Registered number: 03854900

FIREFISH LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2021

COMPANY INFORMATION

Director	J Fawcus
Registered number	03854900
Registered office	170-172 Tower Bridge Road London SE13LS
Independent auditors	Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG

FIREFISH LIMITED

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GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 JANUARY 2021

Introduction

The principal activity of the Group in the year under review was that of qualitative and quantitative research and related services within the field of advertising and brand development.

Business review

The consolidated profit for the year, after taxation, amounted to £634,418 (2020: £699,662). During the year, a dividend amounting to £nil (2020: £40,000) was declared.

During the year, an employee benefit trust was set up for the future benefit of the members of staff of the group.

Financial key performance indicators

The director and senior management monitor the performance of the Group's strategy by reference to key performance indicators including the gross profit margin, EBITDA, revenue growth and staff to gross profit ratio.

During the year, the gross profit margin achieved was 63% (2020: 64%).

Market risk

The economic environment both in the UK and internationally has a significant influence on the Group's business activities. To counteract this the Group has taken steps to diversify its operations by expanding its area of expertise to include qualitative and kids' specialist research and to conduct operations in the USA. We are continuing to look at other international opportunities as part of this longer-term strategy. We feel that we are well placed to continue to manage this risk with our diverse range of clients and have proved this to date through the COVID-19 pandemic.

Personnel risk

As a service company our operations are dependent on high quality projects delivered in a timely manner to our clients. To ensure we maintain this we recruit talented individuals, provide comprehensive on the job and external training to continually improve our standards and thereby retain and build a loyal client base.

Credit risk

In uncertain economic times companies are likely to to be exposed to increased credit risk. There are a number of ways that Firefish Limited mitigates the risk, ranging from having processes in place to ensure we follow our clients' procurement processes, agreeing clearly defined staged payments and ensuring that the spread of our work and specialisms does not leave us dependent on any one key client. We do not feel that the COVID-19 pandemic has changed our risk in this area significantly.

Liquidity risk

Careful management of the credit risk above plays a major part in mitigating liqudity risk. In addition to this, the Group has key liquidity monitoring processes in place to ensure that our cash management process is as efficient as possible. Key to this is debtor management and cash collection.

Currency risk

The Group is exposed to translation and transaction foreign exchange risk. Transaction exposures, are managed through the use of foreign currency bank accounts with sufficient cash balances held to match the level of trade in the same currency.

Future developments

The director anticipates that the Group will continue to trade profitably in the forthcoming year.

This report was approved by the board on 23 July 2021 and signed on its behalf.

JBFawcus

J Fawcus
Director

DIRECTOR'S REPORT
FOR THE YEAR ENDED 31 JANUARY 2021

The Director presents his report and the financial statements for the year ended 31 January 2021.

Director's responsibilities statement

The Director is responsible for preparing the Group Strategic Report, the Director's Report and the consolidated financial statements in accordance with applicable law and regulations.

Company law requires the Director to prepare financial statements for each financial year. Under that law the Director has elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the Director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the Company and the Group and of the profit or loss of the Group for that period.

In preparing these financial statements, the Director is required to:

- select suitable accounting policies for the Group's financial statements 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 Group will continue in business.

The Director is 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 the Group and to enable him to ensure that the financial statements comply with the Companies Act 2006. He is also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Results and dividends

The profit for the year, after taxation, amounted to £634,418 (2020 - £699,662).

Dividends of £nil were paid during the year (2020: £40,000).

Director

The Director who served during the year was:

J Fawcus

Disclosure of information to auditors

The Director at the time when this Director's Report is approved has confirmed that:

- so far as is aware, there is no relevant audit information of which the Company and the Group's auditors are unaware, and
- has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company and the Group's auditors are aware of that information.

Auditors

The auditors, Haysmacintyre LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

DIRECTOR'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JANUARY 2021

This report was approved by the board on 23 July 2021 and signed on its behalf.

JBFawcus

J Fawcus
Director

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FIREFISH LIMITED

Opinion

We have audited the financial statements of Firefish Limited (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 31 January 2021, which comprise the Group Statement of Comprehensive Income, the Group and Company Statements of Financial Position, the Group Statement of Cash Flows, the Group and Company Statement of Changes in Equity and the related notes, 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 Group's and of the parent Company's affairs as at 31 January 2021 and of the Group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 Director's 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 or the parent 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 Director with respect to going concern are described in the relevant sections of this report.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FIREFISH LIMITED (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Director is responsible for the other information contained within the Annual Report. 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. 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.

Opinion 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 Group Strategic Report and the Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Director's Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Director's Report.

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

- adequate accounting records have not been kept by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Director's 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 Director's Responsibilities Statement set out on page 3, the Director is 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 Director determines 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 Director is responsible for assessing the Group's and the parent 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 Director either intends to liquidate the Group or the parent 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 Group 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:

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to regulatory requirements for the business and trade regulations, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, income tax, payroll tax and sales tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to revenue and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Inspecting correspondence with tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

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. 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FIREFISH LIMITED (CONTINUED)

Ian Cliffe (Senior Statutory Auditor)

for and on behalf of
Haysmacintyre LLP

Statutory Auditors

10 Queen Street Place
London
EC4R 1AG

23 July 2021

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 JANUARY 2021

	Note	2021 £	2020 £
Turnover	4	11,678,828	12,872,799
Cost of sales		(4,265,786)	(4,609,972)
Gross profit		7,413,042	8,262,827
Administrative expenses		(6,670,159)	(7,399,204)
Other operating income	5	88,606	-
Operating profit	6	831,489	863,623
Interest receivable and similar income	9	92	5,563
Profit before taxation		831,581	869,186
Tax on profit	10	(197,163)	(169,524)
Profit for the financial year		634,418	699,662
Currency Translation Difference		(4,454)	(5,421)
Other comprehensive income for the year		(4,454)	(5,421)
Total comprehensive income for the year		629,964	694,241
Profit for the year attributable to:			
Non-controlling interests		123,538	120,026
Owners of the parent Company		510,880	579,636
		634,418	699,662
Total comprehensive income for the year attributable to:			
Non-controlling interests		123,538	120,026
Owners of the parent Company		506,426	574,215
		629,964	694,241

The notes on pages 16 to 34 form part of these financial statements.

FIREFISH LIMITED
REGISTERED NUMBER: 03854900

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 JANUARY 2021

	Note		2021 £		2020 £
Fixed assets					
Intangible assets	11		32,439		48,022
Tangible assets	12		55,811		126,908
			88,250		174,930
Current assets					
Debtors	14	3,324,902		3,658,757	
Cash at bank and in hand	15	3,121,861		2,500,352	
		6,446,763		6,159,109	
Creditors: amounts falling due within one year	16	(3,989,969)		(3,347,353)	
Net current assets			2,456,794		2,811,756
Creditors: amounts falling due after more than one year	17		(803,347)		-
Net assets			1,741,697		2,986,686
Capital and reserves					
Called up share capital	21		501		501
Capital redemption reserve	22		(1,071,021)		(1,071,021)
Foreign exchange reserve	22		(79,506)		(75,052)
Employee benefit reserve	22		(1,874,953)		-
Profit and loss account	22		4,432,550		3,921,670
Equity attributable to owners of the parent Company			1,407,571		2,776,098
Non-controlling interests			334,126		210,588
			1,741,697		2,986,686

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 23 July 2021.

JBFawcus

J Fawcus
Director

The notes on pages 16 to 34 form part of these financial statements.

COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 31 JANUARY 2021

	Note		2021 £		2020 £
Fixed assets					
Intangible assets	11		5,589		12,286
Tangible assets	12		33,546		99,846
Investments	13		30,698		30,723
			69,833		142,855
Current assets					
Debtors	14	1,771,798		2,398,181	
Cash at bank and in hand	15	1,387,804		1,489,397	
		3,159,602		3,887,578	
Creditors: amounts falling due within one year	16	(1,975,904)		(1,675,388)	
Net current assets			1,183,698		2,212,190
Creditors: amounts falling due after more than one year	17		(653,939)		-
Net assets			599,592		2,355,045
Capital and reserves					
Called up share capital	21		501		501
Capital redemption reserve	22		(1,071,021)		(1,071,021)
Employee benefit reserve	22		(1,874,953)		-
Profit and loss account carried forward			3,545,065		3,425,565
			599,592		2,355,045

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 23 July 2021.

JBFawcus

J Fawcus
Director

The notes on pages 16 to 34 form part of these financial statements.

Company profits in the year were £119,500 (2020: £187,032).

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 JANUARY 2021

	Called up share capital	Capital redemption reserve	Foreign exchange reserve	Employee benefit reserve	Profit and loss account	Equity attributable to owners of parent Company	Non-controlling interests	Total equity
	£	£	£	£	£	£	£	£
At 1 February 2019	501	(1,071,021)	(69,631)	-	3,382,034	2,241,883	90,562	2,332,445
Profit for the year	-	-	-	-	699,662	699,662	-	699,662
Currency translation differences	-	-	(5,421)	-	-	(5,421)	-	(5,421)
Non controlling interest profit	-	-	-	-	(120,026)	(120,026)	120,026	-
Dividends Paid	-	-	-	-	(40,000)	(40,000)	-	(40,000)
At 1 February 2020	501	(1,071,021)	(75,052)	-	3,921,670	2,776,098	210,588	2,986,686
Profit for the year	-	-	-	-	634,418	634,418	-	634,418
Currency translation differences	-	-	(4,454)	-	-	(4,454)	-	(4,454)
Non controlling interest profit	-	-	-	-	(123,538)	(123,538)	123,538	-
Contribution to employee benefit trust	-	-	-	(1,874,953)	-	(1,874,953)	-	(1,874,953)
At 31 January 2021	501	(1,071,021)	(79,506)	(1,874,953)	4,432,550	1,407,571	334,126	1,741,697

The notes on pages 16 to 34 form part of these financial statements.

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 JANUARY 2021

	Called up share capital	Capital redemption reserve	Employee benefit reserve	Profit and loss account	Total equity
	£	£	£	£	£
At 1 February 2019	501	(1,071,021)	-	3,278,533	2,208,013
Profit for the year	-	-	-	187,032	187,032
Dividends Paid	-	-	-	(40,000)	(40,000)
At 1 February 2020	501	(1,071,021)	-	3,425,565	2,355,045
Profit for the year	-	-	-	119,500	119,500
Contribution to employee benefit trust	-	-	(1,874,953)	-	(1,874,953)
At 31 January 2021	501	(1,071,021)	(1,874,953)	3,545,065	599,592

The notes on pages 16 to 34 form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JANUARY 2021

	2021 £	2020 £
Cash flows from operating activities		
Profit for the financial year	634,418	699,662
Adjustments for:		
Amortisation of intangible assets	21,755	23,840
Depreciation of tangible assets	93,426	108,398
Loss on disposal of tangible assets	2,580	-
Government grants	(86,026)	-
Interest received	(92)	(5,563)
Taxation charge	197,057	169,524
Decrease/(increase) in debtors	318,648	(628,603)
Increase/(decrease) in creditors	567,907	(738,014)
Corporation tax paid	(107,483)	(174,455)
Net cash generated from/(used in) operating activities	1,642,190	(545,211)
Cash flows from investing activities		
Purchase of intangible fixed assets	(4,556)	(6,344)
Purchase of tangible fixed assets	(27,571)	(50,120)
Sale of tangible fixed assets	1,027	-
Government grants received	86,026	-
Interest received	92	5,563
Foreign exchange adjustments	(4,093)	(5,294)
Contribution to employee benefit trust	(1,874,953)	-
Net cash used in investing activities	(1,824,028)	(56,195)
Cash flows from financing activities		
New secured loans	803,347	-
Dividends paid	-	(40,000)
Net cash generated from/(used in) financing activities	803,347	(40,000)
Net increase/(decrease) in cash and cash equivalents	621,509	(641,406)
Cash and cash equivalents at beginning of year	2,500,352	3,141,758
Cash and cash equivalents at the end of year	3,121,861	2,500,352
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	3,121,861	2,500,352

CONSOLIDATED ANALYSIS OF NET DEBT
FOR THE YEAR ENDED 31 JANUARY 2021

	At 1 February 2020	Cash flows	New bank loans	At 31 January 2021
	£	£	£	£
Cash at bank and in hand	2,500,352	621,509	-	3,121,861
Debt due after 1 year	-	-	(803,347)	(803,347)
	-	-	-	-
	2,500,352	621,509	(803,347)	2,318,514

The notes on pages 16 to 34 form part of these financial statements.

1. General information

The company is a private company limited by share capital, incorporated in England and Wales and domiciled in the United Kingdom. The address of the registered office and trading address is 170-172 Tower Bridge Road, London, SE1 3LS.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

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

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements.

The following principal accounting policies have been applied:

2.2 Basis of consolidation

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

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

2.3 Going concern

During the year the group made a profit of £634,418 and had a net asset position at the year end of £1,741,697. The director has reviewed cash flow forecasts for a period of 12 months from the date of the signing of these financial statements and expect the group to have sufficient cash and working capital to meet its liabilities as and when they fall due. The ongoing impact of the COVID-19 pandemic will continue to be monitored in relation to this. The director therefore considers it appropriate to adopt the going concern basis of preparation for these financial statements.

2. Accounting policies (continued)

2.4 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

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

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

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Consolidated Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

On consolidation, the results of overseas operations are translated into Sterling at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

2.5 Revenue

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

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2. Accounting policies (continued)

2.6 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. During the year the company received revenue based grants. The grants received were in relation to the Coronavirus Job Retention Scheme (CJRS) and they have been recognised as Other Income in the Statement of Comprehensive Income. The amounts recognised to 31 January 2021 reflect the employees covered by CJRS in the period leading up to this date.

2.7 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.8 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

2.9 Pensions

Defined contribution pension plan

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

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Group in independently administered funds.

2. Accounting policies (continued)

2.10 Current and deferred taxation

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

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

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

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

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.11 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the Group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Consolidated Statement of Comprehensive Income over its useful economic life.

Other intangible assets

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

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

2. Accounting policies (continued)

2.12 Tangible fixed assets

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

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

Depreciation is provided on the following basis:

Leasehold improvements	- straight line over the term of the lease
Fixtures and fittings	- 20% straight line
Office equipment	- 20-33% straight line

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

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

2.13 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.14 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.15 Cash and cash equivalents

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

In the Consolidated Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

2.16 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.17 Financial instruments

The Group only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

2. Accounting policies (continued)

2.17 Financial instruments (continued)

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

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

2.18 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

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

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. Although these estimates are based on management's best knowledge of the amount, events or actions, actual results ultimately may differ from those estimates.

There are no material judgements or estimates used in the preparation of these financial statements.

4. Turnover

Analysis of turnover by country of destination:

	2021 £	2020 £
United Kingdom	2,979,799	2,807,687
Rest of Europe	1,296,345	1,619,672
Rest of the world	7,402,685	8,445,441
	11,678,829	12,872,800

All turnover relates to the provision of qualitative and quantitative research and related services within the field of advertising and brand development.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2021

5. Other operating income

	2021	2020
	£	£
Government grants receivable	86,026	-
Profit on disposal of fixed assets	2,580	-
	88,606	-

6. Operating profit

The operating profit is stated after charging:

	2021	2020
	£	£
Exchange differences	52,601	12,100
Depreciation of tangible fixed assets	93,426	108,398
Amortisation of intangible assets	21,775	23,840

7. Auditors' remuneration

Fees payable to the Group's auditor and its associates in respect of:

Audit-related assurance services	35,330	33,000
Taxation compliance services	6,550	7,000
	41,880	40,000

8. Employees

Staff costs, including Director's remuneration, were as follows:

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Wages and salaries	4,634,288	5,016,619	1,877,247	2,000,030
Social security costs	402,157	389,612	232,148	231,902
Cost of defined contribution scheme	184,692	178,277	97,188	95,761
	5,221,137	5,584,508	2,206,583	2,327,693

Total employment costs (including employer's NIC) of key management personnel incurred during the year was £243,456 (2020: £209,179). Key management is considered to be the Director of the company.

The average monthly number of employees, including the Director, during the year was as follows:

	2021 No.	2020 No.
	61	69

9. Interest receivable

	2021 £	2020 £
Other interest receivable	92	5,563
	92	5,563

10. Taxation

	2021 £	2020 £
Corporation tax		
Current tax on profits for the year	188,179	169,524
Total current tax	188,179	169,524
Deferred tax		
Deferred tax charge	8,984	-
Total deferred tax	8,984	-
Taxation on profit on ordinary activities	197,163	169,524

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2020 - higher than) the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

	2021 £	2020 £
Profit on ordinary activities before tax	831,581	869,186
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	158,000	165,145
Effects of:		
Expenses not deductible for tax purposes	15,747	14,164
Capital allowances for year in excess of depreciation	56,220	5,374
Utilisation of tax losses	-	1,155
Short term timing difference leading to an increase (decrease) in taxation	-	99
Income not taxable for tax purposes	-	(94)
Adjustment to tax charge in respect of prior periods	(129)	1,876
Difference in tax rates	(32,995)	(18,086)
Deferred tax not recognised	320	(109)
Total tax charge for the year	197,163	169,524

11. Intangible assets

Group

	Website £	Goodwill £	Total £
Cost			
At 1 February 2020	214,968	63,291	278,259
Additions	-	4,556	4,556
Disposals	(127,294)	-	(127,294)
Transfers between classes	4,548	-	4,548
At 31 January 2021	92,222	67,847	160,069
Amortisation			
At 1 February 2020	173,314	56,923	230,237
Charge for the year	18,939	2,836	21,775
On disposals	(127,294)	-	(127,294)
Transfers between classes	2,912	-	2,912
At 31 January 2021	67,871	59,759	127,630
Net book value			
At 31 January 2021	24,351	8,088	32,439
At 31 January 2020	41,654	6,368	48,022

11. Intangible assets (continued)

Company

	Website £
Cost	
At 1 February 2020	166,000
Disposals	(127,294)
At 31 January 2021	38,706
Amortisation	
At 1 February 2020	153,714
Charge for the year	6,697
On disposals	(127,294)
At 31 January 2021	33,117
Net book value	
At 31 January 2021	5,589
At 31 January 2020	12,286

12. Tangible fixed assets

Group

	Leasehold improvement £	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation				
At 1 February 2020	592,660	58,990	409,489	1,061,139
Additions	-	-	27,571	27,571
Disposals	(3,988)	-	(131,176)	(135,164)
Transfers between classes	-	-	(4,548)	(4,548)
At 31 January 2021	588,672	58,990	301,336	948,998
Depreciation				
At 1 February 2020	542,528	52,138	339,564	934,230
Charge for the year	50,132	4,016	39,278	93,426
Disposals	(3,988)	-	(127,569)	(131,557)
Transfers between classes	-	-	(2,912)	(2,912)
At 31 January 2021	588,672	56,154	248,361	893,187
Net book value				
At 31 January 2021	-	2,836	52,975	55,811
At 31 January 2020	50,132	6,851	69,925	126,908

12. Tangible fixed assets (continued)

Company

	Leasehold improvement £	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation				
At 1 February 2020	588,672	39,480	301,826	929,978
Additions	-	-	13,787	13,787
Disposals	-	-	(88,736)	(88,736)
At 31 January 2021	588,672	39,480	226,877	855,029
Depreciation				
At 1 February 2020	538,540	35,096	256,496	830,132
Charge for the year	50,132	2,485	24,290	76,907
Disposals	-	-	(85,556)	(85,556)
At 31 January 2021	588,672	37,581	195,230	821,483
Net book value				
At 31 January 2021	-	1,899	31,647	33,546
At 31 January 2020	50,132	4,383	45,330	99,845

13. Fixed asset investments

Company

	Investments in subsidiary companies £
Cost or valuation	
At 1 February 2020	30,723
Disposals	(25)
At 31 January 2021	30,698

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Registered office	Class of shares	Holding
The Pineapple Lounge Limited**	UK	Ordinary	59%
Firefilms Limited	UK	Ordinary	100%
The Numbers Lab @ Firefish Limited	UK	Ordinary	80%
Firefish USA Holdings Inc.	USA	Ordinary	85%
Firefish USA LLC*	USA	Ordinary	85%
The Pineapple Lounge LLC*	USA	Ordinary	59%
The Numbers Lab @ Firefish USA LLC*	USA	Ordinary	85%

*Indirectly held.

**Holding has increased to 92.37% post balance sheet. See Note 26.

The registered office for the entities incorporated within the UK is the same as the Firefish Limited registered office, which can be found in note 1.

The registered office for those entities incorporated within the USA is Spielman Koenigsberg & Parker LLP, 1675 Broadway, Fl 20, New York, NY 10019.

14. Debtors

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Trade debtors	2,809,714	2,768,097	1,293,288	1,060,068
Amounts owed by group undertakings	-	-	339,951	1,111,386
Other debtors	118,204	102,663	2,370	10,346
Prepayments and accrued income	387,933	787,930	124,504	214,405
Deferred taxation	9,051	67	11,685	1,976
	3,324,902	3,658,757	1,771,798	2,398,181

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

15. Cash and cash equivalents

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Cash at bank and in hand	3,121,861	2,500,352	1,387,804	1,489,397
	3,121,861	2,500,352	1,387,804	1,489,397

16. Creditors: Amounts falling due within one year

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Trade creditors	887,840	851,449	337,457	469,402
Amounts owed to group undertakings	-	-	279,333	1,839
Corporation tax	158,507	65,344	23,372	7,043
Other taxation and social security	452,522	196,851	414,083	176,859
Other creditors	35,101	44,513	33,002	32,806
Accruals and deferred income	2,455,999	2,189,196	888,657	987,439
	3,989,969	3,347,353	1,975,904	1,675,388

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

17. Creditors: Amounts falling due after more than one year

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Bank loans	803,347	-	653,939	-
	803,347	-	653,939	-

18. Loans

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Amounts falling due 1-2 years				
Bank loans	149,408	-	-	-
Amounts falling due after more than 5 years				
Bank loans	653,939	-	653,939	-
	803,347	-	653,939	-

19. Financial instruments

	Group 2021 £	Group 2020 £
Financial assets		
Cash	3,121,861	2,500,353
Financial assets measured at amortised cost	2,927,918	2,870,759
	6,049,779	5,371,112
Financial liabilities		
Financial liabilities measured at amortised cost	1,533,970	1,158,157

Financial assets that are debt instruments measured at amortised cost comprise trade and other debtors.

Financial liabilities measured at amortised cost comprise corporation tax, other taxation and social security, trade creditors and other creditors.

20. Deferred taxation

Group

	2021 £	2020 £
At beginning of year	67	(4,804)
Charged to profit or loss	8,984	4,871
At end of year	9,051	67

Company

	2021 £	2020 £
At beginning of year	1,976	(1,814)
Charged to profit or loss	9,709	3,790
At end of year	11,685	1,976

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Accelerated capital allowances	2,665	(4,804)	5,887	(1,814)
Tax losses carried forward	6,386	4,871	5,798	3,790
	9,051	67	11,685	1,976

21. Share capital

	2021 £	2020 £
Allotted, called up and fully paid		
500 (2020 - 500) Ordinary shares of £1.00 each	500	500
1 (2020 - 1) EWC share of £1.00	1	1
	501	501

22. Reserves

Capital redemption reserve

The capital redemption reserve is a non-distributable reserve and represents the purchase of the Company's own share capital.

Foreign exchange reserve

Comprises cumulative foreign exchange differences arising as a result of subisidiares held in foreign currencies.

Employee benefit reserve

This comprises amounts paid to employee benefit trust.

Profit and loss account

Includes all current and prior period retained profit and losses.

23. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £25,753 (2020: £18,365).

24. Commitments under operating leases

At 31 January 2021 the Group and the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Not later than 1 year	174,000	128,848	100,000	100,000
Later than 1 year and not later than 5 years	425,530	400,000	400,000	400,000
Later than 5 years	525,000	625,000	525,000	625,000
	1,124,530	1,153,848	1,025,000	1,125,000

25. Related party transactions

At 31 January 2021 the company was owed £63,213 (2020: £417,164) by The Pineapple Lounge Limited, a subsidiary undertaking.

During the year the company made sales of £nil (2020: £nil) to The Pineapple Lounge Limited and the Pineapple Lounge Limited made sales of £nil (2020: £750) to the company.

At 31 January 2021 the company owed £277,554 to The Numbers Lab @ Firefish Limited, a subsidiary undertaking, (2020: £121,239 owed by). During the year the company made sales of £nil (2019: £nil) to The Numbers Lab @ Firefish Limited.

At 31 January 2021 the company was owed £265,276 (2020: £486,547) by Firefish USA LLC, in whom it has a 85% indirect holding.

During the year the company made sales of £105,017 (2020: £8,365) to Firefish USA LLC and Firefish USA LLC made sales of £140,962 (2020: £172,167) to the company.

At 31 January 2021 the company was owed £11,462 (2020: £86,436) by The Pineapple Lounge LLC, in whom it has a 59% indirect holding. During the year, the company made sales of £3,390 (2020: £10,585) to the Pineapple Lounge LLC.

At 31 January 2021 the company owed Firefilms Limited, a subsidiary undertaking £1,000 (2020: £1,000).

At 31 January 2021 the company owed The Numbers Lab @ Firefish USA LLC, a subsidiary undertaking, £779 (2020: £814).

26. Controlling party

J Fawcus is the ultimate controlling party.