

Adjust Your Set Limited

Director's Report and Unaudited

Financial Statements

Year Ended

31 December 2021

Company Number 06446827

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Adjust Your Set Limited

Company Information

Director	S Martin
Company secretary	K Iselin
Registered number	06446827
Registered office	151 Rosebery Avenue London EC1R 4AB

Adjust Your Set Limited

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**Director's report
For the Year Ended 31 December 2021**

The director presents his report and the financial statements for the year ended 31 December 2021.

Principal activity

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

Results and dividends

The profit for the year after taxation, amounted to £638,000 (2020 - loss of £339,000). During the year, no dividends were paid (2020 - £Nil).

Directors

The directors who served during the year were:

S Martin

Director's responsibilities statement

The director is responsible for preparing the directors' 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 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 Director is required to:

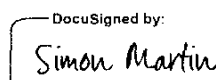
- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The 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 them 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

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:

S Martin
Director

Date: 20-Sep-2022 | 10:15 AM EDT

Statement of comprehensive income
For the Year Ended 31 December 2021

		2021	2020
	Note	£000	£000
Turnover		3,561	4,070
Cost of sales		(362)	(480)
Gross profit		3,199	3,590
Administrative expenses		(2,560)	(3,904)
Other operating income	5	1	58
Operating (loss)/profit	6	640	(256)
Tax on (loss)/profit		(2)	(83)
(Loss)/profit for the financial year		638	(339)

All amounts relate to continuing operations.

There was no other comprehensive income for 2021 (2020 - £Nil).

The notes on pages 6 to 15 form part of these financial statements.

Statement of financial position
As at 31 December 2021

Registered number: 06446827

	Note	2021 £000	2020 £000
Fixed assets			
Intangible assets	7	1	1
Tangible assets	8	17	38
Debtors: amounts falling due after more than one year	9	1	3
		<u>19</u>	<u>42</u>
Current assets			
Debtors: amounts falling due within one year	9	438	1,044
Cash and cash equivalents		270	621
		<u>709</u>	<u>1,665</u>
Creditors: amounts falling due within one year	10	(1,071)	(2,691)
Net current liabilities		<u>(362)</u>	<u>(1,026)</u>
Total assets less current liabilities		<u>(344)</u>	<u>(984)</u>
Net liabilities		<u>(344)</u>	<u>(984)</u>
Capital and reserves			
Share capital	12	285	285
Profit and loss account	13	(629)	(1,269)
		<u>(344)</u>	<u>(984)</u>

Statement of financial position (continued)
As at 31 December 2021


Registered number: 06446827

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 and 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:


S Martin
Director

Date: 20-Sep-2022 | 10:15 AM EDT

The notes on pages 6 to 15 form part of these financial statements.

**Statement of changes in equity
for the year ended 31 December 2021**

	Share capital £000	Profit and loss account £000	Total equity £000
At 1 January 2021	285	(1,269)	(984)
Comprehensive income for the year			
Profit for the year	-	638	639
At 31 December 2021	<u>285</u>	<u>(629)</u>	<u>(344)</u>

**Statement of changes in equity
for the year ended 31 December 2020**

	Share capital £000	Profit and loss account £000	Total equity £000
At 1 January 2020	285	(930)	(645)
Comprehensive loss for the year			
Loss for the year	-	(339)	(339)
At 31 December 2020	<u>285</u>	<u>(1,269)</u>	<u>(984)</u>

The notes on pages 6 to 15 form part of these financial statements.

Notes to the financial statements

For the Year Ended 31 December 2021

1. General information

Adjust Your Set Limited is a private company, limited by shares, and is incorporated in England and Wales under the Companies Act. 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 Section 1A of 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

An assessment of the future trading circumstances has been performed by management. Based on these forecasts, including plausible downside assessments, management are confident that the Company has sufficient resources to meet its liabilities as they fall due and is well placed to continue to build on its historic and creative financial success.

The Company has secured its supply chain in order to meet its contracted commitments and anticipated demand and has continued to service its clients over this period.

Given the nature of the Company's services, the recurring and contracted nature of the majority of its revenue, management continues to expect its customers to meet their financial commitments to the Company.

2.3 Turnover

Turnover represents amounts receivable 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:

- Management fees are spread over the period of the contract on a straight-line basis, which approximates to when the work is performed.
- Project fees are recognised over the period of the relevant assignment or agreements as activity progresses. For projects which fall over the financial period end, income is recognised to reflect the partial performance on the basis of the percentage completion of the job at the year end.

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

**Notes to the financial statements
For the Year Ended 31 December 2021**

2. Accounting policies (continued)

2.4 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

Trademarks	10 years
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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.

**Notes to the financial statements
For the Year Ended 31 December 2021**

2. Accounting policies (continued)

2.7 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.

2.8 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.

2.9 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the statement of comprehensive income in the same period as the related expenditure.

**Notes to the financial statements
For the Year Ended 31 December 2021**

2. Accounting policies (continued)

2.10 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, amounts due to and from group undertakings and accrued income and expenditure.

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.

2.11 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.

2.12 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 profit or loss 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.

Adjust Your Set Limited

Notes to the financial statements For the Year Ended 31 December 2021

2. Accounting policies (continued)

2.13 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income within administrative expenses.

3. Significant accounting judgements and key sources of estimation uncertainty

In preparing these financial statements, the director has 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.
- Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values

4. Employees

The average monthly number of employees, including directors, during the year was 30 (2020 - 41).

5. Other operating income

	2021 £000	2020 £000
Government grants receivable	30	58
	<u>30</u>	<u>58</u>

Government grants receivable represent amounts received by the Company in respect of the Coronavirus Job Retention Scheme ("CJRS").

6. Operating (loss)/profit

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

	2021 £000	2020 £000
Depreciation of tangible fixed assets	22	23
Amortisation	-	-
	<u>22</u>	<u>23</u>

7. Intangible assets

	Trademarks £000
Cost	1
At 31 December 2021	<u>1</u>
Net book value	
At 31 December 2021	<u>1</u>
At 31 December 2020	<u>1</u>

8. Tangible fixed assets

	Fixtures and fittings £000	Office equipment £000	Computer equipment £000	Total £000
Cost				
At 1 January 2021	1	5	64	70
Additions	-	-	1	1
Disposals	-	-	-	-
At 31 December 2021	<u>1</u>	<u>5</u>	<u>65</u>	<u>71</u>
Depreciation				
At 1 January 2021	-	5	27	32
Charge for the year	1	-	21	22
Disposals	-	-	-	-
At 31 December 2021	<u>1</u>	<u>5</u>	<u>48</u>	<u>54</u>
Net book value				
At 31 December 2021	<u>-</u>	<u>-</u>	<u>17</u>	<u>17</u>
At 31 December 2020	<u>1</u>	<u>-</u>	<u>37</u>	<u>38</u>

9. Debtors

	2021 £000	2020 £000
Due after more than one year		
Deferred taxation (see note 11)	1	3
	2021 £000	2020 £000
Due within one year		
Trade debtors	44	419
Amounts owed by group undertakings	394	603
Other debtors	-	22
	438	1,044

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

10. Creditors: Amounts falling due within one year

	2021 £000	2020 £000
Trade creditors	28	276
Amounts owed to group undertakings	367	1,582
Other taxation and social security	283	218
Other creditors	20	37
Accruals and deferred income	373	578
	1,071	2,691

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

11. Deferred taxation

	2021 £000	2020 £000
<i>At beginning of year</i>	3	(1)
Credited/(charged) to profit or loss	(2)	4
At end of year	<u>1</u>	<u>3</u>

The deferred taxation balance is made up as follows:

	2021 £000	2020 £000
Accelerated capital allowances	(1)	(5)
Tax losses carried forward	-	3
Short term timing differences	2	5
	<u>1</u>	<u>3</u>

12. Share capital

	2021 £000	2020 £000
Allotted, called up and fully paid		
285,001 Ordinary shares of £1 each	285	285

13. Reserves**Profit and loss account**

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

14. Pension commitments

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £54,000 (2020 - £79,000). Contributions totaling £17,000 (2020 - £31,000) were payable to the fund at the reporting date and are included in creditors.

15. Related party transactions

The Company has taken advantage of the exemptions under paragraph 1AC.35 of the Financial Reporting Standard 102 - section 1A whereby it has not disclosed transactions with any wholly owned subsidiary undertakings of the group.

During the year, the Company invoiced amounts totaling £71,606 (2020 - £117,011) and incurred expenses totaling £614,861 (2020 - £520) from Inside Ideas Group Limited, an intermediary holding company. At 31 December 2021, £96,718 (2020 - £121,731 owed by the Company) was owed to the Company by Inside Ideas Group Limited.

During the year, the Company invoiced amounts totaling £263,210 (2020 - £62,091) and incurred expenses totaling £380,220 (2020 - £224,828) from Oliver Marketing Limited, a company under common control. At 31 December 2021, £118,169 (2020 - £1,514,145) was owed by the Company to Oliver Marketing Limited.

During the year, the Company invoiced amounts totaling £Nil (2020 - £12,204) and incurred expenses totaling £7,313 (2020 - £96,618) from Dare Digital Limited, a company under common control. At 31 December 2021, £Nil (2020 - £170,662) was owed to the Company by Dare Digital Limited.

During the year, the Company invoiced amounts totaling £9,635 (2020 - £19,564) to Oliver Marketing B.V, a company under common control. At 31 December 2021, £Nil (2020 - £4,361) was owed to the Company by Oliver Marketing B.V.

16. Ultimate controlling party and parent undertaking

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

The parent of the smallest group to prepare consolidated financial statements including the results of the Company is Inside Ideas Group Limited, a company incorporated in England and Wales. The financial statements are publicly available from the registered office of Inside Ideas Group Limited, 151 Rosebery Avenue, London, EC1R 4AB.

The ultimate parent undertaking is The Brandtech Group (formerly known as YOU & MR JONES LLC), a Company incorporated in the United States of America, which is the parent of the largest group into which the results of Inside Ideas Group Limited are consolidated. The consolidated financial statements of The Brandtech Group are publicly available principal place of business, The Brandtech Group, 578 Broadway, 7th Floor, New York, NY 10012.