

Registered number: 03456683

**AYMING UK LIMITED  
ANNUAL REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2019**



**AYMING UK LIMITED**  
**COMPANY INFORMATION**

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**Directors**

H M Amar  
M Hook

**Registered number**

03456683

**Registered office**

1st Floor  
7-10 Chandos Street  
London  
W1G 9DQ

**Trading Address**

4 More London Riverside  
London  
SE1 2AU

**Independent auditors**

PricewaterhouseCoopers LLP  
1 Embankment Place  
London  
WC2N 6RH

# AYMING UK LIMITED

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# **AYMING UK LIMITED**

## **STRATEGIC REPORT**

### **FOR THE YEAR ENDED 31 DECEMBER 2019**

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#### **Introduction**

The directors present their strategic report for the year ended 31 December 2019.

#### **Business review**

Ayming UK Limited (the 'company') offers a range of consultancy and advisory services, covering R&D tax credits, innovation grant funding, procurement & supply chain and operational efficiency.

2019 has been another positive year in terms of re-engineering our business to support our shift towards a higher end client base. Our investment in our strategic procurement and supply chain practice continued during the year as the UK contributes further to significant change and digitalisation of our Group.

Whilst revenue in our innovation business did not grow as much as planned, the quality of the revenue and future pipeline is better than expected. Strategic investments in new process digitalisation and business offering developments as well as lower intercompany management fees resulted in total revenue of £7,734,374 (2018: £6,902,452) and a profit after tax of £159,788 (2018: loss of £253,418) which is broadly in line with forecasts.

#### **Principal and financial risks and uncertainties**

##### **Treasury operations and financial instruments**

The company's principal financial instruments include financial assets and liabilities such as trade debtors and trade creditors arising directly from operations.

##### **Liquidity risk**

The company manages its cash in order to ensure that at any point the company has sufficient liquid resources to meet the operating needs of the business.

##### **Market risk**

Both our practices operate to unlock additional financial value for our clients and are seeing increased demand for their services. Whilst there is always a risk that the UK Government could remove or reduce the generosity of the Research & Development incentives available, this is highly unlikely given both the importance to the UK economy of these incentives and the fact that they continue to improve the benefits over time, most recently in March 2020.

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

The company does not currently see any change in business performance and has adapted seamlessly to remote working activity with our staff and clients. As such we see no business downturn or going concern issue at present.

#### **Financial key performance indicators**

The company uses two KPI's, revenue and operating profit, both shown on the profit and loss account. Revenue grew in our core offering, the overall revenue has increased by 12.1% to £7,734,374 (2018: £6,902,452). The largest revenue growth came from our investment in our Procurement & Supply Chain practice.

Even though revenue increased during the year, and whilst we continued to invest in new offerings and digitalisation, our focus on cost control delivered a better operating profit than expected. Operating profit for the year 2019 was £187,554 (2018: loss of £230,719).

At the balance sheet date, the company had a net asset value on the balance sheet of £252,942 (2018: £93,154).

# AYMING UK LIMITED

## STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

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### Other key performance indicators

The company's pipeline and order book have grown, as we continue to adapt our services to the changing innovation and management consulting markets within the UK.

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



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**M Hook**  
Director

Date: 01/06/2020

# **AYMING UK LIMITED**

## **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2019**

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The directors present their report and the financial statements for the year ended 31 December 2019.

### **Review of business, risks and uncertainties and future developments**

Please refer to the Strategic Report and the notes to the financial statements for disclosures relating to the activities of the business, risks and uncertainties and future developments.

### **Results and dividends**

The profit for the year, after taxation, amounted to £159,788 (2018 : loss £253,418).

The directors do not recommend payment of a final dividend.

### **Directors**

The directors of the company who were in office during the year and up to the date of signing the financial statements were:

H M Amar  
M Hook

### **Events after the statement of financial position date**

The outbreak of COVID-19 accelerated during the first quarter of 2020. This event was classified as a non-adjusting event for accounting purposes. Further information of the company's consideration of this is set out in note 21. There are no other material events after the reporting period to disclose.

### **Directors' confirmations**

In the case of each director at the time when this Directors' report is approved has confirmed that:

- so far as they are aware, there is no relevant audit information of which the company's auditors are unaware, and
- they have 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's auditors are aware of that information.

The statement of directors' responsibilities is set out on page 5 and comprises part of this Directors' report.

### **Going Concern**

During the year, the company received financial support from AL-FIN (a direct subsidiary of Alma Luxembourg SARL). The company remains reliant on its ultimate parent company for this continued support. The directors have confirmed this continued support and taken into account the recent impacts of Covid-19 on performance and outlook. The directors are confident that Ayming UK Limited has adequate resources to continue in operational existence for at least the next 12 months from the date of this report, and for the foreseeable future, and are therefore satisfied that the financial statements have been properly prepared on a going concern basis. Refer note 2.1 to the financial statements disclosures related to going concern.

### **Independent Auditors**

The auditors, PricewaterhouseCoopers LLP, were appointed during the year and will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

**AYMING UK LIMITED**  
**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

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



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**M Hook**  
Director

Date: 01/06/2020

## **AYMING UK LIMITED**

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019**

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The directors are responsible for preparing the Annual 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 prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102 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 company will continue in business.

The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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 to enable them to ensure that the financial statements comply with the Companies Act 2006.

# **Independent auditors' report to the members of Ayming UK Limited**

## **Report on the audit of the financial statements**

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### **Opinion**

In our opinion, Ayming UK Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its profit and cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report, which comprise: the Balance sheet as at 31 December 2019; the Profit and loss account, the Statement of cash flows, the Statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

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### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### *Independence*

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which 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 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.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

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### **Reporting on other information**

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

## ***Independent auditors' report to the members of Ayming UK Limited (continued)***

With respect to the Strategic report and Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

### *Strategic report and Directors' report*

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 year ended 31 December 2019 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' report.

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### **Responsibilities for the financial statements and the audit**

#### *Responsibilities of the directors for the financial statements*

As explained more fully in the Statement of directors' responsibilities in respect of the financial statements set out on page 5, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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 company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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

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

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

#### *Use of this report*

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

## **Independent auditors' report to the members of Ayming UK Limited (continued)**

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### **Other required reporting**

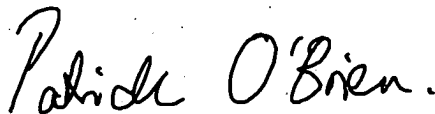
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#### **Companies Act 2006 exception reporting**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.



Patrick O'Brien (Senior Statutory Auditor)

for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
London  
3 June 2020

# AYMING UK LIMITED

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2019

	Note	2019 £	2018 £
Turnover	4	7,734,374	6,902,452
Cost of sales		(4,064,854)	(4,017,215)
<b>Gross profit</b>		<b>3,669,520</b>	<b>2,885,237</b>
Administrative expenses		(3,481,966)	(3,115,956)
<b>Operating profit/(loss)</b>		<b>187,554</b>	<b>(230,719)</b>
Interest payable and similar expenses	8	(27,766)	(22,699)
<b>Profit/(loss) before tax</b>		<b>159,788</b>	<b>(253,418)</b>
Tax on profit/(loss)	9	-	-
<b>Profit/(loss) for the financial year</b>		<b>159,788</b>	<b>(253,418)</b>

There were no recognised gains and losses for 2019 or 2018 other than those included in the profit and loss account.

The notes on pages 13 to 25 form part of these financial statements.

**AYMING UK LIMITED****BALANCE SHEET  
AS AT 31 DECEMBER 2019**

	Note	2019 £	2018 £
<b>Fixed assets</b>			
Tangible assets	11	13,949	43,776
		<u>13,949</u>	<u>43,776</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	12	6,341,610	5,597,254
Cash at bank and in hand	13	1,153,016	1,610,639
		<u>7,494,626</u>	<u>7,207,893</u>
Creditors: amounts falling due within one year	14	(7,255,633)	(7,158,515)
<b>Net current assets</b>		<u>238,993</u>	<u>49,378</u>
<b>Total assets less current liabilities</b>		<u>252,942</u>	<u>93,154</u>
<b>Net assets</b>		<u>252,942</u>	<u>93,154</u>
<b>Capital and reserves</b>			
Called up share capital	16	1,000	1,000
Share premium account		49,902	49,902
Profit and loss account		202,040	42,252
<b>Total equity</b>		<u>252,942</u>	<u>93,154</u>

The financial statements on pages 9 to 25 were approved and authorised for issue by the board of directors and were signed on its behalf by:



.....  
**M Hook**  
Director

Date: 01/06/2020

The notes on pages 13 to 25 form part of these financial statements.

# AYMING UK LIMITED

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2019

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	Called up share capital £	Share premium account £	Profit and loss account £	Total equity £
At 1 January 2018	1,000	49,902	295,670	346,572
Loss for the financial year	-	-	(253,418)	(253,418)
<b>At 31 December 2018 and 1 January 2019</b>	<b>1,000</b>	<b>49,902</b>	<b>42,252</b>	<b>93,154</b>
Profit for the financial year	-	-	159,788	159,788
<b>At 31 December 2019</b>	<b>1,000</b>	<b>49,902</b>	<b>202,040</b>	<b>252,942</b>

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The notes on pages 13 to 25 form part of these financial statements.

# AYMING UK LIMITED

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2019

	2019 £	2018 £
<b>Cash flows from operating activities</b>		
Profit/(loss) for the financial year	159,788	(253,418)
<b>Adjustments for:</b>		
Depreciation of tangible assets	30,976	35,386
Interest	27,766	22,699
(Increase) in debtors	(804,880)	(502,875)
(Increase)/decrease in amounts owed by fellow group companies	(87,794)	1,275,794
Increase/(decrease) in creditors	161,565	(273,906)
Corporation tax received	56,105	79,910
Unrealised foreign exchange	24,235	-
<b>Net cash (used in)/generated from operating activities</b>	<b>(432,239)</b>	<b>383,590</b>
<b>Cash flows from investing activities</b>		
Purchase of tangible fixed assets	(1,149)	-
<b>Net cash (used in) investing activities</b>	<b>(1,149)</b>	<b>-</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(433,388)</b>	<b>383,590</b>
Cash and cash equivalents at beginning of year	1,610,639	1,227,049
Foreign exchange gains and losses	(24,235)	-
<b>Cash and cash equivalents at the end of year</b>	<b>1,153,016</b>	<b>1,610,639</b>
<b>Cash and cash equivalents at the end of year comprise:</b>		
Cash at bank and in hand	1,153,016	1,610,639
	<b>1,153,016</b>	<b>1,610,639</b>

The notes on pages 13 to 25 form part of these financial statements.

# AYMING UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

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### 1. General information

Ayming UK Limited is a private company limited by shares and is incorporated and domiciled in England and Wales, United Kingdom. The company number, registered office address and trading address are detailed on the company information page at the front of these financial statements.

### 2. Accounting policies

#### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historic cost modified by revaluation of financial assets and financial liabilities held at fair value through profit and loss (as applicable) 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. These financial statements contain information relating to Ayming UK Limited as an individual entity for the year ended 31 December 2019.

The following principal accounting policies have been applied consistently throughout the year other than where new policies have been adopted:

The company has prepared its financial statements on a going concern basis relying upon confirmation of continued financial support from its ultimate parent company (the 'Group') for a period of at least 12 months from the date of approval of the financial statements.

In reaching this conclusion, the directors considered the broader Group outlook and financial position:

#### COVID-19

Following the containment measures implemented by the French Government in connection with the health crisis of the epidemic of the COVID-19 from 17 March 2020, the activity of the Ayming Group significantly slowed down. These exceptional circumstances have reduced French activities even if they have the distinction of creating immediate value for its customers. Ayming and all of its subsidiaries, customers, prospects and partners are subject to major constraints with important consequences for the business. Whilst the group has significant reserves of WIP, some new customer meetings have been cancelled and not postponed at this time and therefore require re-engagement once activities on the customer site are not prohibited. Thanks to the technical resources made available to employees, the company can nevertheless continue to operate anywhere in the world, which allows it to maintain activity at 40% in France compared to the same period last year. Ayming had to adapt its organisation to these economic impacts and decided to use the partial unemployment scheme from March 17, 2020. Ayming set up work units that cut across services by business. The partial unemployment rate varies between business lines and changes every week. These measures put in place by Ayming have made it possible to benefit from the state aid available. The group has constructed a cash flow forecast taking into account these impacts, which shows that it has the financial resources to support its subsidiaries and that the operating continuity of the group and of each subsidiary is ensured.

#### 2.2 Date of issue

These financial statements were authorised on the date seen at the base of the balance sheet.

Under section 454 of the Companies Act 2006, the directors can amend these financial statements if they subsequently prove to be defective.

# AYMING UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

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### 2. Accounting policies (continued)

#### 2.3 Foreign currency translation

##### Functional and presentational 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 year 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 year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account except when deferred in other comprehensive income as qualifying cash flow hedges.

#### 2.4 Revenue

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

##### Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided when all of the following conditions are completed:

- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the contract; and
- the costs incurred and the costs to complete the contract can be measured reliably.

In the instance that invoices are not issued but the services being provided are considered complete, this is classified as accrued income.

In the instance that invoices are issued but the services being provided are not considered as complete, this is classified as deferred income.

# AYMING UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

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### 2. Accounting policies (continued)

#### 2.5 Operating leases: the company as lessee

Rentals paid under operating leases are charged to the profit and loss account 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.

The company has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before the date of transition to the standard 01 January 2018 to continue to be charged over the period to the first market rent review rather than the term of the lease.

#### 2.6 Finance costs

Finance costs are charged to the profit and loss account 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 Pensions

##### Defined contribution pension plan

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

The contributions are recognised as an expense in the profit and loss account when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

#### 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:

Fixtures and fittings	- 20% per annum of cost (5 years)
Office equipment	- 33% per annum of cost (3 years)

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 profit and loss account.

# AYMING UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

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### 2. Accounting policies (continued)

#### 2.9 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 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 company's cash management.

#### 2.10 Financial instruments

The company has elected to apply Sections 11 and 12 of FRS 102 in respect of financial instruments.

Financial assets and financial liabilities are recognised when the company becomes party to the contractual provisions of the instrument.

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

The company's policies for its major classes of financial assets and financial liabilities are set out below.

##### **Financial assets**

Basic financial assets, including trade and other debtors, cash and bank balances, intercompany working capital balances, and intercompany financing 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 for a similar debt instrument. Financing transactions are those in which payment is deferred beyond normal business terms or is financed at a rate of interest that is not a market rate.

*Such assets are subsequently carried at amortised cost using the effective interest method, less any impairment.*

##### **Financial liabilities**

Basic financial liabilities, including trade and other creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, 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 for a similar debt instrument. Financing transactions are those in which payment is deferred beyond normal business terms or is financed at a rate of interest that is not a market rate.

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

# AYMING UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

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### 2. Accounting policies (continued)

#### Financial instruments (continued)

##### Impairment of financial assets

Financial assets 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 profit and loss account.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between the asset's carrying amount and the best estimate of the amount the company would receive for the asset if it were to be sold at the reporting date.

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

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

##### Derecognition of financial assets and financial liabilities

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

##### Offsetting of financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

### 3. Critical accounting judgements and estimates

The directors considered whether there are any critical accounting judgements and/or estimates in the financial statements and did not identify any critical treatments to disclose.

# AYMING UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

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### 4. Turnover

An analysis of turnover by class of business is as follows:

	2019 £	2018 £
Finance and Innovation Performance	6,489,477	6,340,388
Operations Performance	1,244,897	562,064
	<u>7,734,374</u>	<u>6,902,452</u>

Analysis of turnover by country of destination:

	2019 £	2018 £
United Kingdom	6,646,128	6,802,379
Rest of the world	1,088,246	100,073
	<u>7,734,374</u>	<u>6,902,452</u>

The above turnover includes intercompany sales of £61,543 (2018: £29,024).

### 5. Auditors' remuneration

	2019 £	2018 £
Fees payable to the company's auditor for the audit of the company's annual financial statements	44,100	42,000

# AYMING UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

### 6. Employees

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

	2019 £	2018 £
Wages and salaries	4,078,620	4,058,942
Social security costs	502,740	489,934
Other pension costs	158,058	140,897
	<u>4,739,418</u>	<u>4,689,773</u>

Included within the above is key management personnel remuneration totalling £656,628 (2018: £555,332).

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

	2019 No.	2018 No.
Production	56	54
Administration	10	10
	<u>66</u>	<u>64</u>

### 7. Directors' remuneration

	2019 £	2018 £
Directors' emoluments	221,236	212,816
Company contributions to defined contribution pension schemes	8,334	9,167
	<u>229,570</u>	<u>221,983</u>

During the year retirement benefits were accruing to 1 director (2018: 1) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £229,570 (2018: £221,983).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £8,334 (2018: £9,167).

# AYMING UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

### 8. Interest payable and similar expenses

	2019 £	2018 £
Interest on amounts owed to group undertakings	27,766	22,699
	<u>27,766</u>	<u>22,699</u>

### 9. Tax on profit/(loss)

	2019 £	2018 £
<b>Taxation on profit</b>	<u>-</u>	<u>-</u>

#### Factors affecting tax charge for the year

The tax assessed for the year is lower than (2018: higher than) the standard rate of corporation tax in the UK of 19% (2018: 19%). The differences are explained below:

	2019 £	2018 £
Profit/(loss) before tax	<u>159,788</u>	<u>(253,418)</u>
Profit/(loss) multiplied by standard rate of corporation tax in the UK of 19% (2018: 19%)	30,360	(48,149)
<b>Effects of:</b>		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	8,511	2,058
Depreciation for year in excess of capital allowances	5,552	6,583
Unrelieved tax (gains)/losses carried forward	(44,423)	39,508
<b>Total tax charge for the year</b>	<u>-</u>	<u>-</u>

# AYMING UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

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### 9. Tax on profit/(loss) (continued)

At the balance sheet date the Company had total tax trading losses carried forward of £149,304 (2018: £385,578).

The Company has not recognised a deferred tax asset for the year.

A reduction to the UK corporation tax rate to 17%, effective from 1 April 2020, was substantively enacted as part of the Finance (No. 2) Act 2016 on 6 September 2016.

In November 2019, the Prime Minister announced that he intended to cancel the future reduction in corporation tax rate from 19% to 17%. On 11 March 2020, the Chancellor of the Exchequer announced that legislation would be passed to retain the current 19% rate in April 2020. Neither of these announcements constitute substantive enactment.

### 10. Analysis of net debt

	At 1 January 2019 £	Cash flows £	Other non- cash changes £	At 31 December 2019 £
Cash at bank and in hand	1,610,639	(433,388)	(24,235)	1,153,016
	<u>1,610,639</u>	<u>(433,388)</u>	<u>(24,235)</u>	<u>1,153,016</u>

# AYMING UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

### 11. Tangible assets

	Fixtures, fittings and equipment £	Office equipment £	Total £
<b>Cost or valuation</b>			
At 1 January 2019	255,828	43,934	299,762
Additions	-	1,149	1,149
At 31 December 2019	<u>255,828</u>	<u>45,083</u>	<u>300,911</u>
<b>Depreciation</b>			
At 1 January 2019	215,166	40,820	255,986
Charge for the year on owned assets	29,826	1,150	30,976
At 31 December 2019	<u>244,992</u>	<u>41,970</u>	<u>286,962</u>
<b>Net book value</b>			
At 31 December 2019	<u>10,836</u>	<u>3,113</u>	<u>13,949</u>
At 31 December 2018	<u>40,662</u>	<u>3,114</u>	<u>43,776</u>

The depreciation charge for the year of £30,976 is included in administrative expenses.

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

	2019 £	2018 £
Trade debtors	2,713,713	2,276,111
Amounts owed by group undertakings	149,448	153,866
Other debtors	123,692	145,511
Prepayments	198,579	194,038
Accrued income	3,156,178	2,827,728
	<u>6,341,610</u>	<u>5,597,254</u>

Amounts owed by group undertakings shown above are unsecured, are repayable on demand and are subject to interest at a rate of EURIBOR +1%.

# AYMING UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

### 13. Cash and cash equivalents

	2019 £	2018 £
Cash at bank and in hand	<u>1,153,016</u>	<u>1,610,639</u>

Cash at bank and in hand is measured at fair value which is calculated as amounts held on deposit at banks less any impairments. No impairments to cash balances have been made in these financial statements. All cash deposits are held at credible financial institutions.

Cash and cash equivalents include up to £632,522 (2018: £520,210) which represent VAT refunds owed to customers in the ordinary course of business against which a corresponding liability is held under other creditors in Note 14.

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

	2019 £	2018 £
Trade creditors	259,377	280,135
Amounts owed to group undertakings	4,520,304	4,584,749
Taxation and social security	630,449	674,594
Other creditors	915,431	684,500
Accruals	930,072	926,038
Deferred income	-	8,499
	<u>7,255,633</u>	<u>7,158,515</u>

Amounts owed to group undertakings shown above are unsecured, are repayable on demand and are subject to interest at a rate of EURIBOR +1%.

# AYMING UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

### 15. Financial instruments

	2019 £	2018 £
<b>Financial assets</b>		
Financial assets measured at amortised cost	<u>6,128,634</u>	<u>5,332,711</u>
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost	<u>(6,509,677)</u>	<u>(6,365,022)</u>

Financial assets measured at amortised cost comprise trade debtors of £2,713,713 (2018: £2,276,111), amounts owed by group undertakings of £149,448 (2018: £153,866), other debtors of £109,295 (2018: £75,006) and accrued income of £3,156,178 (2018: £2,827,728).

Financial liabilities measured at amortised cost comprise trade creditors of £259,377 (2018: £280,135), amounts owed to group undertakings of £4,520,304 (2018: £4,584,749), other creditors of £915,431 (2018: £684,500) and accruals of £814,565 (2018: £815,638).

### 16. Called up share capital

	2019 £	2018 £
<b>Allotted, called up and fully paid</b>		
1,000 (2018 -1,000) Ordinary shares shares of £1.00 each	<u>1,000</u>	<u>1,000</u>

### 17. Pension commitments

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in a separately administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £158,058 (2018: £140,897). Contributions totalling £47,036 (2018: £31,155) were payable to the fund at the reporting date and are included in creditors. Included in this creditor balance is £2,033 (2018: £5,103) provided for directors.

# AYMING UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

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### 18. Commitments under operating leases

In the current year, lease payments of £271,828 have been recognised as an expense (2018: £270,526).

At 31 December 2019 the company had future minimum lease payments under non-cancellable operating leases as follows:

	2019 £	2018 £
Not later than 1 year	300,025	300,025
Later than 1 year and not later than 5 years	1,200,100	1,200,100
Later than 5 years	475,039	775,064
	<u>1,975,164</u>	<u>2,275,189</u>

### 19. Related party transactions

Intercompany sales and interest on borrowings during the year, and amounts owed by and to group undertakings as at 31 December 2019 have been disclosed in note 4, 8, 12 and 14, respectively. In addition, intercompany charges of £492,159 (2018: £300,174) were incurred during the year.

### 20. Controlling party

The immediate parent company is Ayming SAS. The ultimate parent undertaking is Alma Luxembourg SARL. The results of this company will be consolidated into the financial statements of Ayming SAS which can be obtained from its registered office at 185 Avenue Des Gresillons, 92230, Gennevilliers, France. The results of Ayming UK Limited will also be consolidated into the financial statements of the ultimate parent company AL-FIN SAS which can be obtained from the same address.

### 21. Post balance sheet events

The outbreak of COVID-19 accelerated during the first quarter of 2020. This event was classified as a non-adjusting event for accounting purposes. Further information of the company's consideration of this is set out in the strategic report. There are no other material events after the reporting period to disclose.