

Hambro Perks Limited

Financial Statements

Year Ended

31 December 2020

Company Number 08760647

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Hambro Perks Limited

Registered number: 08760647

Consolidated Statement of Financial Position as at 31 December 2020

	Note	2020 £	2019 £
Fixed assets			
Intangible assets	5	3,301	1
Tangible assets	6	48,476	113,387
Investments	7	37,266,734	28,944,398
		<u>37,318,511</u>	<u>29,057,786</u>
Current assets			
Debtors	8	2,988,238	1,452,674
Cash at bank and in hand		6,145,641	11,814,332
		<u>9,133,879</u>	<u>13,267,006</u>
Creditors: amounts falling due within one year	9	(1,183,442)	(730,952)
Net current assets		<u>7,950,437</u>	<u>12,536,054</u>
Total assets less current liabilities		<u>45,268,948</u>	<u>41,593,840</u>
Creditors: amounts falling due after more than one year		(200,000)	-
Provisions for liabilities			
Deferred taxation	11	(548,529)	(98,743)
Net assets		<u><u>44,520,419</u></u>	<u><u>41,495,097</u></u>
Capital and reserves			
Share capital	12	40,295	40,295
Share premium account	13	46,250,537	46,260,536
Capital redemption reserve	13	321	321
Other reserves	13	1,007,587	-
Accumulated losses	13	(2,754,877)	(4,797,510)
Equity attributable to owners of the parent company		<u>44,543,863</u>	<u>41,503,642</u>
Non-controlling Interests		(23,444)	(8,545)
		<u><u>44,520,419</u></u>	<u><u>41,495,097</u></u>

Hambro Perks Limited

Registered number: 08760647

Consolidated Statement of Financial Position (continued) as at 31 December 2020

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

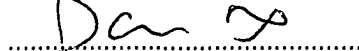
The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The group has opted not to file the consolidated statement of comprehensive income in accordance with provisions applicable to groups subject to the small companies' regime.

The auditors' report on the financial statements for the year ended 31 December 2020 was unqualified.

The audit report was signed on 12/08/2021 by Robert Hawkins (senior statutory auditor) on behalf of PricewaterhouseCoopers LLP.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



D Perks
Director

Date: 12/08/2021

The notes on pages 5 to 28 form part of these financial statements.

Hambro Perks Limited
Registered number: 08760647

**Company Statement of Financial Position
as at 31 December 2020**

	Note	2020 £	2019 £
Fixed assets			
Intangible assets	5	1	1
Investments	7	32,308,637	23,470,525
		<u>32,308,638</u>	<u>23,470,526</u>
Current assets			
Debtors	8	14,240,692	10,730,274
Cash at bank and in hand		5,821,891	11,243,087
		<u>20,062,583</u>	<u>21,973,361</u>
Creditors: amounts falling due within one year	9	(285,137)	(511,225)
Net current assets		<u>19,777,446</u>	<u>21,462,136</u>
Total assets less current liabilities		<u>52,086,084</u>	<u>44,932,662</u>
Deferred taxation	11	(769,954)	-
Net assets		<u><u>51,316,130</u></u>	<u><u>44,932,662</u></u>
Capital and reserves			
Share capital	12	40,295	40,295
Share premium account	13	46,250,537	46,260,536
Capital redemption reserve	13	321	321
Other reserves	13	1,001,379	-
Retained earnings/(accumulated losses)		4,023,598	(1,368,490)
		<u><u>51,316,130</u></u>	<u><u>44,932,662</u></u>

Hambro Perks Limited

Registered number: 08760647

Company Statement of Financial Position (continued) as at 31 December 2020

The company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 section 1A --small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The auditors' report on the financial statements for the year ended 31 December 2020 was unqualified

The audit report was signed on 12/08/2021 by Robert Hawkins (senior statutory auditor) on behalf of PricewaterhouseCoopers LLP.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



.....
D Perks
Director

The notes on pages 5 to 28 form part of these financial statements.

Hambro Perks Limited

Notes to the Financial Statements for the Year Ended 31 December 2020

1. General information

Hambro Perks Limited (the "Company") is a private company limited by shares and is incorporated in England and Wales under the Companies Act 2006. The address of its registered office is stated on the company information page and the nature of the company's operations and principal activity are set out in the directors' report.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared on a going concern basis, under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

These financial statements are presented in pounds sterling (GBP), as that is the currency in which the majority of the company and group's transactions are denominated, and are presented to the nearest pound.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires group management to exercise judgement in applying the group's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements present the results of the company and its subsidiaries ("the group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the statement of financial position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date control ceases.

The financial statements do not include a consolidated cash flow statement because the group, as a small group, is exempt from the requirement to prepare such a statement under Section 1A of Financial Reporting Standard 102.

Hambro Perks Limited

Notes to the Financial Statements for the Year Ended 31 December 2020

2. Accounting policies (continued)

2.3 Investments

Investments in subsidiaries

In the company financial statements, investments in subsidiaries are measured at cost less accumulated impairment.

Investments in associates

An entity is treated as an associated undertaking where the group exercises significant influence in that it has the power to participate in the operating and financial policy decisions.

In the company financial statements, investments in associates are carried at cost less accumulated impairment.

At group level, investments in associated undertakings are held as part of an investment portfolio. Where the market value can be reliably measured, the investments are remeasured to market value at each reporting date. Gains and losses on remeasurement are recognised in the consolidated statement of comprehensive income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

At the beginning of 2019, a CEO was appointed for an entity which the group had previously equity accounted for due to it being an integral part of group operations. From this date, the operations of this company changed directions and going forward the investment forms part of the investment portfolio. Therefore, in the prior year and in future years, the investment in this associate has been held at fair value, alongside all other associated companies.

Other fixed asset investments

Investments in unlisted company shares, whose market value can be reliably determined, are remeasured to market value at each reporting date. Gains and losses on remeasurement are recognised in the consolidated statement of comprehensive income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

2.4 Going concern

The financial statements have been prepared on a going concern basis, which assumes that the group and company continue in operational existence for a period of at least 12 months from the date the statement of financial position is signed.

During 2020 the group has raised additional funding, and the directors have reviewed the forecast for the group for a period beyond one year from the date of approval of these financial statements. From this review the directors believe that there will be sufficient cash reserves to meet daily obligations throughout this period.

Based on this review the directors have concluded that the group and company will have sufficient cash reserves to meet daily obligations and external liabilities as they fall due and that the going concern basis of preparation is therefore appropriate.

Hambro Perks Limited

Notes to the Financial Statements for the Year Ended 31 December 2020

2. Accounting policies (continued)

2.5 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the group and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

Rendering of services

Turnover 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 turnover can be measured reliably;
- it is probable that the group 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.

2.6 Other intangible assets

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

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

Amortisation is provided on the following bases:

Trademarks	-	20 % straight line
Website development	-	33 % straight line

Amortisation only begins to be charged once an asset is ready for use.

2.7 Tangible assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Hambro Perks Limited

Notes to the Financial Statements for the Year Ended 31 December 2020

2. Accounting policies (continued)

2.7 Tangible assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Leasehold property improvements	-	67% straight line
Fixtures and fittings	-	25% straight line
Office equipment	-	33% straight line
Computer equipment	-	33% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.8 Impairment of fixed assets

Assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each reporting date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

2.9 Debtors

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

2.10 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

Hambro Perks Limited

Notes to the Financial Statements for the Year Ended 31 December 2020

2. Accounting policies (continued)

2.11 Financial instruments

The group enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, cash at bank, loans to and from related parties and accrued expenses.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

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

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

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the group 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.

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 income as appropriate. The company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

2.12 Creditors

Short term creditors are measured at the transaction price.

Hambro Perks Limited

Notes to the Financial Statements for the Year Ended 31 December 2020

2. Accounting policies (continued)

2.13 Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is GBP.

Transactions and balances

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

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

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

2.14 Share based payments

In accordance with FRS 102 the group reflects the economic cost of awarding shares and options to employees by recording an expense in the statement of comprehensive income equal to the fair value of the benefit awarded, fair value being determined by reference to option pricing models. The expense is recognised in the statement of comprehensive income over the vesting period.

Where equity instruments are granted to persons other than employees, the statement of comprehensive income is charged with the fair value of goods and services received.

The calculation of the fair values of the share options issued by the company has been based upon the Black-Scholes pricing model together with a number of subjective assumptions.

Expense in relation to share based payments is recognised on a straight line basis over the vesting period.

2.15 Operating leases

Rentals paid under operating leases are charged to the consolidated statement of comprehensive income on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

Hambro Perks Limited

Notes to the Financial Statements for the Year Ended 31 December 2020

2. Accounting policies (continued)

2.16 Pensions

Defined contribution pension plan

The group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the group pays fixed contributions into a separate entity. Once the contributions have been paid the group has no further payment obligations.

The contributions are recognised as an expense in the consolidated statement of comprehensive income when they fall due. Amounts not paid are shown as a liability in the statement of financial position. The assets of the plan are held separately from the group in independently administered funds.

2.17 Interest income

Interest income is recognised in the consolidated statement of comprehensive income using the effective interest method.

2.18 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the consolidated statement of comprehensive income except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company and the group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the reporting date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries and associates, and the group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

Hambro Perks Limited

Notes to the Financial Statements for the Year Ended 31 December 2020

3. Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the directors have had to make the following judgements:

- Determine whether leases entered into by the group either as a lessor or a lessee are operating leases or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.
- Determine whether there are indicators of impairment of the group's tangible and intangible assets, including goodwill. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.
- Provision for impairment of the carrying value of trade debtors and loans due from related parties is made based on management's estimate of the prospect of recovering the amounts due, which includes considering the solvency of the counterparty and its future outlook.
- All investments are valued on the basis of a recent or upcoming round, which are calibrated to the price of the recent investment. The calibration is performed on the basis of market movements and portfolio/investee company performance (measured by financial and non-financial milestones).

Valuation technique	Fair value (£)	Judgemental input	Range of judgemental inputs	Impact of judgemental inputs per financial statements (£)
PORI - no adjustment	31,036,699	N/A	N/A	N/A
PORI with judgemental write up	3,015,692	Adjustment for calibration	50%	1,172,621
PORI with judgemental write down	3,214,343	Adjustment for calibration	10 - 50%	(606,088)
Total	37,266,734			564,533

Valuation methodologies for these investments inherently involve a significant degree of management judgement and therefore the valuation of investments may differ materially from the value that would have been used had a ready market existed for the investment and may differ materially from the proceeds receivable upon realisation.

Hambro Perks Limited

Notes to the Financial Statements for the Year Ended 31 December 2020

3. Judgements in applying accounting policies (continued)

Other key sources of estimation uncertainty

- **Tangible fixed assets (see note 6)**
Tangible fixed assets, other than investments properties, are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.
- **Investments (see note 7)**
The most critical estimates, assumptions and judgements relate to the determination of carrying value of investments at fair value through profit and loss. The group follows the International Private Equity and Venture Capital Valuation 2018 Guidelines, applying the overriding concept that fair value is the amount for which an asset can be exchanged between knowledgeable willing parties in an arm's length transaction. The nature, facts and circumstances of the investment drives the valuation methodology.
- The group calculates the cost of certain share-based payments by reference to the fair value of the equity instruments granted. The fair value of the instruments granted is subject to management estimate and any changes to these estimates may have a significant effect on the share-based payment charge to the income statement.

4. Employees

The average monthly number of group employees, including the directors, during the year was 24 (2019 - 28).

The average monthly number of company employees, including the directors, during the year was 1 (2019 - 1).

Hambro Perks Limited

Notes to the Financial Statements for the Year Ended 31 December 2020

5. Intangible assets

Group and Company

	Trademarks £	Website development £	Total £
Cost			
At 1 January 2020	1	-	1
Additions	-	3,300	3,300
At 31 December 2020	1	3,300	3,301
Accumulated amortisation			
At 1 January 2020 and 31 December 2020	-	-	-
Net book value			
At 31 December 2020	1	3,300	3,301
At 31 December 2019	1	-	1

Company

The trademark has been capitalised in Hambro Perks Limited, the parent company.

Hambro Perks Limited

Notes to the Financial Statements for the Year Ended 31 December 2020

6. Tangible assets

Group

	Leasehold property improvements £	Fixtures and fittings £	Office equipment £	Computer equipment £	Total £
Cost or valuation					
At 1 January 2020	206,368	139,409	2,601	74,855	423,233
Additions	5,789	709	-	12,966	19,464
Disposals	(927)	(76,185)	-	(3,507)	(80,619)
At 31 December 2020	211,230	63,933	2,601	84,314	362,078
Depreciation					
At 1 January 2020	170,742	92,402	2,601	44,101	309,846
Charge for the year	24,333	16,965	-	20,388	61,686
Disposals	(676)	(55,756)	-	(1,498)	(57,930)
At 31 December 2020	194,399	53,611	2,601	62,991	313,602
Net book value					
At 31 December 2020	16,831	10,322	-	21,323	48,476
At 31 December 2019	35,626	47,007	-	30,754	113,387

Company

The company held no tangible fixed assets at the current year or prior year end.

Hambro Perks Limited

Notes to the Financial Statements for the Year Ended 31 December 2020

7. Investments

Group

	Investments in associates £	Unlisted investments £	Total £
Cost or valuation			
At 1 January 2020	8,304,768	20,639,630	28,944,398
Additions	95,179	1,672,884	1,768,063
Disposals	-	(114,448)	(114,448)
Revaluations	720,181	5,948,540	6,668,721
Transfer between classes	(1,200,000)	1,200,000	-
At 31 December 2020	7,920,128	29,346,606	37,266,734
Net book value			
At 31 December 2020	7,920,128	29,346,606	37,266,734
At 31 December 2019	8,304,768	20,639,630	28,944,398

Hambro Perks Limited

Notes to the Financial Statements for the Year Ended 31 December 2020

7. Investments (continued)

In respect of prior year:

Group

	Investments in associates £	Unlisted investments £	Total £
Cost or valuation			
At 1 January 2019	3,784,004	21,648,810	25,432,814
Additions	376,000	3,777,356	4,153,356
Disposals	(116,081)	(1,485,669)	(1,601,750)
Revaluations	4,320,878	(3,300,867)	1,020,011
Effect of associate being held at fair value	(60,033)	-	(60,033)
At 31 December 2019	8,304,768	20,639,630	28,944,398
Net book value			
At 31 December 2019	8,304,768	20,639,630	28,944,398
At 31 December 2018	3,784,004	21,648,810	25,432,814

Hambro Perks Limited

Notes to the Financial Statements for the Year Ended 31 December 2020

7. Investments (continued)

Company

	Investments in subsidiary companies £	Investments in associates £	Unlisted investments £	Total £
Cost or valuation				
At 1 January 2020	2,813,227	1,117,676	19,639,622	23,570,525
Additions	755,955	95,179	1,672,884	2,524,018
Disposals	-	-	(114,448)	(114,448)
Revaluations	-	-	6,428,542	6,428,542
Transfer - associate to unlisted investment	-	(220,000)	220,000	-
At 31 December 2020	3,569,182	992,855	27,846,600	32,408,637
Impairment				
At 1 January 2020	-	100,000	-	100,000
At 31 December 2020	-	100,000	-	100,000
Net book value				
At 31 December 2020	3,569,182	892,855	27,846,600	32,308,637
At 31 December 2019	2,813,227	1,017,676	19,639,622	23,470,525

Hambro Perks Limited

Notes to the Financial Statements for the Year Ended 31 December 2020

7. Investments (continued)

In respect of prior year:

Company

	Investments in subsidiary companies £	Investments in associates £	Unlisted investments £	Total £
Cost or valuation				
At 1 January 2019	1,918,664	941,162	20,638,811	23,498,637
Additions	907,914	376,000	3,777,356	5,061,270
Disposals	(13,351)	(199,486)	(1,475,669)	(1,688,506)
Revaluations	-	-	(3,300,876)	(3,300,876)
At 31 December 2019	2,813,227	1,117,676	19,639,622	23,570,525
Impairment				
At 1 January 2019	13,351	299,305	-	312,656
Impairment on disposals	(13,351)	(199,305)	-	(212,656)
At 31 December 2019	-	100,000	-	100,000
Net book value				
At 31 December 2019	2,813,227	1,017,676	19,639,622	23,470,525
At 31 December 2018	1,905,313	641,857	20,638,811	23,185,981

On 31 December 2019, a subsidiary of the company, Edvinca Limited, was dissolved.

Hambro Perks Limited

Notes to the Financial Statements for the Year Ended 31 December 2020

7. Investments (continued)

Subsidiary undertakings and associates

The following were subsidiary undertakings of the company:

Name	Country of incorporation	Class of shares	Holding	Principal activity
Hambro Perks Services Limited	United Kingdom	Ordinary	100%	Provision of support and advisory services to fast growth companies
HP Asset Management Limited	Guernsey	Ordinary	100%	Investment holding and securities and asset management.
Hambro Perks Advisory LLP	United Kingdom	Ordinary	99%	Investment advisory services with a key focus on working with investment funds looking to make direct investments in early stage high growth technology companies
HP Digital Media Limited	United Kingdom	Ordinary	96%	Investment in early stage Digital Media businesses and the provision of advisory services to help build them into major companies
SpacesUnlocked Limited (formerly HP Ventures 02 Limited)	United Kingdom	Ordinary	100%	An events technology platform
HP Ventures 04 Limited	United Kingdom	Ordinary	100%	Non-trading entity
HP Ventures 05 Limited	United Kingdom	Ordinary	100%	Non-trading entity

Associates

The following were associates of the company:

Name	County of incorporation	Class of shares	Holding	Principal activity
Storienteer Limited	United Kingdom	Ordinary	20.8%	A location based augmented reality platform
Insurtech Gateway Limited	United Kingdom	Ordinary	26.0%	Insurance focused tech and compliance incubator
GoTo Digital Marketing Limited	United Kingdom	Ordinary	41.0%	Marketing support and management consultancy services
Odondo Limited	United Kingdom	Ordinary	40.3%	Contact centre technology

All subsidiaries and associates share a registered office address with the company, as shown on the company information page, except for:

- HP Asset Management Limited, which has its registered office Sarnia House, Le Truchot, St Peter Port, Guernsey, GY1 1GR
- Storienteer Limited, which has its registered address at 8 Greencoat Place, London, SW1P 1PL
- Insurtech Gateway Limited, which has its registered office at Arquen House, 4-6 Spicer Street, St. Albans, Hertfordshire, England, AL3 4PQ
- Odondo Limited, which has its registered office at Kemp House, 160 City Road, London, EC1V 2NX

Hambro Perks Limited

Notes to the Financial Statements for the Year Ended 31 December 2020

8. Debtors

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Due within one year				
Trade debtors	379,354	276,980	9,585	22,870
Amounts owed by group undertakings	-	-	13,296,871	9,944,242
Amounts owed by associated undertakings	406,470	342,905	373,770	335,205
Other debtors	1,122,315	605,170	495,244	361,693
Prepayments and accrued income	1,020,333	167,855	5,456	6,499
Call options on unlisted investments	59,766	59,764	59,766	59,765
	<u>2,988,238</u>	<u>1,452,674</u>	<u>14,240,692</u>	<u>10,730,274</u>

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

9. Creditors: Amounts falling due within one year

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Trade creditors	107,194	167,691	33,335	90,331
Amounts owed to group undertakings	-	-	-	191,387
Amounts owed to associates	4,261	4,500	3,261	4,000
Other taxation and social security	262,260	116,212	3,884	2,515
Other creditors	11,761	46,851	-	27
Accruals and deferred income	797,966	282,403	244,657	109,670
Put options on unlisted investments	-	113,295	-	113,295
	<u>1,183,442</u>	<u>730,952</u>	<u>285,137</u>	<u>511,225</u>

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

Hambro Perks Limited

Notes to the Financial Statements for the Year Ended 31 December 2020

10. Financial instruments

	Group 2020 £	Group 2019 £
Financial assets		
Financial assets measured at fair value through profit or loss	37,326,501	29,004,165
Financial assets measured at amortised cost	8,899,008	13,042,942
	<u>46,225,509</u>	<u>42,047,107</u>
Financial liabilities		
Financial liabilities measured at amortised cost	(1,117,433)	(499,083)
Financial liabilities measured at fair value through profit or loss	-	(113,295)
	<u>1,117,433</u>	<u>385,788</u>

Financial assets measured at fair value through profit or loss comprise holdings in investments and call options over investments.

Financial assets measured at amortised cost comprise trade and other debtors, cash at bank and accrued income.

Financial liabilities measured at amortised cost comprise trade and other creditors and accrued expenses.

Financial liabilities measured at fair value through profit or loss comprise put options held over unlisted investments held by the group.

Hambro Perks Limited

Notes to the Financial Statements for the Year Ended 31 December 2020

11. Deferred taxation

Group

	2020 £	2019 £
At beginning of year	(98,743)	(580,713)
Charged to profit or loss	(449,786)	481,970
At end of year	(548,529)	(98,743)

Company

	2020 £	2019 £
At beginning of year	-	(409,182)
Charged to profit or loss	(769,954)	409,182
At end of year	(769,954)	-

The provision for deferred taxation is made up as follows:

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Tax losses	2,531,643	1,575,800	870,456	-
Fixed asset timing differences	(1,649,354)	(394,252)	(1,640,505)	-
Revaluations/fair value adjustments	(1,430,913)	(1,280,291)	-	-
Short term timing differences	95	-	95	-
	(548,529)	(98,743)	(769,954)	-

Hambro Perks Limited

Notes to the Financial Statements for the Year Ended 31 December 2020

12. Share capital

Shares classified as equity

	2020 £	2019 £
Allotted, called up and fully paid		
5,000,000 Founder shares of £0.001 each	5,000	5,000
1,168,173 G shares of £0.001 each	1,168	1,168
34,126,905 Ordinary shares of £0.001 each	34,127	34,127
	<u>40,295</u>	<u>40,295</u>

The Founder shares are entitled to five votes per share and carry full dividend entitlement.

The G shares are each entitled to one vote per share with no dividend entitlement.

The Ordinary shares are each entitled to one vote per share and full dividend entitlement.

13. Reserves

The company and group's capital and reserves are as follows:

Share capital

Share capital represents the nominal value of the shares issued.

Share premium account

Share premium accounts represents the amount by which the consideration received by the company for shares issued exceeds its nominal value.

Capital redemption reserve

The capital redemption reserve contains the nominal value of own shares that have been acquired by the company.

Other reserves

Other reserves relates to monies received from the company's shareholders prior to 31 December 2020 where the ordinary shares remained unissued.

Retained earnings and accumulated losses

Retained earnings and accumulated losses represents cumulative profits or losses, net of dividends paid and other adjustments.

Hambro Perks Limited

Notes to the Financial Statements for the Year Ended 31 December 2020

14. Discontinued operations

On 31 December 2019, a subsidiary of the company, Edvinca Limited, was dissolved and consequently treated as disposed of by the group and company.

15. Pension commitments

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £191,383 over the year (2019 - £161,753). As at the year end, amounts payable of £23,144 (2019 – £17,469) had not been paid over to the plan.

16. Commitments under operating leases

At 31 December 2020 the group and the company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Not later than 1 year	326,534	99,574	1,440	1,440
Later than 1 year and not later than 5 years	26,391	57,769	311	1,752
	<u>352,925</u>	<u>157,343</u>	<u>1,751</u>	<u>3,192</u>

Hambro Perks Limited

Notes to the Financial Statements for the Year Ended 31 December 2020

17. Related party transactions

The group had the following transactions during the year and outstanding balances at the year end with related parties:

	Relationship	Revenue £	Purchases / cost of services £	Investments £	Balance owed by / (to) related party at year end £	Bad debts £
2020						
Dominic Perks	Director of Reporting Entity	-	-	-	599	-
Rupert Hambro	Director of Reporting Entity	-	-	-	532	-
Andrew Wyke	Director of Reporting Entity	-	-	-	(771)	-
Hambro Perks Advisory LLP	Subsidiary of Reporting entity	1,723,872	-	-	1,575,362	-
Bear Rene LLP	Controlled by a Related Party to a Director of the Reporting Entity	-	(2,119)	-	-	-
GoTo Digital Marketing Limited	Associate of Group Company	23,700	-	-	408,541	-
Odondo Limited	Associate of Group Company	93,905	-	95,179	163,295	-
Insurtech Gateway Limited	Associate of Group Company	4,784	-	-	3,899	-
J O Hambro Limited	Control by Director of Reporting Entity	24,686	-	-	968	-
Lexham Ventures Limited	Control by Director of Reporting Entity	-	(104,167)	-	-	-
Talent Enterprises Limited	Control by Director of Reporting Entity	1,600	(83,333)	-	-	(1,933)

Hambro Perks Limited

Notes to the Financial Statements for the Year Ended 31 December 2020

17. Related party transactions (continued)

	Relationship	Revenue £	Purchases / cost of services £	Investments £	Balance owed by / (to) related party at year end £	Bad debts £
2019						
Dominic Perks	Director of Reporting Entity	-	-	-	599	-
Rupert Hambro	Director of Reporting Entity	-	-	-	425	-
Andrew Wyke	Director of Reporting Entity	-	-	-	(2,467)	-
Eric Wilkinson	Director of Reporting Entity	-	-	-	-	-
George Davies	Director of Reporting Entity	-	-	-	(2,855)	-
HP Advisory LLP	Subsidiary of reporting entity	-	-	-	884,053	-
Edvinca Limited	Subsidiary of reporting entity	-	-	-	-	(34,470)
GoTo Digital Marketing Limited	Associate of Group Company	53,505	-	-	130,777	-
Odondo Limited	Associate of Group Company	35,824	(1,891)	155,920	60,595	-
Insurtech Gateway Limited	Associate of Group Company	138,432	-	(100)	9,795	-
HPIG Services Limited	Associate of Group Company	2,400	-	-	1,093	-
J O Hambro Limited	Control by Director of Reporting Entity	10,394	-	-	1,747	-
Talent Enterprises Limited	Control by Director of Reporting Entity	9,600	(1,200)	-	-	(12,173)

Hambro Perks Limited

Notes to the Financial Statements for the Year Ended 31 December 2020

18. Related party transactions (continued)

Key management personnel include all directors and senior managers across the group who together have authority and responsibility for planning, directing and controlling the activities of the group. The total compensation paid to key management personnel for services provided to the group was £1,286,682 (2019 - £1,466,402).

The company has taken advantage of the exemption under paragraph 33.1A of the Financial Reporting Standard 102 not to disclose transactions with other wholly owned members of the group.

19. Subsequent events

Subsequent to the reporting date, the company has raised additional equity at £2.63 per share to grow the business and support the firm's investment strategies. At the time of signing the company had raised funds of £7,606,488.

20. Controlling party

In the opinion of the directors there is not considered to be any one controlling party.