

**Fishawack Limited (formerly Aghoco  
1476 Limited)**

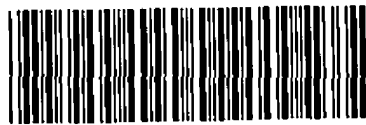
Annual Report and Financial Statements

Year Ended

31 March 2020

Company Number 10490695

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# Fishawack Limited (formerly Aghoco 1476 Limited)

## Company Information

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<b>Directors</b>	O J Dennis G L Flockhart D T Miller D Snowball
<b>Company secretary</b>	A J Vernon
<b>Registered number</b>	10490695
<b>Registered office</b>	3 Booths Park Booths Hall Knutsford Cheshire England WA16 8GS
<b>Independent auditor</b>	BDO LLP 3 Hardman Street Manchester M3 3AT

# **Fishawack Limited (formerly Aghoco 1476 Limited)**

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# Fishawack Limited (formerly Aghoco 1476 Limited)

## Group Strategic Report For the Year Ended 31 March 2020

The directors present their Strategic Report and audited financial statements for the year ended 31 March 2020.

### Principal activities and review of business

Fishawack Limited is the parent company of Fishawack Health (the "Group", "We"), an integrated, wide-ranging and specialist service offering. The Group provides medical communication, marketing and consulting services to healthcare clients, which are primarily large and mid-size Pharma and Biotech companies. We are focused both on organic growth and the execution of our 'buy and build' strategy which is management led and private equity backed.

The Group provides the following core services to clients:

<b>MEDICAL COMMUNICATIONS</b>	We provide services which leverage Fishawack's internal scientific expertise to ensure clients' education and communication materials are supported by medical and scientific evidence, including medical communication strategy, congresses and exhibitions, medical education, multichannel campaigns and publication planning.
<b>HEALTHCARE MARKETING</b>	We provide services focused on establishing a successful brand for a client's product, including competitor profiling, clear value proposition, positioning, key claims and promotional campaigns for stakeholders. Services include brand and marketing strategy, brand and sales campaigns, patient campaigns, disease awareness campaigns and internal campaigns and events.
<b>CONSULTING</b>	We provide relevant, targeted services to support clients in improving user experience, insight generation and digital strategy. Fishawack has unique relationships with key opinion leaders ("KOLs"), through expert partnerships, designed to offer clinical consulting services. This service line includes strategic consulting, organisational effectiveness, customer and user experience, insight generation, commercial diligence, competitor analysis and multichannel planning.

The Group has the scale and coverage to deliver the solutions clients demand through an integrated capability offering. Our business is structured to promote integration across service lines, being agile and flexible to enable effective collaboration across capabilities. Collaborative teams are tailored across Medical Communications, Healthcare Marketing and Consulting to meet client specific needs, with a key central contact for clients alongside points of contact across every discipline. Increasingly clients are seeking an overall commercialisation solution rather than separate and distinct services.

# Fishawack Limited (formerly Aghoco 1476 Limited)

## Group Strategic Report For the Year Ended 31 March 2020

### Financial year review

The Group has performed well in the current period and in line with management and board expectations. Turnover has risen to £110.6m from £57.0m in the prior year. Group fee income £90.2m is ahead of the prior period (£44.7m). This reflects strong underlying organic growth, the impact of acquisitions in the current period and the full year impact of acquisitions made in the prior year.

Adjusted EBITDA (see reconciliation below) of £15.0m is ahead of prior period largely due to the impact of acquisitions.

The Group successfully completed one further strategic acquisitions in the year. In July 2019, the Group acquired 2e Group LLC, a US based (St Louis, MO and Evansville, IN) launch and growth agency with core competencies in branding, marketing strategy, digital marketing, sales training and meeting/event production.

Subsequent to the year end, on 7th April 2020, the Group also acquired Skysis, a US based (Scottsdale, AZ) commercial and market access consultancy business. They advise large Pharma and small biotech clients on how to maximise a product's commercial value throughout its lifecycle.

- These acquisitions are highly complementary to Fishawack's expansive offering of a broad set of integrated capabilities to marketing and medical affairs teams, creating a strong platform for future growth and increased geographical spread across the Group's target markets.

On 31 March 2020, the Group was sold to Commercial Services UK Bidco Ltd. As at 31 March 2020, all the Fishawack Ltd Group and Company's debt is intercompany as a result of the transaction, therefore there are no covenants applicable at this level.

### KPIs

Key metrics are summarised below:

	Year ended 31 March 2020	Year ended 31 March 2019
Turnover	110,560	57,025
Group Fee Income	90,248	44,703
Gross Profit (excluding pass through costs)	41.07%	44.5%
Operating loss	1,439	439
Adjusted EBITDA	14,954	8,223

Pass through costs are predominantly travel related, honoraria and copyright expenses that the group incur in order to deliver services to clients. These costs are recharged to the client at cost and are therefore included in both turnover and cost of sales delivering no margin. As a result, management focus on fee and gross margin excluding any pass through items, focusing instead on the underlying profitability of the services provided.

Adjusted EBITDA is a KPI used by management to assess the underlying performance of the business. This represents earnings before non-recurring and exceptional items, interest, tax, depreciation and amortisation. Non-recurring and exceptional items primarily relate to the execution of the buy and build strategy, including one off integration costs. Exceptional items include charges such as those incurred in relation to buy and build activity, professional fees relating to

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## Group Strategic Report For the Year Ended 31 March 2020

a Group restructure process and costs associated with relocating premises to offices more suitable to the expanding group. These costs do not reflect the underlying trading performance and are therefore not included within Adjusted EBITDA.

### Reconciliation of operating profit to adjusted EBITDA:

	2020 (£000)	2019 (£000)
Operating loss	(1,439)	(439)
Depreciation and amortisation	12,212	6,139
EBITDA	10,773	5,700
Exceptional items	4,181	2,523
Adjusted EBITDA	14,954	8,223

The directors closely monitor detailed management accounts and key KPIs on a monthly basis enabling the effective management of the business.

### Private equity investors

The Directors consider the annual report and financial statements to comply with all aspects of the Guidelines for Disclosure and Transparency in Private Equity

Fishawack Health was founded in 2001 by Oliver Dennis and Dominic Miller as a medical communications agency. In 2008, a management buyout was completed with the support of YFM Equity Partners. After a number of worldwide acquisitions, Growth Capital Partners supported another management buyout in 2013. LDC acquired the business in January 2017 and have supported the management team through a number of strategic acquisitions both in the UK and US markets. On 31st March 2020, Bridgepoint, together with the Fishawack management team, acquired the business.

Bridgepoint is an international private equity group who manage assets of over €19.7bn . They have a large investor base comprising public and private pension funds, asset managers, family offices and insurance companies. They operate in a number of sectors, including healthcare, business services, technology and media, manufacturing and industrials and financial services. Bridgepoint has substantial experience of investing in global healthcare businesses headquartered in Europe that are seeking capital for sustained growth. In the last ten years Bridgepoint have invested €1.3 billion in 13 transactions with a total value of €2.6 billion in the healthcare sector. Bridgepoint have a track record of support for their portfolio companies with further capital especially for 'buy and build' investments where they have a strong track record of adding significant value to investments, including deploying cross-border execution capability.

# Fishawack Limited (formerly Aghoco 1476 Limited)

## Group Strategic Report For the Year Ended 31 March 2020

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### Board Composition

#### Oliver Dennis - Chief Executive Officer

In February 2001, Oliver announced the formation of Fishawack Health. Oliver led business development activities for the first seven years and recruited many of the senior leadership team that still run the Business today.

Over the past eight years, Oliver has worked primarily with the leadership team and incoming management teams and investors. Oliver is a strategic thinker that provides a consistent guiding light to the leadership team.

External appointments - none

#### Dominic Miller - Chief Operating Officer/Head of M&A

In 2001, together with Oliver Dennis, he was a founding partner of Fishawack Health.

Since 2008, Dominic has helped drive the Group's acquisition strategy and has expertise in financial analysis and company appraisal from an M&A perspective.

Until 2017 Dominic acted as Finance Director / CFO with over-arching responsibility for corporate governance and compliance.

He continues to provide direction to the senior management team and look for opportunities to drive shareholder value.

External appointments - none

#### Gail Flockhart – Chief Commercial Officer

Her industry experience at Merck Sharp & Dohme and Allergan has included leadership roles in marketing for ZOCOR and on World Wide Product Launch Teams handling the regulatory, marketing, clinical and production plans.

Gail moved to the MedComms agency sector in 1998 with CMG, part of McCann Health in a commercial role. In 2009 Gail joined Fishawack Health as Managing Director and as CCO has oversight of the Groups operating divisions, (Medical Communications, Commercial Services and Consulting).

External appointments - none

#### David Snowball – Chief Financial Officer

David is an experienced CFO and a Fellow of the Institute of Chartered Accountants, England and Wales. Before joining Fishawack, David was Group Finance Director at EG Group, a leading global fuel, food and convenience retailer. He was previously Group Financial Controller at Ausurus Group, a global recycling business and before that David spent over 10 years at KPMG in both audit and deal advisory.

External appointments - none

# Fishawack Limited (formerly Aghoco 1476 Limited)

## Group Strategic Report For the Year Ended 31 March 2020

### Statement by the directors in performance of their statutory duties in accordance with s172(1) Companies Act 2006

The board of directors of Fishawack Ltd consider, both individually and together, that they have acted in the way they consider, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole (having regard to the stakeholders and matters set out in s172(1)(a-f) of the Act) in the decisions taken during the year ended 31 March 2020.

The following disclosure describes how the directors have had regard to the matters set out in section 172(1)(a) to (f) and forms the directors' statement required under section 414CZA of The Companies Act 2006.

<u>Stakeholder</u>	<u>Engagement Undertaken</u>	<u>Reason for Engagement</u>	<u>Stakeholders key interests</u>
Investors	<ul style="list-style-type: none"> <li>• Monthly results presentation</li> <li>• Meetings throughout the year</li> <li>• Strategy day</li> </ul>	<ul style="list-style-type: none"> <li>• Continued access to capital is important to the long-term performance of our business. We work to ensure that our investors have a good understanding of our strategy and performance.</li> </ul>	<ul style="list-style-type: none"> <li>• Financial performance and economic impact</li> <li>• Sustainable growth</li> <li>• Strong governance</li> <li>• Ability to repay liabilities</li> <li>• Environmental and social impact</li> </ul>
Employees	<ul style="list-style-type: none"> <li>• Annual individual performance reviews</li> <li>• Internal communications /workplace</li> <li>• Diversity and Inclusion Initiative</li> </ul>	<ul style="list-style-type: none"> <li>• To assess training and development needs</li> <li>• To encourage employee interaction, collaboration and sharing of knowledge making the right business decisions.</li> <li>• To anchor a Diversity &amp; Inclusion strategy into the Groups broader Corporate Social Responsibility narrative.</li> </ul>	<ul style="list-style-type: none"> <li>• Reputation</li> <li>• Employee development/engagement</li> <li>• Talent retention</li> <li>• Career opportunities</li> <li>• Diversity and inclusion</li> </ul>
Clients (Our client base spans medical and commercial budget holders and procurement teams in the pharma and biotech sectors.	<ul style="list-style-type: none"> <li>• Management of client relationships (both established and new)</li> <li>• Industry wide events participation</li> </ul>	<ul style="list-style-type: none"> <li>• Manage the specification and delivery of commissioned work</li> <li>• Introduce services to potential new clients</li> <li>• Provide thought leadership at industry forums/events.</li> </ul>	<ul style="list-style-type: none"> <li>• Programme deliverables that meet commercial/medical objectives and quality standards</li> <li>• Client satisfaction in process</li> <li>• Efficiency and value for money</li> <li>• Knowledge retention and sustainable performance</li> </ul>
Communities including local charities and the environments in which we operate	<ul style="list-style-type: none"> <li>• Individual employee volunteering</li> <li>• Local office charity events</li> <li>• Supporting employees fund raising challenges</li> <li>• Corporate website</li> <li>• Commitment to net zero carbon by 2020</li> </ul>	<ul style="list-style-type: none"> <li>• We are committed to building positive relationships with the communities where we operate.</li> <li>• Internal culture of improving lives and the care patients receive, but also for positive impact on communities, charities and the environment</li> </ul>	<ul style="list-style-type: none"> <li>• Supporting local causes</li> <li>• Local operational impact</li> </ul>
Bank and senior debt providers	<ul style="list-style-type: none"> <li>• Lender presentations</li> <li>• Monthly results presentations</li> </ul>	<ul style="list-style-type: none"> <li>• Enough liquidity needs to be available to meet foreseeable needs and to invest cash safely and profitably</li> </ul>	<ul style="list-style-type: none"> <li>• Interest payments are met</li> <li>• Short and medium term liquidity</li> <li>• Future M&amp;A potential</li> </ul>

# Fishawack Limited (formerly Aghoco 1476 Limited)

## Group Strategic Report For the Year Ended 31 March 2020

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### **Future developments**

The Group's strategy is to capitalise on the increasing trend among Pharma, Biotech and healthcare companies to outsource specialist and non-core activities.

The outsourced medical affairs market has grown at c.8% since 2015, supported by

- increased clinical development activity driven by increased R&D pipeline investment in niche disease areas
- greater focus on and investment in Medical Affairs by pharmaceutical companies as a preferred channel for engaging with healthcare professionals (HCPs), patients and the scientific community
- personalisation of medicine, driving demand for targeted content to communicate and educate HCPs and patients

The market is forecast to grow at 7-8% per annum to 2024 after accounting for the expected impact of COVID-19, driven by:

- greater demand for educational materials for HCPs and patients, increasing the need for medical writing and effective communication strategies across multiple channels
- increased outsourcing as pharmaceutical companies look to partner with suppliers that can provide expert and innovative input

The Group has a clearly defined strategy to grow and diversify the Fishawack offering into a fully-fledged healthcare communications Contract Commercialisation Organisation ("CCO"), whereby it will hold all the capabilities required to commercialise a molecule or biologic. This will be achieved through organic growth and the identification, execution and integration of strategic acquisitions that broaden the Group's geographic footprint and diversify the services offered to clients. We have significant acquisition experience and have developed an established approach to targeting opportunities, executing transactions, integrating new businesses into the Group and promoting collaborative behaviour to deliver revenue synergies.

We believe scale in major markets, international reach and reputation are key to business development success. We aim to be a leading operator in each of our priority markets and to continue to expand our market positions. In the healthcare communications market there is significant evidence of the benefits of scale which include greater capabilities and service offering, broader expertise, increased geographical reach, lower client concentration and increased share of the client wallet.

The Group aims to continually improve operating efficiencies across the Group. We are building capability across our business and are focused on delivering profitable growth. The Group monitors the business against key KPIs which support the execution of our strategy and are important drivers of business performance.

We are a people-based business operating in dynamic healthcare markets that are highly regulated and demand high quality and compliance standards. We are building our culture and are focused on attracting, developing and retaining the best talent so that we support and deliver on our clients' ambitions.

### **Principal risks and uncertainties**

The principal risks associated with the business are:

#### **Strategic and commercial risks:**

##### **Covid-19**

Given the short term market disruption, management have obtained a report from an external consultancy provider assessing the likely impact of Covid-19 on the markets in which Fishawack operate up to 2024. The conclusions are that market growth is expected to reduce to 7-8% per annum from the previously reported 8-9%. The sector has shown significant resilience to negative impacts of COVID-19, with downside in specific activities mitigated by increased demand for agency support in generating high quality content and access to HCPs. Paused trials may lead to temporary reductions in publications activity; however, this is expected to be mitigated by economic incentives for pharma companies not to delay product launches, leading to efforts to make up for lost time and some increased development activity from Covid-19 initiatives (e.g., research into new / repurposed antiviral therapies and vaccines).

# Fishawack Limited (formerly Aghoco 1476 Limited)

## Group Strategic Report For the Year Ended 31 March 2020

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In light of the Covid-19 pandemic, the majority of employees are working from home, this transition has been successful with minimal disruption to the business. Regular communication from senior management, dedicated working from home support groups and the provision of appropriate equipment has limited any potential inefficiencies.

### Securing value accretive acquisitions see note [22]

The Group is highly acquisitive. It may not be successful in identifying or acquiring businesses that meet its strict criteria. There is potential that acquisitions may expose the Group to new risks or due diligence undertaken by the Group may not identify all risks and liabilities in respect of an acquisition. Acquisitions may also be based on inaccurate information or assumptions which may result in the investment being less financially beneficial than expected.

To mitigate this the Group has a skilled and experienced management team who focus on the acquisition and integration of target companies. All acquisitions are approved by the Board and the Group uses a mix of external experts and internal resource to undertake appropriate and thorough due diligence on all potential acquisitions.

In addition to the receipt of legal warranties and indemnities, the total consideration paid for a business typically includes an element of deferred consideration contingent upon future performance which mitigates the risk of overpaying for a business.

### Reliance on the Healthcare sector

The Group is exposed to a single sector which is heavily weighted towards the US and therefore a downturn in these markets could adversely impact the Group's business, financial condition, liquidity or results of operations.

The fundamentals of the Healthcare sector are strong with ageing populations, an increasing prevalence of chronic diseases and a sustained increase in FDA product approvals. End user demand is growing and is relatively unaffected by traditional macroeconomic cycles.

### Competition

The sector and locations in which the Group operates are highly competitive. Competitive pressures could cause the Group to lose market share or restrict pricing. To mitigate this management continually assess the Group's competitive position in relation to capability, price and client service to ensure the Group continues to meet changing client demands. Teams regularly conduct benchmarking exercises as part of preferred supplier engagements and through independent market reports to assess our competitive position on price, service and quality offering for clients. The growth team with specific focus on service offering and capability development helps to ensure we are innovating across our capability streams. This is supplemented by the acquisitions team who have a regular review of on market agencies opportunities to assess service and capability interest. The Group's strategy has been to pursue preferred supplier status and MSAs with major Pharma and biotech clients through organic and acquired growth. Securing this status protects for future pipeline of product/brand opportunities and supports the strategy of expanding services through the procurement relationship and limits the competitive threat. Our client service strategy includes healthcheck meetings conducted on a regular – at least twice yearly - by a member of the leadership team to ensure objective and transparent feedback on the performance of the deliverables and account team staffing. Whilst pricing is a key factor in ensuring client perceived value for money, price alone will not achieve share. Our teams focus on ensuring high quality standards, innovation and client satisfaction to ensure competitive edge on accounts.

### Operational risks:

#### Business systems

A failure of information systems could negatively impact the Group's business operations, including delays to client work. Unauthorised access to confidential information held by the Group could have an adverse effect on the Group's reputation. Core business systems must also be kept up to date with the capability to support the Group's growth strategy.

The Group continually monitors the effectiveness of business systems and invests as necessary to ensure they are fit for purpose and support the Group's strategy.

External access to data is protected by the Group's IT security, which is reviewed and tested frequently to ensure that the Group's network is as secure as possible.

# Fishawack Limited (formerly Aghoco 1476 Limited)

## Group Strategic Report For the Year Ended 31 March 2020

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### Loss of key talent

The Group's employees are its most important resource and there is strong competition within the industry for experienced talent.

Recruitment and retention of key individuals is key both for maintaining client relationships and ensuring that client service is of the highest quality. The Group seeks to recruit both Directors and employees of the highest quality and to remunerate them accordingly. The Group provides clear career development and promotion opportunities and operates incentive plans to motivate and retain key individuals.

### Client dissatisfaction and loss of key clients

The Group has preferred client status with many of the top 20 pharma companies.

The revenue attributable to several of the Group's clients represents between 5 - 8% of total Group revenue. The loss of a client would result in reduced revenues and profits.

The Group endeavours to build long-term relationships with its clients.

Following the diversification into Healthcare Marketing and Consulting, the Group's relationships have strengthened and become further embedded as the range of services provided to individual clients has increased. This has resulted in an excellent spread and depth of client profile without reliance on any individual client or product.

### Financial risks:

#### Exchange rate loss

The Group has operations in the United Kingdom, Continental Europe and the USA. The functional currency of the Company is sterling. Exchange rate fluctuations between the pound sterling and the US dollar and euro may result in gains or losses from the translation of foreign currency denominated assets, liabilities and earnings into sterling. Our hedging practices may not completely insulate us from currency exchange risks and may involve costs and risks of their own. Fluctuations in exchange rates could therefore adversely affect the Group's business, financial condition, liquidity or results of operations.

The Group maintains a mix of sterling and US dollar denominated borrowings to provide an economic hedge against net asset and cash flow fluctuations arising from changing exchange rates. In addition the Group hedges a proportion of short term transactional exposures via the use of forward currency exchange contracts as appropriate.

Financial exposures are continually monitored both internally and externally with support from the Group's advisors.

#### Liquidity

Liquidity risk is the risk of the Group being unable to meet financial obligations as they fall due. This could significantly impact both the reputation and financial position of the Group and potentially its ability to continue as a going concern.

Liquidity risk is continually monitored and mitigated by maintaining adequate reserves, banking facilities and reserve borrowing facilities, and by continuously monitoring actual and forecast cash flows.

#### Leverage

The Group, as part of the Fishawack Health Topco Limited Group is funded by third party lenders. A significant increase in costs without the associated revenue increases, or an increase in working capital may lead to leverage increasing. The risk is that the Group is unable to draw down cash or loan facilities when needed for day to day activities or future M&A activities. The Board continuously reviews its covenant position and takes action to ensure adequate headroom is maintained. The subgroup headed by Fishawack Ltd only has intercompany debt and therefore there are no external debt covenants at this level.

# Fishawack Limited (formerly Aghoco 1476 Limited)

## Group Strategic Report For the Year Ended 31 March 2020

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### People

#### Employee Involvement

The Group encourages and is committed to, the personal development of all employees and tries to ensure that it continues to provide opportunities for training and career progression within the business.

Staff welfare and team building are an important aspect of the Group. The directors provide regular company-wide updates which engage all employees across all geographical locations. In addition to providing an important insight into the Group's financial results and current key matters, it also gives staff the opportunity to raise queries or concerns. These meetings along with the company conferences help to ensure all employees are engaged and feel valued members of the Group.

The directors would like to take the opportunity to again thank all employees for their continued support and loyalty to the Group, without which it would not be possible to achieve the results and growth planned for the business.

#### Employment of disabled persons

The Group gives full consideration to applications for employment by disabled persons where the candidate's ability and skills are appropriate for the job. In the event of an employee becoming disabled whilst in the Group's employment, it ensures to arrange appropriate and suitable working conditions where possible.

### Environmental matters

The Group continues to subscribe to policies and procedures regarding the environment. A significant amount of time has been spent creating an Environmental, Social and Governance policy document, A number of priorities including being net zero carbon by 2030 have been identified, and their achievement is monitored on a quarterly basis.

This report was approved by the board on 31 July 2020 and signed on its behalf



**D Snowball**  
Director

# Fishawack Limited (formerly Aghoco 1476 Limited)

## Directors' Report For the Year Ended 31 March 2020

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The directors present their report and the financial statements for the year ended 31 March 2020.

### Results and dividends

The loss for the year, after taxation, amounted to £16,227k (2019 - loss £6,577k).

The directors do not recommend payment of a final dividend (2019 - £Nil).

### Directors

The directors who served during the year were:

J S Bell (resigned 31 March 2020)  
R A Connell (resigned 31 March 2020)  
R Davies (resigned 31 March 2020)  
O J Dennis  
G L Flockhart  
J Kirkland (resigned 9 September 2019)  
D T Miller  
D Snowball (appointed 19 September 2019)

Qualifying third party indemnity provisions The Company has taken out third party indemnity insurance for the benefit of all directors of the Company.

### Matters covered in the strategic report

Disclosures required under S416(4) of the Companies Act 2006 are commented upon in the Strategic Report as the directors consider them to be of strategic importance to the Group.

### Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company and the Group's auditor is unaware, and
- the director 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 auditor is aware of that information.

### Auditor

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

This report was approved by the board on 31 July 2020 and signed on its behalf.



**D Snowball**  
Director

# **Fishawack Limited (formerly Aghoco 1476 Limited)**

## **Directors' Responsibilities Statement For the Year Ended 31 March 2020**

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The directors are responsible for preparing the Group 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 Group and Company 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 Group and Company and of the profit or loss of the Group 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group 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 the Group and to 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# **Fishawack Limited (formerly Aghoco 1476 Limited)**

## **Independent Auditor's Report to the Members of Fishawack Limited (formerly Aghoco 1476 Limited)**

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### **Opinion**

We have audited the financial statements of Fishawack Limited (formerly Aghoco 1476 Limited) ("the Parent Company") and its subsidiaries ("the Group") for the year ended 31 March 2020 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Financial Position, the Company Statement of Financial Position, the Consolidated Statement of Changes in Equity, the Company Statement of Changes in Equity and the Consolidated Statement of Cash Flows, and the 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 Group's and of the Parent Company's affairs as at 31 March 2020 and of the Group's loss for the year then ended;
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group and the Parent 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**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group or Parent Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

# **Fishawack Limited (formerly Aghoco 1476 Limited)**

## **Independent Auditor's Report to the Members of Fishawack Limited (formerly Aghoco 1476 Limited) (continued)**

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### **Other information**

The Directors are responsible for the other information. The other information comprises the information included in the Group Strategic Report, Directors' Report and Financial Statements, other than the financial statements and our auditor's 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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 Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and Directors' 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 Strategic report and Directors' 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 Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

# Fishawack Limited (formerly Aghoco 1476 Limited)

## Independent Auditor's Report to the Members of Fishawack Limited (formerly Aghoco 1476 Limited) (continued)

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### Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement, 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 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 Directors either intend to liquidate the Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

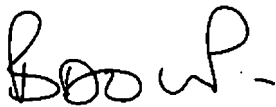
### Auditor's responsibilities for the audit of the financial statements

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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

### Use of our report

This report is made solely to the Parent 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 Parent Company'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 Parent Company and the Parent Company's members as a body, for our audit work, for this report, or for the opinions we have formed.



**Stuart Wood** (Senior Statutory Auditor)  
For and on behalf of BDO LLP, Statutory Auditor  
Manchester  
United Kingdom  
31 July 2020

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

## Fishawack Limited (formerly Aghoco 1476 Limited)

### Consolidated Statement of Comprehensive Income For the Year Ended 31 March 2020

	Note	31 March 2020 £000	31 March 2019 £000
Turnover	4	110,560	57,025
Cost of sales		<u>(73,862)</u>	<u>(37,210)</u>
<b>Gross profit</b>		<b>36,698</b>	<b>19,815</b>
Administrative expenses		<u>(38,485)</u>	<u>(20,394)</u>
<b>Operating loss</b>	5	<b>(1,786)</b>	<b>(579)</b>
Share of profit of associates		<u>347</u>	<u>140</u>
<b>Total operating loss</b>		<b>(1,439)</b>	<b>(439)</b>
Interest payable and expenses	8	<u>(14,325)</u>	<u>(5,144)</u>
<b>Loss before taxation</b>		<b>(15,764)</b>	<b>(5,583)</b>
Tax on loss	9	<u>(688)</u>	<u>(994)</u>
<b>Loss for the financial year</b>		<b>(16,452)</b>	<b>(6,577)</b>
Currency translation differences		282	236
<b>Other comprehensive income for the year</b>		<u>282</u>	<u>236</u>
<b>Total comprehensive income for the year</b>		<b>(16,170)</b>	<b>(6,341)</b>
<b>Loss for the year attributable to:</b>			
Owners of the parent Company		(16,452)	(6,577)
		<u>(16,452)</u>	<u>(6,577)</u>
<b>Total comprehensive income for the year attributable to:</b>			
Owners of the parent Company		(16,170)	(6,341)
		<u>(16,170)</u>	<u>(6,341)</u>

The notes on pages 21 to 45 form part of these financial statements.

# Fishawack Limited (formerly Aghoco 1476 Limited)

## Consolidated Statement of Financial Position As at 31 March 2020

	Note	2020 £000	2020 £000	2019 £000	2019 £000
<b>Fixed assets</b>					
Intangible assets	10	98,971			86,729
Tangible assets	11	1,860			1,302
Investments	12	3,244			988
			<u>104,075</u>		<u>89,019</u>
<b>Current assets</b>					
Debtors	13	31,698		19,746	
Bank and cash balances	14	<u>7,617</u>		<u>11,535</u>	
		39,315		31,281	
Creditors: amounts falling due within one year	15	<u>(35,996)</u>		<u>(35,943)</u>	
<b>Net current assets/(liabilities)</b>			<u>3,319</u>		<u>(4,662)</u>
<b>Total assets less current liabilities</b>			<u>107,394</u>		<u>84,357</u>
Creditors: amounts falling due after more than one year	16		<u>(136,417)</u>		<u>(97,210)</u>
<b>Net liabilities</b>			<u>(29,023)</u>		<u>(12,853)</u>
<b>Capital and reserves</b>					
Called up share capital	20		2		2
Share premium account	21		319		319
Profit and loss account	21		<u>(29,344)</u>		<u>(13,174)</u>
<b>Equity attributable to owners of the parent Company</b>			<u>(29,023)</u>		<u>(12,853)</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 31 July 2020



**D Snowball**  
Director

The notes on pages 21 to 45 form part of these financial statements.

# Fishawack Limited (formerly Aghoco 1476 Limited)

## Company Statement of Financial Position As at 31 March 2020

	Note	2020 £000	2020 £000	2019 £000	2019 £000
<b>Fixed assets</b>					
Intangible assets	10	827		534	
Tangible assets	11	-		-	
Investments	12	20,628		19,705	
			21,455		20,239
<b>Current assets</b>					
Debtors	13	105,656		72,056	
Bank and cash balances	14	1,172		9	
		106,828		72,065	
Creditors: amounts falling due within one year	15	(22,244)		(5,655)	
<b>Net current assets/(liabilities)</b>			<b>84,584</b>		<b>66,410</b>
<b>Total assets less current liabilities</b>			<b>106,039</b>		<b>86,649</b>
Creditors: amounts falling due after more than one year	16		(128,839)		(97,210)
<b>Net liabilities</b>			<b>(22,800)</b>		<b>(10,561)</b>
<b>Capital and reserves</b>					
Called up share capital	20		2		2
Share premium account	21		319		319
Profit and loss account carried forward			(23,121)		(10,882)
<b>Equity attributable to owners of the Company</b>			<b>(22,800)</b>		<b>(10,561)</b>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 31 July 2020



**D Snowball**  
Director

The notes on pages 21 to 45 form part of these financial statements.

## Fishawack Limited (formerly Aghoco 1476 Limited)

### Consolidated Statement of Changes in Equity For the Year Ended 31 March 2020

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£000	£000	£000	£000
At 1 April 2019	2	319	(13,174)	(12,853)
<b>Comprehensive income for the year</b>				
Loss for the year	-	-	(16,452)	(16,452)
Currency translation differences	-	-	282	282
<b>Total comprehensive income for the year</b>	-	-	(16,170)	(16,170)
<b>At 31 March 2020</b>	<b>2</b>	<b>319</b>	<b>(29,344)</b>	<b>(29,023)</b>

### Consolidated Statement of Changes in Equity For the Year Ended 31 March 2019

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£000	£000	£000	£000
At 1 April 2018	2	319	(6,833)	(6,512)
<b>Comprehensive income for the year</b>				
Loss for the year	-	-	(6,577)	(6,577)
Currency translation differences	-	-	236	236
<b>Total comprehensive income for the year</b>	-	-	(6,341)	(6,341)
<b>At 31 March 2019</b>	<b>2</b>	<b>319</b>	<b>(13,174)</b>	<b>(12,853)</b>

The notes on pages 21 to 45 form part of these financial statements.

## Fishawack Limited (formerly Aghoco 1476 Limited)

### Company Statement of Changes in Equity For the Year Ended 31 March 2020

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£000	£000	£000	£000
At 1 April 2019	2	319	(10,882)	(10,561)
<b>Comprehensive income for the year</b>				
Loss for the year	-	-	(12,239)	(12,239)
<b>Total comprehensive income for the year</b>	-	-	(12,239)	(12,239)
<b>At 31 March 2020</b>	<b>2</b>	<b>319</b>	<b>(23,121)</b>	<b>(22,800)</b>

### Company Statement of Changes in Equity For the Year Ended 31 March 2019

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£000	£000	£000	£000
At 1 April 2018	2	319	(6,612)	(6,291)
<b>Comprehensive income for the year</b>				
Loss for the year	-	-	(4,270)	(4,270)
<b>Total comprehensive income for the year</b>	-	-	(4,270)	(4,270)
<b>At 31 March 2019</b>	<b>2</b>	<b>319</b>	<b>(10,882)</b>	<b>(10,561)</b>

The notes on pages 21 to 45 form part of these financial statements.

# Fishawack Limited (formerly Aghoco 1476 Limited)

## Consolidated Statement of Cash Flows For the Year Ended 31 March 2020

	2020 £000	2019 £000
<b>Cash flows from operating activities</b>		
Loss for the financial year/period	(16,452)	(6,577)
<b>Adjustments for:</b>		
<i>Amortisation of intangible assets</i>	11,627	5,724
Depreciation of tangible assets	585	416
Interest charge	14,325	5,144
Taxation charge	688	994
(Increase)/decrease in debtors	(7,248)	1,181
Increase in creditors	3,877	1,094
Share of operating profit in associates	(347)	(140)
Corporation tax (paid)	(2,512)	(1,322)
Foreign exchange	128	16
<b>Net cash generated from operating activities</b>	4,671	6,529
 <b>Cash flows from investing activities</b>		
Purchase of intangible fixed assets	(461)	(444)
Purchase of tangible fixed assets	(849)	(612)
Sale of tangible fixed assets	-	4
Purchase of fixed asset investments	(16,823)	(38,434)
Purchase of share in associates	(2,340)	-
Interest received	18	-
Distributions received from associates	430	235
Payment of deferred consideration	(12,287)	-
<b>Net cash from investing activities</b>	(32,312)	(39,251)
 <b>Cash flows from financing activities</b>		
New other loan	18,798	28,119
New loan notes	2,824	13,540
New loan from related parties	136,416	-
Interest paid	(13,356)	(2,449)
Loan arrangement fees paid	(1,442)	(1,454)
New bank loans	-	1,500
Repayment of loans	(75,263)	-
Repayment of loan notes	(43,751)	-
<b>Net cash used in financing activities</b>	24,226	39,254
 <b>Net increase in cash and cash equivalents</b>	(3,415)	6,532
Cash and cash equivalents at beginning of year	11,535	4,666
Foreign exchange gains and losses	(503)	337
 <b>Cash and cash equivalents at the end of year</b>	7,617	11,535
 <b>Cash and cash equivalents at the end of year comprise:</b>		
Cash at bank and in hand	7,617	11,535

The notes on pages 21 to 45 form part of these financial statements.

# Fishawack Limited (formerly Aghoco 1476 Limited)

## Notes to the Financial Statements For the Year Ended 31 March 2020

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### 1. General information

Fishawack Limited (formerly Aghoco 1476 Limited) is a private company, limited by shares, incorporated in England and Wales under the Companies Act 2006. The address of the registered office is shown on the Company Information page. The nature of the Group's operations and its principal activities are outlined in the Strategic Report.

### 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 Income Statement 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.

An associate is an entity in which the Group has significant influence, but not control, over the operating and financial policies of the entity. Significant influence is presumed to exist when the investor holds between 20% and 50% of the voting rights.

#### 2.3 Parent company disclosure exemptions

In preparing the separate financial statements of the parent company, advantage has been taken of the following disclosure exemptions available in FRS 102:

- No cash flow statement has been presented for the parent company;
- Disclosures in respect of the parent company's financial instruments have not been presented as equivalent disclosures have been provided in respect of the Group as a whole;
- No disclosure has been given for the aggregate remuneration of the key management personnel of the parent company as their remuneration is included in the totals for the Group as a whole;
- No disclosure has been made of transactions and balances at year end held between entities within the same Group.

# Fishawack Limited (formerly Aghoco 1476 Limited)

## Notes to the Financial Statements For the Year Ended 31 March 2020

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### 2. Accounting policies (continued)

#### 2.4 Going concern

Notwithstanding the net liabilities of £29,023k (2019 - £12,853k) the directors consider that the group is a going concern and the accounts have been prepared on that basis. The group depends on bank and loan facilities with its parent company to meet its day to day working capital requirements. Current forecasts indicate that the group expects to be able to operate within these facilities for a period of at least 12 months from the date of these financial statements being signed. The directors are not aware of any circumstances that may adversely affect these facilities, and remain confident of future growth with a move to profitability.

In determining the appropriate basis of preparation, the impact of the Covid-19 pandemic has been the major consideration. The Board have taken in to account the following restrictions that Covid-19 has placed on the Group's day to day operations:

- Social distancing required a review of working practices, with the majority of employees working from home. The provision of necessary equipment, the switch to virtual team meetings, regular communication from senior management and dedicated working from home support groups have mitigated the risk of inefficiencies and help to maintain employee engagement.
- Certain services offered have suffered delays due to the nature of the services (such as in person congresses) with the majority of deliverables being moved to digital channels.
- Clients budgets are changing to other services with account directors focusing on providing services through other high quality engagement channels.
- Once Covid-19 restrictions are lifted, it is expected that clients will focus on accelerating delayed work streams.

Management of cash flows in response to the above circumstances is envisaged as follows:

- Careful monitoring of receivables.
- Slightly lower than budgeted revenues have been mitigated by cost savings. These have been achieved by a rationalisation of the workforce and significantly lower travel, entertainment and other discretionary items.
- Close monitoring of cash position and a detailed 12 week forecast updated daily.
- Funds are available within the new Group headed by Fishawack Health Topco Ltd as a result of the transaction that completed on 31 March 2020.
- The new loans to related parties are payable on demand but have an expiry of 2030 and payment is not expected to be demanded within 12 months of the date of these accounts.

The Board has concluded that it is appropriate to adopt the going concern basis, having undertaken a rigorous assessment of the financial forecasts with specific consideration to the trading position of the Group in the context of the current Covid-19 pandemic.

#### 2.5 Revenue

Profit on long-term contracts is recognised as the work is carried out if the final outcome can be assessed with reasonable certainty. The profit included is calculated to reflect the proportion of the work carried out at the year end, by recording turnover and related costs as contract activity progresses. Turnover is calculated as that proportion of total contract value which costs incurred to date bear to total expected costs for that contract. Revenues derived from variations on contracts are recognised only when they have been accepted by the customer. Turnover represents sales to external customers at invoiced amounts less value added tax or local taxes on sales.

# Fishawack Limited (formerly Aghoco 1476 Limited)

## Notes to the Financial Statements For the Year Ended 31 March 2020

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### 2. Accounting policies (continued)

#### 2.6 Finance costs

Finance costs are charged to the Consolidated Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

#### 2.7 Intangible assets

##### Other intangibles

Other intangible assets that are acquired by the Group are stated at cost less accumulated amortisation and less accumulated impairment losses.

##### 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. Estimates of the useful economic life of goodwill are based on a variety of factors such as the expected use of the acquired business, the expected useful life of the cash generating units to which the goodwill is attributed, any legal, regulatory or contractual provisions that can limit useful life and assumptions that market participants would consider in respect of similar businesses.

The estimated useful lives range as follows:

Goodwill	-	10 years
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#### 2.8 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, using the straight-line method.

Depreciation is provided on the following basis:

Short-term leasehold property	- 10% - 20% per annum straight line
Office equipment	- 10% - 20% per annum straight line
Computer equipment	- 20% - 50% per annum straight line
Motor vehicles	- 20% - 50% per annum 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 the Consolidated Statement of Comprehensive Income.

# Fishawack Limited (formerly Aghoco 1476 Limited)

## Notes to the Financial Statements For the Year Ended 31 March 2020

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### 2. Accounting policies (continued)

#### 2.9 Impairment of fixed assets and goodwill

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

#### 2.10 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

#### 2.11 Associates

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

In the consolidated accounts, interests in associated undertakings are accounted for using the equity method of accounting. Under this method an equity investment is initially recognised at the transaction price (including transaction costs) and is subsequently adjusted to reflect the investor's share of the profit or loss, other comprehensive income and equity of the associate.

The consolidated statement of comprehensive income includes the group's share of the operating results, interest, pre-tax results and attributable taxation of such undertakings applying accounting policies consistent with those of the group. In the consolidated balance sheet, the interests in associated undertakings are shown as the group's share of the identifiable net assets, including any unamortised premium paid on acquisition.

Any premium on acquisition is dealt with in accordance with the goodwill policy.

#### 2.12 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.

# Fishawack Limited (formerly Aghoco 1476 Limited)

## Notes to the Financial Statements For the Year Ended 31 March 2020

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### 2. Accounting policies (continued)

#### 2.13 Financial instruments

Basic financial assets, including trade and other receivables, cash and bank balances and amounts due from fellow group companies are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method.

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 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.

Basic financial liabilities, including bank loan, loan notes, trade and other payables and amounts due to fellow group companies are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost using the effective interest method.

#### 2.14 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.

#### 2.15 Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the statement of financial position date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the statement of financial position date.

# Fishawack Limited (formerly Aghoco 1476 Limited)

## Notes to the Financial Statements For the Year Ended 31 March 2020

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### 2. Accounting policies (continued)

#### 2.16 Foreign currency translation

##### Functional and presentation currency

The Company's functional and presentational currency is GBP.

##### Transactions and balances

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

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

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Consolidated Statement of Comprehensive Income except when deferred in other comprehensive income 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 the Consolidated Statement of Comprehensive Income 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.

# Fishawack Limited (formerly Aghoco 1476 Limited)

## Notes to the Financial Statements For the Year Ended 31 March 2020

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### 2. Accounting policies (continued)

#### 2.17 Operating leases: the Group as lessee

Rentals paid under operating leases are charged to the Consolidated Statement of Comprehensive Income on a straight line basis over the lease term.

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

#### 2.18 Pensions

##### Defined contribution pension plan

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

The contributions are recognised as an expense in the Consolidated Statement of Comprehensive Income when they fall due. Amounts not paid are shown 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.

#### 2.19 Current and deferred taxation

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

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

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the 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.

# Fishawack Limited (formerly Aghoco 1476 Limited)

## Notes to the Financial Statements For the Year Ended 31 March 2020

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

In preparing these financial statements, the directors have made the following judgements:

- Determine whether leases entered into by the group as a lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.
- Determine whether there are indicators of impairment of the group's tangible assets and intangible assets including goodwill. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.
- Determine whether there are indicators of impairment of the group's trade and other debtors. When assessing impairment of trade and other debtors, management considers factors such as the ageing profile and historical experience.
- Determine whether there are indicators of impairment of the company's fixed assets investments and amounts due from group undertakings. When assessing impairment of amounts due from group undertakings factors taken into consideration include the financial position and expected future financial performance of those entities.

#### Other key sources of estimation uncertainty

- **Tangible fixed assets**

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

- **Goodwill and intangible assets**

The group establishes a reliable estimate of the useful life of goodwill and intangibles assets on business combinations. This estimate is based on a variety of factors such as the expected use of the acquired business, the expected useful life of the cash generating units to which the goodwill is attributed, any legal, regulatory or contractual provisions that can limit useful life and assumptions that market participants would consider in respect of similar businesses.

# Fishawack Limited (formerly Aghoco 1476 Limited)

## Notes to the Financial Statements For the Year Ended 31 March 2020

### 4. Turnover

The whole of the turnover is attributable to the principal activity of the Group.

Analysis of turnover by country of destination:

	31 March 2020 £000	31 March 2019 £000
United Kingdom	23,425	4,756
Rest of Europe	12,356	7,768
Rest of the world	74,779	34,559
	<u>110,560</u>	<u>57,025</u>

### 5. Operating loss

The operating loss is stated after charging/(crediting):

	31 March 2020 £000	31 March 2019 £000
Depreciation of tangible fixed assets	585	416
Amortisation of intangible assets, including goodwill	11,625	5,724
Fees payable to the Group's auditor and its associates for the audit of the Company's annual financial statements	66	57
<b>Fees payable to the Group's auditors and its associates for other services to the group:</b>		
- The audit of the Group's subsidiaries pursuant to legislation	54	25
- Corporate finance services	-	-
- Other non-audit services	8	14
Exchange differences	128	(16)
Other operating lease rentals	3,475	1,369
Defined contribution pension cost	1,337	810

## Fishawack Limited (formerly Aghoco 1476 Limited)

### Notes to the Financial Statements For the Year Ended 31 March 2020

#### 6. Employees

Staff costs, including directors' remuneration, were as follows:

	Group 2020 £000	Group 2019 £000	Company 2020 £000	Company 2019 £000
Wages and salaries	52,156	24,186	2,990	2,069
Social security costs	4,164	2,158	277	216
Cost of defined contribution scheme	1,337	810	108	89
	<b>57,657</b>	<b>27,154</b>	<b>3,375</b>	<b>2,374</b>

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

	Group 31 March 2020 No.	Group 31 March 2019 No.	Company 31 March 2020 No.	Company 31 March 2019 No.
Administration	113	81	45	38
Sales	628	484	-	-
	<b>741</b>	<b>565</b>	<b>45</b>	<b>38</b>

#### 7. Directors' remuneration

The highest paid director received remuneration of £273k (2019 - £230k).

The value of the Company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £1k (2019 - £1k).

The Group and Company considers key management personnel to comprise the statutory directors of the Company. The total payments to key management personnel amounted to £1,118k (2019 - £914k).

The Company paid director salaries of £1,118k (2019 - £914k) during the year.

## Fishawack Limited (formerly Aghoco 1476 Limited)

### Notes to the Financial Statements For the Year Ended 31 March 2020

#### 8. Interest payable and similar expenses

	31 March 2020 £000	31 March 2019 £000
Interest payable	18	15
Loan interest payable	14,307	5,128
	14,325	5,144

#### 9. Taxation

	31 March 2020 £000	31 March 2019 £000
<b>Corporation tax</b>		
Current tax on profits for the period	1,729	1,037
Adjustments in respect of prior years	(583)	(198)
<b>Total current tax</b>	1,146	839
<b>Deferred tax</b>		
Origination and reversal of timing differences	(63)	(62)
Adjustments in respect of prior years	(395)	217
<b>Total deferred tax</b>	(458)	155
<b>Taxation on profit on ordinary activities</b>	688	994

# Fishawack Limited (formerly Aghoco 1476 Limited)

## Notes to the Financial Statements For the Year Ended 31 March 2020

### 9. Taxation (continued)

#### Factors affecting tax charge for the year/period

The tax assessed for the year/period is higher than (2019 - higher than) the standard rate of corporation tax in the UK of 19% (2019 - 19%). The differences are explained below:

	31 March 2020 £000	31 March 2019 £000
Loss on ordinary activities before tax	(15,764)	(5,583)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018 - 19.75%)	(2,995)	(1,061)
<b>Effects of:</b>		
Non-tax deductible amortisation of goodwill	1,588	1,083
Other non-deductible expenses	2,475	953
Adjustments in respect of previous periods - current tax	(583)	(198)
Adjustments in respect of previous periods - deferred tax	(395)	217
Different rates of tax overseas	598	-
<b>Total tax charge for the year</b>	<b>688</b>	<b>994</b>

#### Factors that may affect future tax charges

On 17 March 2020, the UK Government passed a Budget resolution with statutory provision under the Provisional Collection of Taxes Act 1968, which reversed the previously enacted reduction in the UK Corporation Tax rate to 17% and maintained the rate at 19% from April 2020. This provision means that the rate change was substantively enacted before 31 March 2020. The deferred tax assets and liabilities for all UK entities have been maintained at 17% in these accounts, owing to the difference being immaterial to that valued at the future UK Corporation Tax rate of 19%. These deferred tax assets and liabilities will be revalued to the enacted UK tax rate in the following period.

# Fishawack Limited (formerly Aghoco 1476 Limited)

## Notes to the Financial Statements For the Year Ended 31 March 2020

### 10. Intangible assets

#### Group

	Computer software £000	Goodwill £000	Total £000
<b>Cost</b>			
At 1 April 2019	553	97,400	97,953
Additions	461	23,407	23,868
At 31 March 2020	1,014	120,807	121,821
<b>Amortisation</b>			
At 1 April 2019	18	11,205	11,223
Charge for the year	169	11,458	11,627
At 31 March 2020	187	22,663	22,850
<b>Net book value</b>			
At 31 March 2020	827	98,144	98,971
At 31 March 2019	534	86,195	86,729

Goodwill arising on consolidation is being amortised over the Directors estimate of its useful life of 10 years. This estimate is based on a variety of factors such as the expected use of the acquired business (see note 22), the expected useful life of the cash generating units to which the goodwill is attributed, any legal, regulatory or contractual provisions that can limit useful life and assumptions that market participants would consider in respect of similar business

The directors consider there to be no indicators of impairment due to the purchase of the Group by Commercial Services UK Bidco Ltd on 31 March 2020.

# Fishawack Limited (formerly Aghoco 1476 Limited)

## Notes to the Financial Statements For the Year Ended 31 March 2020

### 10. Intangible assets (continued)

#### Company

	Computer software £000
<b>Cost</b>	
At 1 April 2019	553
Additions	461
At 31 March 2020	<u>1,014</u>
<b>Amortisation</b>	
At 1 April 2019	18
Charge for the year	169
At 31 March 2019	<u>185</u>
At 31 March 2020	<u>827</u>
At 31 March 2019	<u>534</u>

The computer software relates to the Group's new ERP system and is being amortised over the Directors estimate of its useful life of 5 years. Development continues each year. Where new features are added the associated costs are capitalised. The assets is used by a number of the subsidiary undertakings.

# Fishawack Limited (formerly Aghoco 1476 Limited)

## Notes to the Financial Statements For the Year Ended 31 March 2020

### 11. Tangible fixed assets

#### Group

	Short-term leasehold property £000	Office equipment £000	Computer equipment £000	Motor Vehicles £000	Total £000
<b>Cost</b>					
At 1 April 2019	646	463	1,179	-	2,288
Additions	129	264	456	-	849
Acquisition of subsidiary	33	53	153	11	250
Disposals	(74)	(14)	(14)	-	(102)
Exchange adjustments	26	68	82	-	176
At 31 March 2020	<u>760</u>	<u>834</u>	<u>1,856</u>	<u>11</u>	<u>3,461</u>
<b>Depreciation</b>					
At 1 April 2019	242	194	550	-	986
Charge for the year	97	112	374	2	585
Disposals	(74)	(14)	(12)	-	(100)
Exchange adjustments	16	40	74	-	130
At 31 March 2020	<u>281</u>	<u>332</u>	<u>986</u>	<u>2</u>	<u>1,601</u>
<b>Net book value</b>					
At 31 March 2020	<u>479</u>	<u>502</u>	<u>868</u>	<u>9</u>	<u>1,860</u>
At 31 March 2019	<u>404</u>	<u>268</u>	<u>629</u>	<u>-</u>	<u>1,302</u>

# Fishawack Limited (formerly Aghoco 1476 Limited)

## Notes to the Financial Statements For the Year Ended 31 March 2020

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### 12. Fixed asset investments

#### Group

	Investments in associates £000
Cost	
At 1 April 2019	988
Investment	2,340
Distributions	(431)
Share of profit	347
At 31 March 2020	<u>3,244</u>

#### Company

	Investments in subsidiary companies £000
Cost	
At 1 April 2019	19,705
Additions	923
At 31 March 2020	<u>20,628</u>

## Fishawack Limited (formerly Aghoco 1476 Limited)

### Notes to the Financial Statements For the Year Ended 31 March 2020

#### 12. Fixed asset investments (continued)

##### Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Registered office	Principal activity	Class of shares	Holding
Fishawack Medical Communications Limited (formerly Fishawack Group Limited)*	3 Booths Park, Booths Hall, Chelford Road, Knutsford, England, WA16 8GS	Holding Company	Ordinary	100%
Fishawack Creative Limited (formerly Fishawack Midco Limited)*	3 Booths Park, Booths Hall, Chelford Road, Knutsford, England, WA16 8GS	Holding Company	Ordinary	100%
Indicia Medical Limited**	3 Booths Park, Booths Hall, Chelford Road, Knutsford, England, WA16 8GS	Medical communications	Ordinary	100%
Fishawack Communications Limited**	3 Booths Park, Booths Hall, Chelford Road, Knutsford, England, WA16 8GS	Medical communications	Ordinary	100%
Fishawack Indicia Limited**	3 Booths Park, Booths Hall, Chelford Road, Knutsford, England, WA16 8GS	Medical communications	Ordinary	100%
Fishawack Facilitate Limited**	3 Booths Park, Booths Hall, Chelford Road, Knutsford, England, WA16 8GS	Medical communications	Ordinary	100%
Healthcircle Advertising Limited ***	3 Booths Park, Booths Hall, Chelford Road, Knutsford, England, WA16 8GS	Healthcare marketing	Ordinary	100%
Blue Latitude Network Limited ***	3 Booths Park, Booths Hall, Chelford Road, Knutsford, England, WA16 8GS	Healthcare marketing and consulting	Ordinary	100%
Phocus Holdings GmbH**	Aeschenvorstadt 4, PO Box 4010, Basel, Switzerland	Holding Company	Ordinary	100%
Fishawack Archimed AG**	Aeschenvorstadt 4, PO Box 4010, Basel, Switzerland	Medical communications	Ordinary	100%
Fishawack Communications GmbH**	Aeschenvorstadt 4, PO Box 4010, Basel, Switzerland	Medical communications	Ordinary	100%
Phocus Communications Inc**	Aeschenvorstadt 4, PO Box 4010, Basel, Switzerland	Dormant	Ordinary	100%
Fishawack Communications Inc**	200 4 Falls Corporate Center, Suite 200, Conshohocken PA 19428-2958, USA	Medical communications	Ordinary	100%

## Fishawack Limited (formerly Aghoco 1476 Limited)

### Notes to the Financial Statements For the Year Ended 31 March 2020

#### 12. Fixed asset investments (continued)

##### Subsidiary undertakings (continued)

Name	Registered office	Principal activity	Class of shares	Holding
JK Associates Inc**	200 4 Falls Corporate Center, Suite 200, Conshohocken PA 19428-2958, USA	Medical communications	Ordinary	100%
Fishawack Midco US Holdings LLC ***	2550 5th Avenue, Suite 150, San Diego, California 92103, USA	Holding Company	Ordinary	100%
HealthCorp Inc ***	5 Walnut Grove Drive, Suite 300, Horsham, PA 19044, USA	Healthcare marketing	Ordinary	100%
Carling Communications Limited ***	3 Booths Park, Booths Hall, Chelford Road, Knutsford, England, WA16 8GS	Healthcare marketing	Ordinary	100%
Carling Communications Inc ***	2550 5th Avenue, Suite 150, San Diego, California 92103, USA	Healthcare marketing	Ordinary	100%
MCME Global Inc**	2550 5th Avenue, Suite 150, San Diego, California 92103, USA	Medical communications	Ordinary	100%
Meridius Health Communications Inc **	2550 5th Avenue, Suite 150, San Diego, California 92103, USA	Medical communications	Ordinary	100%
Blue Latitude Inc ***	148 Lafayette, 4 <sup>th</sup> Floor, New York, NY 10013 USA	Healthcare marketing and consulting	Ordinary	100%
Fishawack US Holdings LLC **	200 4 Falls Corporate Center, Suite 200, Conshohocken PA 19428-2958, USA	Holding Company	Ordinary	100%
2e Group LLC***	221 Bolivar St, Jefferson City, Missouri, 65101, USA	Healthcare marketing	Ordinary	100%
2e Creative Inc***	221 Bolivar St, Jefferson City, Missouri, 65101, USA	Healthcare marketing	Ordinary	100%
Fire & Rain LLC***	221 Bolivar St, Jefferson City, Missouri, 65101, USA	Healthcare marketing	Ordinary	100%

\*direct subsidiary

\*\*held via Fishawack Medical Communications Limited (formerly Fishawack Group Limited).

\*\*\*held via Fishawack Creative Limited (formerly Fishawack Midco Limited).

# Fishawack Limited (formerly Aghoco 1476 Limited)

## Notes to the Financial Statements For the Year Ended 31 March 2020

### 12. Fixed asset investments (continued)

#### Associate

The following was an associate of the Company:

Name	Registered office	Principal activity	Class of shares	Holding
Facilitation of IDE, L.P.	7 Garnet Hill Lane, Avon, CT 06001, USA	Medical Education	Ordinary	50 %
iOpen L.P.	200 4 Falls Corporate Center, Suite 200, Conshohocken PA 19428-2958, USA	Medical communications	Ordinary	

### 13. Debtors

	Group 2020 £000	Group 2019 £000	Company 2020 £000	Company 2019 £000
Trade debtors	19,458	10,986	-	-
Amounts owed by group undertakings	-	-	105,090	71,598
Other debtors	704	586	4	224
Prepayments and accrued income	11,239	8,044	259	113
Tax recoverable	-	-	-	7
Deferred taxation	297	130	303	114
	<b>31,698</b>	<b>19,746</b>	<b>105,656</b>	<b>72,056</b>

Amounts owed by group undertakings are interest free and repayable on demand.  
Amounts written off in relation to bad debts in the year was £27k.

### 14. Cash and cash equivalents

	Group 2020 £000	Group 2019 £000	Company 2020 £000	Company 2019 £000
Cash at bank and in hand	7,617	11,535	1,172	9
	<b>7,617</b>	<b>11,535</b>	<b>1,172</b>	<b>9</b>

## Fishawack Limited (formerly Aghoco 1476 Limited)

### Notes to the Financial Statements For the Year Ended 31 March 2020

#### 15. Creditors: Amounts falling due within one year

	Group 2020 £000	Group 2019 £000	Company 2020 £000	Company 2019 £000
Trade creditors	3,779	5,445	300	824
Amounts owed to group undertakings	-	-	18,740	2,859
Corporation tax	365	1,616	-	-
Other taxation and social security	645	512	-	-
Other creditors	1,748	964	943	25
Accruals and deferred income	29,459	27,406	2,261	1,947
	<b>35,996</b>	<b>35,943</b>	<b>22,244</b>	<b>5,655</b>

The amounts owed to group undertakings are interest free and repayable on demand.

#### 16. Creditors: Amounts falling due after more than one year

	Group 2020 £000	Group 2019 £000	Company 2020 £000	Company 2019 £000
Bank loans	-	3,919	-	3,919
Other loans	-	49,184	-	49,184
Related party loans	136,417	-	128,939	-
Related party loan notes	-	44,108	-	44,108
	<b>136,417</b>	<b>97,210</b>	<b>128,839</b>	<b>97,210</b>

On 31<sup>st</sup> March 2020, the Group repaid the external debt as part of the sale of Fishawack Ltd to Commercial Services UK Bidco Ltd. This external debt was settled by the form of intercompany loans from Commercial Services UK Bidco Ltd which attract an interest rate of 6% per annum, are repayable on demand but with an expiry date of 2030. All borrowings for the Fishawack Ltd Group at 31<sup>st</sup> March 2020 were intercompany loans.

The bank and other loans and loan notes were secured by way of a fixed and floating charge against all assets of the Group.

Related party loan note interest was charged at 8% per annum.

Bank loan interest was charged at 3.5% Margin + GBP LIBOR per annum.

Other GBP loan interest was charged at 7% Margin + GBP LIBOR (1% Floor) per annum.

Other USD loan interest was charged at 7.5% Margin + USD LIBOR (1% Floor) per annum.

# Fishawack Limited (formerly Aghoco 1476 Limited)

## Notes to the Financial Statements For the Year Ended 31 March 2020

### 17. Loans

The maturity of sources of debt finance are as follows:

	Group 2020 £000	Group 2019 £000	Company 2020 £000	Company 2019 £000
<b>Amounts falling due 2-5 years</b>				
Bank loans	-	3,919	-	3,919
Other loans	-	49,184	-	49,184
Related party loan notes	-	44,108	-	44,108
	-	97,210	-	97,210
<b>Amounts falling due after more than 5 years</b>				
Related party loans	136,417	-	-	-
	136,417	-	128,839	-
	136,417	97,210	128,839	97,210

### 18. Changes in net debt

	At 1st April 2019	Cash flows	Acquired	Non cash	At 31 <sup>st</sup> March 2020
Cash at bank and in hand	11,535	(5,227)	1,812	(503)	7,617
Bank loans	(3,919)	4,000	-	(81)	-
Other loans	(49,184)	51,465	-	(2,281)	-
Related party loan notes	(44,108)	44,014	-	94	-
Related party loan	-	(136,417)	-	-	(136,417)
<b>Total</b>	(85,676)	(42,165)	1,812	(2,771)	(128,800)

# Fishawack Limited (formerly Aghoco 1476 Limited)

## Notes to the Financial Statements For the Year Ended 31 March 2020

<b>19.</b>	<b>Deferred tax asset</b>		<b>2020</b>
			<b>£000</b>
	<b>Group</b>		
	At beginning of period		130
	Credited to profit or loss		458
	Other comprehensive income		41
	Arising on business combinations		(342)
	Currency revaluation		10
	<b>At end of year</b>		<u><u>297</u></u>

	<b>Company</b>		<b>2020</b>
			<b>£000</b>
	At beginning of year		114
	Credited to profit or loss		189
	<b>At end of period</b>		<u><u>303</u></u>

The deferred tax asset is made up as follows:

	<b>Group</b>	<b>Company</b>
	<b>2020</b>	<b>2020</b>
	<b>£000</b>	<b>£000</b>
Accelerated capital allowances	(232)	(30)
Short term timing differences	540	35
Arising on business combinations	(342)	-
Tax losses carried forward and other deductions	331	298
	<u><u>297</u></u>	<u><u>303</u></u>

# Fishawack Limited (formerly Aghoco 1476 Limited)

## Notes to the Financial Statements For the Year Ended 31 March 2020

### 20. Share capital

	2020 £	2019 £
<b>Allotted, called up and fully paid</b>		
61,900 (2019 - 61,900) A Ordinary shares of £0.01 each	619	619
7,800 (2019 - 7,800) B1 Ordinary shares of £0.05 each	390	390
1,600 (2019 - 1,600) B2 Ordinary shares of £0.10 each	160	160
800 (2019- 800) B3 Ordinary shares of £0.15 each	120	120
25,000 (2019 - 25,000) C Ordinary shares of £0.01 each	250	250
2,000 (2019 - 2,000) E1 Ordinary shares of £0.05 each	100	100
	<hr/> <b>1,639</b>	<hr/> <b>1,639</b>

All shares rank pari passu.

### 21. Reserves

The Group's capital and reserves are as follows:

#### Share capital

Called up share capital represents the nominal value of the shares issued.

#### Share premium account

The share premium account includes the premium on issue of equity shares, net of any issue costs.

#### Profit and loss account

The profit and loss account represents cumulative profits or losses net of dividends paid and other adjustments.

# Fishawack Limited (formerly Aghoco 1476 Limited)

## Notes to the Financial Statements For the Year Ended 31 March 2020

### 22. Business combinations

In July 2019, the Group acquired 100% of the 2e Group. 2e is a US based (St Louis, MO and Evansville, IN) launch and growth agency with core competencies in branding, marketing strategy, digital marketing, sales training and meeting/event production

#### Recognised amounts of identifiable assets acquired and liabilities assumed

	Book value £000	Fair value £000
<b>Fixed assets</b>		
Tangible	264	264
	<u>264</u>	<u>264</u>
<b>Current assets</b>		
Debtors	4,880	4,880
Cash at bank and in hand	1,812	1,812
<b>Total assets</b>	<b>6,956</b>	<b>6,956</b>
<b>Creditors</b>		
Due within one year	(8,156)	(8,527)
<b>Fair value of net assets</b>	<b>(1,200)</b>	<b>(1,571)</b>
Goodwill	<u>22,846</u>	<u>23,217</u>
<b>Total purchase consideration</b>	<b><u>21,646</u></b>	<b><u>21,646</u></b>

The difference between book value and fair value relates to a bonus accrual of which an element relates to pre-acquisition results.

The useful economic life of goodwill has been estimated to be 10 years.

#### Consideration and cash outflow on acquisition

	<b>£000</b>
Purchase consideration settled in cash	10,799
Deferred consideration	9,873
Directly attributable costs	974
<b>Total purchase consideration</b>	<b>21,646</b>
Less: Cash and cash equivalents acquired	(1,812)
Add: loan made to 2e Group on acquisition	6,862
Less: Deferred consideration	<u>(9,873)</u>
<b>Net cash outflow on acquisition</b>	<b><u>16,823</u></b>

The results of the 2e Group since its acquisition are as follows:

	<b>Current period since acquisition £000</b>
Turnover	15,504
Profit for period	<u>983</u>

# Fishawack Limited (formerly Aghoco 1476 Limited)

## Notes to the Financial Statements For the Year Ended 31 March 2020

### 23. Pension commitments

The Group operates defined contributions pension schemes. The assets of the schemes are held separately from those of the Group in independently administered funds. The pension cost charge represents contributions payable by the Group to the fund and amounted to £1,337k (2019 - £810k). Contributions totalling £543k (2019 - £494k) were payable to the fund at the reporting date and are included in creditors.

### 24. Commitments under operating leases

At 31 March 2020 the Group had future minimum lease payments under non-cancellable operating leases as follows:

	Group 2020 £000	Group 2019 £000
Not later than 1 year	4,091	2,124
Later than 1 year and not later than 5 years	9,249	5,498
Later than 5 years	4,975	1,865
	<u>18,315</u>	<u>9,487</u>

### 25. Related party transactions

During the year £50k (2019 - £50k) was paid to director R Connell in relation to consulting services provided to the Group. At 31 March 2020, £15k (2019 - £15k) of this was included in trade creditors.

Transactions with LDC Limited (shareholder) during the year amounted to £75k (2019 - £75k) in relation to management services provided to the Group. At 31 March 2020, £8k (2019 - £Nil) of this was included within accruals.

During the year shareholder loan notes of £nil (2019 - £13,540k) were issued to LDC Funds. At 31 March 2020, £nil (2019 - £36,999k) was outstanding to LDC Funds and £nil (2019 - £3,248k) to key management personnel.

There is accrued interest of £nil (2019 - £4,182k) in relation to LDC loan notes and £nil (2019 - £570k) in relation to other shareholder loan notes.

At 31 March 2020, there was a creditor of £nil (2019 - £25,000) included in other creditors payable to Jenifer Kirkland.

### 26. Controlling party

Bridgepoint is considered to be the controlling party by virtue of their controlling ownership of Fishawack Health Topco Ltd, the ultimate parent of Fishawack Ltd.

### 27. Subsequent event

On 7<sup>th</sup> April, the group acquired 100% of the share capital of Skysis LLC for consideration of £20.7m.