

Adjust Your Set Limited

Report and Financial Statements

Financial Statements

Year Ended

31 December 2019

Company Number 06446827

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Adjust Your Set Limited

Company Information

Director	C Gorell Barnes
Company secretary	K Iselin
Registered number	06446827
Registered office	151 Rosebery Avenue London EC1R 4AB
Accountants	BDO LLP 55 Baker Street London W1U 7EU

Adjust Your Set Limited

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Adjust Your Set Limited

Director's report For the year ended 31 December 2019

The director presents his report and the financial statements for the year ended 31 December 2019. The comparative period reflected in these financial statements is for the 18 month period ended 31 December 2018.

Principal activity

The principal activity of Adjust Your Set Limited during the year was advertising, marketing and public relation agents.

Director

The director who served during the year was:

C Gorell Barnes

Director's responsibilities statement

The director is responsible for preparing the director's report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the director must not approve the financial statements unless he is 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 director is required to:

- select suitable accounting policies for the company's financial statements 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 director is 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 to enable him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

Post balance sheet events

The global expansion of the Covid-19 virus in the period after the financial statement date has resulted in macroeconomic uncertainty. Whilst there has been no material impact on the company as at the date of signing the consolidated financial statements it is difficult to assess the short to longer-term impact of that uncertainty on the company's operations. Given the nature of the company's services, the recurring and contracted nature of the majority of the company's revenue, management continues to expect its customers to meet their financial commitments to the company.

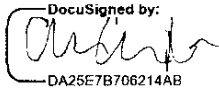
Adjust Your Set Limited

Director's report (continued) For the year ended 31 December 2019

Small companies note

In preparing this report, the director has taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

DocuSigned by:

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C Gorell Barnes
Director

Date: 26-Oct-2020 | 1:22 PM GMT

Adjust Your Set Limited

Chartered accountants' report to the director on the unaudited financial statements of Adjust Your Set Limited

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Adjust Your Set Limited for the year ended 31 December 2019 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance/>

It is your duty to ensure that Adjust Your Set Limited has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and profit of Adjust Your Set Limited. You consider that Adjust Your Set Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Adjust Your Set Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.

Use of our report

This report is made solely to the board of directors of Adjust Your Set Limited, as a body, in accordance with the terms of our engagement letter dated 4 February 2020. Our work has been undertaken solely to prepare for your approval the accounts of Adjust Your Set Limited and state those matters that we have agreed to state to the board of directors of Adjust Your Set Limited, as a body, in this report in accordance with ICAEW Technical Release TECH07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Adjust Your Set Limited and its board of directors as a body for our work or for this report.

DocuSigned by:

537AF7FA51964F1...
BDO LLP
London
United Kingdom

Date: 26-Oct-2020 | 3:59 PM GMT

The company has taken advantage of the exemption not to disclose amounts paid for non audit services as these are disclosed in the group accounts of the parent company.

Adjust Your Set Limited

Statement of comprehensive income For the year ended 31 December 2019

	Note	2019 £000	2018 £000
Turnover	4	4,959	7,228
Cost of sales		(1,382)	(2,009)
Gross profit		3,577	5,219
Administrative expenses		(3,541)	(4,577)
Operating profit	7	36	642
Interest receivable and similar income		-	1
Profit before tax		36	643
Tax on profit	9	36	(37)
Profit for the financial year/period		72	606

All amounts relate to continuing operations.

There was no other comprehensive income for 2019 (2018 - £Nil).

The notes on pages 8 to 18 form part of these financial statements.

Adjust Your Set Limited
Registered number: 06446827

Statement of financial position
As at 31 December 2019

	Note	2019 £000	2018 £000
Fixed assets			
Tangible assets	10	51	12
Current assets			
Debtors	11	2,009	3,349
Cash and cash equivalents		653	227
		<u>2,662</u>	<u>3,576</u>
Creditors: amounts falling due within one year	12	(3,327)	(3,954)
Net current liabilities		<u>(665)</u>	<u>(378)</u>
Total assets less current liabilities		<u>(614)</u>	<u>(366)</u>
Creditors: amounts falling due after more than one year		(30)	(351)
Provisions for liabilities			
Deferred tax	14	(1)	-
		<u>(1)</u>	<u>-</u>
Net liabilities		<u>(645)</u>	<u>(717)</u>
Capital and reserves			
Share capital	15	285	285
Profit and loss account	16	(930)	(1,002)
		<u>(645)</u>	<u>(717)</u>

Adjust Your Set Limited
Registered number: 06446827

Statement of financial position (continued)
As at 31 December 2019


The director considers that the company is entitled to exemption from the requirement to have an audit under the provisions of section 479A of the Companies Act 2006.

The members have not required the company to obtain an audit for the Year in question in accordance with section 476 of Companies Act 2006.

The director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

DocuSigned by

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C Gorell Barnes
Director

Date: 26-Oct-2020 | 1:22 PM GMT

The notes on pages 8 to 18 form part of these financial statements.

Adjust Your Set Limited

Statement of changes in equity For the Year Ended 31 December 2019

	Share capital £000	Profit and loss account £000	Total equity £000
At 1 January 2019	285	(1,002)	(717)
Comprehensive income for the Year			
Profit and total comprehensive income for the year	-	72	72
At 31 December 2019	<u>285</u>	<u>(930)</u>	<u>(645)</u>

Statement of changes in equity For the Period Ended 31 December 2018

	Share capital £000	Profit and loss account £000	Total equity £000
At 1 July 2017	285	(1,608)	(1,323)
Comprehensive income for the year			
Profit and total comprehensive income for the period	-	606	606
At 31 December 2018	<u>285</u>	<u>(1,002)</u>	<u>(717)</u>

The notes on pages 8 to 18 form part of these financial statements.

Adjust Your Set Limited

Notes to the financial statements For the year ended 31 December 2019

1. General information

Adjust Your Set Limited is a private company, limited by shares, and is incorporated in England and Wales. The address of the registered office is given on the company information page and the nature of the company's operations and principal activity are set out in the directors report.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Going concern

Despite the current challenging economic and business environment the directors are confident that the company is well placed to continue to build on its historic and creative financial success. This assessment is based on the company's and group's projected trading results, cash flows and available banking facilities.

Based on the above, the directors confirm that they have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

2.3 Turnover

Turnover represents amounts receivables from clients, exclusive of VAT, sales taxes and trade discounts in respect of charges for fees, commission and rechargeable expenses incurred on behalf of clients.

Turnover is recognised on the following basis:

- Retainer and other non-retainer fees are recognised as the services are performed, in accordance with the terms of the contractual arrangement.
- Project fees are recognised on a percentage of completion basis as contract activity progresses, if the final outcome can be assessed with reasonable certainty. The stage of completion is generally measured on the basis of the services performed to date as a percentage of the total services to be performed.
- Expenses are recharged to clients at cost plus an agreed mark-up when the services are performed, where applicable.

Turnover recognised in the profit and loss account but not yet invoiced is held on the balance sheet within accrued income. Turnover invoiced but not yet recognised in the profit and loss account is held on the balance sheet within deferred income.

Adjust Your Set Limited

Notes to the financial statements For the year ended 31 December 2019

2. Accounting policies (continued)

2.4 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.5 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Fixtures and fittings	- 10 years straight line
Office equipment	- 10 years straight line
Computer equipment	- 3 years straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the statement of comprehensive income.

2.6 Debtors

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

2.7 Creditors

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

2.8 Interest income

Interest income is recognised in the statement of comprehensive income using the effective interest method.

Adjust Your Set Limited

Notes to the financial statements For the year ended 31 December 2019

2. Accounting policies (continued)

2.9 Financial instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is an 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.

2.10 Current and deferred taxation

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

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

Adjust Your Set Limited

Notes to the financial statements For the year ended 31 December 2019

2. Accounting policies (continued)

2.11 Pensions

Defined contribution pension plan

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in the statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the statement of financial position. The assets of the plan are held separately from the company in independently administered funds.

2.12 Provisions for liabilities

Provisions are made where an event has taken place that gives the company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the statement of comprehensive income in the year that the company becomes aware of the obligation, and are measured at the best estimate at the statement of financial position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the statement of financial position.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the directors have had to make the following judgements:

- Determining the amount of turnover to recognise in respect of project work ongoing at the year end. Factors taken into account in assessing the percentage completion of a project include hours worked versus budget, project phases, milestones completed or deliverables issued to the client.
- Determining whether there are indicators of impairment of the company's tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.
- Determining whether there is any impairment to recognise against the carrying value of the financial assets. Factors include payments received post year end, previous payment history and ongoing relationship with the client.
- Determining whether leases entered into by the company either as a lessor or a lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.

Adjust Your Set Limited

Notes to the financial statements For the year ended 31 December 2019

4. Turnover

All turnover arose within the United Kingdom.

5. Employees

The average monthly number of employees, including directors, during the year was 37 (2018 - 31).

6. Director's remuneration

During the year the director received remuneration of £194,973 (2018 - £Nil). £65,404 (2018 - £Nil) was recharged to Inside Ideas Group during the reporting period.

7. Operating profit

The operating profit is stated after charging:

	Year ended 31 December 2019 £000	18 months ended 31 December 2018 £000
Depreciation of tangible fixed assets	11	68
	<u>11</u>	<u>68</u>

The company has taken advantage of the exemption not to disclose amounts paid for non audit services as these are disclosed in the group accounts of the parent company.

8. Interest receivable

	2019 £000	2018 £000
Other interest receivable	-	1
	<u>-</u>	<u>1</u>

Adjust Your Set Limited

Notes to the financial statements For the year ended 31 December 2019

9. Taxation

	Year ended 31 December 2019 £000	18 months ended 31 December 2018 £000
Current tax on profits for the year	-	37
Adjustments in respect of previous periods	(37)	-
Total current tax	(37)	37
Deferred tax		
Origination and reversal of timing differences	4	-
Adjustment in respect of prior periods	(3)	-
Total deferred tax	1	-
Taxation on (loss)/profit on ordinary activities	(36)	37

Adjust Your Set Limited

Notes to the financial statements For the year ended 31 December 2019

9. Taxation (continued)

Factors affecting tax charge for the year/period

The tax assessed for the year is lower than (2018 - lower than) the standard rate of corporation tax in the UK of 19% (2018 - 19%). The differences are explained below:

	Year ended 31 December 2019 £000	18 months ended 31 December 2018 £000
Profit on ordinary activities before tax	36	643
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018 - 19%)	7	122
Effects of:		
Expenses not deductible for tax purposes	8	3
Income not deductible for tax purposes	(12)	12
Adjustments to brought forward values	1	-
Adjustments to tax charge in respect of prior periods	(37)	-
Adjustments to tax charge in respect of prior periods - deferred tax	(3)	-
Adjust opening deferred tax to average rate of 19%	-	(6)
Group relief claimed	-	(40)
Deferred tax not recognised	-	(54)
Total tax charge for the year/period	(36)	37

Adjust Your Set Limited

Notes to the financial statements For the year ended 31 December 2019

10. Tangible fixed assets

	Fixtures and fittings £000	Office equipment £000	Computer equipment £000	Total £000
Cost or valuation				
At 1 January 2019	-	224	201	425
Additions	1	-	50	51
Disposals	-	(219)	(191)	(410)
At 31 December 2019	<u>1</u>	<u>5</u>	<u>60</u>	<u>66</u>
Depreciation				
At 1 January 2019	-	222	190	412
Charge for the year	-	2	9	11
Disposals	-	(219)	(189)	(408)
At 31 December 2019	<u>-</u>	<u>5</u>	<u>10</u>	<u>15</u>
Net book value				
At 31 December 2019	<u>1</u>	<u>-</u>	<u>50</u>	<u>51</u>
At 31 December 2018	<u>-</u>	<u>1</u>	<u>11</u>	<u>12</u>

Adjust Your Set Limited

Notes to the financial statements For the year ended 31 December 2019

11. Debtors

	2019 £000	2018 £000
Trade debtors	450	513
Amounts owed by group undertakings	1,212	2,469
Other debtors	8	66
Prepayments and accrued income	339	301
	<u>2,009</u>	<u>3,349</u>

All debtors are due within one year.

Amounts owed by group undertakings are unsecured, interest free and repayable on demand.

12. Creditors: Amounts falling due within one year

	2019 £000	2018 £000
Other loans	-	78
Trade creditors	7	311
Amounts owed to group undertakings	2,497	2,809
Corporation tax	-	37
Other taxation and social security	239	81
Other creditors	57	15
Accruals and deferred income	527	623
	<u>3,327</u>	<u>3,954</u>

Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

Adjust Your Set Limited

Notes to the financial statements For the year ended 31 December 2019

13. Creditors: Amounts falling due after more than one year

	2019 £000	2018 £000
Rent deposit	29	278
Directors loan	1	73
	<u>30</u>	<u>351</u>

Director loan balances attract interest at the rate agreed by HMRC, it accrues annually. The loan has no fixed repayment date.

Please provide details of the terms of payment or repayment and the rates of any interest payable on the amounts repayable more than five years after the balance sheet date.

14. Deferred taxation

	2019 £000
Charged to profit or loss	(1)
At end of year	<u><u>(1)</u></u>

The deferred taxation balance is made up as follows:

	2019 £000	2018 £000
Accelerated capital allowances	4	-
Tax losses carried forward	(5)	-
	<u>(1)</u>	<u>-</u>

15. Share capital

	2019 £000	2018 £000
Allotted, called up and fully paid		
285,001 Ordinary shares of £1 each	<u>285</u>	<u>285</u>

Adjust Your Set Limited

Notes to the financial statements For the year ended 31 December 2019

16. Reserves

Profit and loss account

The profit and loss account represents cumulative profits or losses, net of dividends paid and other adjustments.

17. Related party transactions

The company has taken advantage of exemptions under FRS 102 Section 33 "Related party disclosures" whereby it has not disclosed transactions with the ultimate parent company or any wholly owned subsidiary undertakings of the group.

18. Post balance sheet events

The global expansion of the Covid-19 virus in the period after the financial statement date has resulted in macroeconomic uncertainty. Whilst there has been no material impact on the company as at the date of signing the consolidated financial statements it is difficult to assess the short to longer-term impact of that uncertainty on the company's operations. Given the nature of the company's services, the recurring and contracted nature of the majority of the company's revenue, management continues to expect its customers to meet their financial commitments to the company.

19. Controlling party

The company's immediate parent undertaking is Adjust Your Set Holdings Limited, a company incorporated in England and Wales.

Inside Ideas Group Limited is the smallest group to consolidate these financial statements, which are publicly available at its registered office, 151 Rosebury Avenue, London, EC1R 4AB.

The ultimate immediate parent undertaking is You & Mr Jones LLC, a company incorporated in the United States of America. You & Mr Jones LLC is the largest group to consolidate these financial statements. These consolidated financial statements are publicly available at its registered office address, c/o The Corporation Trust Company Corporation Trust Center, 1209 Orange Street, Wilmington, DE 19801.