

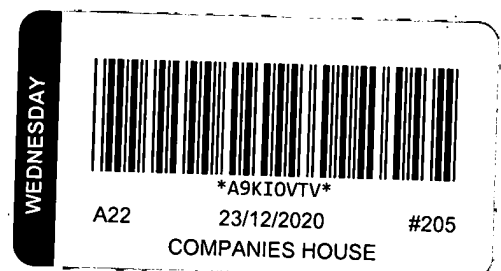
Lucid Group Communications Limited

Annual Report and Financial Statements

Year Ended

31 December 2019

Company Number 09212331



Lucid Group Communications Limited

Company Information

Directors	D O'Brien J E Steele T M Skelton
Company secretary	J E Steele
Registered number	09212331
Registered office	Burleighfield House London Road Loudwater Buckinghamshire HP10 9RF
Independent auditor	BDO LLP 55 Baker Street London W1U 7EU

Lucid Group Communications Limited

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Lucid Group Communications Limited

Strategic Report For the Year Ended 31 December 2019

The directors present their strategic report together with the audited financial statements of the company for the year ended 31 December 2019.

Principal activity

The principal activity of the company in the year under review was that of a holding company for the the Lucid Group of companies, which provide medical communications.

Review of the business and future developments

The company's investments continued to perform well during the year. The directors do not consider that any provision for impairment is required to the investment values of the shares in group undertakings.

The statement of comprehensive income set out on page 8 shows a profit for the financial year of £69,316 (2018 - loss of £8,014).

The directors are satisfied that neither the company's investments in group undertakings of £12,683,098 (2018 - £8,799,746) nor the inter-company receivables of £11,728,289 (2018 - £8,008,356) require any impairment or provisioning.

Financial and other key performance indicators

As an immediate holding company the company's principal key performance indicator is the profitability of its investments. This matter is addressed above.

Principal risks and uncertainties

The company has minimum exposure in terms of price risk, credit risk and cashflow risk. As the company has overseas subsidiaries, there is some exposure to the effects of fluctuations in foreign exchange rates.

Going concern

The wider Lucid group has not experienced any material adverse impact as a result of CV19. Our clients are largely un-affected by the impact and therefore we expect to deliver our full year revenue budget. The business was set up for Agile working and all of our people adapted to the changes quickly with little impact on productivity. The business continues to focus on their wellbeing as a priority.

The directors consider that the company has access to sufficient funding to meet its financial obligations as they fall due. In forming this decision the directors have taken into account the fact that the ultimate parent company has provided a letter confirming that it will provide financial support, should it be required, for a period of at least one year from the date of signing of these financial statements.

Post statement of financial position events

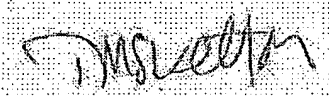
Post statement of financial position events were assessed up to the date of signing of the financial statements. In March 2020, a global pandemic due to the COVID-19 virus was announced by the World Health Organisation (WHO) that has subsequently caused governments across the world to place restrictions on people's movements, restricting international travel and imposing other restrictions. The impact of COVID-19 has been considered as part of the company's going concern assessment. Management have considered the impact on the valuation of non-current and current assets and deem it to be immaterial. The pandemic is a non-adjusting post balance sheet event for the year ended 31 December 2019.

Lucid Group Communications Limited

Strategic Report (continued) For the Year Ended 31 December 2019

This report was approved by the board on 17th December 2020

and signed on its behalf.



Toby Skelton
Director

Lucid Group Communications Limited

Directors' Report For the Year Ended 31 December 2019

The directors present their report together with the audited financial statements for the year ended 31 December 2019.

Results and dividends

The statement of comprehensive income is set out on page 8 and shows the profit for the year.

The company declared and paid dividends of £Nil during the year ended 31 December 2019 (2018 - £Nil).

Directors

The directors who served during the year and subsequent to year end were:

D O'Brien
J E Steele
T M Skelton (appointed 22 April 2020)

Going concern

For further information on going concern, see note 2.6 of the financial statements.

Directors' responsibilities statement

The directors are responsible for preparing the strategic report, the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company 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 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Lucid Group Communications Limited

Directors' Report (continued) For the Year Ended 31 December 2019

Disclosure of information to auditor

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

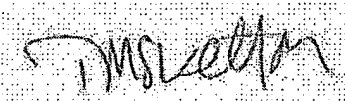
- so far as the directors are aware, there is no relevant audit information of which the company's auditor is unaware; and
- the directors have taken all the steps that ought to have been taken as directors in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Auditor

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

This report was approved by the board on 17th December 2020

and signed on its behalf.



Toby Skelton
Director

Lucid Group Communications Limited

Independent Auditor's report to the members of Lucid Group Communications Limited

Opinion

We have audited the financial statements of Lucid Group Communications Limited ("the company") for the year ended 31 December 2019 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 2019 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.

Conclusions relating to going concern

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

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

Lucid Group Communications Limited

Independent Auditor's report to the members of Lucid Group Communications Limited (continued)

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the strategic report and directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report has 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and directors' report.

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

- adequate accounting records have not been kept, 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Lucid Group Communications Limited

Independent Auditor's report to the members of Lucid Group Communications Limited (continued)

Responsibilities of directors

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

Use of our report

This report is made solely to the 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.

BDO LLP

Andrew Gandell (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
London
United Kingdom

Date: 17th December 2020

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

Lucid Group Communications Limited

Statement of Comprehensive Income For the Year Ended 31 December 2019

	Note	2019 £	2018 £
Other income		5,086,609	4,625,507
Administrative expenses		(5,057,590)	(4,625,507)
Operating profit/result	4	29,019	-
Taxation	7	40,297	(8,014)
Profit/(loss) and total comprehensive income/loss for the financial year		69,316	(8,014)

All amounts relate to continuing activities.

The notes on pages 11 to 23 form part of these financial statements.

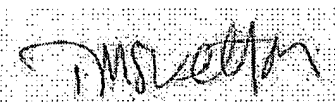
Lucid Group Communications Limited

Registered number: 09212331

Statement of Financial Position As at 31 December 2019

	Note	2019 £	2019 £	2018 £	2018 £
Fixed assets					
Tangible assets	8		676,906		194,680
Investments	9		12,683,098		8,799,746
			<u>13,360,004</u>		<u>8,994,426</u>
Current assets					
Debtors: amounts falling due within one year	10	12,060,590		9,029,662	
Cash at bank and in hand		21,033		49,240	
		<u>12,081,623</u>		<u>9,078,902</u>	
Creditors: amounts falling due within one year	11	(15,712,687)		(8,325,510)	
Net current (liabilities)/assets			<u>(3,631,064)</u>		<u>753,392</u>
Total assets less current liabilities			<u>9,728,940</u>		<u>9,747,818</u>
Provisions for liabilities					
Deferred tax	12	(2,888)		(24,025)	
Provisions	13	(64,943)		(132,000)	
Net assets			<u>9,661,109</u>		<u>9,591,793</u>
Capital and reserves					
Called up share capital	14		110		110
Share premium account	15		129,179		129,179
Merger reserve	15		6,099,645		6,099,645
Retained earnings	15		3,432,175		3,362,859
Total equity			<u>9,661,109</u>		<u>9,591,793</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 17th December 2020



Toby Skelton
Director

The notes on pages 11 to 23 form part of these financial statements.

Lucid Group Communications Limited

Statement of Changes in Equity For the Year Ended 31 December 2019

	Called up share capital	Share premium account	Merger reserve	Retained earnings	Total equity
	£	£	£	£	£
At 1 January 2019	110	129,179	6,099,645	3,362,859	9,591,793
Comprehensive income for the year					
Profit for the year	-	-	-	69,316	69,316
Total comprehensive income for the year	-	-	-	69,316	69,316
At 31 December 2019	110	129,179	6,099,645	3,432,175	9,661,109

Statement of Changes in Equity For the Year Ended 31 December 2018

	Called up share capital	Share premium account	Merger reserve	Retained earnings	Total equity
	£	£	£	£	£
At 1 January 2018	110	129,179	6,099,645	3,370,873	9,599,807
Comprehensive loss for the year					
Loss for the year	-	-	-	(8,014)	(8,014)
Total comprehensive loss for the year	-	-	-	(8,014)	(8,014)
At 31 December 2018	110	129,179	6,099,645	3,362,859	9,591,793

The notes on pages 11 to 23 form part of these financial statements.

Lucid Group Communications Limited

Notes to the Financial Statements For the Year Ended 31 December 2019

1. General information

Lucid Group Communications Limited is a private company, limited by shares, incorporated in England & Wales under the Companies Act. The address of the registered office is given on the contents page and the nature of the company's operations and its principal activity is set out in the strategic report.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

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

The presentational and functional currency of these financial statements is GBP. Values are rounded to the nearest pound.

The following principal accounting policies have been applied:

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Shoo 802AA as at 31 December 2019 and these financial statements may be obtained from 4 Abbey Orchard St, Westminster, London, SW1P 2HT.

2.3 Other income

Other income represents management charges to other group companies received and receivable during the period net of value added tax.

2.4 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Lucid Group Communications Limited

Notes to the Financial Statements For the Year Ended 31 December 2019

2. Accounting policies (continued)

2.5 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Leasehold, land and buildings	- 33% on cost
Fixtures, fittings and equipment	- 25% on cost
Computer equipment	- 33% on cost

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.

2.6 Going concern

The financial statements have been prepared using the going concern basis of accounting. The directors have reviewed the company's going concern position taking into account its current business activities, budgeted performance and factors likely to affect its future performance. Based on the information contained within the accounts and including specific consideration with the risks associated with the COVID-19 situation, the directors have reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future.

As at 31 December 2019, the company had cash resources of £21,033 (2018 - £49,240), current assets of £12,081,623 (2018 - £9,078,902), net current liabilities of £3,631,064 (2018 - assets - £753,392) and net assets of £9,661,109 (2018 - £9,591,793). In the year to 31 December 2019 the company made an operating profit and a profit before tax of £29,019 (2018 - £Nil).

In March 2020, a global pandemic due to the COVID-19 virus was announced by the World Health Organisation (WHO) that has subsequently caused governments across the world to place restrictions on people's movements, restricting international travel and imposing other restrictions, causing disruption to some businesses.

The directors have carried out a detailed stress test in order to consider how much performance would need to degrade before cash would be constrained, along with the likelihood of such a scenario occurring. After undergoing this exercise, the directors are comfortable a scenario that would result in the business not having sufficient cash reserves is extremely remote.

The directors consider that the company has access to sufficient funding to meet its financial obligations as they fall due. In forming this decision the directors have taken into account the fact that the parent company has provided a letter confirming that it will provide financial support, should it be required, for at least one year from the date of signing these accounts. In addition the company's subsidiaries are expected to continue to generate positive cash flows on their own account for the foreseeable future. As a result the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

Lucid Group Communications Limited

Notes to the Financial Statements For the Year Ended 31 December 2019

2. Accounting policies (continued)

2.7 Foreign currency translation

Transactions and balances

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

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

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

2.8 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

2.9 Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the statement of comprehensive income.

Short term employee benefits including holiday pay and annual bonuses are accrued as services become rendered.

2.10 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.11 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.12 Financial instruments

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

Trade and other debtors and creditors are classified as basic financial instruments and measured at initial recognition at transaction price. Debtors and creditors are subsequently measured at amortised cost using the effective interest rate method. A provision is established when there is objective evidence that the company will not be able to collect all amounts due.

Lucid Group Communications Limited

Notes to the Financial Statements For the Year Ended 31 December 2019

2. Accounting policies (continued)

2.12 Financial instruments (continued)

Cash and cash equivalents are classified as basic financial instruments and comprise cash in hand and at bank which are an integral part of the company's cash management.

Financial liabilities and equity instruments issued by the company are classified in accordance with the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs.

2.13 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.14 Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Lucid Group Communications Limited

Notes to the Financial Statements For the Year Ended 31 December 2019

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

The preparation of financial statements in conformity with generally accepted accounting practice requires management to make estimates and judgements that affect the reported amounts of assets and liabilities as well as the disclosure of contingent assets and liabilities at the statement of financial position date and the reported amounts of revenues and expenses during the reporting period.

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

Determining whether there are indicators of impairment of the company's investments. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the investment.

Determining whether provisions are required against amounts owed by group undertakings based on the ability of the fellow subsidiary to generate profits and cash.

4. Operating profit/result

The operating profit/result is stated after charging:

	2019	2018
	£	£
Operating lease charges	385,026	301,375
Depreciation - owned assets	149,137	117,252
Auditor's remuneration in respect of:		
- Audit	99,775	42,000
- Non audit services	14,965	8,000
Exchange differences	49,983	77,945

Lucid Group Communications Limited

Notes to the Financial Statements For the Year Ended 31 December 2019

5. Employees

Staff costs were as follows:

	2019 £	2018 £
Wages and salaries	5,571,272	5,600,345
Social security costs	608,952	561,273
Cost of defined contribution scheme	223,713	171,269
	<u>6,403,937</u>	<u>6,332,887</u>

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

	2019 No.	2018 No.
Employees	<u>106</u>	<u>111</u>

6. Directors emoluments

The directors' remuneration is borne by a fellow group company.

7. Taxation

	2019 £	2018 £
Corporation tax		
Adjustments in respect of previous periods	(19,160)	-
Total current tax	<u>(19,160)</u>	<u>-</u>
Deferred tax		
Origination and reversal of timing differences	1,303	8,014
Adjustments in respect of previous periods	(22,440)	-
Total deferred tax	<u>(21,137)</u>	<u>8,014</u>
Taxation on profit/result on ordinary activities	<u>(40,297)</u>	<u>8,014</u>

Lucid Group Communications Limited

Notes to the Financial Statements For the Year Ended 31 December 2019

7. Taxation (continued)

Factors affecting tax charge for the year

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

	2019 £	2018 £
Profit/result on ordinary activities before tax	<u>29,019</u>	<u>-</u>
Profit/result on ordinary activities multiplied by standard rate of corporation tax in the UK of 19%	5,514	-
Effects of:		
Fixed asset differences	18,921	2,111
Expenses not deductible for tax purposes	66,749	7,455
Group relief claimed	(89,728)	(608)
Adjustments to tax charge in respect of previous periods	(19,160)	-
Adjustments to tax charge in respect of previous periods - deferred tax	(22,440)	-
Adjustments to closing deferred tax to average rate of 19%	(340)	(2,826)
Adjustments to opening deferred tax to average rate of 19%	187	1,882
Total tax (credit)/charge for the year	<u><u>(40,297)</u></u>	<u><u>8,014</u></u>

Factors that may affect future tax charges

There are no factors that may affect future tax charges.

Lucid Group Communications Limited

Notes to the Financial Statements For the Year Ended 31 December 2019

8. Tangible fixed assets

	Leasehold, land and buildings £	Fixtures, fittings and equipment £	Computer equipment £	Total £
Cost				
At 1 January 2019	88,412	54,483	386,827	529,722
Additions	521,068	14,284	96,011	631,363
At 31 December 2019	<u>609,480</u>	<u>68,767</u>	<u>482,838</u>	<u>1,161,085</u>
Depreciation				
At 1 January 2019	81,400	28,302	225,340	335,042
Charge for the year	27,649	14,572	106,916	149,137
At 31 December 2019	<u>109,049</u>	<u>42,874</u>	<u>332,256</u>	<u>484,179</u>
Net book value				
At 31 December 2019	<u>500,431</u>	<u>25,893</u>	<u>150,582</u>	<u>676,906</u>
At 31 December 2018	<u>7,012</u>	<u>26,181</u>	<u>161,487</u>	<u>194,680</u>

9. Fixed asset investments

	Shares in group undertakings £
Cost and net book value	
At 1 January 2019	8,799,746
Additions	3,883,352
At 31 December 2019	<u>12,683,098</u>

Additions relate to the acquisition of Blue Dog Holdings Limited and Healthcare 21 (Holdings) Limited in the year. For full details of the acquisitions see the financial statements of Shoo 802AA Limited.

In the opinion of the directors, the aggregate value of the company's investment in subsidiary undertakings is not less than the amount included in the statement of financial position.

Lucid Group Communications Limited

Notes to the Financial Statements For the Year Ended 31 December 2019

9. Fixed asset investments (continued)

Subsidiary undertakings

The following were subsidiary undertakings of the company:

Name	Class of share held	Holding	Principal activity
Lucid Partners Limited	Ordinary	100%	Consultancy services
Leading Edge Medical Education Limited	Ordinary	100%	Consultancy services
Leading Edge Medical Education LLC	Ordinary	100%	Consultancy services
Vivid Medcomms Limited	Ordinary	100%	Consultancy services
Lucid Group Communication, Inc.	Ordinary	100%	Consultancy services
Lighthouse Medical Communications US LLC	Ordinary	100%	Consultancy services
Leading Edge US LLC	Ordinary	100%	Consultancy services
Blue Dog Design Limited	Ordinary	100%	Consultancy services
Blue Dog Holdings Limited	Ordinary	100%	Holding company
Healthcare 21 Communications Limited	Ordinary	100%	Consultancy services
Healthcare 21 (Holdings) Limited	Ordinary	100%	Holding company
Bank Source Limited	Ordinary	100%	Dormant
Healthcare 21 Communications Singapore Private Limited	Ordinary	100%	Consultancy services
Hexagon Communications 21 Limited	Ordinary	100%	Dormant
Medical Education Grants Limited	Ordinary	100%	Dormant

Lucid Group Communications Limited

Notes to the Financial Statements For the Year Ended 31 December 2019

9. Fixed asset investments (continued)

Subsidiary undertaking (continued)

The registered office of Lighthouse Medical Communications US LLC and Lucid Group Communication, Inc is 1740 Broadway, 3rd Floor, New York, NY 10019. The registered office of Leading Edge US LLC and Leading Edge Medical Education LLC is 11 Park Place, 3rd Floor, New York, NY 10007. The registered office of Healthcare 21 Communications Singapore Private Limited is 50 Raffles Place, #32-01, Singapore Land Tower, Singapore. The registered office of the remaining subsidiary undertakings is Burleighfield House, London Road, Loudwater, Buckinghamshire, England, HP10 9RF.

10. Debtors: amounts falling due within one year

	2019 £	2018 £
Amounts owed by group undertakings	11,728,289	8,008,356
Other debtors	313,141	947,064
Prepayments	-	74,242
Corporation tax	19,160	-
	<u>12,060,590</u>	<u>9,029,662</u>

11. Creditors: amounts falling due within one year

	2019 £	2018 £
Trade creditors	662,639	137,275
Amounts owed to group undertakings	12,386,712	7,665,491
Other taxation and social security	83,168	228,453
Other creditors	-	55,507
Accruals	955,818	238,784
Deferred consideration	1,624,350	-
	<u>15,712,687</u>	<u>8,325,510</u>

The deferred consideration relates to the acquisition of Blue Dog Holdings Limited and Healthcare 21 (Holdings) Limited.

Lucid Group Communications Limited

Notes to the Financial Statements For the Year Ended 31 December 2019

12. Deferred taxation

	2019 £
Balance at start of year	24,025
Credited to profit or loss during the year	(21,137)
Balance at end of year	2,888

The provision for deferred taxation is made up as follows:

	2019 £	2018 £
Fixed asset timing differences	2,888	29,960
Short term timing differences	-	(5,935)
	2,888	24,025

13. Provisions

	Dilapidations provision £
At 1 January 2019	132,000
Credited to profit or loss	(67,057)
At 31 December 2019	64,943

Lucid Group Communications Limited

Notes to the Financial Statements For the Year Ended 31 December 2019

14. Share capital

	2019 £	2018 £
Allotted, called up and fully paid		
100,000 'A' ordinary shares of £0.001 each	100	100
10,344 'B' ordinary shares of £0.001 each	10	10
	<u>110</u>	<u>110</u>

The A ordinary shares carry full voting rights, are entitled to participate in dividends, are entitled to participate in a distribution of capital (including on winding up) and carry no rights of redemption.

The B ordinary shares do not carry full voting rights, are entitled to participate in dividends subject to the consent of shareholders, are entitled to participate in a distribution of capital (including on winding up) and carry no rights of redemption.

15. Reserves

The company's capital and reserves are as follows:

Called up share capital

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

Share premium account

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

Merger Reserve

Merger reserve arose on a past business combination that was accounted for as a merger in accordance with UK GAAP as applied at that time.

Retained earnings

Retained earnings represents cumulative profits or losses net of dividends paid and other adjustments.

16. Pension commitments

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £223,713 (2018 - £171,269). There were no contributions outstanding at the reporting date.

Lucid Group Communications Limited

Notes to the Financial Statements For the Year Ended 31 December 2019

17. Commitments under operating leases

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

	2019 £	2018 £
Not later than 1 year	578,223	217,621
Later than 1 year and not later than 5 years	2,229,816	80,000
	<u>2,808,039</u>	<u>297,621</u>

18. Related party transactions

The company has taken advantage of the exemption conferred by Financial Reporting Standard 102 Section 33 "Related Party Disclosures" paragraph 33.1A not to disclose transactions with certain Group companies on the grounds that 100% of the voting rights in the company are controlled by Shoo 802AA Limited.

19. Post statement of financial position events

Post statement of financial position events were assessed up to the date of signing of the financial statements. In March 2020, a global pandemic due to the COVID-19 virus was announced by the World Health Organisation (WHO) that has subsequently caused governments across the world to place restrictions on people's movements, restricting international travel and imposing other restrictions. The impact of COVID-19 has been considered as part of the company's going concern assessment. Management have considered the impact on the valuation of non-current and current assets and deem it to be immaterial. The pandemic is a non-adjusting post balance sheet event for the year ended 31 December 2019.

20. Ultimate parent and controlling party

At the year end the directors are of the opinion that there is no one ultimate controlling party.

The largest and smallest group of undertakings for which group accounts have been drawn up is that headed by Shoo 802AA Limited. Copies of the group accounts can be obtained from Companies House, 4 Abbey Orchard St, Westminster, London SW1 P 2HT.