSS PROFIT</b>		<b>9,658,051</b>	9,631,882
Administrative expenses		<u>9,554,655</u>	<u>9,745,566</u>
		<b>103,396</b>	(113,684)
Other operating income		<u>331,025</u>	<u>341,400</u>
<b>OPERATING PROFIT</b>	6	<b>434,421</b>	227,716
Interest receivable and similar income		<u>1,457</u>	<u>1,516</u>
<b>PROFIT BEFORE TAXATION</b>		<b>435,878</b>	229,232
Tax on profit	8	<u>28,203</u>	-
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<b>407,675</b>	<u>229,232</u>
Profit attributable to:			
Owners of the parent		<u>407,675</u>	<u>229,232</u>

The notes form part of these financial statements

**Consolidated Other Comprehensive Income  
For The Year Ended 31 December 2020**

	Notes	2020 £	2019 £
<b>PROFIT FOR THE YEAR</b>		<b>407,675</b>	<b>229,232</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
Exchange rate movement		(105,498)	(114,694)
Income tax relating to other comprehensive income		-	-
<b>OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX</b>		<b>(105,498)</b>	<b>(114,694)</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b><u>302,177</u></b>	<b><u>114,538</u></b>
Total comprehensive income attributable to: Owners of the parent		<b><u>302,177</u></b>	<b><u>114,538</u></b>

The notes form part of these financial statements

**Consolidated Statement of Financial Position**  
**31 December 2020**

		2020		2019	
	Notes	£	£	£	£
<b>FIXED ASSETS</b>					
Intangible assets	10		248,522		-
Tangible assets	11		-		12,300
Investments	12		-		-
			<u>248,522</u>		<u>12,300</u>
<b>CURRENT ASSETS</b>					
Debtors	13	4,512,273		4,151,079	
Cash at bank and in hand		<u>3,509,262</u>		<u>2,632,234</u>	
		8,021,535		6,783,313	
<b>CREDITORS</b>					
Amounts falling due within one year	14	<u>4,087,211</u>		<u>2,914,944</u>	
<b>NET CURRENT ASSETS</b>			<u>3,934,324</u>		<u>3,868,369</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>4,182,846</u>		<u>3,880,669</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	15		7,123		7,123
Capital redemption reserve	16		2,877		2,877
Other reserves	16		101,337		206,835
Retained earnings	16		<u>4,071,509</u>		<u>3,663,834</u>
<b>SHAREHOLDERS' FUNDS</b>			<u>4,182,846</u>		<u>3,880,669</u>

The financial statements were approved by the Board of Directors and authorised for issue on 21 September 2021 and were signed on its behalf by:

Mr S A Ellis - Director

**Company Statement of Financial Position**  
**31 December 2020**

		2020		2019	
	Notes	£	£	£	£
<b>FIXED ASSETS</b>					
Intangible assets	10		-		-
Tangible assets	11		-		-
Investments	12		<u>24,746</u>		<u>24,746</u>
			<u>24,746</u>		<u>24,746</u>
<b>CURRENT ASSETS</b>					
Cash at bank		<b>364,510</b>		569,824	
<b>CREDITORS</b>					
Amounts falling due within one year	14	<u>8,207</u>		<u>208,207</u>	
<b>NET CURRENT ASSETS</b>			<u>356,303</u>		<u>361,617</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>381,049</u>		<u>386,363</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	15		7,123		7,123
Capital redemption reserve	16		2,877		2,877
Retained earnings	16		<u>371,049</u>		<u>376,363</u>
<b>SHAREHOLDERS' FUNDS</b>			<u>381,049</u>		<u>386,363</u>
Company's loss for the financial year			<u>(5,314)</u>		<u>(6,921)</u>

The financial statements were approved by the Board of Directors and authorised for issue on 21 September 2021 and were signed on its behalf by:

Mr S A Ellis - Director

**Consolidated Statement of Changes in Equity  
For The Year Ended 31 December 2020**

	<b>Called up share capital £</b>	<b>Retained earnings £</b>	<b>Capital redemption reserve £</b>	<b>Other reserves £</b>	<b>Total equity £</b>
<b>Balance at 1 January 2019</b>	7,123	3,434,602	2,877	321,529	3,766,131
<b>Changes in equity</b>					
Total comprehensive income	-	229,232	-	(114,694)	114,538
<b>Balance at 31 December 2019</b>	7,123	3,663,834	2,877	206,835	3,880,669
<b>Changes in equity</b>					
Total comprehensive income	-	407,675	-	(105,498)	302,177
<b>Balance at 31 December 2020</b>	7,123	4,071,509	2,877	101,337	4,182,846

The notes form part of these financial statements

**Company Statement of Changes in Equity  
For The Year Ended 31 December 2020**

	<b>Called up share capital £</b>	<b>Retained earnings £</b>	<b>Capital redemption reserve £</b>	<b>Total equity £</b>
<b>Balance at 1 January 2019</b>	7,123	383,284	2,877	393,284
<b>Changes in equity</b>				
Total comprehensive income	-	(6,921)	-	(6,921)
<b>Balance at 31 December 2019</b>	<u>7,123</u>	<u>376,363</u>	<u>2,877</u>	<u>386,363</u>
<b>Changes in equity</b>				
Total comprehensive income	-	(5,314)	-	(5,314)
<b>Balance at 31 December 2020</b>	<u>7,123</u>	<u>371,049</u>	<u>2,877</u>	<u>381,049</u>

The notes form part of these financial statements

**Consolidated Statement of Cash Flows**  
**For The Year Ended 31 December 2020**

		2020	2019
	Notes	£	£
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	1,208,218	817,194
Tax paid		49,986	18,229
Net cash from operating activities		<u>1,258,204</u>	<u>835,423</u>
<b>Cash flows from investing activities</b>			
Purchase of intangible fixed assets		(271,114)	-
Purchase of tangible fixed assets		-	(8,363)
Exchange differences		(6,021)	(1,247)
Interest received		1,457	1,516
Net cash from investing activities		<u>(275,678)</u>	<u>(8,094)</u>
<b>Increase in cash and cash equivalents</b>		<u>982,526</u>	<u>827,329</u>
<b>Cash and cash equivalents at beginning of year</b>	2	2,632,234	1,919,599
Effect of foreign exchange rate changes		(105,498)	(114,694)
<b>Cash and cash equivalents at end of year</b>	2	<u>3,509,262</u>	<u>2,632,234</u>

The notes form part of these financial statements



**Notes to the Consolidated Statement of Cash Flows  
For The Year Ended 31 December 2020**

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

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Profit before taxation	<b>435,878</b>	229,232
Depreciation charges	<b>40,913</b>	77,711
Finance income	<b>(1,457)</b>	(1,516)
	<b>475,334</b>	305,427
(Increase)/decrease in trade and other debtors	<b>(429,405)</b>	216,112
Increase in trade and other creditors	<b>1,162,289</b>	295,655
<b>Cash generated from operations</b>	<b>1,208,218</b>	817,194

**2. CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

**Year ended 31 December 2020**

	<b>31/12/20</b>	<b>1/1/20</b>
	<b>£</b>	<b>£</b>
Cash and cash equivalents	<b>3,509,262</b>	<b>2,632,234</b>

**Year ended 31 December 2019**

	<b>31/12/19</b>	<b>1/1/19</b>
	<b>£</b>	<b>£</b>
Cash and cash equivalents	<b>2,632,234</b>	<b>1,919,599</b>

**3. ANALYSIS OF CHANGES IN NET FUNDS**

	<b>At 1/1/20</b>	<b>Cash flow</b>	<b>At 31/12/20</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Net cash</b>			
Cash at bank and in hand	<b>2,632,234</b>	<b>877,028</b>	<b>3,509,262</b>
	<b>2,632,234</b>	<b>877,028</b>	<b>3,509,262</b>
<b>Total</b>	<b>2,632,234</b>	<b>877,028</b>	<b>3,509,262</b>

**Notes to the Consolidated Financial Statements  
For The Year Ended 31 December 2020**

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**1. STATUTORY INFORMATION**

Metia Group 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 General Information page.

**2. STATEMENT OF COMPLIANCE**

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.

**3. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements have been prepared under the historical cost convention.

**Basis of consolidation**

The company and its subsidiaries comprise a medium sized group. The company has therefore prepared group accounts including 100% of its material subsidiaries, made up to 31st December each year.

The only subsidiary not included within the consolidation is Metia Canada Ltd, because it is not a material component.

The company and its subsidiaries have uniform accounting policies. The subsidiary companies prepare their accounts in the local currency. The group accounts have been prepared using the rate ruling at the balance sheet date to retranslate the accounts into Sterling in accordance with FRS 102 in order to consolidate. The profit and loss is translated at an average rate throughout the year.

The group has also taken advantage of the reduced disclosure provisions of FRS8.

The group has also taken advantage of exemption, under the terms of Financial Reporting standard 8 Related party disclosures, not to disclose related party transactions with wholly owned subsidiaries within the group.

**Significant judgements and estimates**

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

There are no estimates and assumptions which have had a significant risk of causing a material adjustment to the carrying amount of assets and liabilities

**Turnover**

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

**Notes to the Consolidated Financial Statements - continued**  
**For The Year Ended 31 December 2020**

**3. ACCOUNTING POLICIES - continued**

**Rendering of services**

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

**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.

Computer software is being amortised evenly over its estimated useful life of three years.

**Tangible fixed assets**

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

Improvements to property	- 33% on cost
Plant and machinery	- 20% on cost
Fixtures and fittings	- 33% on cost
Computer equipment	- 33% on cost

**Government grants**

Government grants relating to revenue expenditure are recognised as income on a systematic basis over the periods in which the related costs are recognised for which the grant is intended to compensate.

Grants the Company received and were entitled to receive during the year were the CJRS (Coronavirus Job Retention Scheme) grant.

**Financial instruments**

The company has elected to apply the provisions of Section 11: 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**Basic financial assets**

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

**Other financial assets**

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

**Notes to the Consolidated Financial Statements - continued**  
**For The Year Ended 31 December 2020**

**3. ACCOUNTING POLICIES - continued**

**Impairment of financial assets**

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

**Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

**Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

**Basic financial liabilities**

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

**Other financial liabilities**

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

**Derecognition of financial liabilities**

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

**Notes to the Consolidated Financial Statements - continued**  
**For The Year Ended 31 December 2020**

**3. ACCOUNTING POLICIES - continued**

**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 statement of financial position date.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position 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.

**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.

**Management of liquid resources**

Liquid resources comprise cash at bank and in hand, debtors, demand deposits with banks and other financial institutions, short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition.

**Investments in subsidiaries**

Investments in subsidiaries are recognised at cost.

**4. TURNOVER**

An analysis of turnover and profits between geographical markets has not been given because, in the opinion of the directors, this disclosure would be seriously prejudicial to the company.

**5. EMPLOYEES AND DIRECTORS**

	2020	2019
	£	£
Wages and salaries	6,554,930	6,504,335
Social security costs	613,489	606,973
Other pension costs	67,148	68,621
	<u>7,235,567</u>	<u>7,179,929</u>

**Notes to the Consolidated Financial Statements - continued**  
**For The Year Ended 31 December 2020**

**5. EMPLOYEES AND DIRECTORS - continued**

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

	2020	2019
Management	8	7
Administration	9	10
Delivery	42	42
Consulting	45	48
	<u>104</u>	<u>107</u>

The average number of employees by undertakings that were proportionately consolidated during the year was NIL (2019 - NIL).

	2020	2019
	£	£
Directors' remuneration	<u>307,456</u>	<u>367,342</u>

Information regarding the highest paid director is as follows:

	2020	2019
	£	£
Emoluments etc	<u>202,356</u>	<u>262,975</u>

**6. OPERATING PROFIT**

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

	2020	2019
	£	£
Other operating leases	703,382	699,655
Depreciation - owned assets	18,321	76,464
Computer software amortisation	22,592	-
Foreign exchange differences	25,011	16,102
Government grants	<u>(57,905)</u>	<u>-</u>

Government grants recognised relate to amounts received for the Coronavirus Job Retention Scheme and have been presented as other operating income in the Income Statement.

**7. AUDITORS' REMUNERATION**

Fees payable to the Company's auditors and its associates for the audit of the Company's annual financial statements were £24,000 (2019: £23,800)

**8. TAXATION**

**Analysis of the tax charge**

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

	2020	2019
	£	£
Current tax:		
Foreign tax	28,203	-
Tax on profit	<u>28,203</u>	<u>-</u>

**Notes to the Consolidated Financial Statements - continued**  
**For The Year Ended 31 December 2020**

**8. TAXATION - continued**

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

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

	2020 £	2019 £
Profit before tax	<u>435,878</u>	<u>229,232</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2019 - 19%)	82,817	43,554
Effects of:		
Capital allowances in excess of depreciation	(4,261)	-
Depreciation in excess of capital allowances	-	2,367
Utilisation of tax losses	(78,556)	(45,921)
Overseas Tax	<u>28,203</u>	-
Total tax charge	<u>28,203</u>	-

**Tax effects relating to effects of other comprehensive income**

	Gross £	2020 Tax £	Net £
Exchange rate movement	<u>(105,498)</u>	-	<u>(105,498)</u>
		2019	
	Gross £	Tax £	Net £
Exchange rate movement	<u>(114,694)</u>	-	<u>(114,694)</u>

**9. 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.

**10. INTANGIBLE FIXED ASSETS**

**Group**

	Computer software £
<b>COST</b>	
Additions	271,114
At 31 December 2020	<u>271,114</u>
<b>AMORTISATION</b>	
Amortisation for year	22,592
At 31 December 2020	<u>22,592</u>
<b>NET BOOK VALUE</b>	
At 31 December 2020	<u>248,522</u>

Notes to the Consolidated Financial Statements - continued  
For The Year Ended 31 December 2020

10. INTANGIBLE FIXED ASSETS - continued

Group

The intangible asset relates to software development and continues to be written off over its remaining useful economic life of 2 years and 9 months.

11. TANGIBLE FIXED ASSETS

Group

	Improvements to property £	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Totals £
<b>COST</b>					
At 1 January 2020	463,512	157,790	109,220	11,020	741,542
Exchange differences	-	6,021	-	-	6,021
At 31 December 2020	463,512	163,811	109,220	11,020	747,563
<b>DEPRECIATION</b>					
At 1 January 2020	463,512	145,490	109,220	11,020	729,242
Charge for year	-	18,321	-	-	18,321
At 31 December 2020	463,512	163,811	109,220	11,020	747,563
<b>NET BOOK VALUE</b>					
At 31 December 2020	-	-	-	-	-
At 31 December 2019	-	12,300	-	-	12,300

12. FIXED ASSET INVESTMENTS

Company

	Shares in group undertaking £
<b>COST</b>	
At 1 January 2020 and 31 December 2020	24,746
<b>NET BOOK VALUE</b>	
At 31 December 2020	24,746
At 31 December 2019	24,746

The group or the company's investments at the Statement of Financial Position date in the share capital of companies include the following:

Subsidiaries

Metia Limited

Registered office: 77 Shaftesbury Avenue, London, England, W1D 5DU  
Nature of business: Marketing agency

Class of shares:	% holding
Ordinary	100.00



**Notes to the Consolidated Financial Statements - continued**  
**For The Year Ended 31 December 2020**

**12. FIXED ASSET INVESTMENTS - continued**

**Metia Solutions Inc**

Registered office: 10220, NE Points Drive, Kirkland, Washington, 98033, United States of America

Nature of business: Marketing agency

Class of shares:	%
Ordinary	holding 100.00

**Metia Pte Limited**

Registered office: 111 Amoy Street, 069931, Singapore

Nature of business: Marketing agency

Class of shares:	%
Ordinary	holding 100.00

**Metia Canada Ltd**

Registered office: 422 Richards Street, Vancouver

Nature of business: Marketing agency

Class of shares:	%
Class A	holding 49.51

The financial statements of Metia Canada Ltd are not included in the consolidated financial statements of Metia Group Ltd as they are not a material component.

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

	Group	
	2020	2019
	£	£
Trade debtors	3,648,295	3,064,178
Other debtors	273,120	362,751
Corporation tax recoverable	160,913	229,124
Prepayments and accrued income	429,945	495,026
	<u>4,512,273</u>	<u>4,151,079</u>

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

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Trade creditors	171,601	248,868	-	-
Amounts owed to group undertakings	-	-	-	200,000
Tax	27,121	17,143	-	-
Social security and other taxes	66,474	88,884	-	-
VAT	220,184	107,263	-	-
Other creditors	115,070	94,445	3,207	3,207
Accruals and deferred income	3,486,761	2,358,341	5,000	5,000
	<u>4,087,211</u>	<u>2,914,944</u>	<u>8,207</u>	<u>208,207</u>

Notes to the Consolidated Financial Statements - continued  
For The Year Ended 31 December 2020

15. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:		Nominal value:	2020	2019
Number:	Class:		£	£
7,123,000	Ordinary	0.1p	<u>7,123</u>	<u>7,123</u>

16. RESERVES

Group

	Retained earnings £	Capital redemption reserve £	Other reserves £	Totals £
At 1 January 2020	3,663,834	2,877	206,835	3,873,546
Profit for the year	407,675			407,675
Exchange rate movement	-	-	(105,498)	(105,498)
At 31 December 2020	<u>4,071,509</u>	<u>2,877</u>	<u>101,337</u>	<u>4,175,723</u>

Company

	Retained earnings £	Capital redemption reserve £	Totals £
At 1 January 2020	376,363	2,877	379,240
Deficit for the year	(5,314)		(5,314)
At 31 December 2020	<u>371,049</u>	<u>2,877</u>	<u>373,926</u>

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.