

Company Registration No. 07810698 (England and Wales)

CRIMTAN HOLDINGS LIMITED
ANNUAL REPORT AND
CONSOLIDATED FINANCIAL STATEMENTS
31 DECEMBER 2019

CRIMTAN HOLDINGS LIMITED

COMPANY INFORMATION

Directors	Mr P G Goad Mr Y Staroselsky
Company number	07810698
Registered office	Thomas House Ecclestone Square London SW1V 1PX
Auditor	Moorgate Chartered Accountants, Statutory Auditor Moorgate House 7b Station Road West Oxted Surrey UK RH8 9EE

CRIMTAN HOLDINGS LIMITED

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CRIMTAN HOLDINGS LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2019

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

We are very pleased to see in 2019 the positive results from our two-year transition plan designed to address the companies challenges with its customer mix, product offerings, geographic footprint, and operational structure.

In 2019, we have continued to invest in our proprietary technology to build out a market leading platform that pulls together audience, creative and investment capabilities into one single unified platform. The company has also made significant progress in delivering a consented and compliant solution – ActiveID, to meet the ever-increasing challenges of industry regulation and privacy. Our continued programme of development to standardise and automate key operational processes has allowed the company to streamline its costs and find significant operational efficiencies.

It is extremely encouraging to see that 2019 has delivered positive profit and loss numbers which we feel has returned an acceptable bottom line. We do expect 2020 to be a difficult and challenging year, however the structural and operational changes in place will allow the business to trade efficiently and resiliently.

We thank our staff and stakeholders for their continued support.

On behalf of the board

Mr P G Goad
Director
24 February 2021

CRIMTAN HOLDINGS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2019

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

Principal activities

The principal activity of the company and group continued to be the supply of behaviourally targeted marketing and advertising.

Results and dividends

The results for the year are set out on page 7.

No ordinary dividends were paid. The directors do not recommend payment of a further dividend.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr P G Goed
Mr Y Staroselsky

Auditor

In accordance with the company's articles, a resolution proposing that Moorgate Accountancy Ltd (Statutory Auditor) be reappointed as auditor of the group will be put at a General Meeting.

Energy and carbon report

As the group has not consumed more than 40,000 kWh of energy in this reporting period, it qualifies as a low energy user under these regulations and is not required to report on its emissions, energy consumption or energy efficiency activities.

Statement of directors' responsibilities

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 elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

CRIMTAN HOLDINGS LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the company is aware of that information.

On behalf of the board

Mr P G Goad
Director

24 February 2021

CRIMTAN HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CRIMTAN HOLDINGS LIMITED

Opinion

We have audited the financial statements of Crimtan Holdings Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2019 which comprise the group profit and loss account, the group statement of comprehensive income, the group balance sheet, the company balance sheet, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 the parent company's affairs as at 31 December 2019 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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's or the 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.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. 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.

CRIMTAN HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF CRIMTAN HOLDINGS LIMITED

Opinions on other matters prescribed by the Companies Act 2006

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

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

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 the directors' report.

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

- adequate accounting records have not been kept 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.

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 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 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.

CRIMTAN HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF CRIMTAN HOLDINGS LIMITED

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Peter Seed FCA (Senior Statutory Auditor)
for and on behalf of Moorgate Accountancy Ltd (Statutory Auditor)**

24 February 2021

Moorgate House
7b Station Road West
Oxted
Surrey
UK
RH8 9EE

CRIMTAN HOLDINGS LIMITED

GROUP PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2019

	Notes	2019 £	2018 £
Turnover	3	14,450,819	14,279,308
Cost of sales		(7,153,305)	(9,759,691)
Gross profit		<u>7,297,514</u>	<u>4,519,617</u>
Administrative expenses		(5,881,783)	(5,850,206)
Other operating income		4,328	16,281
Operating profit/(loss)	4	<u>1,420,059</u>	<u>(1,314,308)</u>
Interest receivable and similar income	8	58	11
Interest payable and similar expenses	9	(159,170)	(256,966)
Profit/(loss) before taxation		<u>1,260,947</u>	<u>(1,571,263)</u>
Tax on profit/(loss)	10	9,874	327,954
Profit/(loss) for the financial year		<u><u>1,270,821</u></u>	<u><u>(1,243,309)</u></u>
Profit/(loss) for the financial year is attributable to:			
- Owners of the parent company		1,289,231	(1,227,868)
- Non-controlling interests		(18,410)	(15,441)
		<u><u>1,270,821</u></u>	<u><u>(1,243,309)</u></u>

CRIMTAN HOLDINGS LIMITED

GROUP STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2019

	2019	2018
	£	£
Profit/(loss) for the year	1,270,821	(1,243,309)
Other comprehensive income		
Currency translation differences	7,901	(27,342)
Total comprehensive income for the year	<u>1,278,722</u>	<u>(1,270,651)</u>
Total comprehensive income for the year is attributable to:		
- Owners of the parent company	1,297,132	(1,255,210)
- Non-controlling interests	(18,410)	(15,441)
	<u>1,278,722</u>	<u>(1,270,651)</u>

CRIMTAN HOLDINGS LIMITED

GROUP BALANCE SHEET

AS AT 31 DECEMBER 2019

	Notes	2019		2018	
		£	£	£	£
Fixed assets					
Intangible assets	11		3,512,332		3,068,580
Tangible assets	12		5,939		96,791
			<u>3,518,271</u>		<u>3,165,371</u>
Current assets					
Debtors	15	2,981,822		2,831,897	
Cash at bank and in hand		695,564		120,394	
		<u>3,677,386</u>		<u>2,952,291</u>	
Creditors: amounts falling due within one year	16	<u>(5,264,737)</u>		<u>(5,401,434)</u>	
Net current liabilities			<u>(1,587,351)</u>		<u>(2,449,143)</u>
Total assets less current liabilities			1,930,920		716,228
Creditors: amounts falling due after more than one year	17		<u>(594,753)</u>		<u>(658,783)</u>
Net assets			<u>1,336,167</u>		<u>57,445</u>
Capital and reserves					
Called up share capital	21		104		104
Revaluation reserve			418,627		418,627
Profit and loss reserves			937,115		(360,017)
			<u>1,355,846</u>		<u>58,714</u>
Equity attributable to owners of the parent company			1,355,846		58,714
Non-controlling interests			<u>(19,679)</u>		<u>(1,269)</u>
			<u>1,336,167</u>		<u>57,445</u>

The financial statements were approved by the board of directors and authorised for issue on 24 February 2021 and are signed on its behalf by:

Mr P G Goed
Director

CRIMTAN HOLDINGS LIMITED

COMPANY BALANCE SHEET

AS AT 31 DECEMBER 2019

	Notes	2019		2018	
		£	£	£	£
Fixed assets					
Intangible assets	11	2,183,999		1,478,479	
Tangible assets	12	-		7,788	
Investments	13	43,451		43,439	
		<u>2,227,450</u>		<u>1,529,706</u>	
Current assets					
Debtors	15	1,899,579		2,262,651	
Cash at bank and in hand		135,715		18,576	
		<u>2,035,294</u>		<u>2,281,227</u>	
Creditors: amounts falling due within one year	16	<u>(3,071,340)</u>		<u>(3,540,095)</u>	
Net current liabilities			<u>(1,036,046)</u>		<u>(1,258,868)</u>
Total assets less current liabilities			1,191,404		270,838
Creditors: amounts falling due after more than one year	17		-		(108,923)
Net assets			<u>1,191,404</u>		<u>161,915</u>
Capital and reserves					
Called up share capital	21		104		104
Profit and loss reserves			1,191,300		161,811
Total equity			<u>1,191,404</u>		<u>161,915</u>

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £1,029,488 (2018 - £233,626 loss).

The financial statements were approved by the board of directors and authorised for issue on 24 February 2021 and are signed on its behalf by:

Mr P G Goad
Director

Company Registration No. 07810698

CRIMTAN HOLDINGS LIMITED

GROUP STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2019

	Share capital	Revaluation reserves	Profit and loss reserves	Non-controlling interest	Controlling interest	Total
	£	£	£	£	£	£
Balance at 1 January 2018	104	418,627	895,193	1,313,924	14,172	1,328,096
Year ended 31 December 2018:						
Loss for the year	-	-	(1,227,868)	(1,227,868)	(15,441)	(1,243,309)
Other comprehensive income:						
Currency translation differences	-	-	(27,342)	(27,342)	-	(27,342)
Total comprehensive income for the year	-	-	(1,255,210)	(1,255,210)	(15,441)	(1,270,651)
Balance at 31 December 2018	104	418,627	(360,017)	58,714	(1,269)	57,445
Year ended 31 December 2019:						
Profit for the year	-	-	1,289,231	1,289,231	(18,410)	1,270,821
Other comprehensive income:						
Currency translation differences	-	-	7,901	7,901	-	7,901
Total comprehensive income for the year	-	-	1,297,132	1,297,132	(18,410)	1,278,722
Balance at 31 December 2019	104	418,627	937,115	1,355,846	(19,679)	1,336,167

CRIMTAN HOLDINGS LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2019

	Share capital	Profit and loss reserves	Total
	£	£	£
Balance at 1 January 2018	104	395,437	395,541
	<hr/>	<hr/>	<hr/>
Year ended 31 December 2018:			
Loss and total comprehensive income for the year	-	(233,626)	(233,626)
	<hr/>	<hr/>	<hr/>
Balance at 31 December 2018	104	161,811	161,915
	<hr/>	<hr/>	<hr/>
Year ended 31 December 2019:			
Profit and total comprehensive income for the year	-	1,029,489	1,029,489
	<hr/>	<hr/>	<hr/>
Balance at 31 December 2019	104	1,191,300	1,191,404
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

CRIMTAN HOLDINGS LIMITED

GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2019

		2019		2018	
	Notes	£	£	£	£
Cash flows from operating activities					
Cash generated from operations	25	1,714,540		409,053	
Interest paid		(159,170)		(256,966)	
Income taxes (paid)/refunded		-		187,476	
Net cash inflow from operating activities		<u>1,555,370</u>		<u>339,563</u>	
Investing activities					
Capitalisation of development cost		(1,007,412)		(853,733)	
Purchase of tangible fixed assets		-		(1,262)	
Purchase of subsidiaries		-		(42,794)	
Interest received		58		11	
Net cash used in investing activities		<u>(1,007,354)</u>		<u>(897,778)</u>	
Financing activities					
Proceeds from /(repayment of) loans		43,234		313,868	
Net cash generated from financing activities		<u>43,234</u>		<u>313,868</u>	
Net increase/(decrease) in cash and cash equivalents		<u>591,250</u>		<u>(244,347)</u>	
Cash and cash equivalents at beginning of year		54,041		298,388	
Cash and cash equivalents at end of year		<u><u>645,291</u></u>		<u><u>54,041</u></u>	
Relating to:					
Cash at bank and in hand		695,564		120,394	
Bank overdrafts included in creditors payable within one year		(50,273)		(66,353)	

CRIMTAN HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

Company information

Crimtan Holdings Limited ("the company") is a private limited company domiciled and incorporated in England and Wales. The registered office is Thomas House, Ecclestone Square, London, SW1V 1PX.

The group consists of Crimtan Holdings Limited and all of its subsidiaries.

1.1 Accounting convention

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

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Business combinations

In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date. Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date. Investments in subsidiaries, joint ventures and associates are accounted for at cost less impairment.

Deferred tax is recognised on differences between the value of assets (other than goodwill) and liabilities recognised in a business combination accounted for using the purchase method and the amounts that can be deducted or assessed for tax, considering the manner in which the carrying amount of the asset or liability is expected to be recovered or settled. The deferred tax recognised is adjusted against goodwill or negative goodwill.

1.3 Basis of consolidation

The consolidated group financial statements consist of the financial statements of the parent company Crimtan Holdings Limited together with all entities controlled by the parent company (its subsidiaries) and the group's share of its interests in joint ventures and associates.

All financial statements are made up to 31 December 2019. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

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

Entities in which the group holds an interest and which are jointly controlled by the group and one or more other venturers under a contractual arrangement are treated as joint ventures. Entities other than subsidiary undertakings or joint ventures, in which the group has a participating interest and over whose operating and financial policies the group exercises a significant influence, are treated as associates.

CRIMTAN HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

(Continued)

Investments in joint ventures and associates are carried in the group balance sheet at cost plus post-acquisition changes in the group's share of the net assets of the entity, less any impairment in value. The carrying values of investments in joint ventures and associates include acquired goodwill.

If the group's share of losses in a joint venture or associate equals or exceeds its investment in the joint venture or associate, the group does not recognise further losses unless it has incurred obligations to do so or has made payments on behalf of the joint venture or associate.

Unrealised gains arising from transactions with joint ventures and associates are eliminated to the extent of the group's interest in the entity.

1.4 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.5 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1.6 Research and development expenditure

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

1.7 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Development costs	10 years
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1.8 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

CRIMTAN HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

(Continued)

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and equipment	18% reducing balance
Fixtures and fittings	18% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the profit and loss account.

1.9 Fixed asset investments

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

In the parent company financial statements, investments in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The group considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Investments in associates are initially recognised at the transaction price (including transaction costs) and are subsequently adjusted to reflect the group's share of the profit or loss, other comprehensive income and equity of the associate using the equity method. Any difference between the cost of acquisition and the share of the fair value of the net identifiable assets of the associate on acquisition is recognised as goodwill. Any unamortised balance of goodwill is included in the carrying value of the investment in associates.

Losses in excess of the carrying amount of an investment in an associate are recorded as a provision only when the company has incurred legal or constructive obligations or has made payments on behalf of the associate.

In the parent company financial statements, investments in associates are accounted for at cost less impairment.

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

1.10 Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

CRIMTAN HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

(Continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.11 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.12 Financial instruments

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

Financial instruments are recognised in the group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally 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.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method 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. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

CRIMTAN HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

(Continued)

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

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

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

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 group after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including 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. Financial liabilities classified as payable within one year are not amortised.

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

CRIMTAN HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies (Continued)

Derecognition of financial liabilities

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

1.13 Equity instruments

Equity instruments issued by the group are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

1.14 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset if, and only if, there is a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.15 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.16 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.17 Leases

CRIMTAN HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

(Continued)

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

1.18 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Turnover and other revenue

	2019	2018
	£	£
Other significant revenue		
Interest income	58	11
	<u>58</u>	<u>11</u>
	2019	2018
	£	£
Turnover analysed by geographical market		
UK	8,325,807	7,447,803
Europe	2,442,207	1,073,723
North America	377,558	381,467
Asia Pacific	3,305,247	5,376,315
	<u>14,450,819</u>	<u>14,279,308</u>

CRIMTAN HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

4 Operating profit/(loss)	2019	2018
	£	£
Operating profit/(loss) for the year is stated after charging:		
Exchange losses	74,311	71,745
Depreciation of owned tangible fixed assets	18,163	20,998
Loss on disposal of tangible fixed assets	77,425	-
Amortisation of intangible assets	563,660	456,809
Operating lease charges	323,858	322,620
	<u> </u>	<u> </u>

5 Auditor's remuneration	2019	2018
	£	£
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the group and company	17,500	17,000
Audit of the financial statements of the company's subsidiaries	35,742	45,613
	<u> </u>	<u> </u>
	<u>53,242</u>	<u>62,613</u>

6 Employees				
The average monthly number of persons (including directors) employed by the group and company during the year was:				
	Group		Company	
	2019	2018	2019	2018
	Number	Number	Number	Number
Administration and project managers	21	30	5	8
Development	35	35	6	6
IT and support	4	4	2	2
Marketing	1	1	1	1
Sales	11	11	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	<u>72</u>	<u>81</u>	<u>14</u>	<u>17</u>

CRIMTAN HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

6 Employees (Continued)

Their aggregate remuneration comprised:

	Group 2019 £	2018 £	Company 2019 £	2018 £
Wages and salaries	3,044,260	3,608,258	815,568	1,229,747
Social security costs	377,732	521,777	158,541	267,969
Pension costs	24,694	15,561	9,009	7,490
	<u>3,446,686</u>	<u>4,145,596</u>	<u>983,118</u>	<u>1,505,206</u>

7 Directors' remuneration

	2019 £	2018 £
Directors' emoluments	200,000	145,306
	<u>200,000</u>	<u>145,306</u>

Remuneration disclosed above includes the following amounts paid to the highest paid director:

	2019 £	2018 £
Directors' emoluments	105,000	100,000
	<u>105,000</u>	<u>100,000</u>

8 Interest receivable and similar income

	2019 £	2018 £
Interest income		
Interest on bank deposits	58	11
	<u>58</u>	<u>11</u>

Investment income includes the following:

Interest on financial assets not measured at fair value through profit or loss	58	11
	<u>58</u>	<u>11</u>

CRIMTAN HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

9	Interest payable and similar expenses		
		2019	2018
		£	£
	Interest on financial liabilities measured at amortised cost:		
	Interest on bank overdrafts and loans	21,393	30,218
	Interest on invoice finance arrangements	79,601	-
	Other interest on financial liabilities	43,309	224,405
		<u>144,303</u>	<u>254,623</u>
	Other finance costs:		
	Other interest	14,867	2,343
		<u>159,170</u>	<u>256,966</u>
	Total finance costs	<u>159,170</u>	<u>256,966</u>
10	Taxation		
		2019	2018
		£	£
	Current tax		
	UK corporation tax on profits for the current period	(103,728)	(230,308)
	Adjustments in respect of prior periods	(35,552)	-
		<u>(139,280)</u>	<u>(230,308)</u>
	Total UK current tax	<u>(139,280)</u>	<u>(230,308)</u>
	Foreign current tax on profits for the current period	31,325	-
		<u>31,325</u>	<u>-</u>
	Total current tax	<u>(107,955)</u>	<u>(230,308)</u>
	Deferred tax		
	Origination and reversal of timing differences	435	-
	Write down or reversal of write down of deferred tax asset	97,646	(97,646)
		<u>98,081</u>	<u>(97,646)</u>
	Total deferred tax	<u>98,081</u>	<u>(97,646)</u>
	Total tax credit	<u>(9,874)</u>	<u>(327,954)</u>

CRIMTAN HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

10 Taxation (Continued)

The actual credit for the year can be reconciled to the expected charge/(credit) for the year based on the profit or loss and the standard rate of tax as follows:

	2019 £	2018 £
Profit/(loss) before taxation	1,260,947	(1,571,263)
Expected tax charge/(credit) based on the standard rate of corporation tax in the UK of 19.00% (2018: 19.00%)	239,580	(298,540)
Tax effect of expenses that are not deductible in determining taxable profit	(233,257)	181,492
Tax effect of income not taxable in determining taxable profit	(22,490)	-
Tax effect of utilisation of tax losses not previously recognised	(116,012)	-
Unutilised tax losses carried forward	10,690	28,230
Depreciation on assets not qualifying for tax allowances	3,450	3,989
Amortisation on assets not qualifying for tax allowances	107,095	86,793
Research and development tax credit	(97,011)	(232,272)
Deferred tax	98,081	(97,646)
Taxation credit	(9,874)	(327,954)

11 Intangible fixed assets

Group	Development costs £
Cost	
At 1 January 2019	4,606,238
Additions	1,007,412
At 31 December 2019	5,613,650
Amortisation and Impairment	
At 1 January 2019	1,537,658
Amortisation charged for the year	563,660
At 31 December 2019	2,101,318
Carrying amount	
At 31 December 2019	3,512,332
At 31 December 2018	3,068,580

CRIMTAN HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

11	Intangible fixed assets	(Continued)
	Company	Development costs
		£
	Cost	
	At 1 January 2019	1,956,755
	Additions	1,001,328
		<hr/>
	At 31 December 2019	2,958,083
		<hr/>
	Amortisation and impairment	
	At 1 January 2019	478,276
	Amortisation charged for the year	295,808
		<hr/>
	At 31 December 2019	774,084
		<hr/>
	Carrying amount	
	At 31 December 2019	2,183,999
		<hr/> <hr/>
	At 31 December 2018	1,478,479
		<hr/> <hr/>

12	Tangible fixed assets			
	Group	Plant and equipment	Fixtures and fittings	Total
		£	£	£
	Cost			
	At 1 January 2019	292,913	-	292,913
	Additions	(1,543)	1,539	(4)
	Disposals	(280,573)	-	(280,573)
		<hr/>	<hr/>	<hr/>
	At 31 December 2019	10,797	1,539	12,336
		<hr/>	<hr/>	<hr/>
	Depreciation and impairment			
	At 1 January 2019	196,122	-	196,122
	Depreciation charged in the year	17,756	407	18,163
	Eliminated in respect of disposals	(201,449)	(6,439)	(207,888)
		<hr/>	<hr/>	<hr/>
	At 31 December 2019	12,429	(6,032)	6,397
		<hr/>	<hr/>	<hr/>
	Carrying amount			
	At 31 December 2019	(1,632)	7,571	5,939
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
	At 31 December 2018	96,791	-	96,791
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

CRIMTAN HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

12	Tangible fixed assets	(Continued)	
	Company	Fixtures and fittings £	
	Cost		
	At 1 January 2019	13,820	
	Additions	1,471	
	Disposals	(15,291)	
	At 31 December 2019	-	
	Depreciation and impairment		
	At 1 January 2019	6,032	
	Depreciation charged in the year	407	
	Eliminated in respect of disposals	(6,439)	
	At 31 December 2019	-	
	Carrying amount		
	At 31 December 2019	-	
	At 31 December 2018	7,788	
13	Fixed asset investments		
		Group	Company
		2019	2018
		2018	2018
	Notes	£	£
	Investments in subsidiaries	-	-
		43,451	43,439
	Movements in fixed asset investments		
	Company		Shares in group undertakings £
	Cost or valuation		
	At 1 January 2019		43,439
	Additions		12
	At 31 December 2019		43,451
	Carrying amount		
	At 31 December 2019		43,451
	At 31 December 2018		43,439

CRIMTAN HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

14 Subsidiaries

Details of the company's subsidiaries at 31 December 2019 are as follows:

Name of undertaking	Registered office	Class of shares held	% Held Direct
Crimscn Tangerine Limited	1 Castle Lane, London, SW1E 6DR	Ordinary	100.00
Crimtan AU Pty Limited	160 Burntwood Lane, Caterham, Surrey, CR3 6TB	Ordinary	100.00
Crimtan CEE Limited	1 Castle Lane, London, SW1 6DR	Ordinary	90.00
Crimtan Japan Limited	16th Floor, APR Hills South, 1-4-4 Roppongi, Minato-KU, Tokyo	Ordinary	100.00
Crimtan Singapore Pte Limited	71 Robinson Road, 14-1, Singapore (068895)	Ordinary	99.00
Crimtan Technology Limited	Block 4, Harcourt Centre, Dublin, Republic of Ireland	Ordinary	100.00
Crimtech LLC	11 Komendanskyi Lane, B-3-7/3k, St Petersburg, Russia	Ordinary	90.00
Purmon Limited	1 Castle Lane, London, SW	Ordinary	100.00
Crimtan Polska	Wisłana 8 / 3, 00-317 Warszawa, Polska	Ordinary	100.00

The aggregate capital and reserves and the result for the year of the subsidiaries noted above was as follows:

Name of undertaking	Capital and Reserves £	Profit/(Loss) £
Crimscn Tangerine Limited	398,482	543,362
Crimtan AU Pty Limited	121,983	68,204
Crimtan CEE Limited	63,081	(14,512)
Crimtan Japan Limited	189,580	133,885
Crimtan Singapore Pte Limited	(747,422)	(468,130)
Crimtan Technology Limited	84,395	-
Crimtech LLC	33,417	12,001
Purmon Limited	178,778	(25,564)
Crimtan Polska	2,086	(335)

15 Debtors

	Group		Company	
	2019	2018	2019	2018
Amounts falling due within one year:	£	£	£	£
Trade debtors	2,185,313	2,248,467	201,348	393,588
Corporation tax recoverable	327,518	243,395	230,053	145,926
Amounts owed by group undertakings	-	-	1,377,944	1,563,198
Other debtors	206,513	206,473	50,280	101,052
Prepayments and accrued income	252,680	35,916	39,954	9,677
	<u>2,972,024</u>	<u>2,734,251</u>	<u>1,899,579</u>	<u>2,213,441</u>
Deferred tax asset (note 19)	9,798	97,646	-	49,210
	<u>2,981,822</u>	<u>2,831,897</u>	<u>1,899,579</u>	<u>2,262,651</u>

CRIMTAN HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

16 Creditors: amounts falling due within one year

		Group 2019	2018	Company 2019	2018
	Notes	£	£	£	£
Bank loans and overdrafts	18	50,273	66,353	-	33,521
Other borrowings	18	450,444	323,463	358,923	242,213
Trade creditors		2,278,002	2,731,135	1,731,697	1,934,940
Amounts owed to group undertakings		-	-	97,952	395,922
Corporation tax payable		-	60,628	-	-
Other taxation and social security		1,008,184	797,965	582,514	543,011
Other creditors		766,535	915,041	82,335	84,967
Accruals and deferred income		711,299	506,849	217,919	305,521
		<u>5,264,737</u>	<u>5,401,434</u>	<u>3,071,340</u>	<u>3,540,095</u>

17 Creditors: amounts falling due after more than one year

		Group 2019	2018	Company 2019	2018
	Notes	£	£	£	£
Other borrowings	18	<u>594,753</u>	<u>658,783</u>	<u>-</u>	<u>108,923</u>

18 Loans and overdrafts

		Group 2019	2018	Company 2019	2018
		£	£	£	£
Bank overdrafts		50,273	66,353	-	33,521
Other loans		1,045,197	982,246	358,923	351,136
		<u>1,095,470</u>	<u>1,048,599</u>	<u>358,923</u>	<u>384,657</u>
Payable within one year		500,717	389,816	358,923	275,734
Payable after one year		<u>594,753</u>	<u>658,783</u>	<u>-</u>	<u>108,923</u>

Loans are secured by a way of floating charge over the assets of the company. Also the director has given a personal guarantee on all loans.

CRIMTAN HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

19 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the group and company, and movements thereon:

	Assets 2019 £	Assets 2018 £
Group		
Tax losses	9,798	97,646
	<u> </u>	<u> </u>
	Assets 2019 £	Assets 2018 £
Company		
Tax losses	-	49,210
	<u> </u>	<u> </u>
	Group 2019 £	Company 2019 £
Movements in the year:		
Asset at 1 January 2019	(97,646)	(49,210)
Charge to profit or loss	87,848	49,210
	<u> </u>	<u> </u>
Asset at 31 December 2019	(9,798)	-
	<u> </u>	<u> </u>

The deferred tax asset set out above is expected to reverse within 12 months and relates to the utilisation of tax losses against future expected profits of the same period.

20 Retirement benefit schemes

	2019 £	2018 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	24,694	15,561
	<u> </u>	<u> </u>

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

21 Share capital

	2019 Number	2018 Number	2019 £	2018 £
Ordinary share capital Issued and fully paid				
A Ordinary shares of 0.1p each	85,000	85,000	85	85
B Ordinary shares of 0.1p each	19,000	19,000	19	19
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	104,000	104,000	104	104
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

CRIMTAN HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

22 Operating lease commitments

Lessee

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group 2019 £	2018 £	Company 2019 £	2018 £
Within one year	259,070	323,070	40,070	23,704
	<u>259,070</u>	<u>323,070</u>	<u>40,070</u>	<u>23,704</u>

23 Related party transactions

Transactions with related parties

The following amounts were outstanding at the reporting end date:

Amounts due to related parties	2019 £	2018 £
Group		
Owed from subsidiaries	97,952	395,921
	<u>97,952</u>	<u>395,921</u>

The following amounts were outstanding at the reporting end date:

Amounts due from related parties	2019 Balance £	2018 Balance £
Group		
Owed from subsidiaries	1,377,944	1,563,197
	<u>1,377,944</u>	<u>1,563,197</u>

24 Share options

In 2018, a total of 8,240 share options were granted under the group EMI scheme. No further options were granted subsequently. The options are cash settled on exercise. Any outstanding options automatically lapse on the tenth anniversary of the date of the grant. The options also lapse if the option holder ceases to be an employee of the Company, attempts to assign any options or becomes bankrupt.

CRIMTAN HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

25 Cash generated from group operations

	2019 £	2018 £
Profit/(loss) for the year after tax	1,270,821	(1,243,309)
Adjustments for:		
Taxation credited	(9,874)	(327,954)
Finance costs	159,170	256,966
Investment income	(58)	(11)
Loss on disposal of tangible fixed assets	77,425	-
Amortisation and impairment of intangible assets	563,660	456,809
Depreciation and impairment of tangible fixed assets	18,163	20,998
Movements in working capital:		
(Increase)/decrease in debtors	(151,463)	962,432
(Decrease)/increase in creditors	(213,304)	283,122
Cash generated from operations	<u>1,714,540</u>	<u>409,053</u>

26 Analysis of changes in net debt - group

	1 January 2019 £	Cash flows £	31 December 2019 £
Cash at bank and in hand	120,394	575,170	695,564
Bank overdrafts	(66,353)	16,080	(50,273)
	<u>54,041</u>	<u>591,250</u>	<u>645,291</u>
Borrowings excluding overdrafts	(982,246)	(62,951)	(1,045,197)
	<u>(928,205)</u>	<u>528,299</u>	<u>(399,906)</u>

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.