

REGISTERED NUMBER: 08382896 (England and Wales)

**PARNALL GROUP LIMITED**  
**GROUP STRATEGIC REPORT, REPORT OF THE DIRECTORS AND**  
**UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

Mark Holt & Co Limited  
Chartered Accountants  
7 Sandy Court  
Ashleigh Way  
Langage Business Park  
Plymouth  
Devon  
PL7 5JX



**PARNALL GROUP LIMITED (REGISTERED NUMBER: 08382896)**

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FOR THE YEAR ENDED 31 DECEMBER 2020**

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**PARNALL GROUP LIMITED**

**COMPANY INFORMATION  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**DIRECTORS:**

R M B Parnall  
A R B Parnall  
M F Joce  
N B Buckland  
M K Quirk

**SECRETARY:**

R M B Parnall

**REGISTERED OFFICE:**

15-19 Westgate Street  
Launceston  
Cornwall  
PL15 7AB

**REGISTERED NUMBER:**

08382896 (England and Wales)

**ACCOUNTANTS:**

Mark Holt & Co Limited  
Chartered Accountants  
7 Sandy Court  
Ashleigh Way  
Langage Business Park  
Plymouth  
Devon  
PL7 5JX

**PARNALL GROUP LIMITED (REGISTERED NUMBER: 08382896)****GROUP STRATEGIC REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2020**

The directors present their strategic report of the company and the group for the year ended 31 December 2020.

**REVIEW OF BUSINESS**

The Parnall Group operates a number of Companies from Trelonk on the Roseland in Cornwall and from offices in Launceston.

During the period to the 31st December 2020 activity from the Law Services provided by Parnalls Solicitors Limited which has served its customers in Cornwall and Devon since the 1700s was profit making.

During a year of COVID, considerable effort was placed in monetising the huge amount of research & development work done in the past few years and this was inspired in the launching of three websites in 2021 Trelonk Wellbeing, <https://www.trelonkwellbeing.com/>, Wild Cornwall, - <https://wildcornwall.net/> and Parnall Aircraft Company, - <https://parnallaircraftcompany.com/>

Also the creation of an IT software, including considerable investment in marketing software (HubSpot) and pack and despatch facilities. Production facilities and laboratory facilities were all begun during the year (completed 2021) to reinforce the process. Teams organised for a production of goods and all three websites are operating well, although with sales failing to meet expectations at present.

Little work was done in connection with PBE Limited (Hemposite Building Products), SARA (immersive technology) and WHISPA (the electric boat). In 2021 these have been relaunched in association with active investor interest.

The Company has also matured its investments in Phytome Life Sciences Limited and in 2021 when its formal trading has begun and its fast trajectory to Listing on a Stock Exchange in 2022.

The CEO foresees considerable further investment in real estate infrastructure to allow the businesses to fully operate efficiently and Parnall Group is likely to reduce its core services to its subsidiaries to allow each subsidiary to successfully build its own management teams independent of Group.

It is intended in late 2021 to launch a pathway for Trelonk Limited with its three brands (Wild Cornwall, Trelonk Wellbeing and TCT) into a fast journey to Listing.

R&D Tax Credits recovered have been disappointing and due to COVID and other external factors of progress, amortisation and write downs of some of the assets of Parnall Group have enhanced the losses. The return on that investment and expectation will begin to be realised during 2021 with strong management teams and more certain pathways to profitability for the subsidiaries. The Company across all its activities managed to contain COVID despite all its challenges, by strict health & safety measures, whilst in the main continuing to work in as normal as it was possible to do so during COVID. This investment of endeavour as opposed to temptations of furlough and mothballing has enabled the Company to reach 2021 with a strong platform of talent intact and ambitions undimmed.

As mentioned above, during the period to 31 December 2020, activity from the law services provided by Parnalls Solicitors Limited was profit making. However, the activities of other members of the group were still in the early stages and contributed losses to the Group. Furthermore, intangible assets have suffered amortisation and impairment, which is the main contributory factor when reviewing the movement between the underlying loss and the loss before tax.

	<b>2020</b>	<b>2019</b>
	<b>£000</b>	<b>£000</b>
Turnover	<b>2,202</b>	4,177
Underlying Profit / (Loss) Before Tax	<b>(1,467)</b>	(383)
Profit / (Loss) Before Tax	<b>(4,594)</b>	(1,886)
Intangible Fixed Assets	<b>16,063</b>	19,232
Shareholders Funds	<b>18,108</b>	22,640

**PARNALL GROUP LIMITED (REGISTERED NUMBER: 08382896)**

**GROUP STRATEGIC REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**PRINCIPAL RISKS AND UNCERTAINTIES**

The Parnall Group, like all businesses, faces a number of operating risks and uncertainties. The most fundamental issues faced by the Group are:

- credit risk of customers;
- uncertainty as a result of Brexit and COVID-19;
- achieving quality standards; and
- attracting and retaining high quality qualified staff.

The Group manages its risk via tight management controls and open discussions with customers and suppliers.

**COVID-19**

It is widely accepted that Coronavirus will have a financial impact on business and the wider economy. The Directors have therefore assessed the financial stability of the company in light of the current outbreak. There are clear plans and protocols in place to reduce the risk of infection transmission.

In the short term the group has cash reserves available to fund operational costs, and retains the confidence of its bankers. On this basis, the Board is confident that the company and group could survive a substantial financial impact and that we continue to remain a going concern for well beyond the next 12 months of trading.

**ON BEHALF OF THE BOARD:**

*Mark Parnall*

.....  
R M B Parnall - Director

11-12-2021 | 5:06 AM GMT  
Date: .....

**PARNALL GROUP LIMITED (REGISTERED NUMBER: 08382896)**

**REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

The directors present their report with the financial statements of the company and the group for the year ended 31 December 2020.

**PRINCIPAL ACTIVITY**

Parnall Group operates a diversified portfolio of brands and investments, with significant holdings in agriculture, biotechnology, professional services, Spitfire construction and advanced engineering.

Included within the professional services, the Group provides a range of solicitor services for both private and commercial clients.

The Parnall Group includes the Parnall Foundation Limited which was founded by Mark Parnall in 2016, to inspire young people by providing training and creating opportunities to work on exciting unique projects in Cornwall. The Group provides them with unique opportunities in science and technology to develop their skills, enabling them to stay in Cornwall to build their careers.

**DIVIDENDS**

No dividends will be distributed for the year ended 31 December 2020.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 January 2020 to the date of this report.

R M B Parnall  
A R B Parnall  
M F Joce  
N B Buckland

Other changes in directors holding office are as follows:

M K Quirk - resigned 7 October 2020  
T C Sawyer - resigned 1 September 2020  
A J Daly - resigned 26 August 2020  
M Belcher - resigned 16 December 2020  
D J Cates - appointed 12 August 2020

M K Quirk was appointed as a director after 31 December 2020 but prior to the date of this report.

D J Cates ceased to be a director after 31 December 2020 but prior to the date of this report.

**ON BEHALF OF THE BOARD:**

*Mark Parnall*

.....  
R M B Parnall - Director

11-12-2021 | 5:06 AM GMT  
Date: .....

**CHARTERED ACCOUNTANTS' REPORT TO THE MEMBERS  
ON THE UNAUDITED FINANCIAL STATEMENTS OF  
PARNALL GROUP LIMITED**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Parnall Group Limited for the year ended 31 December 2020 which comprise the Consolidated Income Statement, Consolidated Other Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flow Statement and the related notes from the company's and the group's accounting records and from information and explanations you have given us.

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

This report is made solely to the Board of Directors of Parnall Group Limited, as a body, in accordance with our terms of engagement. Our work has been undertaken solely to prepare for your approval the financial statements of Parnall Group Limited and state those matters that we have agreed to state to the Board of Directors of Parnall Group Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Parnall Group Limited the company and the group and the company's Board of Directors, as a body, for our work or for this report.

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

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



Mark Holt & Co Limited  
Chartered Accountants  
7 Sandy Court  
Ashleigh Way  
Langage Business Park  
Plymouth  
Devon  
PL7 5JX

Date: 13/12/21

## PARNALL GROUP LIMITED (REGISTERED NUMBER: 08382896)

**CONSOLIDATED  
INCOME STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2020**

		2020		2019 as restated	
	Notes	£	£	£	£
<b>TURNOVER</b>					
Group and share of joint ventures			2,202,540		4,176,810
Less:					
Share of joint ventures' turnover			(762)		-
<b>GROUP TURNOVER</b>			2,201,778		4,176,810
Cost of sales			1,108,252		2,565,919
<b>GROSS PROFIT</b>			1,093,526		1,610,891
Administrative expenses – exceptional items	5		1,095,322		-
Administrative expenses			4,446,462		3,661,103
			(4,448,258)		(2,050,212)
Other operating income			274,009		264,104
<b>OPERATING LOSS</b>	5		(4,174,249)		(1,786,108)
Income from other participating interests		(271,962)		(69,800)	
Interest receivable and similar income		2,668		11,007	
			(269,294)		(58,793)
			(4,443,543)		(1,844,901)
Interest payable and similar expenses	6		150,416		41,017
<b>LOSS BEFORE TAXATION</b>			(4,593,959)		(1,885,918)
Tax on loss	7		(61,512)		(81,781)
<b>LOSS FOR THE FINANCIAL YEAR</b>			(4,532,447)		(1,804,137)
Loss attributable to:					
Owners of the parent			(4,532,447)		(1,804,137)

The notes form part of these financial statements



**PARNALL GROUP LIMITED (REGISTERED NUMBER: 08382896)****CONSOLIDATED  
OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2020**

		<b>2020</b>	<b>2019</b>
	<b>Notes</b>	<b>£</b>	<b>as restated £</b>
<b>LOSS FOR THE YEAR</b>		<b>(4,532,447)</b>	<b>(1,804,137)</b>
<b>OTHER COMPREHENSIVE INCOME</b>		<b>-</b>	<b>-</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b><u>(4,532,447)</u></b>	
Prior year adjustment	Note 9		<b><u>(216,000)</u></b>
<b>TOTAL COMPREHENSIVE INCOME SINCE LAST ANNUAL REPORT</b>			<b><u>(2,020,137)</u></b>
Total comprehensive income attributable to: Owners of the parent		<b><u>(4,532,447)</u></b>	<b><u>(2,020,137)</u></b>

The notes form part of these financial statements

## PARNALL GROUP LIMITED (REGISTERED NUMBER: 08382896)

CONSOLIDATED BALANCE SHEET  
31 DECEMBER 2020

		2020		2019 as restated	
	Notes	£	£	£	£
<b>FIXED ASSETS</b>					
Intangible assets	10		16,063,155		19,232,287
Tangible assets	11		596,620		542,037
Investments	12				
Interest in joint venture					
Share of gross assets			80,220		3,634
Share of gross liabilities			(325,056)		(18,519)
			(244,836)		(14,885)
Interest in associate			-		357,932
			16,414,939		20,117,371
<b>CURRENT ASSETS</b>					
Stocks	13	863,873		174,434	
Debtors	14	4,030,655		4,317,243	
Cash at bank and in hand		53,919		45,460	
		4,948,447		4,537,137	
<b>CREDITORS</b>					
Amounts falling due within one year	15	2,979,037		1,982,714	
<b>NET CURRENT ASSETS</b>			1,969,410		2,554,423
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			18,384,349		22,671,794
<b>CREDITORS</b>					
Amounts falling due after more than one year	16		(270,000)		(25,000)
<b>PROVISIONS FOR LIABILITIES</b>	18		(6,517)		(6,517)
<b>NET ASSETS</b>			18,107,832		22,640,277

The notes form part of these financial statements

## PARNALL GROUP LIMITED (REGISTERED NUMBER: 08382896)

CONSOLIDATED BALANCE SHEET - continued  
31 DECEMBER 2020

		2020		2019 as restated	
	Notes	£	£	£	£
<b>CAPITAL AND RESERVES</b>					
Called up share capital	19		24,433,753		24,433,751
Retained earnings	20		<u>(6,325,921)</u>		<u>(1,793,474)</u>
<b>SHAREHOLDERS' FUNDS</b>			<u><b>18,107,832</b></u>		<u><b>22,640,277</b></u>

The company and the group are entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2020.

The members have not required the company and the group to obtain an audit of its financial statements for the year ended 31 December 2020 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the group keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company and the group as at the end of each financial year and of the group's profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company and the group.

The financial statements were approved by the Board of Directors and authorised for issue on 11-12-2021 | 5:06 AM GMT and were signed on its behalf by: .....

*Mark Parnall*

.....  
R M B Parnall - Director

## PARNALL GROUP LIMITED (REGISTERED NUMBER: 08382896)

COMPANY BALANCE SHEET  
31 DECEMBER 2020

		2020	2019
	Notes	£	£
<b>FIXED ASSETS</b>			
Intangible assets	10	-	-
Tangible assets	11	497,047	428,218
Investments	12	19,601,167	19,553,915
		<b>20,098,214</b>	<b>19,982,133</b>
<b>CURRENT ASSETS</b>			
Stocks	13	-	100,000
Debtors	14	5,460,582	4,613,330
Cash at bank		30,284	14,348
		<b>5,490,866</b>	<b>4,727,678</b>
<b>CREDITORS</b>			
Amounts falling due within one year	15	2,384,194	1,087,410
<b>NET CURRENT ASSETS</b>		<b>3,106,672</b>	<b>3,640,268</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>23,204,886</b>	<b>23,622,401</b>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	19	24,433,753	24,433,752
Retained earnings	20	(1,228,867)	(811,351)
<b>SHAREHOLDERS' FUNDS</b>		<b>23,204,886</b>	<b>23,622,401</b>
Company's loss for the financial year		<b>(417,516)</b>	<b>(668,237)</b>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2020.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2020 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

11-12-2021 | 5:06 AM GMT

The financial statements were approved by the Board of Directors and authorised for issue on ..... and were signed on its behalf by:

*Mark Parnall*

R M B Parnall - Director

The notes form part of these financial statements

**PARNALL GROUP LIMITED (REGISTERED NUMBER: 08382896)****CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2020**

	<b>Called up share capital £</b>	<b>Retained earnings £</b>	<b>Total equity £</b>
<b>Balance at 1 January 2019</b>	601,000	226,663	827,663
Prior year adjustment	-	(216,000)	(216,000)
<b>As restated</b>	<b>601,000</b>	<b>10,663</b>	<b>611,663</b>
<b>Changes in equity</b>			
Issue of share capital	23,832,751	-	23,832,751
Total comprehensive income	-	(311,663)	(311,663)
<b>Balance at 31 December 2019</b>	<b>24,433,751</b>	<b>(301,000)</b>	<b>24,132,751</b>
Prior year adjustment	-	(1,492,474)	(1,492,474)
<b>As restated</b>	<b>24,433,751</b>	<b>(1,793,474)</b>	<b>22,640,277</b>
<b>Changes in equity</b>			
Issue of share capital	2	-	2
Total comprehensive income	-	(4,532,447)	(4,532,447)
<b>Balance at 31 December 2020</b>	<b>24,433,753</b>	<b>(6,325,921)</b>	<b>18,107,832</b>

The notes form part of these financial statements

**PARNALL GROUP LIMITED (REGISTERED NUMBER: 08382896)****COMPANY STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2020**

	<b>Called up share capital £</b>	<b>Retained earnings £</b>	<b>Total equity £</b>
<b>Balance at 1 January 2019</b>	601,000	72,886	673,886
Prior year adjustment	-	(216,000)	(216,000)
<b>As restated</b>	<u>601,000</u>	<u>(143,114)</u>	<u>457,886</u>
<b>Changes in equity</b>			
Issue of share capital	23,832,752	-	23,832,752
Total comprehensive income	-	(668,237)	(668,237)
<b>Balance at 31 December 2019</b>	<u>24,433,752</u>	<u>(811,351)</u>	<u>23,622,401</u>
<b>Changes in equity</b>			
Issue of share capital	1	-	1
Total comprehensive income	-	(417,516)	(417,516)
<b>Balance at 31 December 2020</b>	<u>24,433,753</u>	<u>(1,228,867)</u>	<u>23,204,886</u>

The notes form part of these financial statements

## PARNALL GROUP LIMITED (REGISTERED NUMBER: 08382896)

CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2020

		2020	2019
	Notes	£	as restated £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	(172,916)	(1,465,054)
Interest paid		(150,416)	(41,017)
R&D tax credit received		-	110,950
Net cash from operating activities		<u>(323,332)</u>	<u>(1,395,121)</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(26,681)	(16,287)
Sale of fixed asset investments		357,932	-
Interest received		<u>2,668</u>	<u>11,007</u>
Net cash from investing activities		<u>333,919</u>	<u>(5,280)</u>
<b>Cash flows from financing activities</b>			
New loans in year		484,262	581,844
Loan repayments in year		(449,046)	(341,702)
Amount introduced by directors		-	351,049
Amount withdrawn by directors		-	(307,330)
Share issue		-	<u>1,008,195</u>
Net cash from financing activities		<u>35,216</u>	<u>1,292,056</u>
<b>Increase/(decrease) in cash and cash equivalents</b>		<u>45,803</u>	<u>(108,345)</u>
Cash and cash equivalents at beginning of year	2	<u>(93,703)</u>	<u>14,642</u>
<b>Cash and cash equivalents at end of year</b>	2	<u><u>(47,900)</u></u>	<u><u>(93,703)</u></u>

The notes form part of these financial statements

## PARNALL GROUP LIMITED (REGISTERED NUMBER: 08382896)

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2020

## 1. RECONCILIATION OF LOSS BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2020	2019 as restated
	£	£
Loss before taxation	(4,593,959)	(1,885,918)
Depreciation charges	2,144,019	1,527,666
Loss/(profit) on disposal of fixed assets	5,578	(22,151)
Finance income - non cash adjustment	(271,962)	(69,800)
Impairment	1,096,872	44,685
Finance costs	150,416	41,017
Finance income	269,294	58,793
	<u>(1,199,742)</u>	<u>(305,708)</u>
(Increase)/decrease in stocks	(789,439)	1,586,112
Decrease/(increase) in trade and other debtors	183,101	(619,998)
Increase/(decrease) in trade and other creditors	<u>1,633,164</u>	<u>(2,125,460)</u>
<b>Cash generated from operations</b>	<u><b>(172,916)</b></u>	<u><b>(1,465,054)</b></u>

## 2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

## Year ended 31 December 2020

	31.12.20	1.1.20
	£	£
Cash and cash equivalents	53,919	45,460
Bank overdrafts	<u>(101,819)</u>	<u>(139,163)</u>
	<u><b>(47,900)</b></u>	<u><b>(93,703)</b></u>

## Year ended 31 December 2019

	31.12.19	1.1.19 as restated
	£	£
Cash and cash equivalents	45,460	14,642
Bank overdrafts	<u>(139,163)</u>	<u>-</u>
	<u><b>(93,703)</b></u>	<u><b>14,642</b></u>

## 3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.1.20	Cash flow	At 31.12.20
	£	£	£
<b>Net cash</b>			
Cash at bank and in hand	45,460	8,459	53,919
Bank overdrafts	<u>(139,163)</u>	<u>37,344</u>	<u>(101,819)</u>
	<u><b>(93,703)</b></u>	<u><b>45,803</b></u>	<u><b>(47,900)</b></u>
<b>Debt</b>			
Debts falling due within 1 year	(503,466)	183,505	(319,961)
Debts falling due after 1 year	<u>(25,000)</u>	<u>(245,000)</u>	<u>(270,000)</u>
	<u><b>(528,466)</b></u>	<u><b>(61,495)</b></u>	<u><b>(589,961)</b></u>
<b>Total</b>	<u><b>(622,169)</b></u>	<u><b>(15,692)</b></u>	<u><b>(637,861)</b></u>

The notes form part of these financial statements



**PARNALL GROUP LIMITED (REGISTERED NUMBER: 08382896)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**1. STATUTORY INFORMATION**

Parnall Group Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the General Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

**2. STATEMENT OF COMPLIANCE**

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

**3. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

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

**Basis of consolidation**

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries.

Subsidiaries, joint ventures and associates are not consolidated if their influence on Parnall Group's asset, financial and earnings position is considered to be immaterial, either individually or in total.

All subsidiaries utilise the same accounting framework and accounting policies. Assets and liabilities of subsidiaries are shown in the consolidated accounts at their fair value on the date of acquisition.

**Joint ventures**

The Group accounts for Joint Ventures under the equity method of accounting. The Group's share of a Joint Venture's profit after tax is included from the date on which the Group acquires joint control.

Within the consolidated balance sheet the investment is recorded at cost and subsequently adjusted to reflect the Group's share of the movements in the Joint Venture's net assets post-acquisition. The results, assets and liabilities of Joint Ventures are stated in accordance with Group accounting policies.

**Associates**

Fixed asset investments relate to investments in an unlisted company which is classed as an associate. The associate is stated at fair value with annual changes being taken to the revaluation reserve, or if impaired below cost to the profit and loss account. The fair value is ascertained from the value of shares allotted pre and post year-end.

**Related party exemption**

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Transactions between group entities which have been eliminated on consolidation are not disclosed within the financial statements.

**Significant judgements and estimates**

Critical accounting 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

**PARNALL GROUP LIMITED (REGISTERED NUMBER: 08382896)****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2020****3. ACCOUNTING POLICIES - continued****Turnover**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the group and the revenue can be reliably measured.

Included within turnover is legal services that the group provides on the basis of No Win / No Fee conditional fee arrangements. The uncertainty around the fees ultimately receivable under these types of contracts is generally only resolved when a matter is concluded. Fees are only included in revenue to the extent that it is highly probable that the cumulative amount of revenue recognised in respect of a contract at the end of a reporting period will not be subject to significant reversal when a matter is concluded.

Unbilled revenue is included as amounts recoverable on contract within other receivables.

Also included within turnover is services provided in relation to the maintenance of vintage aircraft, THC licence work, property maintenance, contributions to the endeavours of the Foundation, and work to date on the boat.

**Goodwill**

Goodwill, being the amount paid in connection with the acquisition of a business in 2019, is being amortised over the useful economic life of each component, ranging from 3 to 10 years.

**Intangible assets**

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life.

Plant and machinery	- 25% on reducing balance and not provided
Fixtures and fittings	- 25% on reducing balance and 15% on reducing balance
Computer equipment	- 33% on cost, 25% on reducing balance and Straight line over 3 years

No depreciation has been charged on the heritage assets that are included within plant and machinery assets as they are of historical, scientific and technological importance and they are held and maintained principally for its contribution to knowledge and culture.

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

**Impairment of assets**

At each reporting date fixed assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

If an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

**Debtors**

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

**Creditors**

Short term creditors are measured at the transaction price.

**Investments in associates**

Investments in subsidiary undertakings are recognised at cost.

**Stocks**

Included in Stock are dried seeds, which are classed as Biological Assets, and these assets have been valued at fair value. The fair value is determined by the active market for dried seeds. The remaining Stock is valued at the lower of cost and net realisable value, after making due allowances for obsolete and slow moving items.

**PARNALL GROUP LIMITED (REGISTERED NUMBER: 08382896)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**3. ACCOUNTING POLICIES - continued**

**Taxation**

Current tax is recognised for the amount of income tax payable in respect of the taxable profit for the current or past reporting periods using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

**Research and development**

Expenditure on research and development is written off in the year in which it is incurred.

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

**Leases**

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

At inception the Company assesses agreements that transfer the right to use assets. The assessment considers whether the arrangement is a finance lease or an operating lease based on the substances of the arrangement.

**Operating leases**

Leases that do not transfer all the risks and rewards of ownership are classified as operating leases. Payments under operating leases are charged to the profit and loss account on a straight-line basis over the period of the lease.

**Pension costs and other post-retirement benefits**

Short-term employee benefits and contributions to defined contribution plans are recognised as an expense in the period in which they are incurred.

**Provisions for liabilities**

Provisions are recognised when the Company has a present (legal or constructive) obligation as a result of a past event; it is probable that an outflow of resources will be required to settle the obligation; and the amount of the obligation can be estimated reliably.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, 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 using a pre-tax discount rate. The unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

**Employee benefits**

Short-term employee benefits and contributions to defined contribution plans are recognised as an expense in the period in which they are incurred.

**Grant income**

Income received in relation to grants are classified either as relating to revenue or to assets.

Grants relating to revenue are recognised in other income on a systematic basis over the periods in which the entity recognises the related costs for which the grant is intended to compensate. Where a timing difference arises, the income is held on the balance sheet. When received in arrears the expected income is recognised as a debtor so long as the relevant conditions have been satisfied. When received in advance of costs, the income is held as deferred income and systematically released to the profit and loss in the periods the cost is incurred.

Grants relating to assets are recognised initially as deferred income and released to other income on a systematic basis over the expected useful life of the asset.

**PARNALL GROUP LIMITED (REGISTERED NUMBER: 08382896)****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2020****4. EMPLOYEES AND DIRECTORS**

	2020	2019
	£	£
Wages and salaries	1,844,375	1,451,970
Social security costs	122,292	93,624
Other pension costs	13,799	5,680
	<u>1,980,466</u>	<u>1,551,274</u>

The average number of employees during the year was as follows:

	2020	2019 as restated
Support staff	45	41
Fee earners	11	8
	<u>56</u>	<u>49</u>

	2020	2019
	£	£
Directors' remuneration	<u>438,782</u>	<u>508,166</u>

Information regarding the highest paid director is as follows:

	2020	2019
	£	£
Emoluments etc	<u>95,531</u>	<u>90,000</u>

**5. OPERATING LOSS**

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

	2020	2019 as restated
	£	£
Hire of plant and machinery	29,931	21,770
Other operating leases	216,389	297,188
Depreciation - owned assets	71,761	24,336
Loss/(profit) on disposal of fixed assets	5,578	(22,151)
Goodwill amortisation	2,032,078	1,503,330
Development costs amortisation	40,182	-
Impairment of development costs	<u>1,095,322</u>	<u>-</u>

The exceptional item on the statutory consolidated income statement relates to the impairment of development costs included in intangible fixed assets, as shown in the above table. The directors have decided that with reduced activity during the pandemic in connection with certain divisions within the group, especially Parnall Bio-Engineering Limited, Smart Alternative Reality Area Limited and Parnall Marine Limited, the development costs have no value and could be written off.

**PARNALL GROUP LIMITED (REGISTERED NUMBER: 08382896)****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2020****6. INTEREST PAYABLE AND SIMILAR EXPENSES**

	2020	2019
	£	£
Bank interest	20,731	13,603
Bank loan interest	55,860	27,414
Other interest	<u>73,825</u>	<u>-</u>
	<u>150,416</u>	<u>41,017</u>

**7. TAXATION****Analysis of the tax credit**

The tax credit on the loss for the year was as follows:

	2020	2019
	£	£
Current tax:		
UK corporation tax	(61,512)	43,652
Under / over provision	<u>-</u>	<u>(110,950)</u>
Total current tax	(61,512)	(67,298)
Deferred tax	<u>-</u>	<u>(14,483)</u>
Tax on loss	<u>(61,512)</u>	<u>(81,781)</u>

**Reconciliation of total tax credit included in profit and loss**

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2020	2019 as restated
	£	£
Loss before tax	<u>(4,593,959)</u>	<u>(1,885,918)</u>
Loss multiplied by the standard rate of corporation tax in the UK of 19% (2019 - 19%)	(872,852)	(358,324)
Effects of:		
Expenses not deductible for tax purposes	1,270	10,063
Capital allowances in excess of depreciation	(17,200)	-
Depreciation in excess of capital allowances	-	10,955
Utilisation of tax losses	(3,323)	-
Carry forward of tax losses	441,284	46,897
Consolidation adjustments	450,821	290,409
Research and development claims	(61,512)	(67,298)
Deferred tax	<u>-</u>	<u>(14,483)</u>
Total tax credit	<u>(61,512)</u>	<u>(81,781)</u>

**8. INDIVIDUAL INCOME STATEMENT**

As permitted by Section 408 of the Companies Act 2006, the Income Statement of the parent company is not presented as part of these financial statements.

## PARNALL GROUP LIMITED (REGISTERED NUMBER: 08382896)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2020

## 9. PRIOR YEAR ADJUSTMENT

Goodwill was created on the creation of the group in April 2019. It has been decided that the goodwill is to be amortised from this point, and the prior year adjustment reflects that. The amortisation recognised as a prior year adjustment in the year to 31 December 2019 amounts to £1,492,474, increasing the loss and reducing the balance sheet value by that amount accordingly.

## 10. INTANGIBLE FIXED ASSETS

## Group

	Goodwill £ as restated	Development costs £	Totals £
<b>COST</b>			
At 1 January 2020			
and 31 December 2020	<u>19,518,199</u>	<u>1,217,418</u>	<u>20,735,617</u>
<b>AMORTISATION</b>			
At 1 January 2020	1,503,330	-	1,503,330
Amortisation for year	2,032,078	40,182	2,072,260
Impairments	-	1,096,872	1,096,872
At 31 December 2020	<u>3,535,408</u>	<u>1,137,054</u>	<u>4,672,462</u>
<b>NET BOOK VALUE</b>			
At 31 December 2020	<u>15,982,791</u>	<u>80,364</u>	<u>16,063,155</u>
At 31 December 2019	<u>18,014,869</u>	<u>1,217,418</u>	<u>19,232,287</u>

## 11. TANGIBLE FIXED ASSETS

## Group

	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Totals £
<b>COST</b>				
At 1 January 2020	445,937	65,969	57,883	569,789
Additions	66,830	6,404	53,447	126,681
Disposals	-	-	(809)	(809)
At 31 December 2020	<u>512,767</u>	<u>72,373</u>	<u>110,521</u>	<u>695,661</u>
<b>DEPRECIATION</b>				
At 1 January 2020	11,400	3,959	12,393	27,752
Charge for year	28,085	13,781	29,895	71,761
Eliminated on disposal	-	-	(472)	(472)
At 31 December 2020	<u>39,485</u>	<u>17,740</u>	<u>41,816</u>	<u>99,041</u>
<b>NET BOOK VALUE</b>				
At 31 December 2020	<u>473,282</u>	<u>54,633</u>	<u>68,705</u>	<u>596,620</u>
At 31 December 2019	<u>434,537</u>	<u>62,010</u>	<u>45,490</u>	<u>542,037</u>

Included within Plant and Machinery are Heritage Assets with a cost of £390,000, and this is deemed to be their valuation. These assets relate to aircraft memorabilia, as ancestors of the director, Mr R M B Parnall, were involved in the production of aircraft in the early 1900's, and therefore have historical, scientific and technological importance and they are held and maintained principally for its contribution to knowledge and culture.

## PARNALL GROUP LIMITED (REGISTERED NUMBER: 08382896)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2020

## 11. TANGIBLE FIXED ASSETS - continued

## Company

	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Totals £
<b>COST</b>				
At 1 January 2020	390,715	24,599	16,522	431,836
Additions	54,499	6,404	42,573	103,476
Disposals	-	-	(809)	(809)
At 31 December 2020	<u>445,214</u>	<u>31,003</u>	<u>58,286</u>	<u>534,503</u>
<b>DEPRECIATION</b>				
At 1 January 2020	-	-	3,618	3,618
Charge for year	11,615	5,720	16,975	34,310
Eliminated on disposal	-	-	(472)	(472)
At 31 December 2020	<u>11,615</u>	<u>5,720</u>	<u>20,121</u>	<u>37,456</u>
<b>NET BOOK VALUE</b>				
At 31 December 2020	<u>433,599</u>	<u>25,283</u>	<u>38,165</u>	<u>497,047</u>
At 31 December 2019	<u>390,715</u>	<u>24,599</u>	<u>12,904</u>	<u>428,218</u>

## 12. FIXED ASSET INVESTMENTS

## Group

	Interest in joint venture £	Interest in associate £	Totals £
<b>COST OR VALUATION</b>			
At 1 January 2020	(14,885)	357,932	343,047
Additions	47,252	-	47,252
Disposals	(5,241)	(357,932)	(363,173)
Share of profit/(loss)	(271,962)	-	(271,962)
At 31 December 2020	<u>(244,836)</u>	<u>-</u>	<u>(244,836)</u>
<b>NET BOOK VALUE</b>			
At 31 December 2020	<u>(244,836)</u>	<u>-</u>	<u>(244,836)</u>
At 31 December 2019	<u>(14,885)</u>	<u>357,932</u>	<u>343,047</u>

**PARNALL GROUP LIMITED (REGISTERED NUMBER: 08382896)****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2020****Group****Interest in joint venture**

The group's aggregate share of joint ventures at the year end is as follows:

	2020	2019
	£	£
Loss before tax	(271,962)	(69,800)
Taxation	-	-
Loss after tax	<u>(271,962)</u>	<u>(69,800)</u>
Share of assets		
Fixed assets	58,231	-
Current assets	21,989	3,634
Share of liabilities		
Share of liabilities due within one year	(325,056)	(11,158)
Share of liabilities due after one year or more	-	-
Share of net liabilities	<u>(244,836)</u>	<u>(7,524)</u>

**Phytome Life Sciences Limited**

The group's share of Phytome Life Sciences Limited is as follows:

	2020	2019
	£	£
Turnover	<u>-</u>	<u>-</u>
Loss before tax	(268,466)	(69,800)
Taxation	-	-
Loss after tax	<u>(268,466)</u>	<u>(69,800)</u>
Share of assets		
Fixed assets	58,231	-
Current assets	21,989	3,634
Share of liabilities		
Liabilities due within one year	(325,056)	(11,158)
Liabilities due after one year or more	-	-
Share of net liabilities	<u>(244,836)</u>	<u>(7,524)</u>

Cost or valuation at 31 December 2020 is represented by:

Cost	Interest in joint venture £ <u>(244,836)</u>
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**PARNALL GROUP LIMITED (REGISTERED NUMBER: 08382896)****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2020****12. FIXED ASSET INVESTMENTS - continued****Company**

	Shares in group undertakings £	Interest in joint venture £	Totals £
<b>COST</b>			
At 1 January 2020	19,499,000	54,915	19,553,915
Additions	-	47,252	47,252
At 31 December 2020	19,499,000	102,167	19,601,167
<b>NET BOOK VALUE</b>			
At 31 December 2020	19,499,000	102,167	19,601,167
At 31 December 2019	19,499,000	54,915	19,553,915

The group or the company's investments at the Balance Sheet date in the share capital of companies include the following:

**Subsidiaries****Parnalls Solicitors Limited**

Registered office: 15-19 Westgate Street, Launceston, Cornwall, PL15 7AB

Nature of business: Solicitors

Class of shares:	% holding
Ordinary	100.00

**Parnall Engineering Advanced Limited**

Registered office: 15-19 Westgate Street, Launceston, Cornwall, PL15 7AB

Nature of business: Development of engineering projects

Class of shares:	% holding
Ordinary	100.00

**Parnall Foundation Limited**

Registered office: 15-19 Westgate Street, Launceston, Cornwall, PL15 7AB

Nature of business: Training local engineering talent

This company is limited by guarantee.

**Parnall Bio-Engineering Limited**

Registered office: 15-19 Westgate Street, Launceston, Cornwall, PL15 7AB

Nature of business: Engineering design activities

Class of shares:	% holding
Ordinary	100.00

**Smart Alternative Reality Area Limited**

Registered office: 15-19 Westgate Street, Launceston, Cornwall, PL15 7AB

Nature of business: Virtual and alternative reality technology

Class of shares:	% holding
Ordinary	100.00

**Parnall Marine Limited**

Registered office: 15-19 Westgate Street, Launceston, Cornwall, PL15 7AB

Nature of business: Marine design engineering

Class of shares:	% holding
Ordinary	100.00

**PARNALL GROUP LIMITED (REGISTERED NUMBER: 08382896)****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2020****12. FIXED ASSET INVESTMENTS - continued****Parnall Aircraft Company Limited**

Registered office: 15-19 Westgate Street, Launceston, Cornwall, PL15 7AB

Nature of business: Repair and maintenance of aircraft

Class of shares:	%
Ordinary	holding 100.00

**Trelonk Limited**

Registered office: 15-19 Westgate Street, Launceston, Cornwall, PL15 7AB

Nature of business: Growing of crops

Class of shares:	%
Ordinary	holding 100.00

**Joint venture****Phytome Life Sciences Limited**

Registered office: 15-19 Westgate Street, Launceston, Cornwall, PL15 7AB

Nature of business: Medical research

Class of shares:	%
Ordinary	holding 50.00

**13. STOCKS**

	<b>Group</b>		<b>Company</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Stocks	<u><b>863,873</b></u>	<u><b>174,434</b></u>	<u><b>-</b></u>	<u><b>100,000</b></u>

Biological assets are included in stock and relate to dried seeds. The fair value of the dried seeds is determined by the active market, and equates to £99,860. The increase from the figure brought forward at 31 December 2019 of £62,700 relates to changes resulting from Harvest, totalling £37,160. The remainder of the stock of £764,013 is at cost.

**14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>Group</b>		<b>Company</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade debtors	<b>1,012,116</b>	<b>714,432</b>	<b>65,939</b>	-
Provision for bad debts	<b>(240,000)</b>	<b>(240,000)</b>	-	-
Amounts owed by group undertakings	-	-	<b>3,609,086</b>	<b>2,771,792</b>
Amounts owed by joint ventures	<b>136,615</b>	<b>14,717</b>	<b>136,615</b>	<b>12,217</b>
Other debtors	<b>70,668</b>	<b>748,818</b>	<b>1,459</b>	<b>4,000</b>
Tax	<b>61,512</b>	-	<b>27,471</b>	-
VAT	-	-	-	<b>40,310</b>
Called up share capital not paid	<b>1,500,012</b>	<b>1,665,011</b>	<b>1,500,012</b>	<b>1,665,011</b>
Prepayments and accrued income	<u><b>1,489,732</b></u>	<u><b>1,414,265</b></u>	<u><b>120,000</b></u>	<u><b>120,000</b></u>
	<u><b>4,030,655</b></u>	<u><b>4,317,243</b></u>	<u><b>5,460,582</b></u>	<u><b>4,613,330</b></u>

**PARNALL GROUP LIMITED (REGISTERED NUMBER: 08382896)****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2020****15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>Group</b>		<b>Company</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Bank loans and overdrafts (see note 17)	<b>106,819</b>	139,163	-	-
Other loans (see note 17)	<b>314,961</b>	503,466	-	-
Trade creditors	<b>1,130,492</b>	60,240	<b>153,481</b>	24,826
Amounts owed to group undertakings	-	-	<b>121,047</b>	43,076
Social security and other taxes	<b>157,123</b>	51,625	<b>40,635</b>	18,426
VAT	<b>137,915</b>	79,720	<b>94,296</b>	-
Other creditors	<b>253,250</b>	396,680	<b>1,252,016</b>	382,282
Accruals and deferred income	<b>878,477</b>	751,820	<b>722,719</b>	618,800
	<b><u>2,979,037</u></b>	<b><u>1,982,714</u></b>	<b><u>2,384,194</u></b>	<b><u>1,087,410</u></b>

**16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	<b>Group</b>	
	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Bank loans (see note 17)	<b>245,000</b>	-
Other loans (see note 17)	<b>25,000</b>	25,000
	<b><u>270,000</u></b>	<b><u>25,000</u></b>

**17. LOANS**

An analysis of the maturity of loans is given below:

	<b>Group</b>	
	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Amounts falling due within one year or on demand:		
Bank overdrafts	<b>101,819</b>	139,163
Bank loans	<b>5,000</b>	-
Other loans	<b>314,961</b>	503,466
	<b><u>421,780</u></b>	<b><u>642,629</u></b>
Amounts falling due between one and two years:		
Other loans - 1-2 years	<b>25,000</b>	25,000
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<b>245,000</b>	-

**18. PROVISIONS FOR LIABILITIES**

	<b>Group</b>	
	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Deferred tax	<b>6,517</b>	6,517

**PARNALL GROUP LIMITED (REGISTERED NUMBER: 08382896)****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2020****18. PROVISIONS FOR LIABILITIES - continued****Group**

	Deferred tax £
Balance at 1 January 2020	<u>6,517</u>
Balance at 31 December 2020	<u>6,517</u>

**19. CALLED UP SHARE CAPITAL**

## Allotted and issued:

Number:	Class:	Nominal value:	2020 £	2019 £
24,433,741	Share capital 1	1	24,433,741	24,433,740
2,118,627	Share capital 2	0.000005	<u>12</u>	<u>11</u>
			<u>24,433,753</u>	<u>24,433,751</u>

Both the Ordinary Shares and Ordinary A Shares have attached to them voting rights, dividend rights and capital distribution (including on winding up) rights, they do not confer any right of redemption.

**20. RESERVES****Group**

	Retained earnings £
At 1 January 2020	(301,000)
Prior year adjustment	<u>(1,492,474)</u>
	(1,793,474)
Deficit for the year	<u>(4,532,447)</u>
At 31 December 2020	<u>(6,325,921)</u>

**Company**

	Retained earnings £
At 1 January 2020	(811,351)
Deficit for the year	<u>(417,516)</u>
At 31 December 2020	<u>(1,228,867)</u>

**PARNALL GROUP LIMITED (REGISTERED NUMBER: 08382896)****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2020****21. RELATED PARTY DISCLOSURES****Mr R M B Parnall**

During the year ended 31 December 2020, a company within the group (Trelonk Limited) paid rent of £156,954 in relation to property owned by the director, Mr R M B Parnall.

**Mr R M B Parnall, Mr J R B Parnall, Mr J H B Parnall and Mrs K Flashman-Kitson**

During the year ended 31 December 2020, a company within the group (Parnalls Solicitors Limited) paid rent of £144,000 (2019: £144,000) in relation to property rented by Mr R M B Parnall, Mr J R B Parnall, Mr J H B Parnall and Mrs K Flashman-Kitson. Mr R M B Parnall is a director of Parnall Group Limited.

**Parnall Properties Services Limited**

During the year ended 31 December 2020, a company within the group (Parnall Aircraft Company Limited) purchased a vintage aircraft from Parnall Properties Services Limited for £710,000. Mr R M B Parnall is a director of both Parnall Group Limited and Parnall Properties Services Limited.

At the year-end, Parnall Properties Services Limited owes Parnall Group £42,049 (2019: £328,708).

**Key management personnel**

Key management includes the directors and members of senior management. The compensation paid or payable to key management for employee services for the group as a whole is shown below:

	2020 £	2019 £
Salaries and other short-term benefits	650,781	508,166
Post-employment benefits	-	-
	<u>650,781</u>	<u>508,166</u>