

Entourage PLC

Company Registration Number 05991148

Annual Report and Financial Statements

Year ended 31 December 2020



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Directors	A S Gill J Gill
Company secretary	J Gill
Registered office	Leigh House 28-32 St Paul's Street Leeds West Yorkshire LS1 2JT
Company number	05991148
Statutory auditor	Brown Butler Chartered Accountants Leigh House 28-32 St Paul's Street Leeds LS1 2JT
Bankers	National Westminster Bank Plc 8 Park Row Leeds LS1 5HD

The directors present their strategic report for the year ended 31 December 2020.

Principal activity

The principal activities of the company are property investment and the resale of printing equipment.

Fair review of the business

Turnover has decreased to £971,427 from £1,013,785. The company recorded a pre-tax profit for the year of £3,035,475 compared to £619,040 in 2019. Of the pre-tax profit for the year, £2,008,875 represents non-distributable profit from the revaluation of investment property during the year.

The directors are mindful of the impact that the COVID-19 pandemic may have on its tenants but confirm that the company has sufficient cash reserves to meet its financial obligations for the foreseeable future.

Results and performance

The results for the year ended 31 December 2020 are shown in the profit and loss account. The profit for the year after taxation was £2,458,338 (2019: £498,619). Of the profit for the year, £1,627,189 was identified as non-distributable following a revaluation of investment property, less the associated deferred tax impact.

The directors are satisfied with the result for the year considering the current difficult economic climate. The directors believe that the development and extension of the company's main freehold investment property, which was completed during the prior year, has resulted in strong financial results in the current year and will continue into the foreseeable future.

Business environment

The directors feel that the overall business environment is challenging however not very competitive due to the nature of the company's business. The majority of income comes from rents charged to tenants and currently there is a high level of occupancy throughout the building.

Strategy

The directors aim to maintain the high level of occupancy throughout the building in order to guarantee rental income whilst also maximising potential sources of other income such as the sale of machinery and consultancy charges.

Key performance indicators ('KPIs')

The directors consider key performance indicators to be gross and net profit and are satisfied at the results in both.

The directors look forward to the future with optimism but are mindful of the difficult trading conditions which face the majority of small businesses.

Principal risks and uncertainties

The company has considerable financial resources, as a consequence, the directors believe that the company is well placed to manage its business risks successfully despite the current uncertain economic outlook.

The company's principal risk is direct credit risk in relation to its lease agreements with the tenants of its investment property. In order to mitigate risk the directors carry out stringent credit worthiness checks for all potential new tenants.

Future developments

The directors believe that the outlook for the company remains positive with profits expected for 2021. The directors are optimistic that profits can be sustained for the foreseeable future.

Approved by the Board on 28/5/21 and signed on its behalf by:



A S Gill
Director

The directors present their annual report and the audited financial statements for the year ended 31 December 2020.

Directors of the company

The directors who held office during the year were as follows:

A S Gill

J Gill

Dividends

The directors do not propose the payment of a final dividend in respect of the financial year ended 31 December 2020.

Going concern

The directors have prepared the financial statements on the going concern basis consistent with their view formed after making appropriate enquiries as outlined in note 2 to the financial statements.

The company's principal risks and uncertainties are set out in the strategic report on page 3.

Disclosure of information to the auditors

So far as the directors are aware, there is no information relevant to the audit of which the company's auditors are unaware. The directors have taken the necessary steps to ensure that they themselves are aware of all relevant audit information and made sure that the company's auditors are also aware of that information.

Approved by the Board on 28/5/21 and signed on its behalf by:



A S Gill
Director

The directors are responsible for preparing the annual 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). 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 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; and
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Opinion

We have audited the financial statements of Entourage PLC (the "company") for the year ended 31 December 2020, which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Changes in Equity, the Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis of 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 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.

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Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 5, 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 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 is available on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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Capability of the audit in detecting irregularities, including fraud

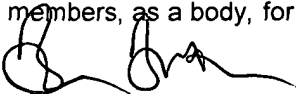
Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The key laws and regulations we have considered in this context included the Companies Act, pension and tax legislation. In addition, we have considered provisions of other laws and regulations that 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. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Using our general commercial and sector experience and through discussions with the directors and other management, we identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements as well as those arising from management's own assessment of the risks that irregularities may occur either as a result of fraud or error.
- We examined the company's regulatory and legal correspondence and discussed with the directors and other management any known or suspected instances of fraud or non-compliance with laws and regulations.
- We communicated identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.
- In addressing the risk of management override of controls, we tested the appropriateness of journal entries. We also challenged assumptions and judgements made by management in their significant accounting estimates and judgements.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentation, or through collusion.

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.



Denis Cross (Senior Statutory Auditor)
For and on behalf of Brown Butler,
Chartered Accountants and Statutory Auditor
Leigh House
28-32 St Paul's Street
Leeds
LS1 2JT

Date: 28/5/21

	Note	2020 £	2019 £
Turnover	3	971,427	1,013,785
Cost of sales		<u>(5,842)</u>	<u>(60,461)</u>
Gross profit		965,585	953,324
Administrative expenses		(288,655)	(334,284)
Change in fair value and gain on disposal of property		<u>2,358,145</u>	<u>-</u>
Profit on ordinary activities before taxation		3,035,075	619,040
Tax on profit	7	<u>(576,737)</u>	<u>(120,421)</u>
Profit for the financial year		2,458,338	498,619
Profit and loss account brought forward		<u>2,113,559</u>	<u>1,614,940</u>
Profit and loss account carried forward		<u><u>4,571,897</u></u>	<u><u>2,113,559</u></u>

The above results were derived from continuing operations.

Entourage PLC
Annual Report and Financial Statements
Balance Sheet as at 31 December 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible fixed assets	8	7,391,058	5,351,516
Investments	10	<u>50</u>	<u>50</u>
		7,391,108	5,351,566
Current assets			
Debtors	11	248,204	544,794
Cash at bank and in hand		<u>1,011,451</u>	<u>125,662</u>
		1,259,655	670,456
Creditors: Amounts falling due within one year	13	<u>(3,533,240)</u>	<u>(3,751,383)</u>
Net current liabilities		<u>(2,273,585)</u>	<u>(3,080,927)</u>
Total assets less current liabilities		5,117,523	2,270,639
Provisions for liabilities	14	<u>(495,626)</u>	<u>(107,080)</u>
Net assets		<u>4,621,897</u>	<u>2,163,559</u>
Capital and reserves			
Called up share capital	15	50,000	50,000
Profit and loss account	16	<u>4,571,897</u>	<u>2,113,559</u>
		<u>4,621,897</u>	<u>2,163,559</u>

These financial statements were approved and authorised for issue by the Board on 28/5/21 and signed on its behalf by:



A S Gill
Director

	Share capital £	Profit and loss account £	Total £
At 1 January 2020	50,000	2,113,559	2,163,559
Profit for the year	-	2,458,338	2,458,338
At 31 December 2020	<u>50,000</u>	<u>4,571,897</u>	<u>4,621,897</u>

	Share capital £	Profit and loss account £	Total £
At 1 January 2019	50,000	1,614,940	1,664,940
Profit for the year	-	498,619	498,619
At 31 December 2019	<u>50,000</u>	<u>2,113,559</u>	<u>2,163,559</u>

Entourage PLC
Annual Report and Financial Statements
Statement of Cash Flows for the year ended 31 December 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Profit for the year		2,458,338	498,619
Adjustments to cash flows from non-cash items			
Depreciation and amortisation	4	10,372	7,081
Changes in fair value of investment property	9	(2,358,145)	-
Loss/(profit) on disposal of property plant and equipment		4,877	(2,028)
Taxation	7	<u>576,737</u>	<u>120,421</u>
		692,179	624,093
Working capital adjustments			
Decrease in stocks		-	46,528
Decrease in trade and other debtors	11	296,590	223,447
(Decrease)/increase in trade and other creditors	13	<u>(320,610)</u>	<u>489,494</u>
Cash generated from operations		668,159	1,383,562
Taxation paid		<u>(85,724)</u>	<u>(107,728)</u>
Net cash flow from operating activities		582,435	1,275,834
Cash flows from investing activities			
Acquisitions of tangible fixed assets	8	(43,929)	-
Proceeds from sale of tangible fixed assets	8	-	12,000
Acquisition of investment properties		(52,027)	(1,189,398)
Proceeds from sale of investment properties		<u>399,310</u>	<u>-</u>
Net cash flows from investing activities		<u>303,354</u>	<u>(1,177,398)</u>
Net increase in cash and cash equivalents		885,789	98,436
Cash and cash equivalents at 1 January 2020		<u>125,662</u>	<u>27,226</u>
Cash and cash equivalents at 31 December 2020		<u><u>1,011,451</u></u>	<u><u>125,662</u></u>

1 General information

Entourage PLC is a private company limited by shares and incorporated in England & Wales under company number 05991148.

The address of its registered office is:

Leigh House
28-32 St Paul's Street
Leeds
West Yorkshire
LS1 2JT

The principal place of business is:

York House
Wetherby Road
York
North Yorkshire
YO26 7NH

2 Summary of significant accounting policies

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS102) and the Companies Act 2006. The financial statements have been prepared on a going concern basis under the historical cost convention modified, where appropriate, to include certain items at fair value. The presentation currency is £ sterling.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

Going concern

After reviewing the company's forecasts, the directors have a reasonable expectation that the company has adequate financial resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

Exemption from preparing group accounts

The company has taken advantage of the exemption in section 399 of the Companies Act 2006 from the requirement to prepare consolidated financial statements, on the grounds that its subsidiary is a dormant company.

Key sources of estimation uncertainty

The preparation of the financial statements requires management to make estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The directors are of the opinion that there are no material accounting estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities.

Turnover

Turnover is measured at fair value of the consideration received or receivable, net of discounts and value added tax. Turnover includes revenue earned from the sale of goods and from the rendering of services.

Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods has transferred to the buyer. This is usually when the goods have been delivered to customers such that the risks and removal of ownership have been transferred to them.

Turnover from the rendering of services is recognised by reference to work undertaken in the period.

Turnover from property rental is recognised by reference to the rent receivable in the period.

Pension contributions

The company has a defined contribution pension scheme. The pension costs charged to the profit and loss account are the contributions payable in respect of the accounting period.

Taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a charge attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

Current tax is recognised for the amount of corporation tax payable in respect of the taxable profit for the year using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed by the balance sheet date. Deferred tax assets are only recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is calculated using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Tangible fixed assets

Tangible fixed assets other than investment property are measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation

Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets, other than investment property, over their expected useful lives. The annual rates and methods of depreciation are as follows:-

Asset class	Depreciation method and rate
Plant and machinery	33% straight line basis
Fixtures, fittings and equipment	25% reducing balance
Motor vehicles	25% reducing balance

Impairment of fixed assets

At the balance sheet date, if there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared to its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised in the profit and loss account. The reversal of an impairment loss is recognised immediately in the profit and loss account.

Investment property

Investment property is initially recognised at cost, which includes purchase cost and any directly attributable expenditure, and is subsequently measured at fair value at each reporting date with the change in fair value recognised in profit or loss. The change in fair value recognised in profit and loss also includes gains realised on the disposal of investment property.

Investments

The investment in the subsidiary is measured at cost less impairment.

Dividends on equity securities are recognised in income when receivable.

Stocks

Stocks are stated at the lower of cost and net realisable value.

Debtors

Short term debtors are measured at transaction price, less any impairment.

Cash at bank and in hand

Cash at bank and in hand comprises cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Creditors

Short term creditors are measured at transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are subsequently measured at amortised cost using the effective interest method.

Leases

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term.

Assets held for use in operating leases are included as investment property in fixed assets at cost and depreciated over their useful life.

Rental income from operating leases is recognised on a straight line basis over the term of the lease.

3 Turnover

The analysis of the company's turnover for the year from continuing operations is as follows:

	2020 £	2019 £
Other sales income	46,514	67,059
Rent receivable	736,750	522,467
Property costs and service charges receivable	188,163	424,259
	<u>971,427</u>	<u>1,013,785</u>

4 Profit on ordinary activities before taxation

The profit is stated after charging:

	2020 £	2019 £
Depreciation of tangible fixed assets	10,372	7,081
Loss/(profit) on disposal of property, plant and equipment	4,877	(2,028)
Auditor's remuneration	<u>6,000</u>	<u>4,500</u>

5 Staff costs

Employee costs, including directors, during the year:

	2020 £	2019 £
Wages and salaries	52,517	57,125
Social security costs	6,735	7,622
Other pension costs	1,587	1,523
	<u>60,839</u>	<u>66,270</u>

The average number of persons employed by the company (including directors) during the year was as follows:

	2020 No.	2019 No.
Employees	<u>3</u>	<u>3</u>

6 Directors' remuneration

The directors' remuneration for the year was as follows:

	2020 £	2019 £
Salaries	<u>8,500</u>	<u>8,000</u>

7 Tax on profit

	2020 £	2019 £
Current taxation		
UK corporation tax	188,191	85,724
Deferred taxation		
Origination and reversal of timing differences	<u>388,546</u>	<u>34,697</u>
Tax on profit	<u>576,737</u>	<u>120,421</u>

The tax charge for the year is higher than (2019: higher than) the standard rate of corporation tax in the UK of 19% (2019: 19%).

The differences are reconciled below:

	2020 £	2019 £
Profit before tax	<u>3,035,075</u>	<u>619,040</u>
Corporation tax at standard rate	576,664	117,617
Expenses not deductible for tax purposes	<u>73</u>	<u>2,804</u>
Total tax charge	<u>576,737</u>	<u>120,421</u>

8 Tangible fixed assets

	Freehold investment property £	Plant and machinery £	Furniture, fittings and equipment £	Motor vehicles £	Total £
Cost					
At 1 January 2020	5,330,635	26,531	46,684	20,094	5,423,944
Revaluations	2,008,875	-	-	-	2,008,875
Additions	52,027	-	43,929	-	95,956
Disposals	(50,040)	-	(25,295)	-	(75,335)
At 31 December 2020	<u>7,341,497</u>	<u>26,531</u>	<u>65,318</u>	<u>20,094</u>	<u>7,453,440</u>
Depreciation					
At 1 January 2020	-	25,886	39,949	6,593	72,428
Charge for the year	-	336	6,660	3,376	10,372
Eliminated on disposal	-	-	(20,418)	-	(20,418)
At 31 December 2020	<u>-</u>	<u>26,222</u>	<u>26,191</u>	<u>9,969</u>	<u>62,382</u>
Net book value					
At 31 December 2019	<u>5,330,635</u>	<u>645</u>	<u>6,735</u>	<u>13,501</u>	<u>5,351,516</u>
At 31 December 2020	<u>7,341,497</u>	<u>309</u>	<u>39,127</u>	<u>10,125</u>	<u>7,391,058</u>

Contractual commitments for the acquisition of tangible fixed assets were as follows:

	2020 £	2019 £
Investment property	<u>58,000</u>	<u>-</u>

9 Investment property

The company's investment property has been measured at fair value, equivalent to open market value, by the directors as at the financial year end.

Had this class of asset been measured on a historical cost basis, their carrying amount would have been £5,332,622 (2019 - £5,280,595).

The freehold investment property is used by the company in connection with the generation of the operating lease income.

There has been no valuation of investment property by an independent valuer.

10 Investments

	2020 £	2019 £
Investments in subsidiary undertakings at cost	<u>50</u>	<u>50</u>

The company owns the entire issued share capital of Equus Development Plc which is a dormant company.

11 Debtors

	2020 £	2019 £
Trade debtors	192,803	172,938
Other debtors	24,634	349,675
Prepayments	30,767	22,181
	<u>248,204</u>	<u>544,794</u>

12 Cash and cash equivalents

	2020 £	2019 £
Cash on hand	2,854	2,354
Cash at bank	<u>1,008,597</u>	<u>123,308</u>
	<u>1,011,451</u>	<u>125,662</u>

13 Creditors:

Amounts falling due within one year

	2020 £	2019 £
Trade creditors	28,252	31,820
Social security and other taxes	64,713	37,333
Other creditors	3,087,056	3,478,022
Corporation tax	188,191	85,724
Accruals and deferred income	<u>165,028</u>	<u>118,484</u>
	<u>3,533,240</u>	<u>3,751,383</u>

14 Provisions

	Deferred tax £	Total £
At 1 January 2020	107,080	107,080
Increase in existing provisions	<u>388,546</u>	<u>388,546</u>
At 31 December 2020	<u>495,626</u>	<u>495,626</u>

Analysis of deferred tax is as follows:

	£
2020	
Capital allowances in excess of depreciation	113,940
Unrealised profit on revaluation of investment property	<u>381,686</u>
	<u>495,626</u>
2019	
Capital allowances in excess of depreciation	107,080
Unrealised profit on revaluation of investment property	<u>-</u>
	<u>107,080</u>

15 Share capital

Allotted, called up and fully paid shares

	2020		2019	
	No.	£	No.	£
Ordinary shares of £1 each	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>

16 Capital and reserves

Called-up share capital - represents the nominal value of shares that have been issued.

Profit and loss account - includes all current and prior period retained profits and losses, together with the revaluation of investment property less the associated deferred tax liability. The amount of the revaluation less deferred tax, which amounted to £1,627,189 as at 31 December 2020, is non-distributable.

17 Leasing commitments

Operating leases - lessor

The total of future minimum lease payments is as follows:

	2020 £	2019 £
Not later than one year	738,951	678,951
Later than one year and not later than five years	2,754,494	2,597,807
Later than five years	<u>2,065,680</u>	<u>2,686,318</u>
	<u>5,559,125</u>	<u>5,963,076</u>

Entourage Plc owns investment property, as disclosed in note 8, which is let to third parties. These non-cancellable leases have remaining terms of up to ten years. All leases include provision for upward rent reviews according to prevailing market conditions.

18 Analysis of changes in net cash

	At 1 January 2020 £	Cash Flows £	At 31 December 2020 £
Cash and cash equivalents	125,662	885,789	1,011,451
Total net cash	<u>125,662</u>	<u>885,789</u>	<u>1,011,451</u>

19 Pension and other schemes

Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £1,587 (2019 - £1,523).

20 Related party transactions

During the year the directors introduced funds into the company amounting to £nil (2019: £507,866) and removed funds from the company amounting to £437,406 (2019: £nil). At the balance sheet date the amount due to directors was £3,086,735 (2019: £3,477,629).

Summary of transactions with other related parties

Mosaic Group Limited is a company of which A S Gill is an officer and shareholder. During the year the company received, net of VAT, management and consultancy fees and recharges from Mosaic Group Limited of £204,626 (2019: £386,189) and rental income of £100,000 (2019: £39,996). At the balance sheet date the amount due from Mosaic Group Limited was £71,646 (2019: £71,700).

A S Gill and J Gill are trustees of the CEG Trust. During the year the company recharged costs, net of VAT, of £3,439 (2019: £nil) to the CEG Trust. At the balance sheet date the amount due from the CEG Trust was £298 (2019: £317,780).

21 Controlling party

The company is controlled by A S Gill and J Gill by virtue of their ownership of the entire issued share capital of the company.