

Company registration number 06547172 (England and Wales)

**ONE FREELANCE LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

## ONE FREELANCE LIMITED

### COMPANY INFORMATION

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<b>Directors</b>	Mr Y Yanovskyy Mr D P Korn
<b>Company number</b>	06547172
<b>Registered office</b>	37 Warren Street London W1T 6AD
<b>Auditor</b>	Silver Levene (UK) Limited Chartered Certified Accountants 37 Warren Street London W1T 6AD
<b>Business address</b>	Abbey House 282 Farnborough Road Farnborough GU14 7NA

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## ONE FREELANCE LIMITED

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## **ONE FREELANCE LIMITED**

### **STRATEGIC REPORT**

#### **FOR THE YEAR ENDED 31 DECEMBER 2021**

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The directors present the strategic report for the year ended 31 December 2021.

#### **Overview and principal activities**

One Freelance Limited is a writing assistance company with customers from all over the world. Our core competence is that of customised text writing and editing. The wide range of services we offer is built solely around that core competence. We focus mainly on writing texts for websites, marketing campaigns and business projects. In addition to that we provide clients with customised authentic guides, samples and text directions in the field of academic writing.

#### **Principal risks and uncertainties**

##### **1. Competition:**

Writing assistance market is highly competitive thus we have to ensure that our products and services proposition is in line with the market evolution and customers expectations. Our strong side is the ability to generate high quality texts for our customers. Thus, we have to deliver constant improvement of that core competence and our text quality assurance system. In addition to that we need to make sure that value of this is understood and communicated effectively to all our customer segments.

##### **2. Google search engine and algorithm changes:**

The main channel of communication and sales of the company is the web. Therefore, we are constantly required to update our online sales and promotion strategies in accordance with the Google algorithm changes. As the world's leading search engine, Google nowadays becomes more strict about approaches to personalization of consumer experiences and search behaviours. In order to reach our target audiences, we are forced to continually improve the quality of websites' content, communication of our unique selling propositions, trustworthiness of service and usability in the way that corresponds to Google requirements.

##### **3. Technology & business interruption:**

Our products and services are ordered, executed and delivered to customers within the complex online technical infrastructure. Thus, any failures of key online systems in this infrastructure or its parts which we rely on (such as websites, customer and writer management systems, etc), could cause a failure of service to our customers and therefore cause decrease of both customer satisfaction and retention. We understand these risks and thus mitigate them by making sure our technology is up to date, by investing in innovation and qualified IT support.

##### **4. Business scope:**

The scope of the company activities as described before includes both business writing and academic samples writing. Although we promote fair use and compliance with all guidelines and policies, we foresee high risks to our business in significant increase of government and academia regulation towards writing assistance of any kind to students. The company's management permanently monitors the business area and makes management decisions considering these factors and trends.

##### **5. Global challenges:**

The company faced negative impact connected with the world economy slowdown and decrease in consumer ability of customers. There were also significant changes in market conditions and increase in level of competition. The company was forced to significantly increase advertising costs, as the number of new customers gradually decreased.

Nevertheless, according to achievements of the reporting period, the company managed to maintain stability and show good financial results. These results are due to quick adaptation to new conditions, rational management decisions and a pre-established system of remote work for freelancers and contractors.

## **ONE FREELANCE LIMITED**

### **STRATEGIC REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 DECEMBER 2021**

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##### **Development and performance**

One of the main challenges still remains the need for stable work of company's partners and suppliers of financial services. The company constantly monitors the stability of partners, seeks to minimize the number of intermediaries and engage the contracts directly.

At this stage, the company did not use such tools as:

- significant cost reduction;
- review of pricing policy;
- sale of fixed assets and investments.

##### **Goals**

Our strategy for the year ending 31st December 2021 has been the following:

1. Marketing focus:

During this period we have made a significant focus on changing our marketing and sales strategies in accordance with the Google requirements. Thus, we have made our product positioning more clear and definite to consumers by improving site contents and site usability, developing communication of our unique selling propositions, increasing the expertise and authority of the service. The company invests mainly in SEO and link building strategy.

2. Quality focus:

We strive to be a standard of quality and reliability on the writing assistance market. We constantly review the performance of our contractors, we improve editing and mentoring support systems for writers to enhance the quality of the work and to give them all instruments to get better. Thus, we focused on the results consolidation, providing customers with exclusively top-notch text writing and editing and developed a strong quality assurance team.

3. Customer focus:

We continued to develop new approaches to customer base segmentation for delivering customized products and services to each and every customer segment and mainly focused on strengthening the existing customer base.

4. Efficiency focus:

We have thoroughly reviewed all of our operating activities with the aim of ensuring that our business model is agile and efficient. We have been aiming at automation and optimisation of everyday operation processes.

5. Data security focus:

We continued to improve our data protection system in accordance with GDPR requirements and standards. We use segmentation for the environment and all IT infrastructure is up to date to the current standards.

6. Financial stability focus:

Due to frequent fluctuations on the world financial markets we concentrated on ensuring the company stability through interaction with reliable financial institutions. We opened additional bank accounts and integrated new payment solutions.

**ONE FREELANCE LIMITED**

**STRATEGIC REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

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**Financial and operational performance**

Due to an unfavorable business environment and trends in the sphere of writing services, the management decided to stop the company's activity. This decision largely determines the goals and plans of the company for the next reporting period, such as:

1. Settlement of all financial and legal issues with suppliers and customers of the company, if any exist or arise;
2. Settlement of all obligations of the company, as well as repayment of receivables;
3. Closing the company with all necessary legal and financial procedures.

On behalf of the board

Mr Y Yanovskyy  
**Director**

31 August 2022

## **ONE FREELANCE LIMITED**

### **DIRECTORS' REPORT**

#### **FOR THE YEAR ENDED 31 DECEMBER 2021**

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The directors present their annual report and financial statements for the year ended 31 December 2021.

#### **Principal activities**

The principal activity of the company continued to be that of providing writing and assistance services to customers.

#### **Directors**

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr Y Yanovskyy

Mr D P Korn

#### **Results and dividends**

The results for the year are set out on page 9.

Ordinary dividends were paid amounting to £2,500,000. The directors do not recommend payment of a final dividend.

#### **Financial instruments**

Treasury operations and financial instruments

The company operates a treasury function which is responsible for managing the liquidity, interest and foreign currency risks associated with the company's activities.

The company's financial instruments comprise cash at bank, receivables and payables that arise directly from operations. The financial risks affecting the company is monitored and reviewed by the directors on a regular basis.

Liquidity risk and interest rate risk

The company does not have significant exposure to the liquidity and interest rate risks.

Foreign currency risk

The company's principal foreign currency exposures arise from trading with overseas customers in which transactions are denominated in foreign currency. Company policy permits but does not demand that these exposures may be hedged in order to fix the cost in sterling. The company has not entered into any derivative instruments for hedging or trading purposes as the net exposure to foreign currency risk is not significant.

## **ONE FREELANCE LIMITED**

### **DIRECTORS' REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 DECEMBER 2021**

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##### **Statement of directors' responsibilities**

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 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 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.

##### **Statement of disclosure to auditor**

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

##### **Auditor**

In accordance with the company's articles, a resolution proposing that Silver Levene (UK) Limited be reappointed as auditor of the company will be put at a General Meeting.

On behalf of the board

Mr Y Yanovsky

**Director**

31 August 2022



## ONE FREELANCE LIMITED

### INDEPENDENT AUDITOR'S REPORT

#### TO THE MEMBERS OF ONE FREELANCE LIMITED

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##### Opinion

We have audited the financial statements of One Freelance Limited (the 'company') for the year ended 31 December 2021 which comprise the statement of comprehensive income, 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 2021 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 for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the 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.

##### Emphasis of matter

We draw attention to the disclosure made in note 1.1 to the financial statements. For the reason disclosed the company is not considered to be a going concern. The financial statements have been prepared on a basis other than that of a going concern. Our opinion is not modified in this respect.

##### 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.

##### Opinions on other matters prescribed by the Companies Act 2006

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

## **ONE FREELANCE LIMITED**

### **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

#### **TO THE MEMBERS OF ONE FREELANCE LIMITED**

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##### **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 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 directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

##### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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.

Discussions were held with, and enquiries made of, management and those charged with governance with a view to identifying those laws and regulations that could be expected to have a material impact on the financial statements. During the engagement team briefing, the outcomes of these discussions and enquiries were shared with the team, as well as consideration as to where and how fraud may occur in the entity.

The following laws and regulations were identified as being of significance to the entity:

- Those laws and regulations considered to have a direct effect on the financial statements include UK financial reporting standards, Company Law, Tax and Pensions legislation, and distributable profits legislation
- It is considered that there are no laws and regulations for which non-compliance may be fundamental to the operating aspects of the business.

**ONE FREELANCE LIMITED**

**INDEPENDENT AUDITOR'S REPORT (CONTINUED)  
TO THE MEMBERS OF ONE FREELANCE LIMITED**

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Audit procedures undertaken in response to the potential risks relating to irregularities (which include fraud and non-compliance with laws and regulations) comprised of: inquiries of management and those charged with governance as to whether the entity complies with such laws and regulations; enquiries with the same concerning any actual or potential litigation or claims; inspection of relevant legal correspondence; review of board minutes; testing the appropriateness of entries in the nominal ledger, including journal entries; reviewing transactions around the end of the reporting period; and the performance of analytical procedures to identify unexpected movements in account balances which may be indicative of fraud.

No instances of material non-compliance were identified. However, the likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK).

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

**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.

**Marc Ian Franks (Senior Statutory Auditor)**  
**For and on behalf of Silver Levene (UK) Limited**  
**Chartered Certified Accountants**  
**Statutory Auditor**  
37 Warren Street  
London  
W1T 6AD

5 September 2022

**ONE FREELANCE LIMITED**

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Notes	2021 £	2020 £
<b>Turnover</b>	<b>2</b>	12,787,909	17,936,927
Cost of sales		(8,992,411)	(13,524,290)
<b>Gross profit</b>		3,795,498	4,412,637
Administrative expenses		(539,257)	(482,128)
Other operating income		2,846	-
<b>Operating profit</b>	<b>3</b>	3,259,087	3,930,509
Interest receivable and similar income	<b>6</b>	(8)	-
<b>Profit before taxation</b>		3,259,079	3,930,509
Tax on profit	<b>7</b>	(620,658)	(752,260)
<b>Profit for the financial year</b>		2,638,421	3,178,249
<b>Other comprehensive income</b>			
Currency translation differences		(49,271)	(104,994)
<b>Total comprehensive income for the year</b>		2,589,150	3,073,255

The profit and loss account has been prepared on the basis that all operations are continuing operations.

**ONE FREELANCE LIMITED****BALANCE SHEET****AS AT 31 DECEMBER 2021****Company Registration No. 06547172**

			2021	2020
	Notes	£	£	£
<b>Fixed assets</b>				
Tangible assets	9		44,957	52,106
<b>Current assets</b>				
Debtors	10	246,882	719,034	
Cash at bank and in hand		2,910,903	2,731,107	
		<u>3,157,785</u>	<u>3,450,141</u>	
<b>Creditors: amounts falling due within one year</b>	11	<u>(2,080,202)</u>	<u>(2,468,857)</u>	
<b>Net current assets</b>			1,077,583	981,284
<b>Total assets less current liabilities</b>			<u>1,122,540</u>	<u>1,033,390</u>
<b>Capital and reserves</b>				
Called up share capital			1,000	1,000
Profit and loss reserves			1,121,540	1,032,390
<b>Total equity</b>			<u>1,122,540</u>	<u>1,033,390</u>

The financial statements were approved by the board of directors and authorised for issue on 31 August 2022 and are signed on its behalf by:

Mr Y Yanovskyy  
**Director**

**ONE FREELANCE LIMITED**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2021**

		Share capital	Profit and loss reserves	Total
	Notes	£	£	£
<b>Balance at 1 January 2020</b>		1,000	1,464,935	1,465,935
<b>Year ended 31 December 2020:</b>				
Profit for the year		-	3,178,249	3,178,249
Other comprehensive income:				
Currency translation differences		-	(104,994)	(104,994)
Total comprehensive income for the year		-	3,073,255	3,073,255
Dividends	8	-	(3,505,800)	(3,505,800)
<b>Balance at 31 December 2020</b>		1,000	1,032,390	1,033,390
<b>Year ended 31 December 2021:</b>				
Profit for the year		-	2,638,421	2,638,421
Other comprehensive income:				
Currency translation differences		-	(49,271)	(49,271)
Total comprehensive income for the year		-	2,589,150	2,589,150
Dividends	8	-	(2,500,000)	(2,500,000)
<b>Balance at 31 December 2021</b>		1,000	1,121,540	1,122,540

**ONE FREELANCE LIMITED**

**STATEMENT OF CASH FLOWS**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

	Notes	2021 £	£	2020 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	14	3,556,642		5,414,821	
Income taxes paid		(812,964)		(255,799)	
<b>Net cash inflow from operating activities</b>		<b>2,743,678</b>		<b>5,159,022</b>	
<b>Investing activities</b>					
Purchase of tangible fixed assets		(14,603)		(12,561)	
Proceeds on disposal of tangible fixed assets		-		727	
Interest received		(8)		-	
<b>Net cash used in investing activities</b>		<b>(14,611)</b>		<b>(11,834)</b>	
<b>Financing activities</b>					
Dividends paid		(2,500,000)		(3,505,800)	
<b>Net cash used in financing activities</b>		<b>(2,500,000)</b>		<b>(3,505,800)</b>	
<b>Net increase in cash and cash equivalents</b>		<b>229,067</b>		<b>1,641,388</b>	
Cash and cash equivalents at beginning of year		2,731,107		1,194,713	
Effect of foreign exchange rates		(49,271)		(104,994)	
<b>Cash and cash equivalents at end of year</b>		<b>2,910,903</b>		<b>2,731,107</b>	

# ONE FREELANCE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2021

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#### 1 Accounting policies

##### Company information

One Freelance Limited is a private company limited by shares incorporated in England and Wales. The registered office is 37 Warren Street, London, W1T 6AD.

##### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in Sterling (£), which is the presentational currency of the company for reporting in the UK. The functional currency is US Dollar (USD). Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

During the year, the company ceased to provide writing and assistance services to customers. The directors are in the process of winding down the business. As a result the financial statements have been prepared on a basis other than that of a going concern which includes, where appropriate, writing down the company's assets to net realisable value. Provision has also been made for any contractual commitments that have become onerous at the balance sheet date. The financial statements do not include any provision for the future costs of terminating the business of the company except to the extent that such costs were committed at the balance sheet date.

##### 1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for the service of providing writing services in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

The company sells report writing services. These services are provided on a fixed price basis. Revenue is recognised when services are rendered and a complete report is sent to the customer.

##### 1.3 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures, fittings & equipment	25% on cost
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

##### 1.4 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.



## ONE FREELANCE LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED 31 DECEMBER 2021

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#### 1 Accounting policies

(Continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### 1.5 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.6 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 balance sheet 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 debtors 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.

##### 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.

## ONE FREELANCE LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED 31 DECEMBER 2021

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#### 1 Accounting policies

(Continued)

##### **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 creditors, 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 payments 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.

##### **Derecognition of financial liabilities**

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

#### 1.7 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

#### 1.8 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

##### **Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

# ONE FREELANCE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 1 Accounting policies

(Continued)

#### Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

#### 1.9 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.10 Foreign exchange

The company's functional currency is USD and presentation currency is £.

Transactions in currencies other than USD are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

The trading results of the company are translated into £ at the average exchange rates for the year. The assets and liabilities are translated at the exchange rates ruling at the year end. Exchange adjustments arising are recognised in other comprehensive income.

### 2 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2021 £	2020 £
<b>Turnover analysed by class of business</b>		
Writing and assistance services	12,787,909	17,936,927

**ONE FREELANCE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

**2 Turnover and other revenue**

**(Continued)**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Turnover analysed by geographical market</b>		
UK	591,083	994,593
Outside of the UK	12,196,826	16,942,334
	<u>12,787,909</u>	<u>17,936,927</u>
	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Other revenue</b>		
Interest income	(8)	-
	<u></u>	<u></u>

**3 Operating profit**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Operating profit for the year is stated after charging/(crediting):		
Fees payable to the company's auditor for the audit of the company's financial statements	22,000	22,000
Depreciation of owned tangible fixed assets	21,752	18,863
Profit on disposal of tangible fixed assets	-	(727)
	<u></u>	<u></u>

**4 Employees**

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

	<b>2021</b>	<b>2020</b>
	<b>Number</b>	<b>Number</b>
Directors	2	2
	<u></u>	<u></u>

Their aggregate remuneration comprised:

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Wages and salaries	72,000	72,000
	<u></u>	<u></u>

**5 Directors' remuneration**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Remuneration for qualifying services	72,000	72,000
	<u></u>	<u></u>

**ONE FREELANCE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

**6 Interest receivable and similar income**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Interest income</b>		
Interest on bank deposits	(8)	-
	<u>          </u>	<u>          </u>

Investment income includes the following:

Interest on financial assets not measured at fair value through profit or loss	(8)	-
	<u>          </u>	<u>          </u>

**7 Taxation**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Current tax</b>		
UK corporation tax on profits for the current period	620,658	752,260
	<u>          </u>	<u>          </u>

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Profit before taxation	3,259,079	3,930,509
	<u>          </u>	<u>          </u>
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%)	619,225	746,797
Tax effect of expenses that are not deductible in determining taxable profit	4,208	4,266
Permanent capital allowances in excess of depreciation	(2,775)	1,197
	<u>          </u>	<u>          </u>
Taxation charge for the year	620,658	752,260
	<u>          </u>	<u>          </u>

**8 Dividends**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Interim paid	2,500,000	3,505,800
	<u>          </u>	<u>          </u>

**ONE FREELANCE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

**9 Tangible fixed assets**

	Fixtures, fittings & equipment
	£
<b>Cost</b>	
At 1 January 2021	81,729
Additions	14,603
	<u>96,332</u>
At 31 December 2021	<u>96,332</u>
<b>Depreciation and impairment</b>	
At 1 January 2021	29,623
Depreciation charged in the year	21,752
	<u>51,375</u>
At 31 December 2021	<u>51,375</u>
<b>Carrying amount</b>	
At 31 December 2021	<u>44,957</u>
At 31 December 2020	<u>52,106</u>

**10 Debtors**

	2021	2020
	£	£
<b>Amounts falling due within one year:</b>		
Other debtors	246,882	719,034
	<u>246,882</u>	<u>719,034</u>

**11 Creditors: amounts falling due within one year**

	2021	2020
	£	£
Trade creditors	46,711	305,518
Amounts owed to group undertakings	1,582,639	1,382,933
Corporation tax	271,028	463,334
Other taxation and social security	17,215	48,180
Other creditors	99,100	104,335
Accruals and deferred income	63,509	164,557
	<u>2,080,202</u>	<u>2,468,857</u>

**12 Related party transactions**

The remuneration of key management personnel, who are also directors, is disclosed in note 6.

Creditors include balance of £99,100 (2020 :£104,335) due to Mr Y Yanovskyy, a director of the company.

**ONE FREELANCE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

**13 Ultimate controlling party**

The ultimate parent company is Firsteon Holding Ltd, a private limited company incorporated in Cyprus.

The results of the company are included in the consolidated financial statements of Firsteon Holding Ltd, whose registered office is at 64, Agiou Georgiou Makri, Anna Maria Lena Court, Flat 201, 6037, Larnaka, Cyprus.

**14 Cash generated from operations**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Profit for the year after tax	2,638,421	3,178,249
<b>Adjustments for:</b>		
Taxation charged	620,658	752,260
Investment income	8	-
Gain on disposal of tangible fixed assets	-	(727)
Depreciation and impairment of tangible fixed assets	21,752	18,863
<b>Movements in working capital:</b>		
Decrease/(increase) in debtors	472,152	(67,694)
(Decrease)/increase in creditors	(196,349)	1,533,870
<b>Cash generated from operations</b>	<u>3,556,642</u>	<u>5,414,821</u>

**15 Analysis of changes in net funds**

	<b>1 January 2021</b>	<b>Cash flows</b>	<b>31 December 2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Cash at bank and in hand	<u>2,731,107</u>	<u>179,796</u>	<u>2,910,903</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.