

Submin Holdings Limited

DIRECTORS' REPORT AND AUDITED FINANCIAL STATEMENTS

31 December 2020



Company Registration No. FC033537
Jersey No. 121113

Submin Holdings Limited

DIRECTORS AND OFFICERS

DIRECTORS

L Presencer
RJG Holman

SECRETARY

RJG Holman

REGISTERED OFFICE

Ordnance House
31 Pier Road
St Helier
Jersey
JE4 8PW

BANKERS

Metro Bank PLC
One Southampton Row
London
WC1B 5HA

INDEPENDENT AUDITOR

RSM UK Audit LLP
Statutory Auditor
Chartered Accountants
25 Farringdon Street
London
EC4A 4AB

Submin Holdings Limited

STRATEGIC REPORT

REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS

This has been a testing year for the Submin Holdings group of companies ("Group") with the challenges presented by the COVID-19 pandemic. The Group showed its resilience and drew on its 30 years experience to navigate the COVID-19 pandemic (COVID-19) and emerge in a strong position.

- The Group's consolidated revenue reduced by 49% to £8m due to COVID-19. The Group acted quickly to preserve its future financial viability and to protect jobs. During the COVID-19 crisis the Group has taken advantage of the COVID-19 Job Retention Scheme, VAT & PAYE Deferment Schemes and there have been no business rates charges for the hospitality elements of the Group. The Ministry of Sound nightclub ("Club") was awarded a Culture Recovery Fund grant of £975,468 as well as other rates based grants from the local authority. Rates grants were also paid to Ministry Does Fitness ("MDF"). The Group has a strong relationship with its bank and completed a refinancing of the debt facility relating to The Ministry business in September 2020.
- The Club and events ("Ministry Venues") businesses, which operate through Ministry of Sound Limited, had a strong Q1 performance before the venue was closed by Government legislation on 16th March 2020. The venue was not able to reopen its doors for the remainder of the financial period.
- At the beginning of 2020, The Ministry, which operates under 79 Borough Road Limited, had over 1,000 members and an occupancy over 90% at the time COVID-19 restrictions were put in place. Although The Ministry workspace at 77-81 Borough Road, London, remained open throughout 2020, due to COVID-19 it experienced a financial impact from existing and future potential members suffering as a result of the consequences of COVID-19. Government restrictions imposed on the event and F&B industries resulted in further loss of trade for The Ministry.
- MOS Publishing (which operates under MOS Publishing Limited) had a strong 2020 despite COVID-19 impacting the world of marketing and advertising which reduced the opportunities for exploitation of new synchronisation licenses. MOS Publishing contributed £0.9m in revenue. Post year end, a disposal of all of the assets of MOS Publishing Ltd was completed.
- MDF's business (which operates under Ministry Does Fitness Limited) was in the process of transitioning from a boutique class based offering to an alternative business model at the time of the COVID-19 outbreak. The transition was placed on hold and cash outflows were reduced to a minimum during the Government's restrictions on operation.
- The Group reorganised its intercompany debt and company structure in July 2020. This reorganisation resulted in certain assets and liabilities being sold, settled, novated and/or set off between Group companies. There was no impact on the profit and loss account as a result of these transactions. No transactions took place outside of the Group companies.

Submin Holdings Limited

STRATEGIC REPORT (continued)

During the year, the Group reorganised its intercompany debt structure. This reorganisation resulted in certain debts being settled, novated and/or set off between Group companies. The net impact of the reorganisation to the company was the increase in intercompany receivables by £14.6m and reduced intercompany payables by £4.3m. The company received dividends of £21m, there was no other impact on the profit and loss account as a result of these transactions.

As part of the reorganisation, the company acquired the entire share capital of Ministry of Sound Publishing Limited, from a fellow Group company, for £1.

As part of the reorganisation, the company acquired the entire share capital of Ministry of Sound Properties Limited, from a fellow Group company, for £1.

As part of the reorganisation, the company acquired the entire share capital of Ministry does Fitness Limited, from a fellow Group company, for £1.

As part of the reorganisation, the company acquired the entire share capital of Ministry of Sound Limited, from a fellow Group company, for £2,074,362.

As part of the reorganisation, the company acquired the entire share capital of TickX Limited, from a fellow Group company, for £477,909.

As part of the reorganisation, the company acquired the Ministry of Sound brand licenses as a distribution in specie from Ministry of Sound Licensing Limited. This was then transferred to MOS Central Services Limited for consideration of one ordinary share.

The board of the company has confirmed it intends to continue to support the Group for at least 12 months from the date of signing of the financial statements.

Submin Holdings Limited

STRATEGIC REPORT (continued)

GOING CONCERN

The Group operates a number of diverse businesses built on the foundations of a globally recognised brand and a 30 year track record of innovating and growing successful companies. This reputation has helped build a strong customer base across all its business activities. For example, the Club has been described by London Night Czar Amy Lamé as “a flagship London cultural institution which has transformed London’s night time cultural offer”.

At the end of the first quarter of 2020 the Group was on course to have an extremely successful year, exceeding budget expectations across the Group. The Group was therefore well positioned in terms of its cashflow at the outbreak of COVID-19 in the UK. Business activities were subsequently impacted by COVID-19 to varying degrees.

When the Government locked down the country in late March 2020, legislation was passed which forced the Club to close, preventing it from operating in any capacity. The Ministry at 77-81 Borough Road, London, remained open throughout 2020 and performed well despite the challenges presented from COVID-19.

At the time of approval of these financial statements the Club has reopened, is able to trade and is performing well. The Ministry has recovered to an occupancy level of over 90%.

As a consequence of the Group’s cash resources and access to funding, the Directors believe that the Group is well placed to successfully manage the potential risk factors that it may face.

The Directors continue to consider the risks created by COVID-19 and have taken steps and actions that have minimised the associated impact. These include, but are not limited to, the preparation of business continuity plans, including risk assessments and readiness evaluations covering all business functions. Regular communication with the Group’s staff and stakeholders help to minimise disruption.

The Directors have reviewed cash flow forecasts of the Group and have a reasonable expectation that the Group has adequate resources to continue operations for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing these annual financial statements.

PRINCIPAL RISKS AND UNCERTAINTIES

The board and senior management continually monitor the principal risks to the business, considered to be:

Macroeconomic conditions

The state of the UK economy, and the global economic activity impacting upon it, is monitored closely by the board with any potential exposures limited through timely strategic action. The Group proceeds with caution by constantly evaluating and assessing costs, and subjecting all new and pipeline projects to a rigorous ongoing review and appraisal process.

Reputation

The Group operates under both global and niche lifestyle and music brands. Licensing activity is restricted and closely controlled to minimise the risk of reputational damage across the various operations of the Group.

By order of the board


L. Presencer, Lohan Presencer (Jan 31, 2022 11:07 GMT)

Director

31 January 2022

Submin Holdings Limited

DIRECTORS' REPORT

The directors submit their report and the financial statements of Submin Holdings Limited for the year ended 31 December 2020. The Company is limited by shares.

DIVIDENDS

The directors do not recommend the payment of a dividend for the year (2019: nil).

DIRECTORS

The following directors have held office during the period:-

L Presencer
RJG Holman

DIRECTORS AND OFFICERS INSURANCE

The company maintains liability insurance covering the directors and officers of the company.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO THE AUDITOR

The directors have confirmed that, as far as they are aware, there is no relevant audit information of which the auditor is unaware. Each of the directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

AUDITOR

The auditor, RSM UK Audit LLP, Chartered Accountants, has indicated its willingness to continue in office.

By order of the board

Lohan Presencer
Lohan Presencer (Jan 31, 2022 11:07 GMT)

L Presencer
Director
31 January 2022

Submin Holdings Limited

DIRECTOR'S RESPONSIBILITIES IN THE PREPARATION OF THE FINANCIAL STATEMENTS

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with FRS 102. 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 loss of the company for that period. In preparing those financial statements, the directors are required to:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgments and accounting estimates that are reasonable and prudent;
- c. 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 and Companies (Jersey) Law. 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.

Submin Holdings Limited

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SUBMIN HOLDINGS LIMITED

Opinion

We have audited the financial statements of Submin Holdings Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2020 which comprise the consolidated statement of comprehensive income, consolidated statement of financial position, company statement of financial position, consolidated cashflow statement, consolidated statement of changed in equity, company statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In our opinion, the financial statements:

- give a true and fair view of the state of the group's affairs as at 31 December 2020 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Accounting Standards; and
- have been properly prepared in accordance with the requirements of the Companies (Jersey) Law 1991.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Submin Holdings Limited

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SUBMIN HOLDINGS LIMITED

(continued)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies (Jersey) Law 1991 requires us to report to you if, in our opinion:

- proper accounting records have not been kept by the group, or proper 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
- we have failed to obtain any information or explanation that, to the best of our knowledge and belief, was necessary for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 6, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group'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 group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

Submin Holdings Limited

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SUBMIN HOLDINGS LIMITED

(continued)

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the group operates in and how the group is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, the Companies (Jersey) Law 1991 and tax compliance regulations. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures, inspecting correspondence with local tax authorities and evaluating advice received from external tax advisors.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to health and safety and employment law. We performed audit procedures to inquire of management and those charged with governance whether the group is in compliance with these law and regulations and inspected correspondence with licensing or regulatory authorities.

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business.

A further description of our responsibilities for the audit of the financial statements is included in appendix 1 of this auditor's report. This description, which is located on the following page, forms part of our auditor's report.

Use of our report

This report is made solely to the group's members, as a body, in accordance with Article 113A of the Companies (Jersey) Law 1991. Our audit work has been undertaken so that we might state to the group's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the group and the group's members as a body, for our audit work, for this report, or for the opinions we have formed.

Christopher Tate

CHRISTOPHER TATE (Senior Statutory Auditor)

For and on behalf of RSM UK Audit LLP, Statutory Auditor

Chartered Accountants

25 Farringdon Street

London, EC4A 4AB

Date: 31 January 2022

Submin Holdings Limited

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SUBMIN HOLDINGS LIMITED

(continued)

Appendix 1: Auditor's responsibilities for the audit of the financial Statements

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation (i.e. gives a true and fair view).

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Submin Holdings Limited

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME for the year ended 31 December 2020

	Notes	2020 £'000	2019 £'000
TURNOVER		7,083	15,593
Cost of sales		(1,897)	(6,625)
GROSS PROFIT		5,185	8,968
HMRC furlough grant income		1,157	-
Administrative expenses		(9,293)	(10,469)
OPERATING LOSS		(2,950)	(1,501)
Interest receivable and similar income		119	614
Interest payable and similar charges	2	(938)	(1,240)
Exceptional items		1,415	-
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION	3	(2,354)	(2,127)
Taxation	5	(30)	623
LOSS AND TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR		(2,384)	(1,504)
Loss and total comprehensive income for the financial year attributable to:			
Owners of the parent		(2,319)	(1,425)
Non-controlling Interests		(65)	(79)
		(2,384)	(1,504)

Submin Holdings Limited

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 31 December 2020

	Notes	2020 £'000	2019 £'000
FIXED ASSETS			
Intangible	6	11	16
Tangible	7	6,575	7,733
Investments	8	60	60
		<u>6,646</u>	<u>7,809</u>
CURRENT ASSETS			
Stock	10	111	159
Debtors due less than 1 year	11	3,282	4,247
Debtors due after more than 1 year	11	1,236	1,800
Cash at bank and in hand		2,779	1,976
		<u>7,408</u>	<u>8,182</u>
CREDITORS: Amounts falling due within one year	12	(7,582)	(8,972)
NET CURRENT LIABILITIES		<u>(174)</u>	<u>(790)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		6,472	7,019
CREDITORS: Amounts falling due after more than one year	13	(10,141)	(8,304)
NET LIABILITIES		<u>(3,669)</u>	<u>(1,285)</u>
CAPITAL AND RESERVES			
Called up share capital	16	17	17
Share Premium Account		10,709	10,709
Other reserves		(10,113)	(10,113)
Profit and loss account		(3,733)	(1,414)
SHAREHOLDERS' (DEFICIT)/FUNDS		<u>(3,120)</u>	<u>(801)</u>
Non-controlling Interests		(549)	(484)
TOTAL CAPITAL EMPLOYED		<u>(3,669)</u>	<u>(1,285)</u>

The financial statements on pages 12 to 36 were approved by the board of directors and authorised for issue on 31 January 2022 and are signed on its behalf by:

Lohan Presencer
Lohan Presencer (Jan 31, 2022 11:07 GMT)

L Presencer
Director

Submin Holdings Limited
COMPANY STATEMENT OF FINANCIAL POSITION
as at 31 December 2020

	Notes	2020 £'000	2019 £'000
FIXED ASSETS			
Investments	8	12,192	9,640
		<u>12,192</u>	<u>9,640</u>
CURRENT ASSETS			
Debtors due within 1 year	11	14,627	2
CREDITORS: Amounts falling due within one year	12	(1)	(12,704)
NET CURRENT ASSETS/(LIABILITIES)		<u>14,626</u>	<u>(12,702)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		26,818	(3,062)
CREDITORS: Amounts falling due after more than one year		(8,654)	-
NET ASSETS/(LIABILITIES)		<u><u>18,164</u></u>	<u><u>(3,062)</u></u>
CAPITAL AND RESERVES			
Called up share capital	16	17	17
Share Premium Account		10,709	10,709
Profit and loss account		7,438	(13,788)
SHAREHOLDERS' FUNDS/(DEFICIT)		<u><u>18,164</u></u>	<u><u>(3,062)</u></u>

As permitted by the Companies (Jersey) Law 1991, the Company has not presented its own statement of comprehensive income. The Company's profit for the year was £21,226,000 (2019: 2,408 loss).

The financial statements on pages 12 to 36 were approved by the board of directors and authorised for issue on 31 January 2022 and are signed on its behalf by:

Lohan Presencer

Lohan Presencer (Jan 31, 2022 11:07 GMT)

L Presencer
Director

Submin Holdings Limited
CONSOLIDATED CASH FLOW STATEMENT
for the year ended 31 December 2020

	2020 £'000	2019 £'000
Cash flows from operating activities		
Loss for the financial year	(2,384)	(1,498)
Adjustments for:		
Amortisation & impairment of intangible assets	5	156
Depreciation, amortisation and impairment of tangible assets	1,300	1,073
Interest paid	938	1,240
Interest received	(135)	(614)
Taxation		(623)
(Increase) / decrease in trade and other debtors	1,522	(566)
(Increase) / decrease in stocks	48	16
(Increase) / decrease in trade and other creditors	455	1,172
NET CASH USED IN OPERATING ACTIVITIES	1,749	356
Cash flows from investing activities		
Purchases of tangible assets	(143)	(1,670)
Purchases of intangible assets	-	(73)
Interest received	135	614
NET CASH USED IN INVESTING ACTIVITIES	(8)	(1,129)
Cash flows from financing activities		
Proceeds of new borrowings	-	379
Repayment of borrowings	-	(943)
Repayments of obligations under finance leases	(80)	(30)
Interest paid	(857)	(141)
NET CASH USED IN FINANCING ACTIVITIES	(937)	(735)
NET CHANGE IN CASH AND CASH EQUIVALENTS	804	(1,508)
CASH AND CASH EQUIVALENTS AT 1 JANUARY	1,976	3,484
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	2,779	1,976

Submin Holdings Limited

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 31 December 2020

	Called-up share capital £'000	Share Premium account	Other reserve	Profit and loss account £'000	Attributable to owners of the parent £'000	Non-controlling interests £'000	Total £'000
At 1 Jan 2019	17	10,709	(10,113)	(394)	11	(405)	219
Loss for year	-	-	-	(1,504)	(1,425)	(79)	(1,504)
At 31 Dec 2019	17	10,709	(10,113)	(1,898)	(1,414)	(484)	(1,285)
Loss for year	-	-	-	(2,384)	(2,319)	(65)	(2,384)
At 31 Dec 2020	17	10,709	(10,113)	(4,282)	(3,733)	(549)	(3,669)

Submin Holdings Limited

COMPANY STATEMENT OF CHANGES IN EQUITY

for the year ended 31 December 2020

	Called-up share capital	Share Premium account	Profit and loss account	Total
	£'000	£'000	£'000	£'000
At 1 January 2019	17	10,709	(13,786)	(3,060)
Loss for year	-	-	(2)	(2)
At 31 December 2019	17	10,709	(13,788)	(3,062)
Profit for year	-	-	21,226	21,226
At 31 December 2020	17	10,709	7,438	18,164

Submin Holdings Limited

ACCOUNTING POLICIES

for the year ended 31 December 2020

GENERAL INFORMATION

Submin Holdings Limited ("the Company") is a company limited by shares and incorporated in Jersey.

The address of the Company's registered office and principal place of business is Ordnance House, 31 Pier Road, St Helier, Jersey, JE4 8PW.

The group consists of Submin Holdings Limited and all of its subsidiaries as detailed in note 9.

The Company's and the Group's principal activities and the nature of the Company's operations and the Group's operations are given in the Directors' Report and Strategic Report.

BASIS OF ACCOUNTING

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of Companies (Jersey) Law 1991, including the provisions of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, and under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value.

Monetary amounts in these financial statements are rounded to the nearest whole £1,000, except where otherwise indicated.

REDUCED DISCLOSURES

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

- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures; and
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income.
- Section 33 'Related Party Disclosures' - Compensation for key management personnel.

Submin Holdings Limited

ACCOUNTING POLICIES

for the year ended 31 December 2020

GOING CONCERN

The Group operates a number of diverse businesses built on the foundations of a globally recognised brand and a 30 year track record of innovating and growing successful companies. This reputation has helped build a strong customer base across all its business activities. For example, the Club has been described by London Night Czar Amy Lamé as “a flagship London cultural institution which has transformed London’s night time cultural offer”.

At the end of the first quarter of 2020 the Group was on course to have an extremely successful year, exceeding budget expectations across the Group. The Group was therefore well positioned in terms of its cashflow at the outbreak of COVID-19 in the UK. Business activities were subsequently impacted by COVID-19 to varying degrees.

When the Government locked down the country in late March 2020, legislation was passed which forced the Club to close, preventing it from operating in any capacity. The Ministry at 77-81 Borough Road, London, remained open throughout 2020 and performed well despite the challenges presented from COVID-19.

At the time of approval of these financial statements the Club has reopened, is able to trade and is performing well. The Ministry has recovered to an occupancy level of over 90%.

As a consequence of the Group’s cash resources and access to funding, the Directors believe that the Group is well placed to successfully manage the potential risk factors that it may face.

The Directors continue to consider the risks created by COVID-19 and have taken steps and actions that have minimised the associated impact. These include, but are not limited to, the preparation of business continuity plans, including risk assessments and readiness evaluations covering all business functions. Regular communication with the Group’s staff and stakeholders help to minimise disruption.

The Directors have reviewed cash flow forecasts of the Group and have a reasonable expectation that the Group has adequate resources to continue operations for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing these annual financial statements.

Submin Holdings Limited

ACCOUNTING POLICIES

for the year ended 31 December 2020

TURNOVER

Turnover is recognised at the fair value of the consideration received or receivable for sale of goods and services to external customers in the ordinary nature of the business. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates. Turnover is shown net of Value Added Tax.

COMPANY STATEMENT OF COMPREHENSIVE INCOME

No profit and loss account has been prepared for Submin Holdings Limited (the company) as permitted by the Companies (Jersey) Law 1991.

BASIS OF CONSOLIDATION

The consolidated financial statements incorporate those of Submin Holdings Limited and all of its subsidiaries (i.e. entities that the Group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the purchase method.

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

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the Group.

INTANGIBLE FIXED ASSETS

Intangible assets are measured at cost less accumulated amortisation and any accumulated impairment losses. Amortisation is charged so as to allocate the cost of intangibles less their residual values over their estimated useful lives, using the straight-line method. The intangible assets are amortised over the following useful economic lives:

Goodwill	over 5 years
Intellectual Property Rights	over 20 years
Brand Names	over 3 years

If there is an indication that there has been a significant change in amortisation rate or residual value of an asset, the amortisation of that asset is revised prospectively to reflect the new expectations.

TANGIBLE FIXED ASSETS

Fixed assets are stated at historic cost less accumulated depreciation.

Depreciation is provided on all tangible fixed assets at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows:

Leasehold improvements	over 3-10 years
Motor Vehicles	over 2-4 years
Fixtures, fittings & equipment	over 2-5 years

Fixed assets are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable or as otherwise required by relevant accounting standards. Shortfalls between the carrying value of fixed assets and their recoverable amounts, being the higher of net realisable value and value-in-use, are recognised as impairments in the profit and loss account.

Submin Holdings Limited

ACCOUNTING POLICIES

for the year ended 31 December 2020

STOCKS

Stocks are valued at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the weighted average cost basis.

At each reporting date, the Group assesses whether stocks are impaired or if an impairment loss recognised in prior periods has reversed. Any excess of the carrying amount of stock over its estimated selling price less costs to complete and sell, is recognised as an impairment loss in profit or loss.

Reversals of impairment losses are also recognised in profit or loss.

Stocks held for distribution at no or nominal consideration are measured at cost, adjusted where applicable for any loss of service potential, i.e. benefits expected from use or sale of the stock.

FOREIGN CURRENCIES

Transactions in currencies other than the functional currency (foreign currencies) are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction or, if the asset or liability is measured at fair value, the rate when that fair value was determined.

All translation differences are taken to profit or loss, except to the extent that they relate to gains or losses on non-monetary items recognised in other comprehensive income, when the related translation gain or loss is also recognised in other comprehensive income.

INVESTMENTS

Long term investments are classified as fixed assets. Short term investments are classified as current investments. Fixed asset investments are stated at cost in the company balance sheet. Investments in gold sovereigns are valued at market value at the balance sheet date.

Provision is made for any impairment in the value of fixed asset investments.

Submin Holdings Limited

ACCOUNTING POLICIES

for the year ended 31 December 2020

TAXATION

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current tax is based on taxable profit for the year. Taxable profit differs from total comprehensive income because it excludes items of income or expense that are taxable or deductible in other periods. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date. Deferred tax is not discounted.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is recognised on income or expenses from subsidiaries, associates, branches and interests in jointly controlled entities, that will be assessed to or allow for tax in a future period except where the Group is able to control the reversal of the timing difference and it is probable that the timing difference will not reverse in the foreseeable future.

Deferred tax is recognised on differences between the value of assets (other than goodwill) and liabilities recognised in a business combination and the amounts that can be deducted or assessed for tax. The deferred tax recognised is adjusted against goodwill.

Current and deferred tax is charged or credited in profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

LEASES

Leases are operating leases and the annual rentals are charged to profit and loss on a straight-line basis over the lease term. Rent free periods or other incentives received for entering into an operating lease are accounted for as a reduction to the expense and are recognised, on a straight-line basis over the lease term.

Submin Holdings Limited

ACCOUNTING POLICIES

for the year ended 31 December 2020

ROYALTIES PAYABLE AND RECEIVABLE

Royalties receivable are recognised on notification to the company by related companies and sub-licences in respect of all royalty accounting periods ending within the financial year.

Royalties due are accounted for in accordance with the terms laid out within the individual royalty agreement with each artist on a payable basis.

ADVANCES AND OTHER ARTIST COSTS

Advances to artists are held on the balance sheet until release, at which point they are expensed to profit and loss. Amounts held on the balance sheet for future releases are reviewed for impairment based upon expected future sales. Pre-release origination, marketing, and other expenditure is recorded as a prepayment until the time of release or the directors decide that the product will not be released at which point it is expensed in the profit and loss account. Unrecoupable advances are taken to the profit and loss account when paid. Recoupable advances are retained as a debtor and offset against future royalties.

JOINTLY CONTROLLED ENTITIES

Entities in which the Group has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

Jointly controlled entities are accounted for using the equity method. All unrealised profit or losses on transactions are eliminated to the extent of the Group's interest, except where unrealised losses provide evidence of an impairment. Where necessary, adjustments are made to bring the accounting policies of the jointly controlled entity into line with those used by the Group.

Losses in a jointly controlled entity that reduce the carrying amount of the investment to below zero are not recognised, but a provision is recognised to the extent that the Group has an obligation or has made payments on behalf of the jointly controlled entity.

FINANCIAL INSTRUMENTS

The Group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102, in full, to all of its financial instruments.

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument, and are offset only when the Group currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial Assets

Trade debtors

Trade debtors which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price. Trade debtors are subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

Where the arrangement with a trade debtor constitutes a financing transaction, the debtor is initially and subsequently measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument.

Submin Holdings Limited

ACCOUNTING POLICIES

for the year ended 31 December 2020

A provision for impairment of trade debtors is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract. Impairment losses are recognised in profit or loss for the excess of the carrying value of the trade debtor over the present value of the future cash flows discounted using the original effective interest rate. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in profit or loss.

Bank overdrafts

Bank overdrafts are presented within creditors: amounts falling due within one year.

Trade investments

Trade investments are equity investments over which the Group has no significant influence, joint control or control and are initially measured at transaction price. Transaction price includes transaction costs, except where trade investments are measured at fair value through profit or loss when transaction costs are expensed to profit or loss as incurred. The fair value of unlisted investments is measured using valuation techniques which include turnover multiple, earnings multiple, net assets or discounted cash flows, as appropriate, based on the nature and circumstances of the investment.

Financial liabilities and equity

Financial instruments are classified as liabilities and equity instruments according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities.

Trade creditors

Trade creditors payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled. Where the arrangement with a trade creditor constitutes a financing transaction, the creditor is initially and subsequently measured at the present value of future payments discounted at a market rate of interest for a similar instrument.

Borrowings

Borrowings are initially recognised at the transaction price, including transaction costs, and subsequently measured at amortised cost using the effective interest method. Interest expense is recognised on the basis of the effective interest method and is included in interest payable and other similar charges.

Derecognition of financial assets and liabilities

A financial asset is derecognised only when the contractual rights to cash flows expire or are settled, or substantially all the risks and rewards of ownership are transferred to another party, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party. A financial liability (or part thereof) is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

PROVISIONS

Provisions are recognised when the Group has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and that obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

Submin Holdings Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2020

1 CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Accrued income:

Certain revenue streams in the Publishing businesses, for example performance income, are on long reporting cycles with revenues earned during a financial year not being reported and paid through until the following period. There are no standard earnings rates for this type of income and levels can fluctuate significantly based on a number of variables. The income is accrued based upon past experience of how track performance equates to revenue received.

Royalty advances and recoupable costs:

Advances to artists are held on the balance sheet until release, at which point they are expensed to profit and loss. Amounts held on the balance sheet for future releases are reviewed for impairment based upon expected future sales. An off balance sheet royalties account is maintained and further royalties are only charged to profit and loss once an artist is recouped. Recoupable costs are charged to profit and loss at the time of release as management believe this is the most prudent approach as it can never be guaranteed that royalties due to an artist will exceed advances and recoupable costs paid. This eliminates the possibility of holding a potentially irrecoverable asset on the balance sheet.

Depreciation:

The Group exercises judgement to determine useful lives and residual values of tangible fixed assets. The assets are depreciated down to their residual values over their estimated useful lives.

Submin Holdings Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2020

	2020	2019
	£'000	£'000
2 INTEREST PAYABLE AND SIMILAR CHARGES		
Bank interest payable	80	140
Other loans	858	1,100
	<u>938</u>	<u>1,240</u>
3 LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		
	2020	2019
	£'000	£'000
Loss on ordinary activities before taxation is stated after charging:		
Depreciation and amounts written off tangible fixed assets:		
Charge for the year on owned assets	1,300	1,225
Amortisation of intangibles	5	5
Operating lease rentals:		
Land and Buildings	<u>2,207</u>	<u>2,197</u>
Amounts payable to RSM UK Audit LLP and its associates in respect of audit services are as follows;	2020	2019
	£'000	£'000
Audit services – statutory audit	<u>68</u>	<u>60</u>
	<u>68</u>	<u>60</u>

Submin Holdings Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2020

4	EMPLOYEES AND DIRECTORS' REMUNERATION	2020	2019
		No.	No.
	EMPLOYEES		
	The average monthly number of persons (including directors) employed by the company and group during the year was:		
	Management	4	4
	Administration	14	22
	Operations	76	206
		<u>94</u>	<u>232</u>
		2020	2019
		£'000	£'000
	Staff costs for above persons:		
	Wages and salaries	2,634	3,917
	Social security costs	263	350
	Pension costs	65	74
		<u>2,963</u>	<u>4,341</u>
	DIRECTORS	2020	2019
	In respect of the directors of Ministry of Sound Group Limited:	£'000	£'000
	Emoluments in respect of qualifying services	150	180
	Company contributions to money purchase pension schemes	8	5
		<u>158</u>	<u>185</u>
	The number of directors to whom retirement benefits are accruing under money purchase schemes was:	<u>2</u>	<u>2</u>
	Management consider the directors to be the key management. Employers NI paid during the year in relation to key management was £35,382 (2019: £40,726)		
		2020	2019
	Directors emoluments disclosed above include the following payments:	£'000	£'000
	Remuneration	150	180
	Company contributions to money purchase pension schemes	8	5
		<u>158</u>	<u>185</u>

Submin Holdings Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2020

5	TAXATION	2020	2019
		£'000	£'000
	Current tax:		
	Adjustments in respect of prior years	-	(571)
	Total current tax	-	(571)
	Deferred tax:		
	Origination of timing differences	(203)	(48)
	Adjustments in respect of prior years	291	-
	Effect of tax rate change on opening balance	(58)	(4)
	Tax on loss on ordinary activities	30	(623)
	Factors affecting the tax charge for the year		
	The tax assessed for the year is lower than the standard rate of corporation tax in the UK (20%). The differences are explained below		
	Group profit/(loss) on ordinary activities before taxation	21,601	(2,121)
	Loss on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 19% (2019: 19%)	4,104	(374)
	Effects of:		
	Expenses not deductible	190	40
	Income not recognised	(4,724)	-
	Deferred tax not recognised	227	255
	Adjustments in respect of prior periods	291	(540)
	Tax rate changes	(58)	(4)
	Tax charge/(credit)	30	(623)

Submin Holdings Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2020

6	INTANGLE FIXED ASSETS	Website Design £'000	Total £'000
	GROUP		
	Cost		
	01 January 2020	26	26
	Additions	-	-
	31 December 2020	26	26
	Depreciation		
	01 January 2020	10	10
	Charged in the year	5	5
	31 December 2020	15	15
	Carrying amount:		
	31 December 2020	11	11
	31 December 2019	16	16

The Company had no intangible assets (2019: nil).

7	TANGIBLE FIXED ASSETS	Leasehold Improvements £'000	Motor Vehicles £'000	Fixtures, Fittings and Equipment £'000	Total £'000
	GROUP				
	Cost				
	01 January 2020	8,484	86	2,584	11,154
	Additions	56	-	87	143
	31 December 2020	8,540	86	2,671	11,297
	Depreciation				
	01 January 2020	2,357	86	979	3,422
	Charged in the year	734	-	566	1,300
	31 December 2020	3,091	86	1,545	4,722
	Carrying amount:				
	31 December 2020	5,449	-	1,126	6,575
	31 December 2019	6,127	-	1,606	7,733

The Company had no tangible assets (2019: nil).

Submin Holdings Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2020

8	FIXED ASSET INVESTMENTS	Total £'000
	GROUP	
	Cost	
	01 January 2020	60
	31 December 2020	60
	Provisions for impairment	
	1 January and 31 December 2019	-
	31st December 2020	60
	31st December 2019	60

Submin Holdings Limited has a non-controlling interest in TickX Limited, a technology company incorporated in England. It is the opinion of the directors that the market value of the investment is not less than cost.

	COMPANY	
	Cost	
	01 January 2020	9,640
	Additions	2,552
	31 December 2020	12,192
	Provisions for impairment	
	1 January and 31 December 2019	-
	31st December 2020	12,192
	31st December 2019	9,640

Submin Holdings Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2020

9 SUBSIDIARY UNDERTAKINGS

Submin Holdings Limited is the beneficial owner of the following companies which are held directly.

COMPANY	Nature of Business	Type of shares	Holding %
Investment in subsidiaries:			
Ministry of Sound Group Ltd	Management	Ordinary	100%
Ministry of Sound Licensing Limited	Brand licensing	Ordinary	100%
Nimbus Holdings Limited (Jersey)	Holding company	Ordinary	100%
Ministry of Sound Limited	Nightclub	Ordinary	100%
MOS Publishing Limited	Publishing company	Ordinary	70.6%
Music Does Fitness Limited	Leisure and fitness company	Ordinary	100%
Ministry of Sound Properties Limited	Management	Ordinary	100%
79 Borough Road Limited	Shared workspace	Ordinary	100%
MOS Central Services Limited	Management	Ordinary	100%

During the year end, the indirect shareholdings became direct shareholdings as part of a group reorganisation. See note 20 for more details.

It is the opinion of the directors that the market value of the investments in subsidiaries is not less than cost.

10 STOCKS

	Group		Company	
	2020	2019	2020	2019
	£'000	£'000	£'000	£'000
Finished Goods	111	159	-	-

Submin Holdings Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2020

11 DEBTORS	Group		Company	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Due within one year:				
Trade debtors	537	656	-	-
Amounts owed by group undertakings	-	-	14,605	-
Other debtors	130	81	-	-
Prepayments and accrued income	1,494	2,363	-	-
Corporation tax	205	959	-	-
Deferred tax asset	916	188	22	2
Due after more than one year:	1,236	1,800	-	-
	<u>4,518</u>	<u>6,047</u>	<u>14,627</u>	<u>2</u>

The debtor due after one year relates to rent deposits paid. This is expected to be recovered on the expiry of the related property lease in 2028.

12 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Bank Loan	163	648	-	-
Other Loans	-	820	-	-
Trade creditors	1,478	37	-	-
Amounts owed to group undertakings	-	-	1	12,704
Other taxation and social security	117	364	-	-
Other creditors	1,498	1,403	-	-
Accruals and deferred income	4,325	5,322	-	-
Minority Shareholder loans	1	379	-	-
	<u>7,582</u>	<u>8,972</u>	<u>1</u>	<u>12,704</u>

Submin Holdings Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2020

13 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Company	
	2020	2019	2020	2019
	£'000	£'000	£'000	£'000
Other loans	8,654	7,320	8,654	-
Bank loans	1,487	984	-	-
	<u>10,141</u>	<u>8,304</u>	<u>8,654</u>	<u>-</u>

14 BORROWINGS

	Group		Company	
	2020	2019	2020	2019
	£'000	£'000	£'000	£'000
Amounts falling due within one year:				
Bank loans	163	648	-	-
Other loans	-	820	-	-
Amounts falling due after more than one year:				
Bank loans	1,487	984	-	-
Other loans	8,654	7,320	8,654	-
	<u>10,304</u>	<u>9,772</u>	<u>8,654</u>	<u>-</u>

Bank borrowings comprise a five-year £1,650,000 facility at a fixed interest rate of 4.25% plus base rate per annum. The Group makes quarterly repayments.

Other loans are not secured against any asset and comprise of shareholders loans totalling £7,250,000 (plus accrued interest) at a fixed interest rate of 7% per annum.

During the year end the debt facility relating to The Ministry business operated by 79 Borough Road Limited was refinanced. As part of this transaction, security granted over other Group assets was released and the loan is secured solely against the assets of 79 Borough Road Limited.

In April 2020 the 25% minority shareholder exited MDF. Ministry of Sound Group Limited increased its shareholding in Ministry Does Fitness Ltd to 100%. The shareholder loans were written off as part of the transaction.

Submin Holdings Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2020

15 FINANCIAL INSTRUMENTS

The carrying amount of the Group's and Company's financial instruments at 31 December 2020 were:

	Group		Company	
	2020	2019	2020	2019
	£'000	£'000	£'000	£'000
Financial assets:				
Trade debtors	537	656	-	-
Other Debtors	1,236	1,800	-	-
Amounts owed by group undertakings	-	-	14,605	12,704
Accrued income	1,495	2,363	-	-
 Equity instruments measured at cost less impairment:				
Investments in subsidiaries	-	-	12,192	9,640
Trade investments	60	60	-	-
	<u>3,328</u>	<u>4,879</u>	<u>26,797</u>	<u>22,344</u>
 Financial liabilities:				
Measured at amortised cost				
Trade creditors	1,478	37	-	-
Other creditors - non statutory	1,376	1,376	533	533
Amounts owed to group undertakings	-	-	1	12,704
Accruals & Deferred income	4,327	5,346	-	-
Bank loan	163	1,632	-	-
Investor loan	-	373	-	-
Shareholder Loan	7,500	7,320	-	-
	<u>14,844</u>	<u>16,083</u>	<u>534</u>	<u>13,237</u>

16 SHARE CAPITAL AND RESERVES

	Group		Company	
	2020	2019	2020	2019
	£'000	£'000	£'000	£'000
Authorised				
168,798,349,800 R Ordinary shares of 0.00001p	17	17	17	17
40,107,250,200 Deferred ordinary shares of 0.0001p	4	4	4	4
1,054,006,471,257 S Ordinary Shares of 0.006p	67,000	67,000	67,000	67,000
	<u>67,021</u>	<u>67,021</u>	<u>67,021</u>	<u>67,021</u>
 Allotted, issued and fully paid:				
168,798,349,800 R ordinary shares of 0.00001p	<u>17</u>	<u>17</u>	<u>17</u>	<u>17</u>

Reserves of the Group and Company represent the following:

Share Premium

Consideration received for shares issued above their nominal value net of transaction costs.

Profit and loss account

Cumulative profit and loss net of distributions to owners.

Other reserve

This represents the differences arising on consolidation following the group reorganisation.

Submin Holdings Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2020

17 COMMITMENTS UNDER OPERATING LEASES

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2020 £'000	2019 £'000
Land and buildings:		
Within one year	2,283	2,245
Between one and five years	8,235	8,569
After five years	3,866	5,671
	<u>14,384</u>	<u>16,485</u>

18 ULTIMATE PARENT UNDERTAKING

In the opinion of the directors, the company is ultimately controlled by R&H Trust Co (Jersey) Limited in its capacity as trustee of the Michael Wigram Settlement, by virtue of a controlling shareholding in Submin Holdings Limited.

19 RELATED PARTY TRANSACTIONS

The company has taken advantage of the FRS 102 exemption from disclosures applicable to group undertakings where 100% of the voting rights are controlled within the group.

Significant related party balances and transactions for the group are discussed below; all transactions are on an arms-length basis and unless otherwise stated, are in the normal course of business.

Amounts owed by group undertakings due within one year:

Payroll and operating expenses totalling £Nil (2019: £62,193) were paid on behalf of Ministry Does Fitness Limited during 2020. At 31 December 2020, the amount due from Ministry Does Fitness Limited was £172,430 (2019: £694,966).

Payroll and operating expenses totalling £215,828 (2019: £244,814) were paid on behalf of MOS Publishing Limited during 2019. At 31 December 2020, the amount due from MOS Publishing Limited was £1,421,593 (2019: £1,349,270).

Submin Holdings Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2020

20 POST BALANCE SHEET EVENTS

The Group has undertaken a detailed review of the potential impacts of COVID-19 and continues to monitor developments closely. In response to Covid-19, the governments of many countries have taken protective actions, such as imposing restrictions on travel and business operations and advising or requiring individuals to limit or forego their time outside of their homes. This event has had a material impact on the Group. However, the current opinion of the directors, taking into account the latest forecast information, is that there is no impairment of fixed assets to be disclosed.

The Group has assessed the COVID-19 pandemic as a non-adjusting post balance sheet event.