

BE GROUP HOLDINGS (UK) LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

Company registration number 04347049 (England and Wales)

Chartered Accountants
& Statutory Auditor

BE GROUP HOLDINGS (UK) LIMITED

COMPANY INFORMATION

Director	Mr C M Bassett
Secretary	Mr M Willoughby
Company number	04347049
Registered office	Technology Business Park Moy Avenue Eastbourne East Sussex BN22 8LD
Auditor	Plummer Parsons 18 Hyde Gardens Eastbourne East Sussex BN21 4PT
Business address	Technology Business Park Moy Avenue Eastbourne East Sussex BN22 8LD

BE GROUP HOLDINGS (UK) LIMITED

CONTENTS

	Page
Strategic report	1
Director's report	2
Director's responsibilities statement	3
Independent auditor's report	4 - 7
Income statement	8
Statement of comprehensive income	9
Statement of financial position	10
Statement of changes in equity	11
Notes to the financial statements	12 - 20

BE GROUP HOLDINGS (UK) LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

The director presents the strategic report for the year ended 31 December 2021.

Review of the business

This year has seen continued profitability for the company, resulting from the rent received on the investment properties it owns and dividends received from subsidiaries. This year has also seen income resulting from usage fees from internally produced software.

Principle risks and uncertainties

The company's principle financial instruments consist of loans from subsidiary undertakings. These are used to manage the company's day-to-day working capital requirements. The relevant subsidiary undertakings have confirmed they are going to continue this support for the foreseeable future.

The company is therefore dependent on the continuing financial success of the subsidiary undertakings, but results have shown the group continues to be profitable.

Development and performance

The company continues to see steady rental income, in line with expectations based on current market rents, together with income from software usage fees.

Future developments

The company expects to see continuing profitability.

On behalf of the board

Mr C M Bassett
Director

29 September 2022

BE GROUP HOLDINGS (UK) LIMITED

DIRECTOR'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

The director presents his annual report and financial statements for the year ended 31 December 2021.

Principal activities

The company's principal activities continued to be the generation of rental income from its investments in commercial property, licensing and dividend income from its subsidiary undertakings.

Results and dividends

The results for the year are set out on page 8.

Ordinary dividends were paid amounting to £2,100,000. The director does not recommend payment of a final dividend.

Director

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

Mr C M Bassett

Auditor

Plummer Parsons were appointed as auditor to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

Strategic Report

The company has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the company's Strategic Report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the Directors' Report. It has done so in respect of future developments, financial risk management and financial instruments.

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 company's auditor 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 company's auditor is aware of that information.

On behalf of the board

Mr C M Bassett

Director

29 September 2022

BE GROUP HOLDINGS (UK) LIMITED

DIRECTOR'S RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2021

The director is responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the director is required to:

- select suitable accounting policies 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 company will continue in business.

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

On behalf of the board

Mr C M Bassett

Director

29 September 2022

BE GROUP HOLDINGS (UK) LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF BE GROUP HOLDINGS (UK) LIMITED

Opinion

We have audited the financial statements of Be Group Holdings (uk) Limited (the 'company') for the year ended 31 December 2021 which comprise the income statement, the statement of comprehensive income, the statement of financial position, the statement of changes in equity and notes to the financial statements, including 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 company's affairs as at 31 December 2021 and of its 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.

Material uncertainty related to going concern

We draw attention to note 1.2 in the financial statements, which indicates that the company meets its day to day working capital requirements through loans from its associated group companies. As stated in note 1.2, these events or conditions, along with the other matters as set forth in note 1.2, indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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

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

We have nothing to report in this regard.

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

BE GROUP HOLDINGS (UK) LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF BE GROUP HOLDINGS (UK) LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have **not** identified material misstatements in the strategic report or the director's report.

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

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

Responsibilities of director

As explained more fully in the director's responsibilities statement, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the director determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the director is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the director either intends to liquidate the company or to cease operations, or has 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.

The objectives of our audit are to identify and assess the risks of material misstatement of the financial statements due to fraud or error; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud or error; and to respond appropriately to those risks. The extent to which our procedures are capable of detecting such irregularities is detailed below:

The extent to which the audit was considered capable of detecting irregularities including fraud

Based on our understanding of the company and industry, and through discussion with the director and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations related to the Companies Act 2006, Bribery Act 2010, Data Protection Act & GDPR and other relevant legislation.

We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as FRS 102. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

BE GROUP HOLDINGS (UK) LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF BE GROUP HOLDINGS (UK) LIMITED

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements. Audit procedures performed by the engagement team included:

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations (including health and safety) and fraud, and review of the reports made by management;
- A review of relevant correspondence, including correspondence with HM Revenue & Customs, for signs of potential non-compliance with laws and regulations;
- A review of specific nominal codes within the accounting records that would highlight costs associated with non-compliance of relevant laws and regulation;
- Assessment of identified fraud risk factors;
- Challenging assumptions and judgements made by management in its significant accounting estimates;
- Performing analytical procedures to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud;
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business;
- Reading minutes of meetings of those charged with governance;
- Review of significant and unusual transactions and evaluation of the underlying financial rationale supporting the transactions;
- Identifying and testing journal entries, in particular any manual entries made at the year end for financial statement preparation, as well as throughout the year.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the company's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;
- Conclude on the appropriateness of the director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

BE GROUP HOLDINGS (UK) LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF BE GROUP HOLDINGS (UK) 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.

Steven Griffen FCA FCCA
Senior Statutory Auditor
For and on behalf of Plummer Parsons

30 September 2022

Chartered Accountants
Statutory Auditor

18 Hyde Gardens
Eastbourne
East Sussex
BN21 4PT

BE GROUP HOLDINGS (UK) LIMITED

INCOME STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021 £	2020 £
Revenue	3	567,256	557,321
Administrative expenses		(35,402)	8,420
Operating profit	4	531,854	565,741
Investment income	6	1,650,000	2,000,000
Profit before taxation		2,181,854	2,565,741
Tax on profit	7	(101,052)	(107,491)
Profit for the financial year		2,080,802	2,458,250

The income statement has been prepared on the basis that all operations are continuing operations.

BE GROUP HOLDINGS (UK) LIMITED**STATEMENT OF COMPREHENSIVE INCOME*****FOR THE YEAR ENDED 31 DECEMBER 2021***

	2021 £	2020 £
Profit for the year	2,080,802	2,458,250
Other comprehensive income	-	-
Total comprehensive income for the year	<u>2,080,802</u>	<u>2,458,250</u>

BE GROUP HOLDINGS (UK) LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Non-current assets					
Investment properties	9	2,781,014		2,781,014	
Investments	10	9,596,064		9,596,064	
		<u>12,377,078</u>		<u>12,377,078</u>	
Current assets					
Trade and other receivables	12	3,266,177		2,093,796	
Current liabilities	13	<u>(12,435,026)</u>		<u>(11,243,447)</u>	
Net current liabilities			<u>(9,168,849)</u>		<u>(9,149,651)</u>
Net assets			<u>3,208,229</u>		<u>3,227,427</u>
Equity					
Called up share capital	14		1		1
Share premium account			2,749,999		2,749,999
Retained earnings			<u>458,229</u>		<u>477,427</u>
Total equity			<u>3,208,229</u>		<u>3,227,427</u>

The financial statements were approved and signed by the director and authorised for issue on 29 September 2022

Mr C M Bassett
Director

Company Registration No. 04347049

BE GROUP HOLDINGS (UK) LIMITED

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

	Notes	Share capital £	Share premium account £	Retained earnings £	Total £
Balance at 1 January 2020		1	2,749,999	519,177	3,269,177
Year ended 31 December 2020:					
Profit and total comprehensive income for the year		-	-	2,458,250	2,458,250
Dividends	8	-	-	(2,500,000)	(2,500,000)
Balance at 31 December 2020		1	2,749,999	477,427	3,227,427
Year ended 31 December 2021:					
Profit and total comprehensive income for the year		-	-	2,080,802	2,080,802
Dividends	8	-	-	(2,100,000)	(2,100,000)
Balance at 31 December 2021		1	2,749,999	458,229	3,208,229

BE GROUP HOLDINGS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Company information

Be Group Holdings (uk) Limited is a private company limited by shares incorporated in England and Wales. The registered office is Technology Business Park, Moy Avenue, Eastbourne, East Sussex, BN22 8LD.

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.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues: Interest income/expense and net gains/losses for financial instruments not measured at fair value; basis of determining fair values; details of collateral, loan defaults or breaches; details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment': Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of Emerald Investments Ltd, a company incorporated in England & Wales. These consolidated financial statements are available on the public record at Companies House.

The company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the company as an individual entity and not about its group.

Be Group Holdings (uk) Limited is a wholly owned subsidiary of Emerald Investments Ltd, which has the same registered office address as this company and the results of Be Group Holdings (uk) Limited are included in the consolidated financial statements of that company, which are available from Companies House.

1.2 Going concern

The company meets its day to day working capital requirements through loans from group companies. On this basis, the director considers it appropriate to prepare the financial statements on the going concern basis. The financial statements do not include any adjustments that would result from a withdrawal of the loans from group companies.

BE GROUP HOLDINGS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.3 Revenue

Revenue 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 trade discounts, 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.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

1.4 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. Changes in fair value are recognised in profit or loss.

1.5 Non-current investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. 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 company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

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

1.6 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.

BE GROUP HOLDINGS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.7 Financial instruments

The company 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 company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with 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 trade and other receivables 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.

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 company 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 company after deducting all of its liabilities.

BE GROUP HOLDINGS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including trade and other payables, 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 payables 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 payables 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.

Derecognition of financial liabilities

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

1.8 Equity instruments

Equity instruments issued by the company 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 company.

1.9 Derivatives

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

1.10 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 income statement 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 company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

BE GROUP HOLDINGS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

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.

No deferred tax liabilities or assets have been recognised in these financial statements as they are considered to be immaterial in size.

1.11 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 non-current 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.

1.12 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 company's accounting policies, the director is 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.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Valuation of investment properties

The valuation of the company's investment properties requires an estimation to be made of their market value. The valuation of the properties is therefore sensitive to the assumptions made during the valuation process.

The assumptions and overall valuation are reviewed annually.

BE GROUP HOLDINGS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

3 Revenue

An analysis of the company's revenue is as follows:

	2021 £	2020 £
Revenue analysed by class of business		
Rent receivable	322,156	316,754
Licensing	245,100	240,567
	<u>567,256</u>	<u>557,321</u>

	2021 £	2020 £
Revenue analysed by geographical market		
United Kingdom	502,156	496,754
Australia	65,100	60,567
	<u>567,256</u>	<u>557,321</u>

	2021 £	2020 £
Other revenue		
Dividends received	1,650,000	2,000,000
	<u>1,650,000</u>	<u>2,000,000</u>

4 Operating profit

	2021 £	2020 £
Operating profit for the year is stated after charging:		
Fees payable to the company's auditor for the audit of the company's financial statements	2,000	-
	<u>2,000</u>	<u>-</u>

2020: The audit fees in relation to the audit of this company were settled by another company in the group, LMG Jewellery Limited.

5 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2021 Number	2020 Number
Total	<u>-</u>	<u>-</u>

BE GROUP HOLDINGS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

6 Investment income

	2021 £	2020 £
Income from fixed asset investments		
Income from shares in group undertakings	1,650,000	2,000,000
	<u>1,650,000</u>	<u>2,000,000</u>

7 Taxation

	2021 £	2020 £
Current tax		
UK corporation tax on profits for the current period	101,052	107,491
	<u>101,052</u>	<u>107,491</u>

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

	2021 £	2020 £
Profit before taxation	2,181,854	2,565,741
	<u>2,181,854</u>	<u>2,565,741</u>
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%)	414,552	487,491
Dividend income	(313,500)	(380,000)
	<u>101,052</u>	<u>107,491</u>
Taxation charge for the year	101,052	107,491
	<u>101,052</u>	<u>107,491</u>

8 Dividends

	2021 £	2020 £
Interim paid	2,100,000	2,500,000
	<u>2,100,000</u>	<u>2,500,000</u>

9 Investment property

	2021 £
Fair value	
At 1 January 2021 and 31 December 2021	2,781,014
	<u>2,781,014</u>

Investment property comprises commercial buildings. The fair value of the investment properties has been arrived at on the basis of a valuation carried out by the director. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

BE GROUP HOLDINGS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

10 Fixed asset investments

	Notes	2021 £	2020 £
Investments in subsidiaries	11	9,596,064	9,596,064

11 Subsidiaries

Separate company financial statements are required to be prepared for each subsidiary under the Companies Act 2006. Consolidated financial statements have been prepared for the group headed by Emerald Investments Ltd (ultimate parent undertaking), and are publically available via Companies House.

These financial statements are separate company financial statements for Be Group Holdings (uk) Limited.

Details of the company's subsidiaries at 31 December 2021 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Auctoriz Services Limited	England & Wales	Dormant	Ordinary	100.00	-
Be Valued Limited	England & Wales	Repairs/distribution of multimedia products	Ordinary	100.00	-
BeValued Australia Pty Ltd	Australia	Claims handling software licencing	Ordinary	100.00	-
David Powell Distribution Limited	England & Wales	Dormant	Ordinary	0	100.00
Home Options Direct Limited	England & Wales	Repair and distribution of home flooring products	Ordinary	100.00	-
LMG Jewellery (Ireland) Limited	Ireland	Dormant	Ordinary	100.00	-
LMG Jewellery Limited	England & Wales	Validation, replacement and repair of jewellery insurance claims	Ordinary	100.00	-
Loss Management Group Limited	England & Wales	Dormant	Ordinary	100.00	-
Powerplay Direct Limited	England & Wales	Dormant	Ordinary	100.00	-
Validation and Insurance Services Limited	England & Wales	Dormant	Ordinary	100.00	-

The investments in subsidiaries are all stated at cost.

The registered office address for all of the above subsidiaries is: Technology Business Park, Moy Avenue, Eastbourne, East Sussex, BN22 8LD, United Kingdom, with the exception of BeValued Australia Pty Ltd, which has a registered office address of: '11' Suite 4, 46A Macleay Street, Potts Point, NSW 2011.

BE GROUP HOLDINGS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

12 Trade and other receivables

	2021	2020
	£	£
Amounts falling due within one year:		
Corporation tax recoverable	67,915	88,816
Amounts owed by group undertakings	3,194,978	2,004,628
Prepayments and accrued income	3,284	352
	<u>3,266,177</u>	<u>2,093,796</u>

13 Current liabilities

	2021	2020
	£	£
Trade payables	35,974	55,095
Amounts owed to group undertakings	12,395,222	11,186,029
Taxation and social security	3,830	2,323
	<u>12,435,026</u>	<u>11,243,447</u>

14 Share capital

	2021	2020	2021	2020
	Number	Number	£	£
Ordinary share capital				
Issued and fully paid				
Ordinary shares of £1 each	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

15 Related party transactions

Remuneration of key management personnel

The company has taken advantage of the exemption under paragraph 1.12(e) of FRS 102 from the requirement to disclose the total of key management personnel compensation.

Other information

The company has taken advantage of the exemption under paragraph 33.1A of FRS 102 not to disclose transactions entered into between two or more members of a group where the subsidiary which is party to the transaction is wholly owned by the other party.

16 Ultimate controlling party

Emerald Investments Ltd is a company incorporated in England & Wales and is the parent undertaking for the smallest and largest group to consolidate these financial statements. Copies of accounts can be obtained from Companies House in the UK.

The ultimate controlling party is the director, Mr C M Bassett.

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.