Company registration number 06579645 (England and Wales)

CREATIVE POWERHOUSE PARTNERSHIP LTD.

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

CREATIVE POWERHOUSE PARTNERSHIP LTD.

COMPANY INFORMATION

Directors	Mr M J Breen FFA FIPA	
	Mr R P Chinchanwala ACA	
	Mr A MacDonald	(Appointed 5 May 2023)
	Mr P R Sappal	(Appointed 5 May 2023)
Secretary	Mr R P Chinchanwala ACA	
Company number	06579645	
Registered office	Parkbury Estate Unit 13, Handley Page Way Colney Street St Albans United Kingdom AL2 2DQ	
Auditor	RDP Newmans LLP Lynwood House 373-375 Station Road Harrow Middlesex HA1 2AW	

CREATIVE POWERHOUSE PARTNERSHIP LTD.

CONTENTS

CREATIVE POWERHOUSE PARTNERSHIP LTD.

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

The directors present the strategic report for the year ended 31 December 2022.

Principal activities

The group is comprised of three trading companies which deliver its services of providing specialist audio visual equipment and services to the live events industry and for permanent systems integration projects together with design and large format printing.

Media Powerhouse Limited delivers audio visual equipment and project management for live events, and also provides design and project management for permanent installation of audio-visual equipment at client's premises.

Powerhouse Systems Limited also provides design and project management for permanent installation of audio-visual equipment at client's premises.

The Creative Place Limited provides design and large format printing to a varied client base ranging from exhibitions and live events to businesses at their premises.

Review of the business

The results for the year show an increase in revenue to £14,227,099 (2021: £13,168,176). operating profit was £718,871 (2021: £37,167).

Covid-19 and the restrictions placed upon the live events industry by the UK Government had a significant negative impact upon our business throughout 2020 and this continued during 2021. Our live events business showed a substantial return towards pre-pandemic levels in the autumn of 2021. However, with the government's announcement of new measures against the Omicron variant on 30 November, 2021 our live events saw further postponements and cancelations which continued for the first four months of 2022 until businesses gained confidence in a strong return to live events.

As reported last year another outcome of Covid-19 was an effect on the global supply chain which negatively impacted our systems integration projects by causing delays and uncertainty and this continues at the date of this report but there are signs of improvement.

The restructuring and reshaping of our businesses during 2020 enabled us to reduce administrative costs which assisted the business to return to an operating profit in 2021. Our businesses revenues have grown during 2022 by 8% overall which has contributed to a very satisfactory operating profit of £718,871 generating a net cash inflow from operating activities of £300,191.

After the redundancies that were sadly necessary in 2020 we started in 2021 to recruit again and I am pleased to announce that the group now employs 70 people an increase from 65 in 2021 and this investment in staff has continued into 2023.

We have also continued to invest in our audio visual equipment fleet with a spend in 2022 of £395,567.

The group continues to take pride in its technical creativity and delivery and to do this places importance on design technology to deliver truly innovative solutions to our clients. This is assisted by our research and development tax credit which is reflected in the accounts.

During the financial year 2022, The Creative Place Limited fully relocated into the main premises of the group in Radlett thereby reducing costs for rent, rates, utilities and other general costs.

Principal risks and uncertainties
There is an ongoing process for identifying, evaluating and manging the significant risks faced by our business. Risk reviews are undertaken regularly by the respective business areas throughout the year to identify and assess the key risks associated with the achievement of our business objectives.

The principal risks and uncertainties facing Creative Powerhouse Partnership Ltd. are:

Financial instruments
The group's principal financial instruments comprise bank loans and trade payables. The main purpose of these financial instruments is to raise finance for the group's operations. The group has various other financial assets such as trade receivables, cash and short-term deposits which arise directly from ts operations.

The main risks arising from the group's financial instruments are credit risk, liquidity risk, foreign currency exposure and interest rate risk. The Board reviews and agrees policies for managing each of these risks and they are summarised below.

Credit risk
The group's credit risk is primarily attributable to its trade receivables. The group operates to ensure that the payment terms of customers are matched to the group's own contractual obligations in terms of delivery of contracted services. Credit risk is assessed in relation to knowledge of the customer or by credit references.

Liquidity risk
The group seeks to manage financial risk to ensure sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably. Some liquidity risk arises from the nature of principal activities, which does not always arise in an even manner, and the group's policy is to forecast its cash needs to ensure there are sufficient cash reserves to meet liabilities during such periods. Short term flexibility is provided through the availability of an invoice financing facility and bank overdraft facilities.

Currency risk
Whilst the significant majority of the group's activity is undertaken in sterling, the group does operate in overseas markets and is subject to exposures on transactions undertaken during the year. The group's exposure to exchange rate fluctuations is small based on its revenue and cost base.

Interest rate risk
The group finances its operations at present through equity, bank overdraft and working capital. The group manages its exposure to interest rate fluctuations by mixing the duration of its deposits and borrowings to reduce the impact of interest rate fluctuations.

Other risks include Covid-19 restrictions and the global supply chain issues as mentioned above.

Key performance indicators

Year	2022	2021
	£	£
Turnover consolidated	14,227,099	13,168,176
Gross profit	4,975,122	4,730,865
EBIDTA	810,355	745,503
Profit/(loss) for the year	722,133	(35,630)

The group was able to grow its turnover in all its sectors by 8.0% overall which facilitated an EBITDA increase of 8.7%.

As explained above, our live events business within Media Powerhouse Limited had been significantly damaged during 2020 due to the government imposed restrictions and some of those restrictions continued into 2021. The first four months of 2022 were impacted by the loss of confidence in businesses running live events due to the Omicron Covid-19 variant. However, as we have reshaped our business to offer virtual and hybrid events and with a return in Autumn 2021 to live events, even with the impact on the start of 2022, we grew our turnover by 12% to £3,390,629 (2021: £3,027,927).

Our systems integration businesses that provide design and project management for permanent installation of audio-visual equipment at client's premises saw turnover grow by 7% to £9,217,263 (2021: £8,620,649).

The Creative Place Limited also growth of 6.5% in the year recording turnover of £1,619,207 (2021: £1,519,600).

Current trading and future prospects

The impact of Covid-19 has reduced significantly and business confidence has returned strongly which combined with the measures we have taken on recruitment and investment has enabled continued robust revenue growth in the first half of 2023.

We constantly monitor our business and forecasts and are pleased to see that the visible business for the remaining months of the year show the business continues to be profitable and cash generative.

On behalf of the board

Mr M J Breen FFA FIPA
Director

27 September 2023

CREATIVE POWERHOUSE PARTNERSHIP LTD.

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

The directors present their annual report and financial statements for the year ended 31 December 2022.

Principal activities
The principal activity of the company and group continued to be that of providing specialist audio visual equipment and services to the live events industry and for permanent systems integration.

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

No ordinary dividends were paid. The directors do not recommend payment of a further dividend.

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

Mr M J Breen FFA FIPA	
Mr R P Chinchanwala ACA	
Mr A MacDonald	(Appointed 5 May 2023)
Mr P R Sappal	(Appointed 5 May 2023)

Future developments
The directors are confident that by pursuing the management policies the group will achieve continued successes in the years ahead.

Auditor
RDP Newmans LLP were appointed as auditor to the group and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

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 auditor of the company 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 auditor of the company is aware of that information.

Matters confirmed in the strategic report
The principal activity, principal risks and uncertainties facing the group and the company and key financial performance indicators have been considered in the group strategic report.

On behalf of the board

Mr M J Breen FFA FIPA
Director

27 September 2023

CREATIVE POWERHOUSE PARTNERSHIP LTD.

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2022

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 group and company, and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

CREATIVE POWERHOUSE PARTNERSHIP LTD.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CREATIVE POWERHOUSE PARTNERSHIP LTD.

Opinion

We have audited the financial statements of Creative Powerhouse Partnership Ltd. (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2022 which comprise the group profit and loss account, the group statement of comprehensive income, the group balance sheet, the company balance sheet, the group statement of changes in equity, the company statement of changes in equity, the group 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 group's and the parent company's affairs as at 31 December 2022 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the group and parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The 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.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the group and the parent company and their 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors
As explained more fully in the 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 parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the parent 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.

The extent to which the audit was considered capable of detecting irregularities including fraud
Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the group through discussions with directors and other management, and from our commercial knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the group, including the Companies Act 2006, taxation legislation and data protection, anti-bribery and employment;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the group's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- reviewed and tested journal entries to identify unusual transactions and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- reviewing and agreeing financial statement disclosures and testing to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC and bankers.

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. There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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.

Paresh Radia FCA (Senior Statutory Auditor)
For and on behalf of RDP Newmans LLP

27 September 2023

Chartered Accountants
Statutory Auditor

Lynwood House
373-375 Station Road
Harrow
Middlesex
HA1 2AW

CREATIVE POWERHOUSE PARTNERSHIP LTD.

GROUP PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 £	2021 £
Turnover	**4**	14,227,099	13,168,176
Cost of sales		(9,251,977)	(8,437,311)
Gross profit		4,975,122	4,730,865
Administrative expenses		(4,331,022)	(4,937,325)
Other operating income		74,771	243,627
Operating profit	**5**	718,871	37,167
Interest receivable and similar income	**9**	3	7
Interest payable and similar expenses	**10**	(101,871)	(88,012)
Profit/(loss) before taxation		617,003	(50,838)
Tax on profit/(loss)	**11**	105,130	15,208
Profit/(loss) for the financial year	**26**	722,133	(35,630)
Profit/(loss) for the financial year is attributable to:			
- Owners of the parent company		680,433	(19,219)
- Non-controlling interests		41,700	(16,411)
		722,133	(35,630)

CREATIVE POWERHOUSE PARTNERSHIP LTD.

GROUP STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2022

	2022	2021
	£	£
Profit/(loss) for the year	722,133	(35,630)
Other comprehensive income		
Revaluation of tangible fixed assets	324,370	-
Tax relating to other comprehensive income	(81,093)	-
Other comprehensive income for the year	243,277	-
Total comprehensive income for the year	965,410	(35,630)
Total comprehensive income for the year is attributable to:		
- Owners of the parent company	923,710	(19,219)
- Non-controlling interests	41,700	(16,411)
	965,410	(35,630)

CREATIVE POWERHOUSE PARTNERSHIP LTD.

GROUP BALANCE SHEET

AS AT 31 DECEMBER 2022

	Notes	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Goodwill	**12**		145,747		168,950
Tangible assets	**13**		1,400,197		846,589
Investments	**14**		2		-
			1,545,946		1,015,539
Current assets					
Stocks	**16**	335,482		259,720	
Debtors	**17**	3,358,903		4,031,172	
Cash at bank and in hand		346,248		496,325	
		4,040,633		4,787,217	
Creditors: amounts falling due within one year	**18**	(4,269,435)		(5,509,060)	
Net current liabilities			(228,802)		(721,843)
Total assets less current liabilities			1,317,144		293,696
Creditors: amounts falling due after more than one year	**19**		(520,485)		(568,546)
Provisions for liabilities					
Provisions	**22**	8,000		130,000	
Deferred tax liability	**23**	228,100		-	
			(236,100)		(130,000)
Net assets/(liabilities)			560,559		(404,850)
Capital and reserves					
Called up share capital	**25**		1,000		1,000
Revaluation reserve	**26**		243,277		-
Profit and loss reserves	**26**		412,851		(267,581)
Equity attributable to owners of the parent company			657,128		(266,581)
Non-controlling interests			(96,569)		(138,269)
			560,559		(404,850)

The financial statements were approved by the board of directors and authorised for issue on 27 September 2023 and are signed on its behalf by:

Mr M J Breen FFA FIPA
Director

Company registration number 06579645 (England and Wales)

CREATIVE POWERHOUSE PARTNERSHIP LTD.

COMPANY BALANCE SHEET

AS AT 31 DECEMBER 2022

	Notes	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Investments	**14**		165,680		165,678
Current assets					
Debtors	**17**	59,867		84,885	
Cash at bank and in hand		-		2,267	
		59,867		87,152	
Creditors: amounts falling due within one year	**18**	(130,025)		(169,308)	
Net current liabilities			(70,158)		(82,156)
Net assets			95,522		83,522
Capital and reserves					
Called up share capital	**25**		1,000		1,000
Profit and loss reserves	**26**		94,522		82,522
Total equity			95,522		83,522

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £12,000 (2021 - £12,000 profit).

The financial statements were approved by the board of directors and authorised for issue on 27 September 2023 and are signed on its behalf by:

Mr M J Breen FFA FIPA
Director

Company registration number 06579645 (England and Wales)

CREATIVE POWERHOUSE PARTNERSHIP LTD.

GROUP STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2022

	Share capital	Revaluation reserve	Profit and loss reserves	Total controlling interest	Non-controlling interest	Total
	£	£	£	£	£	£
Balance at 1 January 2021	1,000	-	(5,983)	(4,983)	(364,237)	(369,220)
Year ended 31 December 2021:						
Loss and total comprehensive income	-	-	(19,219)	(19,219)	(16,411)	(35,630)
Purchase of shares in subsidiary from non-controlling interest	-	-	(242,379)	(242,379)	242,379	-
Balance at 31 December 2021	1,000	-	(267,581)	(266,581)	(138,269)	(404,850)
Year ended 31 December 2022:						
Profit for the year	-	-	680,433	680,433	41,700	722,133
Other comprehensive income:						
Revaluation of tangible fixed assets	-	324,370	-	324,370	-	324,370
Tax relating to other comprehensive income	-	(81,093)	-	(81,093)	-	(81,093)
Total comprehensive income	-	243,277	680,433	923,710	41,700	965,410
Balance at 31 December 2022	1,000	243,277	412,851	657,128	(96,569)	560,559

CREATIVE POWERHOUSE PARTNERSHIP LTD.

COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2022

	Share capital	Profit and loss reserves	Total
	£	£	£
Balance at 1 January 2021	1,000	70,522	71,522
Year ended 31 December 2021:			
Profit and total comprehensive income for the year	-	12,000	12,000
Balance at 31 December 2021	1,000	82,522	83,522
Year ended 31 December 2022:			
Profit and total comprehensive income	-	12,000	12,000
Balance at 31 December 2022	1,000	94,522	95,522

CREATIVE POWERHOUSE PARTNERSHIP LTD.

GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 £	2022 £	2021 £	2021 £
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	**30**		398,483		(101,230)
Interest paid			(101,871)		(88,012)
Income taxes refunded			3,579		116,956
Net cash inflow/(outflow) from operating activities			300,191		(72,286)
Investing activities					
Purchase of tangible fixed assets		(155,527)		(243,894)	
Proceeds from disposal of tangible fixed assets		1		-	
Interest received		3		7	
Net cash used in investing activities			(155,523)		(243,887)
Financing activities					
Proceeds from new bank loans		-		250,000	
Repayment of bank loans		(132,300)		(36,457)	
(Deduction)/advances on invoice discounting		(33,682)		542,355	
Payment of finance leases obligations		(128,763)		(293,538)	
Net cash (used in)/generated from financing activities			(294,745)		462,360
Net (decrease)/increase in cash and cash equivalents			(150,077)		146,187
Cash and cash equivalents at beginning of year			496,325		350,138
Cash and cash equivalents at end of year			346,248		496,325

1 Accounting policies

Company information

Creative Powerhouse Partnership Ltd. ("the company") is a private limited company domiciled and incorporated in England and Wales. The registered office is Parkbury Estate, Unit 13, Handley Page Way, Colney Street, St Albans, United Kingdom, AL2 2DQ.

The group consists of Creative Powerhouse Partnership Ltd. and all of its subsidiaries.

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 functional currency of the company. 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.

The company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements for parent company information presented within the consolidated financial statements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues: Interest income/expense and net gains/losses for financial instruments not measured at fair value; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment': Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

The company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including the company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit and loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements for parent company information presented within the consolidated financial statements:

- Section 7 'Statement of cash flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues': Interest, income/expense and net gains/losses for financial instruments not measured at fair value; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

1.2 Change in accounting estimate

During the year, the directors have assessed the useful economic lives of plant and machinery assets and deemed that the residual values of these assets were in excess of the carrying amounts. As a result, the directors have revised the depreciation policy of plant and machinery assets from 2-5 years straight line method to a straight line method over 2-12 years.

1 Accounting policies **(Continued)**

1.3 Basis of consolidation

The consolidated group financial statements consist of the financial statements of the parent company Creative Powerhouse Partnership Ltd. together with all entities controlled by the parent company (its subsidiaries).

All financial statements are made up to 31 December 2022. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the g roup.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Subsidiaries are consolidated in the group's financial statements from the date that control commences until the date that control ceases.

1.4 Going concern

The accounts have been prepared on a going concern basis having regard to the budgets and cashflow forecasts by the group and the continued financial support of its parent undertaking. The parent undertaking has confirmed its support of the group through the next 12 months from the date of signing of the accounts.

1.5 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

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

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

Rental income is recognised net of VAT on an accruals basis in accordance with the relative rental agreements.

1 Accounting policies **(Continued)**

1.6 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of a business over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 10 years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

1.7 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:

Leasehold improvements	Over length of lease
Plant and equipment	Straight line over 2-12 years
Fixtures and fittings	Straight line over 2-5 years
Computers	Straight line over 2-5 years
Motor vehicles	Straight line over 3-4 years

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 recognised in the profit and loss account.

Plant and machinery whose fair value can be measured reliably are held under the revaluation model and are carried at a revalued amount, being their fair value at the date of valuation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. The fair value of the plant and machinery is usually considered to be their market value.

Revaluation gains and losses are recognised in other comprehensive income and accumulated in equity, except to the extent that a revaluation gain reverses a revaluation loss previously recognised in profit or loss or a revaluation loss exceeds the accumulated revaluation gains recognised in equity; such gains and loss are recognised in profit or loss.

During the year, the directors engaged with an external company to reassess the residual value of the plant and machinery asset register of Media Powerhouse Limited who provided a capital asset valuation as at 31 December 2022. Going forward, the directors have agreed to adopt the revaluation model for plant and machinery and have decided to adopt the above depreciation rates for individual asset classes.

1.8 Fixed asset investments

In the parent company financial statements, investments in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1 Accounting policies **(Continued)**

1.9 Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible and intangible 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.

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.

1.10 Stocks

Stock comprises of cables , set stock, installation stock and printing stock held for the purposes of the trade which are recorded initially at cost.

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.11 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.

1.12 Financial instruments

The group 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 group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and 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.

1 Accounting policies **(Continued)**

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.

Other financial assets

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

Impairment of financial assets

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

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

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

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group 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 group 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.

1 Accounting policies **(Continued)**

Other financial liabilities

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

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

Derecognition of financial liabilities

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

1.13 Equity instruments

Equity instruments issued by the group 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 group.

1.14 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 group’s liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

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 if, and only if, there is 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 Accounting policies **(Continued)**

1.15 Provisions

Provisions are recognised when the group has a legal or constructive present obligation as a result of a past event, it is probable that the group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

1.16 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.

1.17 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.18 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

1.19 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

Government grants relating to turnover are recognised as income over the periods when the related costs are incurred. Grants relating to an asset are recognised in income systematically over the asset's expected useful life. If part of such a grant is deferred it is recognised as deferred income rather than being deducted from the asset's carrying amount.

1.20 Foreign exchange

Transactions in currencies other than pounds sterling 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 in the period are included in profit or loss.

1.21 Invoice discounting account

The invoice discounting account is recorded in creditors and is measured at the transaction price.

2 Change in accounting policy

The directors have changed the accounting policy applied on plant and machinery assets from being held under the historical cost basis to the revaluation model. An external, independent valuer was appointed in the year to conduct a valuation of the plant and machinery assets. The adjustments arising as a result of the change in the adopted revised accounting policy have not been applied to prior periods on the grounds of impracticability.

3 Judgements and key sources of estimation uncertainty

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

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

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Bad debt provisions

A full line by line review of trade debtors is carried out at the end of each month. Whilst every attempt is made to ensure bad debt provisions are as accurate as possible, there remains a risk that the provisions do not match the level of debts which ultimately prove to be uncollectible.

Stock provisions

Stock comprises cables, set stock and installation stock which are recorded initially at cost. Stock is valued at the lower of cost and net realisable value. Net realisable value is determined by assessing the estimated useful life, obsolescence and the age of the stock items. Stock is counted annually and appropriate adjustments are made to reflect the actual quantity of stock counted.

Depreciation rates and estimated economic useful life of tangible fixed assets

Management review the useful economic lives of depreciable assets at each reporting date so as to allocate the costs of assets, less their residual value, over their estimated useful lives. Uncertainties in these estimates relate to the actual life of the tangible fixed assets.

Dilapidations provision

Management have included a dilapidations provision in the financial statements for potential dilapidations due at the end of the current leases of property. The dilapidations provision is based on potential amounts to be paid to put the property back to its original condition. Uncertainties in this estimate relate to the actual cost of work that could be required.

4 Turnover and other revenue

	2022	2021
	£	£
Turnover analysed by class of business		
Systems integration and service contracts	9,217,263	8,620,649
Rental	3,390,629	3,027,927
Design and Print	1,619,207	1,519,600
	14,227,099	13,168,176

	2022	2021
	£	£
Turnover analysed by geographical market		
United Kingdom	10,884,546	12,203,893
Europe	3,181,794	924,950
Rest of world	160,759	39,333
	14,227,099	13,168,176

	2022	2021
	£	£
Other revenue		
Interest income	3	7
Grants received	-	128,668
Other income	74,771	112,817
Insurance claims	-	2,142

5 Operating profit

	2022	2021
	£	£
Operating profit for the year is stated after charging/(crediting):		
Exchange losses/(gains)	71,426	(171)
Government grants	-	(128,668)
Depreciation of owned tangible fixed assets	68,281	684,933
Loss on disposal of tangible fixed assets	5,108	-
Amortisation of intangible assets	23,203	23,303
Operating lease charges	293,759	279,189

6 Auditor's remuneration

	2022	2021
Fees payable to the company's auditor and associates:	£	£
For audit services		
Audit of the financial statements of the group and company	9,900	29,000
Audit of the financial statements of the company's subsidiaries	36,225	14,000
	46,125	43,000

6 Auditor's remuneration **(Continued)**

7 Employees

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

	Group		Company	
	2022	2021	2022	2021
	Number	Number	Number	Number
Directors	6	2	4	2
Administration	10	10	-	-
Support staff	54	53	-	-
Total	70	65	4	2

Their aggregate remuneration comprised:

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Wages and salaries	2,804,795	2,777,574	210,540	214,112
Social security costs	321,599	270,249	29,959	28,905
Pension costs	57,183	69,269	-	-
	3,183,577	3,117,092	240,499	243,017

8 Directors' remuneration

	2022	2021
	£	£
Remuneration for qualifying services	228,555	218,000

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 3 (2021 - 2).

Remuneration disclosed above includes the following amounts paid to the highest paid director:

	2022	2021
	£	£
Remuneration for qualifying services	120,000	120,000

9 Interest receivable and similar income

	2022	2021
	£	£
Interest income		
Interest on bank deposits	3	7

10 Interest payable and similar expenses

	2022	2021
	£	£
Interest on bank overdrafts and loans	30,555	34,454
Interest on invoice finance arrangements	45,508	25,092
Interest on finance leases and hire purchase contracts	19,924	16,938
Other interest	5,884	11,528
Total finance costs	101,871	88,012

11 Taxation

	2022	2021
	£	£
Current tax		
Adjustments in respect of prior periods	(3,579)	-
Deferred tax		
Origination and reversal of timing differences	(101,551)	(15,208)
Total tax credit	(105,130)	(15,208)

11 Taxation (Continued)

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

	2022	2021
	£	£
Profit/(loss) before taxation	617,003	(50,838)
Expected tax charge/(credit) based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	117,231	(9,659)
Tax effect of expenses that are not deductible in determining taxable profit	4,918	6,454
Tax effect of income not taxable in determining taxable profit	(12,350)	-
Tax effect of utilisation of tax losses not previously recognised	(82,977)	-
Unutilised tax losses carried forward	81,479	-
Adjustments in respect of prior years	(3,579)	-
Permanent capital allowances in excess of depreciation	(112,710)	-
Amortisation on assets not qualifying for tax allowances	4,409	4,427
Deferred tax adjustments in respect of prior years	-	(158,616)
Deferred tax movement	(101,551)	174,712
Deferred tax movement - change in tax rates	-	(19,837)
Enhanced super deduction	-	(12,689)
Taxation credit	(105,130)	(15,208)

In addition to the amount charged to the profit and loss account, the following amounts relating to tax have been recognised directly in other comprehensive income:

	2022	2021
	£	£
Deferred tax arising on:		
Revaluation of plant and machinery	81,093	-

12 Intangible fixed assets

Group	Goodwill
	£
Cost	
At 1 January 2022 and 31 December 2022	233,034
Amortisation and impairment	
At 1 January 2022	64,084
Amortisation charged for the year	23,203
At 31 December 2022	87,287

12 Intangible fixed assets **(Continued)**

Carrying amount	
At 31 December 2022	145,747
At 31 December 2021	168,950

The company had no intangible fixed assets at 31 December 2022 or 31 December 2021.

13 Tangible fixed assets

Group	Leasehold improvements	Plant and equipment	Fixtures and fittings	Computers	Motor vehicles	Total
	£	£	£	£	£	£
Cost or valuation						
At 1 January 2022	385,987	4,689,936	65,802	344,686	38,613	5,525,024
Additions	-	395,567	-	37,060	-	432,627
Disposals	(130,000)	(663,220)	-	(5,916)	-	(799,136)
Revaluation	-	324,370	-	-	-	324,370
At 31 December 2022	255,987	4,746,653	65,802	375,830	38,613	5,482,885
Depreciation and impairment						
At 1 January 2022	212,807	4,104,198	50,103	276,280	35,047	4,678,435
Depreciation charged in the year	10,909	4,975	13,200	37,231	1,966	68,281
Eliminated in respect of disposals	-	(658,112)	-	(5,916)	-	(664,028)
At 31 December 2022	223,716	3,451,061	63,303	307,595	37,013	4,082,688
Carrying amount						
At 31 December 2022	32,271	1,295,592	2,499	68,235	1,600	1,400,197
At 31 December 2021	173,180	585,738	15,699	68,406	3,566	846,589

The company had no tangible fixed assets at 31 December 2022 or 31 December 2021.

Plant and machinery assets with a carrying amount of £1,241,536 were revalued at 31 December 2022 by Hickman Shearer Limited, independent valuers not connected with the company on the basis of market value, conforming to International Valuation Standards.

If the assets above were measured using the cost model, the carrying amounts would be as follows:

13 Tangible fixed assets **(Continued)**

	2022	2021
	£	£
Group		
Cost	4,490,752	4,183,724
Accumulated depreciation	(3,672,819)	(3,657,017)
Carrying value	817,933	526,707

14 Fixed asset investments

		Group		Company	
		2022	2021	2022	2021
	Notes	£	£	£	£
Investments in subsidiaries	15	2	2	165,680	165,680

Movements in fixed asset investments

Group	**Shares in subsidiaries**
	£
Cost or valuation	
At 1 January 2022 and 31 December 2022	2
Carrying amount	
At 31 December 2022	2
At 31 December 2021	2

Movements in fixed asset investments

Company	**Shares in subsidiaries**
	£
Cost or valuation	
At 1 January 2022 and 31 December 2022	165,680
Carrying amount	
At 31 December 2022	165,680
At 31 December 2021	165,680

15 Subsidiaries

Details of the company's subsidiaries at 31 December 2022 are as follows:

15 Subsidiaries **(Continued)**

Name of undertaking	Registered office	Class of shares held	% Held Direct
Media Powerhouse Limited	Parkbury Estate, Unit 13 Handley Page Way, Colney Street, St Albans, AL2 2DQ	Ordinary	100.00
Powerhouse Systems Limited	As above	Ordinary	100.00
The Creative Place Limited	As above	Ordinary	80.00
Powerhouse Media Ltd	As above	Ordinary	100.00

16 Stocks

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Finished goods and goods for resale	335,482	259,720	-	-

17 Debtors

Amounts falling due within one year:	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Trade debtors	1,665,410	2,003,274	-	-
Corporation tax recoverable	283,333	68,578	-	-
Amounts owed by group undertakings	-	-	60,000	84,885
Other debtors	456,203	465,330	(133)	-
Prepayments and accrued income	569,897	1,358,488	-	-
	2,974,843	3,895,670	59,867	84,885
Deferred tax asset (note 23)	384,060	135,502	-	-
	3,358,903	4,031,172	59,867	84,885

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

18 Creditors: amounts falling due within one year

	Notes	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Bank loans	20	1,108,629	1,128,370	-	-
Obligations under finance leases	21	110,559	115,306	-	-
Trade creditors		1,265,520	1,487,348	-	-
Amounts owed to group undertakings		-	-	119,116	143,992
Other taxation and social security		417,345	973,539	8,468	8,566
Other creditors		81,502	329,773	2,441	-
Accruals and deferred income		1,285,880	1,474,724	-	16,750
		4,269,435	5,509,060	130,025	169,308

18 Creditors: amounts falling due within one year **(Continued)**

Included within other loans and overdrafts are invoice discounting accounts totalling £962,153 (2021: £995,835) that have been secured by fixed charges on all assets of the group and by an aggregate personal guarantee from Mr R Chinchanwala and Mr M Breen of £50,000 (2021: £50,000).

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

19 Creditors: amounts falling due after more than one year

		Group		Company	
		2022	2021	2022	2021
	Notes	£	£	£	£
Bank loans and overdrafts	20	284,766	431,007	-	-
Obligations under finance leases	21	200,234	47,150	-	-
Trade creditors		35,485	-	-	-
Other taxation and social security		-	23,782	-	-
Other creditors		-	66,607	-	-
		520,485	568,546	-	-

20 Loans and overdrafts

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Bank loans	1,393,395	1,559,377	-	-
Payable within one year	1,108,629	1,128,370	-	-
Payable after one year	284,766	431,007	-	-

Bank loans amounting to £431,242 (2021: £563,542) have been secured by way of a fixed and floating charge over various assets of the company. The loans mature between 2025 and 2026, with a variable interest rate of 4.1% above the Bank of England base rate.

21 Finance lease obligations

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Future minimum lease payments due under finance leases:				
Within one year	110,559	115,306	-	-
In two to five years	200,234	47,150	-	-
	310,793	162,456	-	-

21 Finance lease obligations **(Continued)**

Finance lease payments represent rentals payable by the company or group for certain items of plant and machinery. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. The average lease term is 3 years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

22 Provisions for liabilities

	Group 2022 £	2021 £	Company 2022 £	2021 £
Dilapidations provision	8,000	130,000	-	-

Movements on provisions:

Group	**Dilapidations provision £**
At 1 January 2022	130,000
Reversal of provision	(122,000)
At 31 December 2022	8,000

Dilapidations costs will arise when the company is released from its rent lease obligations and a provision for this has been provided.

23 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the group and company, and movements thereon:

Group	**Liabilities 2022 £**	**Liabilities 2021 £**	**Assets 2022 £**	**Assets 2021 £**
Accelerated capital allowances	228,100	-	-	(24,882)
Tax losses	-	-	384,060	160,150
Short term timing difference	-	-	-	234
	228,100	-	384,060	135,502

The company has no deferred tax assets or liabilities.

23 Deferred taxation **(Continued)**

	Group 2022	Company 2022
Movements in the year:	£	£
Asset at 1 January 2022	(135,502)	-
Credit to profit or loss	(20,458)	-
Asset at 31 December 2022	(155,960)	-

24 Retirement benefit schemes

	2022	2021
Defined contribution schemes	£	£
Charge to profit or loss in respect of defined contribution schemes	57,183	69,269

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

25 Share capital

Group and company	2022	2021	2022	2021
Ordinary share capital	Number	Number	£	£
Issued and fully paid				
Ordinary shares of £1 each	1,000	1,000	1,000	1,000

26 Reserves

Revaluation reserve
The revaluation reserves relates to fair value movements on plant and machinery of Media Powerhouse Limited.

Profit and loss reserves
The reserve is the accumulated retained profit.

27 Operating lease commitments

Lessee

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group 2022 £	2021 £	Company 2022 £	2021 £
Within one year	263,099	227,687	-	-
Between two and five years	786,388	307,210	-	-
	1,049,487	534,897	-	-

28 Related party transactions

Transactions with related parties

During the year the group entered into the following transactions with related parties:

	Sales 2022 £	Sales 2021 £	Purchases 2022 £	Purchases 2021 £
Group				
Other related parties	11,047	-	11,991	-

The following amounts were outstanding at the reporting end date:

Amounts due to related parties	2022 £	2021 £
Group		
Other related parties	22,409	-
Company		
Other related parties	2,439	-

The following amounts were outstanding at the reporting end date:

Amounts due from related parties	2022 Balance £	2021 Balance £
Group		
Other related parties	5,538	-

Other information

28 Related party transactions (Continued)

Other related parties include transactions with shareholders of Creative Powerhouse Partnership Limited, the parent company.

No disclosure has been made of the company's transactions with other wholly owned group companies in accordance with FRS 102 Section 33.paragraph 33.1A.
Other than as disclosed as directors' emoluments in note 8 and in the above note, there was no remuneration in relation to key management personnel in the current or prior year.

29 Controlling party

There is no ultimate controlling party.

30 Cash generated from/(absorbed by) group operations

	2022	2021
	£	£
Profit/(loss) for the year after tax	722,133	(35,630)
Adjustments for:		
Taxation credited	(105,130)	(15,208)
Finance costs	101,871	88,012
Investment income	(3)	(7)
Loss on disposal of tangible fixed assets	5,108	-
Amortisation and impairment of intangible assets	23,203	23,303
Depreciation and impairment of tangible fixed assets	198,280	684,933
Decrease in provisions	(122,000)	-
Movements in working capital:		
(Increase)/decrease in stocks	(75,762)	38,066
Decrease/(increase) in debtors	920,824	(1,507,098)
(Decrease)/increase in creditors	(1,270,041)	622,399
Cash generated from/(absorbed by) operations	398,483	(101,230)

31 Analysis of changes in net debt - group

	1 January 2022	Cash flows	New finance leases	31 December 2022
	£	£	£	£
Cash at bank and in hand	496,325	(150,077)	-	346,248
Borrowings excluding overdrafts	(1,559,377)	165,982	-	(1,393,395)
Obligations under finance leases	(162,456)	128,763	(277,100)	(310,793)
	(1,225,508)	144,668	(277,100)	(1,357,940)