

**Strategic Report, Report of the Directors and  
Audited Financial Statements  
for the Year Ended 30th June 2021  
for  
Echo Studios Holdings Limited**

**Contents of the Financial Statements  
for the Year Ended 30th June 2021**

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**Echo Studios Holdings Limited**  
**Company Information**  
**for the Year Ended 30th June 2021**

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**DIRECTORS:**

F H Cardwell  
Mrs P C Cardwell  
M D Cardwell

**REGISTERED OFFICE:**

Sovereign House  
155 High Street  
Aldershot  
Hampshire  
GU11 1TT

**REGISTERED NUMBER:**

08474721 (England and Wales)

**AUDITORS:**

Whiteleys  
Chartered Certified Accountants  
& Statutory Auditor  
Sovereign House  
155 High Street  
Aldershot  
Hampshire  
GU11 1TT

**Strategic Report  
for the Year Ended 30th June 2021**

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The directors present their strategic report for the year ended 30th June 2021.

**REVIEW OF BUSINESS**

The Company's principal activity continues to be that of an intermediate holding company for a graphic design and retail production house.

**RESULTS AND PERFORMANCE**

The results of the Company for the year, as set out on pages 10 to 22 show a profit on ordinary activities before taxation of £140,537 (2020 Profit: £147,077) . The shareholders' funds of the company total £8,314,462 (2020: £8,414,107).

The directors consider the results for the year ended 30 June 2021 to be satisfactory. The revenue is represented by management fees and rent charged to its trading subsidiary.

**BUSINESS ENVIRONMENT**

The design and print industry, in which the subsidiary operates, particularly the retail and travel sectors have been significantly impacted by the COVID-19 pandemic. The company and its subsidiary has, however, continued to consolidate in its target markets by expanding its range of solutions offered to blue chip clients. The company has continued to keep pace with new developments and changing demands particularly related to providing innovative sustainable design and print solutions for our group clients.

**STRATEGY**

The Company's success has, and will continue to, depend on being able to provide the best quality product by taking advantage of the most up to date equipment and technologies as well as through innovation and creativity. In addition, the Group has focused on the development of sustainable solutions for its clients by offering a range of high-quality sustainable products and services that will help maintain the Group as industry market leaders.

**KEY PERFORMANCE INDICATORS (KPI'S)**

We have made significant progress throughout the year in relation to key elements of our Group strategy. The Board monitors the progress of the company by reference a number of KPI's across the group as reported by the trading subsidiary.

**Sustainability**

The Group is increasingly measuring performance by reference to KPI's linked to environmental sustainability and has made good progress in maximising the percentage of materials obtained from sustainable sources, recycling, and reducing net energy consumption and carbon emissions.

**FINANCIAL INSTRUMENTS**

The company has a normal level of exposure to price, credit, liquidity and cash flow risks arising from trading activities which are conducted largely in sterling. The company does not enter into formally designated hedging arrangements.

**Strategic Report  
for the Year Ended 30th June 2021**

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**PRINCIPAL RISKS AND UNCERTAINTIES**

The process of risk acceptance and risk management is addressed through robust internal policies, procedures and controls.

The board manages cash and working capital to ensure the company has the financial strength to meet its requirements and support the growth of the business as well as manage the impact of the pandemic crisis.

**ON BEHALF OF THE BOARD:**

F H Cardwell - Director

16th March 2022

**Report of the Directors  
for the Year Ended 30th June 2021**

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The directors present their report with the financial statements of the company for the year ended 30th June 2021.

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of The Company's principal activity continues to be that of an intermediate holding company for a graphic design and retail production house.

**DIVIDENDS**

An interim dividend of 18p per share was paid on 28th January 2021. The directors recommend that no final dividend be paid.

The total distribution of dividends for the year ended 30th June 2021 will be £ 180,000 .

**RESEARCH AND DEVELOPMENT**

This is set out in the strategic report under business environment.

**FUTURE DEVELOPMENTS**

These are set out in the strategic report under strategy.

**DIRECTORS**

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

F H Cardwell  
Mrs P C Cardwell  
M D Cardwell

**GOING CONCERN**

No material uncertainties that may cast significant doubt about the ability of the company to continue as a going concern have been identified by the directors.

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Strategic Report, the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Report of the Directors  
for the Year Ended 30th June 2021**

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**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**AUDITORS**

Whiteleys are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

**ON BEHALF OF THE BOARD:**

F H Cardwell - Director

16th March 2022

## **Report of the Independent Auditors to the Members of Echo Studios Holdings Limited**

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### **Opinion**

We have audited the financial statements of Echo Studios Holdings Limited (the 'company') for the year ended 30th June 2021 which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30th June 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

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

### **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 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 directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

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.

In connection with our audit of the financial statements, 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 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.



**Report of the Independent Auditors to the Members of  
Echo Studios Holdings Limited**

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

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

- the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Directors.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of 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 Statement of Directors' Responsibilities set out on page four, 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 necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

## **Report of the Independent Auditors to the Members of Echo Studios Holdings Limited**

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### **Auditors' 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 a Report of the Auditors 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.

### **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 company through discussions with directors and other management, and from our commercial knowledge and experience of the business 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 company, including the Companies Act 2006, taxation legislation and employment and health and safety legislation;  
we assessed the extent of compliance with the laws and regulations identified above through making enquires of management and inspecting legal correspondence where available;  
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 company'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;  
tested journal entries to identify unusual transactions;  
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:

agreeing financial statement disclosures to underlying supporting documentation;  
reading the minutes of meetings of those charged with governance;  
enquiring of management as to actual and potential litigation and claims;  
and reviewing correspondence with HMRC, relevant regulators including the Health and Safety Executive, and the company's legal advisors, where available.

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.

**Report of the Independent Auditors to the Members of  
Echo Studios Holdings Limited**

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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 for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Auditors.

**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 a Report of the Auditors 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.

Neil Dennis Hollingshead FCCA (Senior Statutory Auditor)  
for and on behalf of Whiteleys  
Chartered Certified Accountants  
& Statutory Auditor  
Sovereign House  
155 High Street  
Aldershot  
Hampshire  
GU11 1TT

16th March 2022

**Statement of Comprehensive  
Income  
for the Year Ended 30th June 2021**

	Notes	2021 £	2020 £
<b>TURNOVER</b>		495,712	495,712
Administrative expenses		<u>355,281</u>	<u>355,387</u>
<b>OPERATING PROFIT</b>		140,431	140,325
Interest receivable and similar income		<u>106</u>	<u>6,752</u>
<b>PROFIT BEFORE TAXATION</b>	5	140,537	147,077
Tax on profit	6	<u>30,303</u>	<u>54,776</u>
<b>PROFIT FOR THE FINANCIAL YEAR</b>		110,234	92,301
<b>OTHER COMPREHENSIVE INCOME</b>			
Notional interest on restated loan		(29,879)	(33,816)
Income tax relating to other comprehensive income		<u>-</u>	<u>-</u>
<b>OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX</b>		<u>(29,879)</u>	<u>(33,816)</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<u>80,355</u>	<u>58,485</u>

The notes on pages 15 to 22 form part of these financial statements

**Balance Sheet**  
**30th June 2021**

	Notes	2021 £	£	2020 £	£
<b>FIXED ASSETS</b>					
Tangible assets	8		2,533,377		2,868,236
Investments	9		<u>5,840,000</u>		<u>5,880,000</u>
			8,373,377		8,748,236
<b>CURRENT ASSETS</b>					
Debtors	10	1,668,063		1,468,063	
Cash at bank		<u>1,093,369</u>		<u>989,154</u>	
		2,761,432		2,457,217	
<b>CREDITORS</b>					
Amounts falling due within one year	11	<u>2,650,969</u>		<u>2,220,727</u>	
<b>NET CURRENT ASSETS</b>			<u>110,463</u>		<u>236,490</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			8,483,840		8,984,726
<b>CREDITORS</b>					
Amounts falling due after more than one year	12		(32,790)		(387,668)
<b>PROVISIONS FOR LIABILITIES</b>	13		<u>(136,588)</u>		<u>(182,951)</u>
<b>NET ASSETS</b>			<u>8,314,462</u>		<u>8,414,107</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	14		1,000,000		1,000,000
Capital redemption reserve	15		1,800,000		1,800,000
Other reserves	15		11,153		41,032
Retained earnings	15		<u>5,503,309</u>		<u>5,573,075</u>
<b>SHAREHOLDERS' FUNDS</b>			<u>8,314,462</u>		<u>8,414,107</u>

The financial statements were approved by the Board of Directors and authorised for issue on 16th March 2022 and were signed on its behalf by:

F H Cardwell - Director

**Statement of Changes in Equity  
for the Year Ended 30th June 2021**

	Called up share capital £	Retained earnings £	Capital redemption reserve £	Other reserves £	Total equity £
<b>Balance at 1st July 2019</b>	1,000,000	5,480,774	1,800,000	74,848	8,355,622
<b>Changes in equity</b>					
Total comprehensive income	-	92,301	-	(33,816)	58,485
<b>Balance at 30th June 2020</b>	1,000,000	5,573,075	1,800,000	41,032	8,414,107
<b>Changes in equity</b>					
Dividends	-	(180,000)	-	-	(180,000)
Total comprehensive income	-	110,234	-	(29,879)	80,355
<b>Balance at 30th June 2021</b>	1,000,000	5,503,309	1,800,000	11,153	8,314,462

The notes on pages 15 to 22 form part of these financial statements

**Cash Flow Statement**  
**for the Year Ended 30th June 2021**

		2021	2020
	Notes	£	£
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	102,557	158,093
Tax paid		<u>(63,594)</u>	<u>-</u>
Net cash from operating activities		<u>38,963</u>	<u>158,093</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		-	(173,100)
Sale of fixed asset investments		40,000	-
Interest received		106	6,752
Net cash from investing activities		<u>40,106</u>	<u>(166,348)</u>
<b>Cash flows from financing activities</b>			
Loan to/(from) from group undertaking		205,146	(186,736)
Equity dividends paid		<u>(180,000)</u>	<u>-</u>
Net cash from financing activities		<u>25,146</u>	<u>(186,736)</u>
<b>Increase/(decrease) in cash and cash equivalents</b>		<u>104,215</u>	<u>(194,991)</u>
<b>Cash and cash equivalents at beginning of year</b>	2	989,154	1,184,145
<b>Cash and cash equivalents at end of year</b>	2	<u>1,093,369</u>	<u>989,154</u>

The notes on pages 15 to 22 form part of these financial statements

**Notes to the Cash Flow Statement  
for the Year Ended 30th June 2021**

**1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

	2021 £	2020 £
Profit before taxation	140,537	147,077
Depreciation charges	334,858	338,759
Capital contribution-restatement of DLA	(29,879)	(33,816)
Finance income	(106)	(6,752)
	<u>445,410</u>	<u>445,268</u>
Decrease in trade and other creditors	(342,853)	(287,175)
<b>Cash generated from operations</b>	<u>102,557</u>	<u>158,093</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 30th June 2021**

	30.6.21 £	1.7.20 £
Cash and cash equivalents	<u>1,093,369</u>	<u>989,154</u>

**Year ended 30th June 2020**

	30.6.20 £	1.7.19 £
Cash and cash equivalents	<u>989,154</u>	<u>1,184,145</u>

**3. ANALYSIS OF CHANGES IN NET FUNDS**

	At 1.7.20 £	Cash flow £	At 30.6.21 £
<b>Net cash</b>			
Cash at bank	989,154	104,215	1,093,369
	<u>989,154</u>	<u>104,215</u>	<u>1,093,369</u>
<b>Total</b>	<u>989,154</u>	<u>104,215</u>	<u>1,093,369</u>



**Notes to the Financial Statements  
for the Year Ended 30th June 2021**

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**1. STATUTORY INFORMATION**

Echo Studios Holdings 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 Company Information page.

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

The principal place of business of the company is Echo House, Red Lion Business Park, Surbiton, Surrey KT6 7RD.

**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 financial statements have been prepared under the historical cost convention.

**Going concern**

As set out in the strategic report, the directors believe that the company and its subsidiary are well placed to manage its business risks successfully.

Accordingly, they have a firm expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

**Turnover**

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for management charges and rental income, stated net of Value Added Tax.

The company recognises revenue when the amount of revenue can be measured reliably, when it is probable that future economic benefits will flow to the entity and when specific criteria have been met for each of the company's activities described above.

**Tangible fixed assets**

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

Depreciation is calculated so as to write off the cost or valuation of all tangible assets, other than freehold land less their residual value, over their estimated useful lives as follows:

Freehold property	-	2% on cost
Plant and machinery	-	15% on cost
Fixtures and fittings	-	25% on cost

On disposal, the difference between the net disposal proceeds and the carrying amount of the item sold is recognised in profit or loss.

**Notes to the Financial Statements - continued  
for the Year Ended 30th June 2021**

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**3. ACCOUNTING POLICIES - continued**

**Investments in subsidiaries**

Investments in subsidiary undertakings are recognised at cost.

**Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

**Financial instruments**

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

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

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

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

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**Notes to the Financial Statements - continued**  
**for the Year Ended 30th June 2021**

**3. ACCOUNTING POLICIES - continued****Impairment of non-financial assets**

At each reporting date non-financial assets not carried at fair value, like goodwill and plant, property and equipment, are reviewed to determine whether there is an indication that an asset may be impaired. If there is an indication of possible impairment, the recoverable amount of any asset or group of related assets, which is the higher of value in use and the fair value less cost to sell, is estimated and compared with its carrying amount. If the recoverable amount is lower, the carrying amount of the asset is reduced to its recoverable amount and an impairment loss is recognised immediately in profit or loss.

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

**Investments**

Unlisted investments are recognised at cost.

**4. EMPLOYEES AND DIRECTORS**

	2021 £	2020 £
Directors' remuneration	<u>-</u>	<u>-</u>

**5. PROFIT BEFORE TAXATION**

The profit is stated after charging:

	2021 £	2020 £
Depreciation - owned assets	334,859	338,759
Auditors remuneration - audit	<u>15,111</u>	<u>5,850</u>

**6. TAXATION****Analysis of the tax charge**

The tax charge on the profit for the year was as follows:

	2021 £	2020 £
Current tax:		
UK corporation tax	76,666	18,540
Deferred tax	<u>(46,363)</u>	<u>36,236</u>
Tax on profit	<u>30,303</u>	<u>54,776</u>

**Notes to the Financial Statements - continued**  
**for the Year Ended 30th June 2021**

**6. TAXATION - continued****Reconciliation of total tax charge 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:

	2021 £	2020 £
Profit before tax	<u>140,537</u>	<u>147,077</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2020 - 19%)	26,702	27,945
Effects of:		
Expenses not deductible for tax purposes	-	1,101
Adjustments to tax charge in respect of previous periods	-	(66)
Adjust closing deferred tax to average rate	(46,363)	17,260
Fixed asset differences	49,964	33,771
Group relief surrendered/(claimed)	-	(25,235)
Total tax charge	<u>30,303</u>	<u>54,776</u>

**Tax effects relating to effects of other comprehensive income**

	Gross £	2021 Tax £	Net £
Notional interest on restated loan	<u>(29,879)</u>	<u>-</u>	<u>(29,879)</u>
	Gross £	2020 Tax £	Net £
Notional interest on restated loan	<u>(33,816)</u>	<u>-</u>	<u>(33,816)</u>

**7. DIVIDENDS**

	2021 £	2020 £
Ordinary-A shares of £1.00 each		
Interim	<u>180,000</u>	<u>-</u>

Notes to the Financial Statements - continued  
for the Year Ended 30th June 2021

## 8. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Totals £
<b>COST</b>				
At 1st July 2020 and 30th June 2021	<u>1,963,727</u>	<u>2,284,861</u>	<u>176,284</u>	<u>4,424,872</u>
<b>DEPRECIATION</b>				
At 1st July 2020	82,938	1,299,478	174,220	1,556,636
Charge for year	<u>18,951</u>	<u>315,048</u>	<u>860</u>	<u>334,859</u>
At 30th June 2021	<u>101,889</u>	<u>1,614,526</u>	<u>175,080</u>	<u>1,891,495</u>
<b>NET BOOK VALUE</b>				
At 30th June 2021	<u>1,861,838</u>	<u>670,335</u>	<u>1,204</u>	<u>2,533,377</u>
At 30th June 2020	<u>1,880,789</u>	<u>985,383</u>	<u>2,064</u>	<u>2,868,236</u>

Included in cost of land and buildings is freehold land of £ 1,016,180 (2020 - £ 1,016,180 ) which is not depreciated.

## 9. FIXED ASSET INVESTMENTS

	Shares in group undertakings £	Unlisted investments £	Totals £
<b>COST</b>			
At 1st July 2020	5,800,000	80,000	5,880,000
Disposals	-	(40,000)	(40,000)
At 30th June 2021	<u>5,800,000</u>	<u>40,000</u>	<u>5,840,000</u>
<b>NET BOOK VALUE</b>			
At 30th June 2021	<u>5,800,000</u>	<u>40,000</u>	<u>5,840,000</u>
At 30th June 2020	<u>5,800,000</u>	<u>80,000</u>	<u>5,880,000</u>

Notes to the Financial Statements - continued  
for the Year Ended 30th June 20219. **FIXED ASSET INVESTMENTS - continued**

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

**Echo Studios Limited**

Registered office: Sovereign House, 155 High Street, Aldershot, Hampshire GU11 1TT

Nature of business: Trading company

Class of shares:	% holding	2021 £	2020 £
Ordinary	100.00		
Aggregate capital and reserves		5,385,634	4,435,303
Profit for the year		<u>1,144,214</u>	<u>2,147,345</u>

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

	2021 £	2020 £
Amounts owed by group undertakings	1,666,025	1,466,025
Prepayments and accrued income	<u>2,038</u>	<u>2,038</u>
	<u>1,668,063</u>	<u>1,468,063</u>

11. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2021 £	2020 £
Trade creditors	15,720	32,490
Other creditors	350,645	320,888
Amounts owed to group undertakings	2,175,120	1,769,975
Corporation tax	76,160	63,088
Social security and other taxes	-	26,786
VAT	23,324	-
Accruals and deferred income	<u>10,000</u>	<u>7,500</u>
	<u>2,650,969</u>	<u>2,220,727</u>

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

	2021 £	2020 £
Other creditors	<u>32,790</u>	<u>387,668</u>

13. **PROVISIONS FOR LIABILITIES**

	2021 £	2020 £
Deferred tax		
Accelerated capital allowances	<u>136,588</u>	<u>182,951</u>

Notes to the Financial Statements - continued  
for the Year Ended 30th June 2021

## 13. PROVISIONS FOR LIABILITIES - continued

	Deferred tax £
Balance at 1st July 2020	182,951
Credit to Statement of Comprehensive Income during year	(46,363)
Balance at 30th June 2021	<u>136,588</u>

## 14. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2021 £	2020 £
1,000,000	Ordinary-A	£1.00	<u>1,000,000</u>	<u>1,000,000</u>

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the company. All ordinary shares rank equally with regard to the company's residual assets.

## 15. RESERVES

	Retained earnings £	Capital redemption reserve £	Other reserves £	Totals £
At 1st July 2020	5,573,075	1,800,000	41,032	7,414,107
Profit for the year	110,234			110,234
Dividends	(180,000)			(180,000)
Capital contribution - restatement of loan to present value	-	-	(29,879)	(29,879)
At 30th June 2021	<u>5,503,309</u>	<u>1,800,000</u>	<u>11,153</u>	<u>7,314,462</u>

Other reserves - This is the capital contribution reserve which represents a capital contribution arising on a loan received from the shareholders at a below-market rate of interest.

Capital redemption reserve - This reserve is a non-distributable reserve and represents the nominal value of shares purchased and cancelled.

Retained earnings reserve - This reserve represents retained earnings available for distribution.

**Notes to the Financial Statements - continued  
for the Year Ended 30th June 2021**

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**16. CONTINGENT LIABILITIES**

Together with its fellow group companies, the company has provided guarantees and security in support of group borrowings from Barclays Bank plc and P Cardwell.

The security provided comprises fixed and floating charges over all property and undertaking of the business.

**17. RELATED PARTY DISCLOSURES**

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.

Echo Studios Holdings Limited is a wholly owned subsidiary of Echo House Limited, which prepares group financial statements. Its registered office is at Griffin House, 135 High Street, Crawley, West Sussex, United Kingdom, RH10 1DQ.

The company's key management personnel are considered to be the directors.

The ultimate controlling party is M D Cardwell.



This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.