

REVEAL MEDIA LIMITED

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

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**REVEAL MEDIA LIMITED**

**COMPANY INFORMATION**

<b>Directors</b>	P G Osborn (resigned 1 September 2021) M I Magan-Campbell A W Field
<b>Company secretary</b>	T Miles
<b>Registered number</b>	04470201
<b>Registered office</b>	Riverview House 20 Old Bridge Street Hampton Wick Kingston Upon Thames KT1 4BU
<b>Independent auditor</b>	Cooper Parry Group Limited Chartered Accountants & Statutory Auditor MindSPACE 9 Appold Street London EC2A 2AP

**REVEAL MEDIA LIMITED**

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## REVEAL MEDIA LIMITED

### GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

#### Introduction

The directors present their strategic report together with the audited financial statements for the year ended 31 December 2021.

#### Business review

Reveal Media supplies and supports world-leading body worn video systems to customers in over 40 countries. The business is the market leader in the UK, which is at the forefront in adopting body worn video. Reveal's systems are used by the majority of UK police forces as well as prisons, local government and private security. Whilst the Group is dominant in its UK home market, it also operates in the USA, Europe and APAC through wholly-owned subsidiaries based in the USA, Germany and Hong Kong.

The results of the Group for the year show a profit before tax of £2.6M (2020: £3.2M). The shareholders' funds of the Group at 31st December 2021 total £5.8M (2020 £5.2M).

Despite challenging market conditions, the Group achieved its best ever revenue performance in 2021, with turnover rising to £13.7M a 6% year on year increase. This demonstrates the resilience of our business model and the value placed on our products by our customers.

Around 50% of revenue was derived from the UK Police segment in 2021 which enjoyed its strongest result to date. In addition, there was sound growth in Europe and UK Health and Retail which are areas of current focus for the management team.

Despite competitive pressures, margin remained very strong at 76%, slightly up on last year's 74%. In order to support the continued growth of its activities and ensure Reveal stays at the forefront of the body worn camera market, the Group increased investment in R&D, marketing and headcount during 2021. A key milestone was the launched of Reveal's new generation of cameras, the K series, during the Summer of 2021. The business continues to operate without reliance on external funding and its cash reserves at 31st December 2021 remained very sound, totalling £5.2M.

#### Financial key performance indicators

The board of directors monitors the progress of the group by reference to the following key performance indicators:

	2021	2020	
Gross margin %	76%	74%	Gross profit as a percentage of turnover
EBITDA	£2.6m	£3.2m	Earnings before interest, tax, depreciation and amortisation
Cash	£5.2m	£6.2m	Aggregate of all group cash and bank balances
Debtor Days	31	54	Trade debtors expressed in number of days outstanding
Net assets	£5.8m	£5.2m	Group capital and reserves or net assets
Staff turnover	35%	11%	Leavers in year as proportion of average number of employees

**REVEAL MEDIA LIMITED**

**GROUP STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**Principal risks and uncertainties**

The process of risk acceptance and management is addressed through a framework of policies, procedures and internal controls. All policies are subject to senior management approval and ongoing review. Compliance with regulation, legal and ethical standards is a high priority, and the Group prides itself on holding ISO27001 and Cyber Essentials Plus certification.

The principal risks affecting the business are as follows:

*Supply chain uncertainties*

The Group sells products which are principally supplied by manufacturers in China and more recently Vietnam. The logistics chain has come under considerable strain during the COVID epidemic and subsequent lockdowns by the Chinese authorities. Factors such as scarcity of components, and disruption of manufacturing activity have delayed access to stock. To reduce the impact of this threat, we have persuaded manufacturers to stockpile scarce components and have also increased our own holding of finished products. In addition, we have broadened our production base by persuading our main Chinese manufacturer to expand production from their Vietnamese factory.

*Material cost pressures*

Inflationary pressures on material costs, shipping and the strengthening of the USD (our products are purchased in USD) present a significant threat to our margins. To mitigate the impact of this, we have identified the components which are at risk of price rises and have stockpiled as much of these as practical.


*Staff turnover*

Although staff turnover was minimal in 2020, in common with many other businesses, Reveal has experienced a significant rise in leavers in 2021 driven by a post-COVID rise in vacancies and higher market salaries. In order to counter this destabilizing threat, management have introduced a series of measures including enhanced benefits packages, more robust recruitment and induction processes, continued monitoring of market salaries and great staff communication

**Future developments**

The directors feel confident about the outturn for 2022 which they expect to represent a further improvement on the 2021 performance, both in terms of revenue and profitability. It is encouraging to note that trading for the first 6 months is slightly ahead of last year.

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

DocuSigned by:  
  
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**A W Field**  
Director

Date: 13 September 2022

## REVEAL MEDIA LIMITED

### DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

The directors present their report and the financial statements for the year ended 31 December 2021.

#### Directors' responsibilities statement

The directors are responsible for preparing the group strategic report, the Directors' report and the consolidated 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the 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 the group 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 for the group's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

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

#### Results and dividends

The profit for the year, after taxation, amounted to £2,582,522 (2020 - £2,648,215).

The directors paid a final dividend of £945,658 in July 2022, which was in line with the previous year.

#### Financial overview

Despite the challenging landscape, 2021 was another year of record turnover for the Reveal Media Group.

Group turnover for the year-ended 31 December 2021 was £13.7M representing a 6% increase on the 2020 figure of £12.9M. Whilst the business continued to perform strongly in its core UK Police market, it was also pleasing to note continued progress in Europe and our Retail and Health markets which are areas of current strategic focus.

Whilst the Group's profit before tax of £2.6M was slightly below the record figure of £3.2M achieved in 2020, the reduction was entirely due to higher investment in R&D, marketing and staff costs, necessary to sustain the continued growth in the business.

#### Directors

The directors who served during the year are stated on the company information page.

#### Post balance sheet events

Details of significant events since the balance sheet date are contained in note 2.3 to the financial statements.

**REVEAL MEDIA LIMITED**

**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**Strategic report**

The group has chosen in accordance with section 414C(11) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 to set out in the group's Strategic Report information required by the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 Schedule 7 to be contained in the directors' report.

**Engagement with employees**

The Group places considerable value on the involvement of its employees and has continued to keep them informed on matters affecting them as employees and on the various factors affecting the performance of the Group. This is achieved through regular formal and informal meetings. All (non-commissioned) employees continue to participate in a Group bonus scheme linked to both personal and business performance.

To underline the value it places on employees, the Company introduced subsidised medical cover for all staff in January 2020 as well as flexibility over working from home arrangements.

**Auditor**

The auditor, Cooper Parry Group Limited, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

**Disclosure of information to auditors**

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

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

DocuSigned by:

*Alasdair Field*

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**A W Field**

Director

Date: 13 September 2022

## REVEAL MEDIA LIMITED

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF REVEAL MEDIA LIMITED

#### Opinion

We have audited the financial statements of Reveal Media Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2021, which comprise the consolidated Statement of comprehensive income, the consolidated and company Balance sheets, the consolidated and company Statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2021 and of the Group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### Basis for opinion

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

#### Conclusions relating to going concern

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

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

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

#### 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 contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## REVEAL MEDIA LIMITED

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF REVEAL MEDIA LIMITED (CONTINUED)

#### Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the group strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the group strategic report and the 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 group strategic report or the directors' report.

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

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

#### Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

## REVEAL MEDIA LIMITED

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF REVEAL MEDIA LIMITED (CONTINUED)

#### 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 Group financial statements.

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

We obtained an understanding of the key laws and regulations that are applicable to the group. We determined that the most significant laws and regulations in the context of the financial statements included but were not limited to the Companies Act 2006, United Kingdom Generally Accepted Accounting Practice and relevant tax legislation.

We also assessed which areas of the financial statements are more susceptible to misstatement. We considered the opportunities and incentives that may exist within the organisation for fraud, and identified the greatest potential for fraud in revenue recognition, particularly in respect of any manual adjustments made to revenue outside of the day to day recording of transaction and also the potential for off balance sheet items to be considered on balance sheet. We are also mandated to perform specific procedures under ISAs (UK) to respond to the risk of management override.

The primary responsibility for the prevention and detection of fraud and irregularities rests with those charged with governance of the group and management. We are not responsible for preventing irregularities. Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- We identified the laws and regulations applicable to the company through discussion with directors and other management, and from our commercial knowledge and experience;
- Identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit;

We assessed the susceptibility of the group's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

Making enquiries of management regarding any instances of known or suspected fraud or non-compliance with laws and regulations, as well as any actual or potential litigation and claims;  
Gaining an understanding of the design and implementation of the processes and controls in place within the company which are designed to prevent, detect or correct fraud or error within the financial statement

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

- Reviewed correspondence with legal and regulatory bodies where applicable;
- Performed analytical procedures to identify any unusual or unexpected relationships;
- Reviewed the detail of certain nominal accounts for indications of management override;
- Challenged the accounting treatment applied in respect of revenue recognised during the year, in particular in relation to manual adjustments made to revenue;
- Identified and tested journal entries which we considered to be unusual and may be indicative of bias on the part of management or those charged with governance, investigating the rationale behind significant or unusual transactions;
- Reviewed the minutes of meetings of management and those charged with governance;

**REVEAL MEDIA LIMITED**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF REVEAL MEDIA LIMITED (CONTINUED)**

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

We agreed the financial statements disclosures to underlying supporting documentation.

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

**Use of our report**

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



Steven Leith (Senior Statutory Auditor)

for and on behalf of

**Cooper Parry Group Limited**

Chartered Accountants  
Statutory Auditor

London

Date: 13 September 2022

## REVEAL MEDIA LIMITED

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

	Note	2021 £	2020 £
Turnover	4	13,699,276	12,936,962
Cost of sales		(3,252,396)	(3,412,177)
<b>Gross profit</b>		<b>10,446,880</b>	<b>9,524,785</b>
Administrative expenses		(7,866,144)	(6,339,214)
Exceptional items		-	(4,581)
<b>Operating profit</b>	6	<b>2,580,736</b>	<b>3,180,990</b>
Interest receivable and similar income		-	4,941
Interest payable and expenses		(10,564)	(6,267)
<b>Profit before taxation</b>		<b>2,570,172</b>	<b>3,179,664</b>
Tax on profit	10	12,350	(531,449)
<b>Profit for the financial year</b>		<b>2,582,522</b>	<b>2,648,215</b>
Exchange differences on retranslation of subsidiary undertakings		2,082	(23,381)
<b>Other comprehensive income for the year</b>		<b>2,082</b>	<b>(23,381)</b>
<b>Total comprehensive income for the year</b>		<b>2,584,604</b>	<b>2,624,834</b>

The notes on pages 16 to 33 form part of these financial statements.

**REVEAL MEDIA LIMITED**  
**REGISTERED NUMBER: 04470201**

**CONSOLIDATED BALANCE SHEET**  
**AS AT 31 DECEMBER 2021**

	Note	2021 £	2020 £
<b>Current assets</b>			
Stocks	16	1,140,777	932,648
Debtors: amounts falling due within one year	17	5,807,066	4,687,087
Cash at bank and in hand		5,190,140	6,166,353
		<u>12,137,983</u>	<u>11,786,088</u>
Creditors: amounts falling due within one year	18	<u>(3,999,437)</u>	<u>(4,511,580)</u>
<b>Net current assets</b>		<u>8,138,546</u>	<u>7,274,508</u>
<b>Total assets less current liabilities</b>		<u>8,138,546</u>	<u>7,274,508</u>
Creditors: amounts falling due after more than one year	19	(928,366)	(1,142,936)
<b>Provisions for liabilities</b>			
Other provisions	21	<u>(979,310)</u>	<u>(899,265)</u>
		<u>(979,310)</u>	<u>(899,265)</u>
<b>Net assets excluding pension asset</b>		<u>6,230,870</u>	<u>5,232,307</u>
<b>Net assets</b>		<u>6,230,870</u>	<u>5,232,307</u>
<b>Capital and reserves</b>			
Called up share capital	22	7,439	7,752
Share premium account	23	21,498	21,498
Capital redemption reserve	23	757	444
Foreign exchange reserve	23	(74,667)	(76,749)
Profit and loss account	23	6,275,843	5,279,362
<b>Equity attributable to owners of the parent company</b>		<u>6,230,870</u>	<u>5,232,307</u>
		<u>6,230,870</u>	<u>5,232,307</u>

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

DocuSigned by:  
  
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**A W Field**  
 Director

The notes on pages 16 to 33 form part of these financial statements.

**REVEAL MEDIA LIMITED**  
**REGISTERED NUMBER: 04470201**

**COMPANY BALANCE SHEET**  
**AS AT 31 DECEMBER 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Investments	15	19,983	19,983
		<u>19,983</u>	<u>19,983</u>
<b>Current assets</b>			
Stocks	16	1,140,777	932,648
Debtors: amounts falling due within one year	17	7,719,497	5,589,630
Cash at bank and in hand		4,070,331	4,665,899
		<u>12,930,605</u>	<u>11,188,177</u>
Creditors: amounts falling due within one year	18	(5,213,285)	(4,480,005)
		<u>7,717,320</u>	<u>6,708,172</u>
<b>Net current assets</b>		<b>7,717,320</b>	<b>6,708,172</b>
<b>Total assets less current liabilities</b>		<b>7,737,303</b>	<b>6,728,155</b>
Creditors: amounts falling due after more than one year	19	(299,001)	(302,305)
<b>Provisions for liabilities</b>			
Other provisions	21	(979,310)	(899,265)
		<u>(979,310)</u>	<u>(899,265)</u>
<b>Net assets excluding pension asset</b>		<b>6,458,992</b>	<b>5,526,585</b>
<b>Net assets</b>		<b>6,458,992</b>	<b>5,526,585</b>
<b>Capital and reserves</b>			
Called up share capital	22	7,439	7,752
Share premium account	23	21,498	21,498
Capital redemption reserve	23	757	444
Profit and loss account brought forward		5,496,891	4,400,466
Profit for the year		2,518,448	2,054,290
Other changes in the profit and loss account		(1,586,041)	(957,865)
		<u>6,429,298</u>	<u>5,496,891</u>
Profit and loss account carried forward		<u>6,458,992</u>	<u>5,526,585</u>

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

DocuSigned by:  
  
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**A W Field**  
 Director

The notes on pages 16 to 33 form part of these financial statements.

## REVEAL MEDIA LIMITED

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

	Called up share capital	Share premium account	Capital redemption reserve	Foreign exchange reserve	Profit and loss account	Total equity
	£	£	£	£	£	£
<b>At 1 January 2020</b>	<b>7,752</b>	<b>21,498</b>	<b>444</b>	<b>(53,369)</b>	<b>3,589,012</b>	<b>3,565,337</b>
<b>Comprehensive income for the year</b>						
Profit for the year	-	-	-	-	2,648,215	2,648,215
Exchange differences on retranslation of subsidiary undertakings	-	-	-	(23,380)	-	(23,380)
<b>Contributions by and distributions to owners</b>						
Dividends: Equity capital	-	-	-	-	(957,865)	(957,865)
<b>At 1 January 2021</b>	<b>7,752</b>	<b>21,498</b>	<b>444</b>	<b>(76,749)</b>	<b>5,279,362</b>	<b>5,232,307</b>
<b>Comprehensive income for the year</b>						
Profit for the year	-	-	-	-	2,582,522	2,582,522
Exchange differences on retranslation of subsidiary undertakings	-	-	-	2,082	-	2,082
<b>Contributions by and distributions to owners</b>						
Dividends: Equity capital	-	-	-	-	(959,885)	(959,885)
Purchase of own shares	-	-	-	-	(626,156)	(626,156)
Shares redeemed during the year	(313)	-	-	-	-	(313)
Transfer between other reserves	-	-	313	-	-	313
<b>At 31 December 2021</b>	<b>7,439</b>	<b>21,498</b>	<b>757</b>	<b>(74,667)</b>	<b>6,275,843</b>	<b>6,230,870</b>

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## REVEAL MEDIA LIMITED

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

	Called up share capital	Share premium account	Capital redemption reserve	Profit and loss account	Total equity
	£	£	£	£	£
At 1 January 2021	7,752	21,498	444	5,496,891	5,526,585
<b>Comprehensive income for the year</b>					
Profit for the year	-	-	-	2,518,448	2,518,448
<b>Contributions by and distributions to owners</b>					
Dividends: Equity capital	-	-	-	(959,885)	(959,885)
Purchase of own shares	-	-	-	(626,156)	(626,156)
Shares redeemed during the year	(313)	-	-	-	(313)
Transfer between other reserves	-	-	313	-	313
<b>At 31 December 2021</b>	<b>7,439</b>	<b>21,498</b>	<b>757</b>	<b>6,429,298</b>	<b>6,458,992</b>

COMPANY STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2020

	Called up share capital	Share premium account	Capital redemption reserve	Profit and loss account	Total equity
	£	£	£	£	£
At 1 January 2020	7,752	21,498	444	4,400,466	4,430,160
<b>Comprehensive income for the year</b>					
Profit for the year	-	-	-	2,054,290	2,054,290
<b>Contributions by and distributions to owners</b>					
Dividends: Equity capital	-	-	-	(957,865)	(957,865)
<b>At 31 December 2020</b>	<b>7,752</b>	<b>21,498</b>	<b>444</b>	<b>5,496,891</b>	<b>5,526,585</b>

The notes on pages 16 to 33 form part of these financial statements.

## REVEAL MEDIA LIMITED

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

	2021 £	2020 £
<b>Cash flows from operating activities</b>		
Profit for the financial year	2,582,522	2,648,215
<b>Adjustments for:</b>		
Impairments of goodwill	-	584,581
Interest paid	10,564	6,267
Interest received	-	(4,941)
Taxation charge	(12,350)	531,449
(Increase) in stocks	(208,129)	(737,467)
(Increase)/decrease in debtors	(981,045)	3,063,787
(Decrease) in creditors	(420,851)	(221,584)
Increase in amounts owed to groups	1,999	-
Increase in provisions	80,045	166,782
Corporation tax (paid)	(434,445)	(510,163)
Foreign exchange	2,395	(23,380)
<b>Net cash generated from operating activities</b>	<b>620,705</b>	<b>5,503,546</b>
<b>Cash flows from investing activities</b>		
Purchase of subsidiary undertaking	-	(8,010)
Interest received	-	4,941
Net cash acquired with subsidiary	-	1,014
<b>Net cash from investing activities</b>	<b>-</b>	<b>(2,055)</b>
<b>Cash flows from financing activities</b>		
Purchase of ordinary shares	(313)	-
Dividends paid	(959,885)	(957,865)
Interest paid	(10,564)	(6,267)
Share repurchase	(626,156)	-
<b>Net cash used in financing activities</b>	<b>(1,596,918)</b>	<b>(964,132)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(976,213)</b>	<b>4,537,359</b>
Cash and cash equivalents at beginning of year	6,166,353	1,628,994
<b>Cash and cash equivalents at the end of year</b>	<b>5,190,140</b>	<b>6,166,353</b>
<b>Cash and cash equivalents at the end of year comprise:</b>		
Cash at bank and in hand	5,190,140	6,166,353
	<b>5,190,140</b>	<b>6,166,353</b>

The notes on pages 16 to 33 form part of these financial statements.

## REVEAL MEDIA LIMITED

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

	At 1 January 2021 £	Cash flows £	At 31 December 2021 £
Cash at bank and in hand	6,166,353	(976,213)	5,190,140
	<u>6,166,353</u>	<u>(976,213)</u>	<u>5,190,140</u>

The notes on pages 16 to 33 form part of these financial statements.

## REVEAL MEDIA LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

#### 1. General information

Reveal Media Limited is a private limited company, limited by share capital and incorporated in England and Wales. The principal place of business and registered office address is as stated on the company information page. The principal activity of the group is detailed in the Director's report.

The financial statements are prepared in sterling (£) which is the functional currency of the group and are for the year ended 31 December 2020 (2019: year ended 31 December 2019).

#### 2. Accounting policies

##### 2.1 Basis of preparation of financial statements

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

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

The company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own statement of comprehensive income in these financial statements.

The following principal accounting policies have been applied:

##### 2.2 Basis of consolidation

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

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

In accordance with the transitional exemption available in FRS 102, the group has chosen not to retrospectively apply the standard to business combinations that occurred before the date of transition to FRS 102, being 01 January 2015.

## REVEAL MEDIA LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

#### 2. Accounting policies (continued)

##### 2.3 Coronavirus and going concern

At the balance sheet date, the group had a significant cash balance with no external debt and a strong net asset position.

Post year end trading results overall show a positive outlook for the group, they have continued to trade profitably, with a strong cash position and no external debt. In addition to this, the group has traded throughout the year with the ongoing pandemic. The group has utilised minimal government support in the form of the Coronavirus Job Retention Scheme but it has not been considered necessary to apply for any of the government backed loan schemes.

At the time of signing these accounts, the directors have considered the effect of the ongoing Coronavirus pandemic on the going concern position of the group. Whilst the extent and timeframe of the global pandemic is uncertain, given the group works in close partnership with frontline workers including the police forces and hospital workers, there is a strong demand for the group's products.

The financial forecasts prepared by the directors indicate that the group will be able to operate within the facilities available to it and will continue to trade for a period of at least 12 months from the date of signing of these accounts.

On that basis, the directors have prepared these financial statements on a going concern basis.

##### 2.4 Foreign currency translation

###### Functional and presentation currency

The company's functional and presentational currency is GBP.

###### Transactions and balances

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

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

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

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

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

## REVEAL MEDIA LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

#### 2. Accounting policies (continued)

##### 2.5 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the group and the turnover can be reliably measured. Turnover 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 turnover is recognised:

##### **Sale of goods**

Turnover from the sale of goods is recognised when all of the following conditions are satisfied:

- the group has transferred the significant risks and rewards of ownership to the buyer;
- the group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of turnover can be measured reliably;
- it is probable that the group will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

##### **Rendering of services**

Turnover from support and/or maintenance agreements, which are sold against hardware goods, are recognised on a straight line basis through-out the life of the contractual support and/or maintenance agreements.

##### 2.6 Operating leases: the group as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

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

##### 2.7 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives, which range from 3 to 6 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

##### 2.8 Interest income

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

##### 2.9 Finance costs

Finance costs are charged to profit or loss 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.

## REVEAL MEDIA LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

#### 2. Accounting policies (continued)

##### 2.10 Pensions

###### Defined contribution pension plan

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

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

##### 2.11 Current and deferred taxation

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

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

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

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

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

##### 2.12 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the group but are presented separately due to their size or incidence.

##### 2.13 Intangible assets

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

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

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

## REVEAL MEDIA LIMITED

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

## 2. Accounting policies (continued)

## 2.14 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.

The group adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the group. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

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	-	33% straight line basis
Office equipment	-	
Computer equipment	-	33% straight line basis

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

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

## 2.15 Impairment of fixed assets and goodwill

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

## 2.16 Fixed Asset Investments

**Valuation of investments**

Investments in subsidiaries are measured at cost less accumulated impairment.

**Investment in subsidiary**

On 1 January 2020 the company purchased 100% of the ordinary share capital of Calla Technology Limited, a company previously controlled by two of the directors, for £8,010. All the trade and assets of this company have been hived up into Reveal Media Limited during the year.

## REVEAL MEDIA LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

#### 2. Accounting policies (continued)

##### 2.17 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

##### 2.18 Provisions for liabilities

Provisions are made where an event has taken place that gives the group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the group becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the balance sheet.

##### 2.19 Financial instruments

The company enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities such as trade and other accounts receivable and payable and loans to and from related parties.

All financial assets and liabilities are measured at transaction price and subsequently measured at amortised cost.

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

##### 2.20 Dividends

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

REVEAL MEDIA LIMITED

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

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

The group makes estimates and assumptions concerning the future. They are also required to exercise judgement in the process of applying the group's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

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

**Valuation of stocks**

Stocks are assessed for impairment at each reporting date and provision is made for obsolete stocks on a reasonable and prudent basis.

**Provisions for other liabilities and charges**

The directors assess events that give rise to a legal or constructive obligation which may lead to an outflow of economic resources on the basis of all known facts and relying on further inquiries where necessary so as to satisfy themselves that a reliable estimate can be made of the probable outcome. Estimates made in this respect are reviewed and updated on an annual basis based on any developments taking place during the period. See note 21 for details.

**Revenue recognition**

Revenue is to some extent derived from transactions which comprise more than one separately identifiable component; being the provision of both goods and services. In such instances, the recognition criteria applicable to each identifiable component is separately applied based on the director's best estimate of the fair value attributable to each component and the period to which that component relates.

**Provision against related party balances**

During the prior year, the company has provided against a debt due from a company that was related by common control. This provision has been included as an exceptional item within the profit and loss account. This was subsequently released in the current year and has also been included as an exceptional item within the profit and loss account. The directors used their judgement to provide for this at the year end based on known facts whereby a reliable estimate was made.

**Impairment of goodwill**

Determining whether goodwill is impaired requires an estimation of the value in use of the cash generating units to which goodwill has been allocated. The value in use calculation requires the company to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. The goodwill balance was fully impaired at the balance sheet date.

## REVEAL MEDIA LIMITED

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

## 4. Turnover

The whole of the turnover is attributable to the group's principal activities, which are considered to arise from only one business segment.

Analysis of turnover by country of destination:

	2021 £	2020 £
United Kingdom	10,846,940	8,630,018
Rest of Europe	1,111,106	575,785
Rest of the world	1,741,230	3,731,159
	<u>13,699,276</u>	<u>12,936,962</u>

## 5. Exceptional items

	2021 £	2020 £
Impairment of goodwill	-	584,581
Amounts (released)/provided against debts in respect of related party	-	(580,000)
	<u>-</u>	<u>4,581</u>

## 6. Operating profit

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

	2021 £	2020 £
Research & development charged as an expense	635,011	357,242
Exchange differences	(124,643)	50,253
Other operating lease rentals	162,536	193,890
Defined contribution pension cost	67,100	69,158
Goodwill impairment charge	-	584,581
	<u>-</u>	<u>-</u>

## 7. Auditor's remuneration

	2021 £	2020 £
Fees payable to the Group's auditor and its associates for the audit of the Group's annual financial statements	26,750	26,750
<b>Fees payable to the Group's auditor and its associates in respect of:</b>		
Taxation compliance services	<u>3,000</u>	<u>3,900</u>

## REVEAL MEDIA LIMITED

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

## 8. Employees

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

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Wages and salaries	4,309,841	3,736,409	3,723,488	3,237,579
Social security costs	392,790	318,936	392,790	315,589
Cost of defined contribution scheme	76,664	77,236	76,664	68,183
	<u>4,779,295</u>	<u>4,132,581</u>	<u>4,192,942</u>	<u>3,621,351</u>

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

	Group 2021 No.	Group 2020 No.	Company 2021 No.	Company 2020 No.
Total employees	<u>69</u>	<u>65</u>	<u>54</u>	<u>51</u>

## 9. Directors' remuneration

	2021 £	2020 £
Directors' emoluments	655,366	328,471
Company contributions to defined contribution pension schemes	9,564	8,078
Amounts paid to third parties in respect of directors services	4,517	22,820
	<u>669,447</u>	<u>359,369</u>

During the year retirement benefits were accruing to 2 directors (2020 - 2) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £196,948 (2020 - £179,779).

The value of the Group's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £4,931 (2020 - £3,767).

## REVEAL MEDIA LIMITED

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

## 10. Taxation

	2021 £	2020 £
<b>Corporation tax</b>		
Current tax on profits for the year	212,453	598,105
Adjustments in respect of previous periods	(225,456)	(64,797)
	<u>(13,003)</u>	<u>533,308</u>
<b>Total current tax</b>	<u>(13,003)</u>	<u>533,308</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	653	(1,859)
<b>Total deferred tax</b>	<u>653</u>	<u>(1,859)</u>
<b>Taxation on (loss)/profit on ordinary activities</b>	<u>(12,350)</u>	<u>531,449</u>

**Factors affecting tax charge for the year**

The tax assessed for the year is the same as (2020 - the same as) the standard rate of corporation tax in the UK of 19 (2020 - 19%) as set out below:

	2021 £	2020 £
Profit on ordinary activities before tax	<u>2,570,172</u>	<u>3,185,361</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	488,333	605,218
<b>Effects of:</b>		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	6,118	(7,074)
Fixed asset differences	(929)	-
Additional deduction for R&D expenditure	(267,748)	-
Adjustments to tax charge in respect of prior periods	(225,456)	(64,797)
Adjust closing deferred tax to average rate	(465)	(87)
Other movements	(12,203)	-
Foreign tax	-	(1,811)
<b>Total tax charge for the year</b>	<u>(12,350)</u>	<u>531,449</u>

## REVEAL MEDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**10. Taxation (continued)****Factors that may affect future tax charges**

As at 31 May 2019 the substantively enacted rate for deferred tax calculation purposes was 17% and deferred taxations had been calculated at this rate.

On 11 March 2020 the Chancellor of the Exchequer announced that the tax rate reduction from 19% to 17% was no longer going to be implemented. As such, the substantively enacted rate for deferred tax calculation purposes is 19%.

On 3 March 2021, the Chancellor of the Exchequer announced that the corporation tax rate would increase to a maximum of 25% from 1 April 2023.

**11. Dividends**

	2021 £	2020 £
Equity dividends paid	<u>959,885</u>	<u>957,865</u>

**12. Parent company profit for the year**

The company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own statement of comprehensive income in these financial statements. The profit after tax of the parent company for the year was £2,518,448 (2020 - £2,054,290).

## REVEAL MEDIA LIMITED

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

## 13. Intangible assets

## Group and Company

	Development expenditure £
<b>Cost</b>	
At 1 January 2021	417,138
At 31 December 2021	<u>417,138</u>
<b>Amortisation</b>	
At 1 January 2021	417,138
At 31 December 2021	<u>417,138</u>
<b>Net book value</b>	
At 31 December 2021	<u>-</u>
At 31 December 2020	<u>-</u>

Goodwill recognised in the year upon the acquisition of Calla Technology Limited on 1 January 2020 has been fully impaired. The company was purchased for the sole purpose of synergies and the hive up of its trade and assets into Reveal Media Limited upon the acquisition and the intention for the company to become dormant going forward.

## REVEAL MEDIA LIMITED

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

## 14. Tangible fixed assets

## Group and Company

	Fixtures and fittings £	Office equipment £	Total £
<b>Cost</b>			
At 1 January 2021	2,401	14,835	17,236
At 31 December 2021	2,401	14,835	17,236
<b>Depreciation</b>			
At 1 January 2021	2,401	14,835	17,236
At 31 December 2021	2,401	14,835	17,236
<b>Net book value</b>			
At 31 December 2021	-	-	-
At 31 December 2020	-	-	-

## 15. Fixed asset investments

## Company

	Investments in subsidiary companies £
<b>Cost</b>	
At 1 January 2021	19,983
At 31 December 2021	19,983

On the 1 January 2020 Reveal Media Limited acquired Calla Technology Limited, with all of the trade and assets being subsequently hived up into Reveal Media Limited.

On 28 June 2021, an agreement of the members of Calla Technology Limited was given for the audit exemption under section 479A of the Companies Act 2006.

## REVEAL MEDIA LIMITED

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

## 15. Fixed asset investments (continued)

## Direct subsidiary undertakings

The following were direct subsidiary undertakings of the company:

Name	Registered office	Class of shares	Holding
Reveal Media Hong Kong Limited	6/F Luk Kwok Centre, 72 Gloucester Road, Wanchai, Hong Kong	Ordinary	100%
Reveal Media USA Inc.	16th Floor Bank of America Centre, 1111 East Main Street, Richmond, Virginia	Common Stock	100%
Reveal GmbH	C/o Global Professional Services, Rathenastrasse, Zittau, Germany	Ordinary	100%
Calla Technology Limited	Riverview House Old Bridge Street, Hampton Wick, Kingston Upon Thames, England, KT1 4BU	Ordinary	100%

## Indirect subsidiary undertaking

The following was an indirect subsidiary undertaking of the company:

Name	Registered office	Class of shares	Holding
Reveal Technology (Shenzhen) Company Limited	C/o Luk Kwok Centre, 72 Gloucester Road, Wanchai, Hong Kong	Ordinary	100%

## 16. Stocks

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Finished goods and goods for resale	1,140,777	932,648	1,140,777	932,648
	<u>1,140,777</u>	<u>932,648</u>	<u>1,140,777</u>	<u>932,648</u>

Stock recognised in cost of sales during the year as an expense was £3,305,502 (2019: £2,592,669).

## REVEAL MEDIA LIMITED

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

## 17. Debtors

	Group 2021 £	Group Restated 2020 £	Company 2021 £	Company Restated 2020 £
Trade debtors	1,901,459	2,291,033	1,274,850	1,554,899
Amounts owed by group undertakings	-	-	2,659,898	1,747,626
Other debtors	3,903,670	2,393,464	3,782,812	2,284,515
Deferred taxation	1,937	2,590	1,937	2,590
	<u>5,807,066</u>	<u>4,687,087</u>	<u>7,719,497</u>	<u>5,589,630</u>

Amounts owed by group undertakings are unsecured, have no set date of repayment and attract interest at an annual rate of 10%.

Within 'Other debtors' there is a directors loan for the amount of £1,590,000 (2020:£900,000). This loan is unsecured, interest free, and repayable on a date agreed by both parties.

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

	Group 2021 £	Group Restated 2020 £	Company 2021 £	Company Restated 2020 £
Trade creditors	404,469	326,053	357,052	298,595
Amounts owed to group undertakings	-	-	1,856,366	430,710
Corporation tax	194,090	501,951	176,941	400,140
Other taxation and social security	497,171	207,264	480,866	198,498
Other creditors	296,753	241,882	244,350	237,991
Accruals and deferred income	2,606,954	3,234,430	2,097,710	2,914,071
	<u>3,999,437</u>	<u>4,511,580</u>	<u>5,213,285</u>	<u>4,480,005</u>

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

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

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Amounts owed to group undertakings	1,999	-	-	-
Accruals and deferred income	926,367	1,142,936	299,001	302,305
	<u>928,366</u>	<u>1,142,936</u>	<u>299,001</u>	<u>302,305</u>

## REVEAL MEDIA LIMITED

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

## 20. Deferred taxation

## Group

	2021 £
At beginning of year	2,590
Charged to profit or loss	(653)
<b>At end of year</b>	<b>1,937</b>

## Company

	2021 £
At beginning of year	2,590
Charged to profit or loss	(653)
<b>At end of year</b>	<b>1,937</b>

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Short term timing differences	<u>1,937</u>	<u>2,590</u>	<u>1,937</u>	<u>2,590</u>

## 21. Provisions

## Group

	Warranty Provision £	Replacement plan provision £	Total £
At 1 January 2021	462,129	437,136	899,265
Charged to profit or loss	77,718	2,327	80,045
<b>At 31 December 2021</b>	<b><u>539,847</u></b>	<b><u>439,463</u></b>	<b><u>979,310</u></b>

## REVEAL MEDIA LIMITED

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## 21. Provisions (continued)

## Company

	Other provision 1 £	Other provision 3 £	Total £
At 1 January 2021	462,129	437,136	899,265
Charged to profit or loss	77,718	2,327	80,045
<b>At 31 December 2021</b>	<b>539,847</b>	<b>439,463</b>	<b>979,310</b>

**Warranty provision**

The warranty provision represents the best estimate of the directors of the future costs to the group in fulfilling its contractual obligation to provide warranty repairs and replacements. Full provision is made in respect of these costs at the point of sale and this is released over the warranty period. The provision is expected to unwind within 12 to 18 months from the year end.

**Replacement plan provision**

The replacement plan provision represents the best estimate of the directors of the future costs to the group in fulfilling its contractual obligation to supply and install replacement wearing parts within 18 months of the date of sale for all goods sold under a specific contract. The provision is expected to unwind within 18 months from the year end.

## 22. Share capital

	2021 £	2020 £
<b>Allotted, called up and fully paid</b>		
7,439 (2020: 7,752) Ordinary shares of £1.00 each	<b>7,439</b>	<b>7,752</b>

## 23. Reserves

**Share premium account**

Includes any premiums received on the issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium.

**Capital redemption reserve**

Capital redemption reserve represents shares purchased by the company back from shareholders.

**Foreign exchange reserve**

Includes translation differences arising from the translation of the individual financial statements of the group's foreign entities into Sterling (£).

**Profit and loss account**

This reserve represents all current and prior period retained profit and losses after the payment of dividends.

## REVEAL MEDIA LIMITED

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The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £76,664 (2020: £69,158). Contributions totalling £13,267 (2020: £26,379) were payable to the fund at the balance sheet date and are included in other creditors.

**25. Commitments under operating leases**

At 31 December 2021 the group and the company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Not later than 1 year	140,417	162,536	140,417	140,236
Later than 1 year and not later than 5 years	266,769	408,304	266,769	405,393

**26. Related party transactions**

The group has taken advantage of the exemption under FRS 102 from disclosing transactions and balances with wholly owned group companies.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director. Total compensation payable to key management personnel during the year amounted to £xxx (2020: £402,612).

During the year a company owned by one director received fees for consultancy services amount to £4,517 (2020: £22,820). At the year end, there was a balance due in respect of these transactions amounting to £820 (2019: £3,483).

During the year, the company advanced £690,000 (2020: £300,000) by way of a loan to a director. This loan is unsecured, interest free, and repayable on a date agreed by both parties. The outstanding balance amounted to £1,590,000 (2020: £900,000) at 31 December 2021.

During the year, a close family member of the directors was employed by the business and received an aggregate remuneration of £72,663 (2020: £82,329). This was not considered at commercial market rate for the work performed in the business.

**27. Controlling party**

The company was under the control of A W Field throughout the current and previous year. A W Field is a director and majority shareholder.