

**BDRG CONTINENTAL LIMITED**  
**Strategic Report, Directors' Report and**  
**Financial Statements**  
**for the Year Ended 31 December 2020**



**BDRC CONTINENTAL LIMITED**

**Contents of the Financial Statements  
for the year ended 31 December 2020**

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	<b>Page</b>
<b>Company Information</b>	1
<b>Strategic Report</b>	2
<b>Directors' Report</b>	4
<b>Independent Auditors' Report</b>	6
<b>Income Statement</b>	9
<b>Other Comprehensive Income</b>	10
<b>Balance Sheet</b>	11
<b>Statement of Changes in Equity</b>	12
<b>Notes to the Financial Statements</b>	13
<b>Trading and Profit and Loss Account</b>	21

**BDRC CONTINENTAL LIMITED**  
**Strategic Report**  
**for the year ended 31 December 2020**

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The directors present their strategic report for the year ended 31 December 2020.

The purpose of the Strategic Report is to inform shareholders and help them assess how the directors have performed their duties to promote the success of the company. The report, together with the further information in the Directors' Report, provides:

A fair and balanced review of the company's business including;  
- the development and performance of the company's business during the financial period  
- the position of the company at the end of the period.

A description of the principal risks and uncertainties facing the company.

**Review of business**

The principal activity of the company continued to be that of a market research consultants

**Principal risks and uncertainties**

The directors are alert to the matter of risk and consider that they have established adequate systems to manage those limited areas of risk to which the company might be vulnerable. The directors are confident that the company has adequate financial resources to withstand these risks and to take advantage of any opportunities which may arise. The directors therefore consider the state of affairs of the company to be satisfactory.

**Development and financial performance during the period**

The directors consider the loss achieved on ordinary activities before taxation to be satisfactory, taking into account the market conditions prevailing and the management actions that have been taken to enhance the future performance of the company. The loss in the period contains an exceptional item of £720,171 in relation to intra group loans written off.

**The financial position of the company at the end of the period**

At 31 December 2020 the company had a post-tax loss for the period of £(1,189,264) and an increase in shareholders' funds from £6,300,366 to £5,111,102. The company invested £10,789 in fixed assets in the current period.

**Key performance indicators**

Business performance is monitored through a number of key performance indicators including revenue growth and profit before taxation, as set out in the audited financial statements, summarised as follows :

	Year ended 31/12/2020	Year ended 31/12/2019
	£	£
Turnover	8,068,705	13,461,786
Gross profit margin	42.64%	40.45%
Profit before taxation	(1,317,080)	1,130,020
Shareholder's funds	5,111,102	6,300,366

**Future developments**

The group continues to invest in its staff through both training and through the reorganization of their responsibilities and in technology to enhance the products and services it offers to its clients.

**Strategic Report  
for the year ended 31 December 2020**

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**Financial instruments**

The turnover of the company represents the value of work undertaken during the financial year, which has been completed and accepted by clients under the terms of their contract with the company.

The company's principal financial instruments comprise cash in liquid resources and trade debtors and trade creditors that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the company's operations.

The main risk arising from the company's financial instruments is liquidity risk and limited exposure to interest rate risk, credit risk and foreign currency risk. The company finances its operations through a mixture of share capital, retained profits and income receivable. Liquidity risk is managed by maintaining a balance between continuity of funding and flexibility through the use of short-term deposits where surplus funds are available.

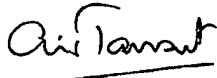
Trade debtors are managed in respect of credit and cash flow risk by policies concerning the credit offered to purchasing authorities and the regular monitoring of amounts outstanding for both time and credit limits.

Trade creditor liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

The company is exposed to interest rate risk with regard to holdings in cash. Cash holdings are placed on deposit at fixed and variable rates. The company does not have any borrowings that are subject to interest charges nor repayable in the short term, and surplus funds are placed on short term deposits.

Foreign currency risk is the risk that the company will sustain losses through adverse movements in currency exchange rates. The company manages this foreign currency risk by converting non-sterling income to sterling promptly upon receipt.

**On behalf of the board:**



.....  
T C Tarrant - Director

Date: 23/09/2021  
.....

**Directors' Report  
for the year ended 31 December 2020**

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

**Dividends**

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

**Directors**

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

T C Tarrant  
I Stevens  
R Dodds  
M Costin  
M Long  
J Myring  
S Davies  
C J Ahmed  
I C Stocker  
J Bland  
M Willey

**Covid-19**

The directors acknowledge the current outbreak of Covid-19 which is causing economic disruption in most countries and its potentially adverse economic impact on the company. This is an additional risk factor which could impact the operations of the company after the year end.

The Directors are actively monitoring developments closely. Given the nature of the outbreak and the on-going developments, there is a high degree of uncertainty and it is not possible at this time to predict the extent and nature of the overall future impact on the company.

**Disclosure in the strategic report**

As permitted by paragraph 1A of Schedule 7 to the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 certain matters which are required to be disclosed in the director's report have been omitted as they are included in the strategic report on page 2 & 3. These matters relate to financial instruments and future developments.

**Statement of directors' responsibilities**

The directors are responsible for preparing the Strategic Report, 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

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

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

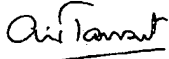
**Directors' Report  
for the year ended 31 December 2020**

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**Statement as to disclosure of information to auditors**

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

**On behalf of the board:**



.....  
T C Tarrant - Director

Date: 23/09/2021  
.....

**Independent Auditors' Report to the Members of  
BDRC Continental Limited**

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**Opinion**

We have audited the financial statements of BDRC Continental Limited (the 'company') for the year ended 31 December 2020 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2020 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

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

**Conclusions relating to going concern**

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

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

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

**COVID -19 pandemic**

Not all future events or conditions can be predicted. The COVID-19 viral pandemic is one of the most significant economic events for the UK with unprecedented levels of uncertainty of outcomes. It is therefore difficult to evaluate all of the potential implications on the Company's trade, customers, suppliers and wider economy. The directors' view on the impact of COVID-19 is disclosed in the directors' report and in accounting policies.

**Other information**

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

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

## Independent Auditors' Report to the Members of BDRC Continental Limited

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### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of directors**

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

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

### **Auditors' responsibilities for the audit of the financial statements**

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

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

We assessed the susceptibility of the Company's material misstatement, including obtaining an understanding of how fraud might occur by;

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

**Independent Auditors' Report to the Members of  
BDRC Continental Limited**

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

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assess whether judgement and assumptions made in determining the accounting estimates set out in note 2 were indicative of potential bias; and
- investigate the rationale behind significant or unusual transactions.

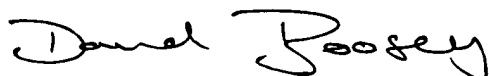
In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosure to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual potential litigation and claims; and
- reviewing correspondence.

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

**Use of our report**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



David Boosey BA(Hons) BFP ACA (Senior Statutory Auditor)  
for and on behalf of Haines Watts (City) LLP  
Statutory Auditor  
New Derwent House  
69-73 Theobalds Road  
London  
WC1X 8TA

Date: 23 Sep 2021

**BDRC CONTINENTAL LIMITED (REGISTERED NUMBER: 02578457)**

**Income Statement  
for the year ended 31 December 2020**

	Notes	2020 £	2019 £
Turnover	4	8,068,705	13,461,786
Cost of sales		<u>(4,627,763)</u>	<u>(8,016,057)</u>
<b>Gross profit</b>		3,440,942	5,445,729
Administrative expenses		<u>(5,115,595)</u>	<u>(4,733,002)</u>
		(1,674,653)	712,727
Other operating income		<u>357,573</u>	<u>417,293</u>
<b>Operating (loss)/profit and (Loss)/profit before taxation</b>		(1,317,080)	1,130,020
Tax on (loss)/profit	9	<u>127,816</u>	<u>(226,494)</u>
<b>(Loss)/profit for the financial year</b>		<u><u>(1,189,264)</u></u>	<u><u>903,526</u></u>

The notes form part of these financial statements

**BDRC CONTINENTAL LIMITED (REGISTERED NUMBER: 02578457)**

**Other Comprehensive Income  
for the year ended 31 December 2020**

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	<b>Notes</b>	<b>2020 £</b>	<b>2019 £</b>
<b>(Loss)/profit for the year</b>		(1,189,264)	903,526
<b>Other comprehensive income</b>		-	-
<b>Total comprehensive income for the year</b>		<u>(1,189,264)</u>	<u>903,526</u>


The notes form part of these financial statements

**BDRC CONTINENTAL LIMITED (REGISTERED NUMBER: 02578457)**

**Balance Sheet  
31 December 2020**

	Notes	£	2020 £	£	2019 £
<b>Fixed assets</b>					
Intangible assets	10		139,491		201,544
Tangible assets	11		11,218		56,098
			<u>150,709</u>		<u>257,642</u>
<b>Current assets</b>					
Debtors	12	6,519,722		8,274,327	
Cash at bank		879,441		967,754	
				<u>9,242,081</u>	
<b>Creditors</b>					
Amounts falling due within one year	13	2,438,770		3,199,357	
				<u>3,199,357</u>	
<b>Net current assets</b>			<u>4,960,393</u>		<u>6,042,724</u>
<b>Total assets less current liabilities</b>			<u>5,111,102</u>		<u>6,300,366</u>
<b>Capital and reserves</b>					
Called up share capital	16		56,228		56,228
Share premium	17		605,908		605,908
Retained earnings	17		4,448,966		5,638,230
			<u>5,111,102</u>		<u>6,300,366</u>
<b>Shareholders' funds</b>			<u>5,111,102</u>		<u>6,300,366</u>

The financial statements were approved by the Board of Directors and authorised for issue on 23 SEP 2021 and were signed on its behalf by:

  
 .....  
 T C Tarrant - Director

Statement of Changes in Equity  
for the year ended 31 December 2020

	Called up share capital £	Retained earnings £	Share premium £	Total equity £
<b>Balance at 1 January 2019</b>	56,228	4,734,704	605,908	5,396,840
<b>Changes in equity</b>				
Total comprehensive income	-	903,526	-	903,526
<b>Balance at 31 December 2019</b>	<u>56,228</u>	<u>5,638,230</u>	<u>605,908</u>	<u>6,300,366</u>
<b>Changes in equity</b>				
Total comprehensive income	-	(1,189,264)	-	(1,189,264)
<b>Balance at 31 December 2020</b>	<u><u>56,228</u></u>	<u><u>4,448,966</u></u>	<u><u>605,908</u></u>	<u><u>5,111,102</u></u>

Notes to the Financial Statements  
for the year ended 31 December 2020

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1. **Statutory information**

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

2. **Statement of compliance**

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

3. **Accounting policies**

**Basis of preparing the financial statements**

The financial statements have been prepared under the historical cost convention. The financial statements are presented in Sterling (£).

**Financial Reporting Standard 102 - reduced disclosure exemptions**

The company has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows.

**Significant judgements and estimates**

The directors make a number of assessments which require judgement, estimates and assumptions in preparing the accounts and can have a significant effect upon the financial statements:

a) Useful economic lives of tangible fixed assets

The annual depreciation charge for tangible fixed assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates and the physical condition of the assets.

b) Impairment of debtors

The company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other receivables, management considers factors including: the credit rating of the receivable, the ageing profile of receivables and historical experience.

c) Work in progress

In assessing the values attributable to contracts in progress at the balance sheet date, turnover and costs are accrued based upon the stage of completion of the contract and expected gross profit margins. Completion stage is based on project management's knowledge of the job and progress based on timesheets and other elements.

**Turnover**

Turnover represents the value of work undertaken by the company in the financial year, which has been completed and accepted by clients under the terms of their contracts with the company. In assessing the values attributable to contracts in progress at the balance sheet date, turnover is accrued based upon the stage of completion of the contract and the extent to which the right to consideration has been obtained through performance.

**Intangible assets**

Development costs are capitalised to the extent that they can be attributed directly to a specific project, where the project's technical and commercial feasibility have been proved and there is reasonable probability that the development activity will generate future economic benefits. The capitalised development costs comprise all costs directly attributable to the development process. Capitalised development costs are reviewed annually for impairment and, in the opinion of the directors, the value is not less than that stated in the financial statements. Development costs are amortised over 3 years and are considered to be disposed of when they are fully amortised.

Notes to the Financial Statements - continued  
for the year ended 31 December 2020

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3. **Accounting policies - continued**

**Tangible fixed assets**

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

Fixtures and fittings	- 50% on cost
Computer equipment	- 50% on cost

**Financial instruments**

Financial assets and liabilities are recognised when the company becomes party to the contractual provisions of the financial instrument. The company holds basic financial instruments which comprise cash at bank, trade and other receivables and trade and other payables. The company has chosen to apply the provisions of Section 11 Basic Financial Instruments in full.

**Financial assets - classified as basic financial instruments**

(i) Cash at bank and in hand

Cash at bank and in hand include cash in hand, deposits held with banks, and other short-term highly liquid investments with original maturities of three months or less.

(ii) Trade and other receivables

Trade and other receivables are initially recognised at the transaction price, including any transaction costs. Amounts that are receivable within one year are measured at the undiscounted amount of the cash expected to be received, net of any impairment.

At the end of each reporting period, the company assesses whether there is objective evidence that a receivable amount may be impaired. A provision for impairment is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of the estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised immediately in profit or loss.

**Financial Liabilities - classified as basic financial instruments**

(iii) Trade and other payables and loans and borrowings

Trade and other payables and loans and borrowings are initially measured at the transaction price, including any transaction costs, and subsequently measured at amortised cost using the effective interest method. Amounts that are payable within one year are measured at the discounted amount of the cash expected to be paid.

**Taxation**

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

Current or deferred taxation assets and liabilities are not discounted.

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

**Deferred tax**

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

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

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

Notes to the Financial Statements - continued  
for the year ended 31 December 2020

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3. Accounting policies - continued

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

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

**Impairment of assets**

At each reporting date the company reviews the carrying value of its assets to determine whether there is any indication that these assets have suffered an impairment loss. If any such indication exists the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss.

The recoverable amount of an asset is the higher of fair value less costs to sell and value in use. Value in use is the present value of the future cash flows expected to be derived from the asset, or cash generating unit. The present value calculation involves estimating the future cash inflows and outflows to be derived from continuing use of the asset, and from its ultimate disposal, applying an appropriate discount rate to those future cash flows.

Where the recoverable amount of an asset is less than the carrying amount, an impairment loss is recognised immediately in profit or loss. An impairment loss recognised for all assets is reversed in a subsequent period if, and only if, the reasons for the impairment loss have ceased to apply. Impairment losses are charged to profit or loss in administration expenses.

**Provisions**

Provisions are recognised when there is a present obligation (legal or constructive) as a result of a past event, it is probable that the obligation will be required to be settled, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting date, taking into account the risks and uncertainties surrounding the obligation. Provisions are discounted when the time value of money is material.

**Going concern**

These financial statements have been prepared on a going concern basis.

The current economic conditions present increased risks for all businesses. In response to such conditions, the directors have carefully considered these risks including an assessment on uncertainty on future trading projection for a period of at least 12 months from the date of signing the financial statements, and the extent to which they might affect the preparation of the financial statements on a going concern basis.

Based on assessment, the directors consider that the company maintains an appropriate level of liquidity, sufficient to meet the demands of the business including any capital and servicing obligations.

In addition, the company's assets are assessed for recoverability on a regular basis, and the directors consider that the company is not exposed to losses on these assets which would affect their decision to adopt the going concern basis.

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and that there are no material uncertainties that lead to significant doubts upon the company's ability to continue as a going concern. Thus the directors have continued to adopt the going concern basis of accounting in preparing these financial statements.

In response to the COVID-19 pandemic, the Directors have tested their cash flow analysis to take into account the impact on their business of possible scenarios brought on by the impact of COVID-19 alongside measures that they can take to mitigate the impact. Based on these assessments, given the measures that could be undertaken to mitigate the current adverse conditions, and the current resources available, the Directors have concluded that they can continue to adopt the going concern basis in preparing the annual report and accounts.

Notes to the Financial Statements - continued  
for the year ended 31 December 2020

4. Turnover

The turnover and loss (2019 - profit) before taxation are attributable to the one principal activity of the company.

An analysis of turnover by geographical market is given below:

	2020	2019
	£	£
United Kingdom	6,885,500	10,950,531
Europe	607,602	1,597,751
United States of America	49,778	31,100
South America	7,360	12,579
Asia	353,005	450,509
Middle East	110,150	282,139
Australia and Pacific	19,714	42,143
Africa	35,596	95,034
	<u>8,068,705</u>	<u>13,461,786</u>

5. Employees and directors

	2020	2019
	£	£
Wages and salaries	2,713,371	2,924,064
Social security costs	326,757	362,314
Other pension costs	69,425	113,323
	<u>3,109,553</u>	<u>3,399,701</u>

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

	2020	2019
Consultants	53	53
Office and administration	6	7
	<u>59</u>	<u>60</u>

6. Directors' emoluments

	2020	2019
	£	£
Directors' remuneration	798,998	931,385
Directors' pension contributions to money purchase schemes	30,188	18,857
	<u>829,186</u>	<u>950,242</u>

Information regarding the highest paid director is as follows:

	2020	2019
	£	£
Emoluments etc	<u>92,968</u>	<u>132,290</u>

7. Operating (loss)/profit

The operating loss (2019 - operating profit) is stated after charging:

	2020	2019
	£	£
Depreciation - owned assets	55,670	35,491
Development costs amortisation	62,053	77,373
Auditors' remuneration	<u>15,880</u>	<u>15,880</u>

**BDRC CONTINENTAL LIMITED (REGISTERED NUMBER: 02578457)**

**Notes to the Financial Statements - continued  
for the year ended 31 December 2020**

**8. Exceptional items**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Gain/(Loss) on loan write off	<u>(720,171)</u>	<u>-</u>

**9. Taxation**

**Analysis of the tax (credit)/charge**

The tax (credit)/charge on the loss for the year was as follows:

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Current tax:		
UK corporation tax	<u>(127,816)</u>	<u>226,494</u>
Tax on (loss)/profit	<u>(127,816)</u>	<u>226,494</u>

**Reconciliation of total tax (credit)/charge included in profit and loss**

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

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
(Loss)/profit before tax	<u>(1,317,080)</u>	<u>1,130,020</u>
(Loss)/profit multiplied by the standard rate of corporation tax in the UK of 19% (2019 - 19%)	(250,245)	214,704
Effects of:		
Expenses not deductible for tax purposes	100,062	891
Depreciation in excess of capital allowances	22,367	10,899
years		
Total tax (credit)/charge	<u>(127,816)</u>	<u>226,494</u>

**10. Intangible fixed assets**

	<b>Development costs</b>
	<b>£</b>
<b>Cost</b>	
At 1 January 2020 and 31 December 2020	<u>470,624</u>
<b>Amortisation</b>	
At 1 January 2020	269,080
Amortisation for year	62,053
At 31 December 2020	<u>331,133</u>
<b>Net book value</b>	
At 31 December 2020	<u>139,491</u>
At 31 December 2019	<u>201,544</u>

Notes to the Financial Statements - continued  
for the year ended 31 December 2020

## 11. Tangible fixed assets

	Short leasehold £	Fixtures and fittings £	Computer equipment £	Totals £
<b>Cost</b>				
At 1 January 2020	332,331	245,236	294,743	872,310
Additions	-	2,867	7,923	10,790
At 31 December 2020	<u>332,331</u>	<u>248,103</u>	<u>302,666</u>	<u>883,100</u>
<b>Depreciation</b>				
At 1 January 2020	332,331	215,961	267,920	816,212
Charge for year	-	25,868	29,802	55,670
At 31 December 2020	<u>332,331</u>	<u>241,829</u>	<u>297,722</u>	<u>871,882</u>
<b>Net book value</b>				
At 31 December 2020	<u>-</u>	<u>6,274</u>	<u>4,944</u>	<u>11,218</u>
At 31 December 2019	<u>-</u>	<u>29,275</u>	<u>26,823</u>	<u>56,098</u>

## 12. Debtors: amounts falling due within one year

	2020 £	2019 £
Trade debtors	2,116,340	2,548,023
Amounts owed by group undertakings	1,415,918	2,406,158
Other debtors	-	4,197
Tax	127,816	-
Accrued income	2,705,118	2,984,698
Prepayments	154,530	331,251
	<u>6,519,722</u>	<u>8,274,327</u>

## 13. Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	179,402	406,683
Amounts owed to group undertakings	1,731,577	1,999,575
Tax	-	226,494
Social security and other taxes	76,597	84,968
VAT	130,916	60,451
Other creditors	16,623	-
Accruals	303,655	421,186
	<u>2,438,770</u>	<u>3,199,357</u>

## 14. Leasing agreements

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2020 £	2019 £
Within one year	52,546	210,185
Between one and five years	-	52,546
	<u>52,546</u>	<u>262,731</u>

Notes to the Financial Statements - continued  
for the year ended 31 December 2020

15. Financial instruments

Financial assets and liabilities are recognised when the company becomes party to the contractual provisions of the financial instrument. The company holds basic financial instruments which comprise cash at bank, trade and other receivables and trade and other payables. The company has chosen to apply the provisions of Section 11 Basic Financial Instruments in full.

Financial assets - classified as basic financial instruments

(i) Cash at bank and in hand

Cash at bank and in hand include cash in hand, deposits held with banks, and other short-term highly liquid investments with original maturities of three months or less.

(ii) Trade and other receivables

Trade and other receivables are initially recognised at the transaction price, including any transaction costs. Amounts that are receivable within one year are measured at the undiscounted amount of the cash expected to be received, net of any impairment.

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Please put in the analysis.

At the end of each reporting period, the company assesses whether there is objective evidence that a receivable amount may be impaired. A provision for impairment is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of the estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised immediately in profit or loss.

Financial Liabilities - classified as basic financial instruments

(iii) Trade and other payables and loans and borrowings

Trade and other payables and loans and borrowings are initially measured at the transaction price, including any transaction costs, and subsequently measured at amortised cost using the effective interest method. Amounts that are payable within one year are measured at the discounted amount of the cash expected to be paid.

16. Called up share capital

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2020	2019
		£0.01	£	£
5,622,840	Ordinary		56,228	56,228

17. Reserves

	Retained earnings	Share premium	Totals
	£	£	£
At 1 January 2020	5,638,230	605,908	6,244,138
Deficit for the year	(1,189,264)	-	(1,189,264)
At 31 December 2020	4,448,966	605,908	5,054,874

Notes to the Financial Statements - continued  
for the year ended 31 December 2020

18. **Related party disclosures**

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

BDRC Group Limited, the immediate parent company, has a participating interest in the following companies, which at the balance sheet date owed the stated amounts to the company:

<b>Company name</b>	<b>Country of Registration</b>	<b>2020</b>	<b>2019</b>
		<b>£</b>	<b>£</b>
PT. BDRC Indonesia	Indonesia	-	227,568
BDRC Americas	United States of America	-	-
BDRC Australia	Australia	-	-
BDRC Singapore	Singapore	24,815	50,321

19. **Ultimate controlling party**

The immediate parent company is BDRC Group Limited, a company incorporated in the UK.

The ultimate parent undertaking is Hermione SAS, a company incorporated in France. Hermione SAS prepares group financial statements and copies can be obtained from 75 Rue Saint-Jean 31130, Balma, France.