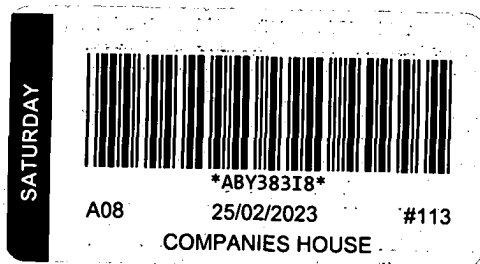


Company Registration No: 07493460 (England and Wales)

LONDON & PARTNERS LIMITED
GROUP REPORT AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2022



LONDON & PARTNERS LIMITED

COMPANY INFORMATION

Directors

R Agrawal
L F Citron
D J Field
C M Hayward
M Larizadeh
M Malhotra
E B Malingier
T Rajah
R Razavi
A M Simpson
M D Taylor
J C Wright

Company number

07493460

Registered office

169 Union Street
London
SE1 0LL

Auditor

RSM UK Audit LLP
Chartered Accountants
Third Floor
One London Square
Cross Lanes
Guildford
Surrey
GU1 1UN

LONDON & PARTNERS LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2022

The directors present their report and financial statements for the year ended 31 March 2022.

Principal activities

London & Partners Limited ("the company"), a company limited by guarantee, is the business growth and destination agency for London. The company's mission is to create economic growth that is resilient, sustainable and inclusive.

Since its formation in 2011, the company has supported the creation of over 71,000 jobs for the Capital. The company is a not-for-profit social enterprise, funded by the Mayor of London, via a grant from the Greater London Authority (GLA), European and national funds, a network of partners and other commercial ventures run by its subsidiary companies. The group is headquartered in London with offices in Beijing, Shanghai, Shenzhen, Mumbai, Bangalore, New York, Los Angeles, San Francisco, Chicago, Toronto, Berlin and Munich. The group consists of the parent company, London & Partners Limited, which undertakes the principal activity of the promotion of London, and its four wholly owned subsidiaries which operate the group's overseas branches and run the group's commercial activities.

Business review and financial position

The company is supported by a grant from the GLA and other income from the public and private sectors. During the year ended 31 March 2022, the group recorded a deficit of £0.015m which is a significant improvement from the prior year deficit of £1.058m. The improved position during the year ended 31 March 2022 included an increase in income of £1.9m across both grant income and from the provision of services. The group recorded grant income from the GLA of £14.6m (2021: £13.4m) and raised other grants of £1.2m (2021: £1.3m) and £4.4m (2021: £3.2m) of additional income. The group also generated £4.8m (2021: £2.3m) of value in kind contributions in support of its activities which are provided by partners but are not recorded in the company's financial statements. Value in kind received includes contributions to the media and production costs of leisure tourism promotional campaigns as well as facilities and hospitality donated to support promotional and business events.

The company's subsidiary, Dot London Domains Limited operates the registry for all domain names ending in .london. The subsidiary recorded revenue of £0.9m for the year (2021: £0.9m) and net profit after tax of £0.1m (2021: £0.6m). The level of revenue for the year reflects a 4% decrease (2021: 81% decrease) in revenue from domain sales during the period. The significant reduction in 2021 primarily relates to contract changes which resulted in a higher level of profit in 2020 in exchange for minimum revenue guarantees in future years being removed. All profits are either retained for the operation of the business or distributed to London & Partners Limited, the company's parent, to fund the parent company's principal not-for-profit activity of the promotion of London.

An additional subsidiary of the company, London & Partners Ventures Limited manages most of the group's commercial activities. The subsidiary recorded revenue of £1.4m (2020: £0.7m) for the year and net profit after tax of £0.1m (2021: £0.02m loss). This reflects an increase in income from the company's ecommerce activities, sponsorship and other income streams as a result of ongoing recovery after the COVID-19 pandemic and the subsequent impact on London Tourism. The net profit is calculated after accounting for the costs of all services provided to the company by its parent. All profits are either retained for the operation of the business or distributed to London & Partners Limited, the company's parent, to fund the parent company's principal not-for-profit activity of the promotion of London.

The balance sheets at 31 March 2022 shows the group had net assets of £4.4m and net current assets of £3.8m and reflect the depreciation and amortisation of the group's intangible and tangible fixed assets during the year. Debtors in 2022 include a number of significant amounts billed in advance at the end of the year for 2020/21 and accrued income for grants paid in arrears. The decrease in creditors reflects a lower level of deferred income for amounts billed or received in advance.

The accounts have been prepared on the going concern basis based on the directors' assessment of the company's financial position and the forecast for the next 12 months. A reserve created for the purpose of winding down activities if funding is not continued is held on the company's behalf by the GLA and the potential costs involved are re-assessed every year.

LONDON & PARTNERS LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2022

Performance review

2021/22 saw London & Partners enter the second year of the Covid pandemic. A new strategy with strong commercial focus and well managed execution meant impressive delivery in an environment which remains incredibly uncertain.

The strategy was yet again designed to respond to the social and economic impact of a global pandemic which has hit hard. Also, for the first time in nearly 50 years we are outside of the European common market, looking to deepen our global trading relationships in a world experiencing increasing geopolitical tension. Powerful economic and technological change is disrupting our traditional industries with signs of rising inflation hitting businesses hard and likely to impact consumer confidence. The year ended with yet another significant event with global implications; Russia's invasion of Ukraine sparked a deep humanitarian crisis but also had an immediate impact on tourism sentiment.

Under these circumstances, 2021/22 was a critical year to reshape London & Partners to help power London's reinvention. As such, we took on an explicitly progressive mission which goes beyond pure growth towards growth, which is resilient, sustainable, and inclusive. As a mission driven social enterprise, funded by grants, partnerships, and our portfolio of profit-making businesses. Our commercial focus was set on growing our income generating activities to give us funds to reinvest in our work for London. An insights-led process continued to guide our decision making with a key assumption still being that the first half of the year would be 'virtual first'.

In terms of executing the plan for the year, teams continued to deliver strongly on 'business-as-usual' activities with several significant Gross Value Add (GVA) wins, cohort-launches and PR moments. This was coupled with several new initiatives.

The centrepiece of our work was to take the LetsDoLondon campaign to international audiences as London continued to recover.

We completed the refurbishment of L&P's new London home at 169 Union Street on budget with a phased returned from July 2021 and we have since established hybrid ways of working following a valued staff listening exercise.

We defined our commercial strategy including investing in necessary tools, capability, and governance to allow us to assess, develop and approve income opportunities and track outcomes once live. We shaped our portfolio by supporting live opportunities (such as West End Future Occupiers, dotLondon, VisitLondon and our partnership programmes), intervening in opportunities with potential to perform more strongly (Open Innovation Fellowship) as well as selectively investing in a few new opportunities.

In Q4, we reviewed and redefined our internal operational governance to better triage income and outcome generation against potential activities and available capacity. This will pay off as we ramp up recovery in the next financial year.

The company performed well in a significantly uncertain context as we shaped and delivered new initiatives to navigate risks and respond to new opportunities. We have either met, or exceeded, our targets.

Through careful planning, skilful execution, and strong partnerships we have delivered for London.

The data are clear. By the end of the year, we had grown the London economy by £199m against a target of £120m which means we returned to form of pre-pandemic years. In fact, we landed the largest FDI project ever handled by L&P from one of China's largest digital platforms creating 1,500 jobs and generating £32m in GVA. Other inward investment wins included a US Fintech company and a Swedish Mobility company both setting up UK HQs in London (at £9.5m and £7m GVA). We are delighted that the European Society of Cardiology Congress for 2024 will return to London. It is the largest European medical convention generating £8.7m GVA.

The "LetsDoLondon" tourism campaign delivered £81m of additional spending into the tills of London businesses at a crucial time and showed the power of the tourism industry coming together with the Mayor of London and with London & Partners to act at a scale none of us could have managed alone.

LONDON & PARTNERS LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2022

Performance review (*continued*)

Our Net Promoter Scores (NPS) demonstrate the strength of our relationship with members and partners and the value international businesses place on the support we provide in making them choose London. Most notable is strong NPS performance in our Tourism members, which comes as we deliver intensive work to support London's recovery in the crucial sector.

According to the Consultancy group Bain (who developed the metric) within NPS scores, Above 0 is good, above 20 is favourable, above 50 is excellent, and above 80 is world class.

Our financial management has been diligent throughout. Through a £1.9m increase in our income and by taking great care of our outgoings we have significantly protected our financial position, giving us a platform to invest in future growth and positive step towards financial sustainability.

Key Performance Indicator	Target 2021/22	Actual 2021/22	Mid-Range Target 2020/21	Actual 2020/21
Total GVA attributed from delivering economic benefit (from FDI, Trade, Growth, Conventions, Major Events and International Students)	£120m	£199m	£143m	£155m
Client satisfaction Measured as Net Promoter Score			NPS was not reported in 2020/21	NPS was not reported in 2020/21
GVA business lines:	>0	49		
Income business lines:	>0	44		
Non-GLA Funding to L&P	£3.0m	£3.0m	£3.17m	£3.13m

Key Highlights

FDI

The 'Business' directorate of London & Partners facilitates collaboration across foreign direct investment (FDI), Trade, Growth and Business Tourism with an increased focus on sectors of the economy. Despite the pandemic, the company helped 93 overseas companies to set up or expand their business in London, supporting over 2,000 jobs adding £115m to London's economy in London's key sectors.

The Mayor's International Business Programme

The Mayor's International Business Programme (MIBP) continued to go from strength to strength despite the challenging business environment caused by the pandemic. 191 companies joined the programme during the 2021/22, which supports companies in the life sciences, financial business services & technology, urban and creative sectors to scale their activities through international expansion. The programme continued to deliver content virtually for the first part of the year before transitioning to physical events from Q3 with the first in-person cohort launch held in October 2021. MIBP delivered 90 events, workshops and sessions in partnership with corporate partners, mentors and experts. In addition, MIBP delivered 7 virtual trade missions between April and October after which we switched back to delivering physical trade missions with 3 delivered between December and March. Trade missions support members from various sectors to scope and explore overseas markets such as North America, China, India, the Middle East, and Europe.

LONDON & PARTNERS LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2022

Performance review (*continued*)

The Business Growth Programme

The Business Growth Programme (BGP) held 109 workshops and events to support over 163 new companies on the programme, bringing the total of companies supported to 1,410. Following a successful pivot to hybrid delivery with the relaxation of the pandemic restrictions, the team delivered a range of activities. These included an exclusive cohort of forty-five impact led businesses whose primary reason for being is to address environmental and societal challenges and serve the common good, one virtual and two in-person cohort launches which brought together all the founders joining the programme, partners and mentors. As a result of a robust and effective diversity and inclusion strategy, the participation of underrepresented founders per cohort increased to an average of 61% and female founders was kept to an average of just under 45% across cohorts.

Business Tourism and Major Events

2021/2022 continued to be a challenging year for Business Tourism and Major Events, with the industry slowly coming back from September 2021, only to be paused again over the winter. The team attended IMEX America to showcase London's offer and continued to bid for future events and focused on marketing London as a leading centre for hybrid events. Our Sustainability work for Business Tourism also began following momentum from COP 26.

The London Convention Bureau supported 19 future conferences and congresses to London which will attract a significant number of delegates to the city adding £23.5m in GVA or £92m in economic value to London's economy. This included 2 city wide conventions which collectively contributed £16m GVA or £59.4m in economic value.

This was another unprecedented year for Major Events, with most projects cancelled or rescheduled. Whilst most of the focus was on bidding for future events in order to secure a pipeline, the team have been focused on co-ordinating the rescheduling of events, supporting existing events in the capital such as formula E, and upcoming women's Euro's. Much work was done in working with city stakeholders and developing new e-sporting events for the future calendar.

Visit London

Covid continued to significantly impact ecommerce revenues through our Visit London channels, with the decline in visitors impacting sales of attraction and theatre tickets. Despite this, the Visit London website recovered quicker than the wider tourism industry, with website visitors' recovery to 85% of 2019/20 visitor levels. This helped to generate £0.3m in revenue.

Tourism Marketing

Working alongside the London Tourism Recovery Board, the GLA and TfL, London & Partners delivered Let's Do London, a £3.9m domestic visitor recovery marketing campaign to fast track the capital's visitor recovery. Central London consumer spend was down compared to 2019 with various data sources showing a larger deficit in London compared to other UK cities. Let's Do London was London's largest ever domestic visitor campaign and generated 330,000 additional visitors to London who contributed an additional £81m to the local economy and helped safeguard over a thousand hospitality jobs.

Insights

During the year the company focused on providing intelligence to its key audiences, partners and broader stakeholders on the impact of the pandemic. These quarterly insight reports equipped our teams with the latest insights relevant for both investors and the tourism industry. They also formed the basis of tourism insight webinars directed to partners to provide a holistic picture of the status of tourism and traveller sentiment. A consumer sentiment tracker was also commissioned to explore the changing attitudes and behaviours of Londoners as a result of the pandemic.

LONDON & PARTNERS LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2022

Performance review (*continued*)

Technology and infrastructure

Ensuring the resilience of London & Partners as an organisation continued to be a focus this year. Teams prepared for a major upgrade to the web platform (Sitecore) and move to a new infrastructure partner, both taking place in the first half of 22/23, whilst further strengthening cyber security. Ensuring employees are well provisioned for remote working remains crucial.

Staff began occupancy of our new offices in June 2021 and a competition was opened for all staff to be involved in helping design the space. Colleagues were asked to submit artwork they feel best captures any or all of our values to be displayed on the walls. This was a tremendous success with artwork in varying forms proudly displayed.

Our people

We adopted a hybrid way of working since returning to the office post the COVID-19 pandemic which is providing a better work-life-balance, greater ability to focus with fewer distractions, saving on commuting time and costs. Employees are asked to work at least 2 days from the office with one day assigned as directorate day and the flexibility to choose the other day. Employee wellness continues to be vital and we have trained more Mental Health First Aiders and employees have access to other resources for all round support through the Employee Assistance Programme.

The Academy which started during the Pandemic continues to provide training opportunities with programmes delivered by in house experts and external guest speakers.

London & Partners is now in it's eighth year as one of The Sunday Times 100 Best Not-for-Profit Organisations to work for. One of the company's core values is being inclusive and this has been well demonstrated throughout the year with EDI Networks representing and celebrating diversity in all it's shapes and forms. The Networks have delivered a wide range of programmes to promote awareness of diversity and make the London & Partners more inclusive.

Principal risks and uncertainties

The group continues to identify and manage key risks to the business. A risk register which reviews key risks impacting on delivery and mitigations is reviewed monthly by the Senior Leadership Team and quarterly by the Audit and Finance Committee with significant changes to risks flagged to the London & Partners Board. The Group also have specific policies and processes in place to reduce and manage specific forms of risk, for example a crisis response playbook and a crisis communications structure. Both include written guides for managing acute events, with contingencies and fail-safes built in to make sure that senior owners are named and have deputies.

Additionally, annual and in-year planning cycles include discussions of external and operational risks, with mitigations identified.

The principal risks and uncertainties faced by the group, including financial risks, are considered to be:

- The impact of the COVID-19 pandemic on the resilience of London & Partners business, its employees and the communities it supports, particularly the tourism and hospitality industry.
- There is continued global economic and political volatility as a result of COVID-19 which results in weaker short term demand from London & Partners' key audiences, with an uncertain recovery path.
- The risk of fraud is heightened by increasingly sophisticated cyber-attacks with the potential for financial loss, reputational risk, disruption to business and loss of personal data. This risk is increased by remote working as a result of COVID-19.
- The continued COVID-19 pandemic's impact on London's reputation and London & Partners' ability to change sentiment with key audiences.
- The impact of COVID-19 and continued remote working on staff well-being and morale resulting in a less productive and creative workforce.

LONDON & PARTNERS LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2022

Principal risks and uncertainties (*continued*)

- There are risks associated with GLA grant income in future years as well as more immediate risks to commercial income streams which have been severely impacted by COVID-19 including partnership schemes, advertising and e-commerce.
- *Inorganic growth as we take responsibility for new activities.*
- Financial processes and management do not keep pace with the growth in the size and complexity of the group resulting in less-effective financial management.
- Growth in programmes that are funded in arrears could lead to cash flow issues.

Mitigations have included:

- Deeper co-working with our industry clients and partners to support their resilience and recovery, demonstrating value and retaining their support.
- Investment in our IT infrastructure and training to ensure our cyber security is fit for purpose - this includes implementing 2-Factor-Authentication and continuous security assessments across our IT estate.
- *Data led campaigns to address London's reputation at each phase of the recovery supported by both Mayoral and industry funding.*
- Long term financial and strategic planning at Board and executive level to understand and respond to the ongoing financial and operational impact of the pandemic
- Specific plans to support L&P staff morale and wellbeing, including in person events where appropriate, and online social activity.

The group's overall financial objective is to maintain sustainable funding to enable London & Partners to continue to fulfil its strategic objectives. The group aims to attract contributions from partners, sources and initiatives that are aligned with the wider corporate objectives, to leverage the grant from the GLA and extend the reach of the company's activities. Dividends from subsidiary companies and any surplus from London & Partners Limited are reinvested to fund the company's not-for-profit activities as the international, trade, investment and promotion agency for London.

LONDON & PARTNERS LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2022

Future prospects/outlook

As with many other organisations, the pandemic has had a direct effect on London & Partners, as the company's income has been significantly reduced. A key priority during the year has been to make the organisation financially sustainable with a clear growth plan. A new strategy and plan were developed for 2021-22 which was designed to reshape the organisation to help power London's recovery. The company has taken on a new, explicitly progressive, mission, which goes beyond pure growth towards growth which is resilient, sustainable and inclusive.

The company will focus on two key areas of the economy. First, the visitor economy which provides 1 in 5 jobs in the city and has been particularly badly affected by the past year. Second, the high growth sectors which are driving job creation, economic efficiency, and solving societal challenges. Companies in these sectors will be supported to thrive, using the company's international network and expertise to create opportunities for global growth. In addition, as custodians of London's global brand, growing London's global reputation to support economic growth will continue to be a priority.

To deliver these priorities, more of London & Partners' income generating activities will be aligned to its mission led activity. The group will continue to generate commercial income through its subsidiary companies London & Partners Ventures and Dot London Domains Limited to generate a profit that can be reinvested into the promotion of London. An ongoing growth project has been instigated to grow ecommerce revenues from VisitLondon channels which have been significantly impacted by the drop in visitors and consumer demand to London. Dot London was migrated to a new partner in September significantly reducing the cost of operation, plus a new growth & marketing strategy developed for delivery in 2022/23.

Cost savings have been put in place including a restructure of the organisation to put in place the required structure and leadership with the right shape and size to deliver the strategy to make the company financially sustainable. This includes the creation of a commercial directorate to oversee corporate engagement and account management of clients across the organisation.

The move to lower cost premises will provide greater opportunity for flexible working and collaboration with partners. The company will also continue to realise the benefits of new and improved systems and processes including better customer insights, client delivery and account management from the Salesforce CRM and cost savings from the migration of websites to Sitecore and servers to the cloud. London & Partners' strategy and plan for 2021-2022 can be downloaded at <https://www.londonandpartners.com/about-us/our-business-strategy-and-economic-impact?ref=nav>.

By order of the board



Laura Citron
Director

London & Partners Limited
1st Floor
169 Union Street
London
SE1 0LL

23 FEBRUARY 2023

LONDON & PARTNERS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2022

The directors present their report and consolidated financial statements of London & Partners Limited (Company registration no. 07493460) and its subsidiary undertakings ("the group") for the year ended 31 March 2022.

Directors

The directors who held office during the year and since the end of the year were as follows:

Rajesh Agrawal	Chair (2,3)	
Laura Citron	Chief Executive Officer	
Andrew Cooke	Managing Director, Operations and Governance	(resigned 1 January 2022)
Dominic Field		(appointed 1 September 2022)
Christopher Michael Hayward		
Massy Larizadeh	(1,2*)	(resigned 30 June 2021)
Chris MacLeod		
Manju Malhotra	(3)	(appointed 1 January 2023)
Eyal Boris Malinger		(resigned 31 August 2022)
Catherine McGuinness		(appointed 18 November 2021 and resigned 30 November 2022)
Gabriella Neudecker		
Tamara Rajah		
Professor Reza Razavi		(appointed 1 January 2022)
Allen Simpson		
Mark Taylor	(1,3*)	
Joanna Wright	(1*)	

1=Member of the Audit & Finance Committee

2=Member of the Remuneration Committee

3=Member of the Nomination Committee

*= Chair of the committee

Board Observers

Ben Johnson (Senior Mayoral Advisor – Business and Digital Policy)
Leah Kreitzman (Mayoral Director, External and International Affairs)
Justine Simons OBE (Deputy Mayor, Culture and the Creative Industries)

Directors' interests

A register of directors' interests is published on the group's corporate website at <http://www.londonandpartners.com/about-us/our-board>.

Financial instruments

The group does not have any financial instruments other than cash and short-term debtors and creditors. Cash balances are held with a major UK bank and earn competitive rates of interest. From time to time the group utilises foreign exchange forward contracts for significant payments in foreign currencies. There were no forward contracts open at the year-end (2021: none).

Results and dividends

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

LONDON & PARTNERS LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Going concern

The accounts have been prepared on the going concern basis. Whilst future years' grant funding has not yet been approved, formal confirmation will be sought in 2023 and while there is no guarantee that it will be successful, at the date of approval of these financial statements, the directors are confident that it will be renewed based on correspondence with the GLA to date. The directors have assessed the company's financial position and the forecast for 12 months from the date of approval of the financial statements and consider that the current grant funding arrangements (assuming renewal) and the group's forecast other income are sufficient to ensure that the company can continue to operate as a going concern and to meet its liabilities as they fall due for the foreseeable future. Accordingly, the directors' opinion is that it is appropriate to prepare the financial statements on the going concern basis. The financial statements do not include the adjustment that would result if the company was unable to continue as a going concern. The GLA has agreed to hold a provision on behalf of the company designated specifically for the cost of performing an orderly wind down of the company's activities if grant funding was no longer available, and has confirmed this in a letter dated 26 June 2013. The total amount required is assessed each year and the provision adjusted as considered necessary.

Credit, liquidity and cash flow risk

The group manages cash flow by detailed forecasting and business planning. The core grant and several other income streams are received in advance which enables the group to manage other programmes which are funded in arrears. The group has no loans or other credit instruments.

Political and charitable contributions

Neither the company nor any of its subsidiaries made any political or charitable donations or incurred any political expenditure during the year.

Information included in the Strategic Report

Certain items required to be presented in the Directors' Report, such as commentary on future developments and risk management, have been included in the Strategic Report.

Auditor

Pursuant to section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and RSM UK Audit LLP will therefore continue in office.

Disclosure of information to auditor

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

Corporate Governance

The board is committed to high standards of corporate governance as an important part of an effective and efficient approach to managing the company and its subsidiaries (together "the group"). The company's policies are monitored to ensure that they are appropriate for the nature, status, size and circumstances of the business, and are included in the link below.

LONDON & PARTNERS LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Corporate Governance (*continued*)

The company continued to develop its corporate governance during the year. Additional steps include:

- Publication of an independent audit of the company's annual results against its key performance indicators.

Further information can be found on the company's corporate website,

<https://www.londonandpartners.com/about-us/governance-and-transparency>.

The Board

The Board's primary tasks are to:

- Be responsible for the management of the group's business, as set out in the Articles of Association;
- Provide strategic leadership on the development of strategies, policies and plans to discharge London & Partners' purpose;
- Monitor the performance of London & Partners, to ensure that it meets its strategic objectives and targets;
- Promote high standards of propriety, best practice and the efficient and effective use of staff and resources.

Directors

The directors who held office during the year and since the end of the year were as listed in the Directors' Report on page 8.

Appointment, removal and re-election of Directors

The board of directors comprises the Chair and one other non-executive director appointed by the Mayor, up to two executive directors appointed by directors, and up to eleven non-executive directors, to fill vacancies for a term not exceeding twelve months at the expiry of which the appointee must retire and be re-appointed by the members. Directors are appointed for a three-year term after which they must retire but are eligible for re-appointment.

Board Meetings

The board manages the group through a series of formal meetings throughout the year. During the year to 31 March 2022, the Board met for its four scheduled meetings. The board delegates specific responsibilities to board committees with the role and responsibilities of each committee set out in clearly defined Terms of Reference. Prior to the start of each financial year, a schedule of dates for that year's board meetings is compiled to align with the group's financial calendar although this may be supplemented by additional meetings as and when required.

Director's Conflict of Interest

The group has effective procedures in place to deal with conflicts of interest. The board is aware of the other commitments and interests of its directors, and changes to these commitments and interests are reported to the board.

LONDON & PARTNERS LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Board Committees

The board is supported by the Audit and Finance, Remuneration and Nomination committees. Their specific responsibilities are set out below. The minutes of committee meetings are circulated to all committee members and reports on each are given by the relevant committee chairman to the board.

Audit and Finance Committee

The Audit and Finance Committee currently comprises three non-executive directors. The Chief Executive, Managing Director, Strategy and Operations and Director, Finance are also invited to attend meetings (unless they have a conflict of interest) as are external auditors when required. The committee's principal responsibilities are financial management and reporting; internal control and risk assessment; and external audit. The committee met six times in the year to 31 March 2022.

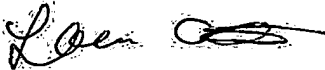
Remuneration Committee

The Remuneration Committee currently comprises two non-executive directors and the Chairman of the Board. The Chief Executive and Director, HR are also invited to attend meetings unless they have a conflict of interest. The committee's principal responsibilities are to recommend to the board the company's policy on remuneration of the Chief Executive and Management Committee and to monitor and review the company's overall remuneration policy and performance-related or bonus schemes. The committee met once in the year to 31 March 2022.

Nomination Committee

The Nomination Committee currently comprises two non-executive directors and the Chairman of the Board. The Chief Executive and Managing Director, Strategy and Operations are also invited to attend meetings unless they have a conflict of interest. The committee's principal responsibilities are to review the structure, size and composition of the Board, and consider succession planning for directors and senior executives. The committee met once during the year to 31 March 2022.

By order of the board



Laura Citron
Director

London & Partners Limited
1st Floor
169 Union Street
London
SE1 0LL

23 FEBRUARY 2023

LONDON & PARTNERS LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 MARCH 2022

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 they have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable laws).

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 group and the company and of the profit or loss of the group and 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 judgments 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 directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and the company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Independent auditor's report to the members of London & Partners Limited

Opinion

We have audited the financial statements of London & Partners Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2022 which comprise a Consolidated Statement of Comprehensive Income, Statements of Financial position, Statements of Changes in Equity, Consolidated Statement of Cashflows 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 FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 March 2022 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 and parent 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

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.

Independent auditor's report to the members of London & Partners Limited (continued)

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the 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 12, 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.

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

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

Independent auditor's report to the members of London & Partners Limited (continued)

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory frameworks that the group and parent company operates in and how the group and parent company are complying with the legal and regulatory frameworks;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, the Companies Act 2006 and tax compliance regulations. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures, and evaluating advice from external tax advisors.

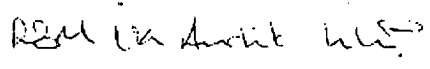
We do not consider there to be any significant laws and regulations which have an indirect impact on the financial statements.

The group audit engagement team identified the risk of management override of controls, recognition of non-GLA grant income and recognition of domain revenue, deferred income and associated costs as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, agreeing the income recognised to supporting documentation and recalculating the revenue and deferred income position based on the source data.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <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.


Jonathan Da Costa (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
Third Floor, One London Square
Cross Lanes
Guildford
Surrey, GU1 1UN

24/02/23 2023

LONDON & PARTNERS LIMITED

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2022

	Note	2022	2021
		£000	£000
Income			
Turnover from domain registry services	3	917	952
Turnover from other activities	3	3,492	2,296
Grants	3	15,755	14,697
Other operating income	4	4	347
Total income		20,168	18,292
Expenditure			
Cost of sales of domain registry services		382	50
Programme costs of promotional activities		5,643	1,795
Staff costs	5	11,952	13,424
Other operating costs		2,146	4,038
Total expenditure		20,123	19,307
Operating surplus/(deficit)		45	(1,015)
Interest receivable and similar income	7	12	6
Interest payable and similar charges	8	(2)	-
Surplus/(deficit) before taxation	4	55	(1,009)
Taxation	9	(70)	(49)
Deficit after taxation and deficit for the financial year		(15)	(1,058)

LONDON & PARTNERS LIMITED

(Company Registration Number: 07493460)

**STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2022**

	Note	Group		Company	
		2022 £000	2021 £000	2022 £000	2021 £000
Fixed assets					
Intangible assets	10	55	61	55	57
Tangible assets	11	633	376	633	376
Investments	12			100	100
		<u>688</u>	<u>437</u>	<u>788</u>	<u>533</u>
Current assets					
Debtors due within one year	13	3,033	4,940	3,136	4,517
Debtors due after more than one year	13	48	81		
Cash at bank and in hand		5,123	5,551	1,544	2,427
		<u>8,204</u>	<u>10,572</u>	<u>4,680</u>	<u>6,944</u>
Creditors: amounts falling due within one year	14	(4,394)	(6,484)	(3,314)	(5,908)
		<u>3,810</u>	<u>4,088</u>	<u>1,366</u>	<u>1,036</u>
Net current assets					
		<u>4,498</u>	<u>4,525</u>	<u>2,154</u>	<u>1,569</u>
Total assets less current liabilities					
		<u>4,369</u>	<u>4,384</u>	<u>2,151</u>	<u>1,568</u>
Creditors: amounts falling due after more than one year	15	(126)	(140)		
Provisions for liabilities	16	(3)	(1)	(3)	(1)
		<u>4,369</u>	<u>4,384</u>	<u>2,151</u>	<u>1,568</u>
Net assets					
		<u>4,369</u>	<u>4,384</u>	<u>2,151</u>	<u>1,568</u>
Reserves					
Retained earnings	19	4,369	4,384	2,151	1,568
		<u>4,369</u>	<u>4,384</u>	<u>2,151</u>	<u>1,568</u>
Total reserves					
		<u>4,369</u>	<u>4,384</u>	<u>2,151</u>	<u>1,568</u>

As permitted by s408 Companies Act 2006, the company has not presented its own statement of comprehensive income in these financial statements. The company's surplus and total comprehensive income for the year was £583,000 (2021: £126,000).

The financial statements on pages 16 to 36 were approved by the board of directors and authorised for issue on ²³ FEBRUARY 2023 and are signed on its behalf by:


Rajesh Agrawal
Chairman

LONDON & PARTNERS LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2022

GROUP	Retained earnings £000
Balance at 1 April 2020	5,442
Deficit and total comprehensive expense for the year	(1,058)
Balance at 31 March 2021	4,384
Surplus and total comprehensive income for the year	(15)
Balance at 31 March 2022	4,369

COMPANY	Retained earnings £000
Balance at 1 April 2020	1,442
Surplus and total comprehensive income for the year	126
Balance at 31 March 2021	1,568
Surplus and total comprehensive income for the year	583
Balance at 31 March 2022	2,151

LONDON & PARTNERS LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2022

	Note	2022 £000	2021 £000
Operating activities			
Cash generated from operations	20	64	43
Interest received		12	6
Interest paid		(2)	-
Income taxes paid		2	(546)
Net cash inflow/(outflow) from operating activities		76	(497)
Investing activities			
Purchase of intangible fixed assets	10	(38)	(9)
Purchase of tangible fixed assets	11	(466)	(242)
Proceeds on disposal of intangible assets		-	1
Net cash used in investing activities		(504)	(250)
Net decrease in cash and cash equivalents		(428)	(747)
Cash and cash equivalents at beginning of year		5,551	6,298
Cash and cash equivalents at end of year		5,123	5,551
Relating to:			
Bank balances and short-term deposits included in cash at bank and in hand		5,123	5,551

LONDON & PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

1. Accounting policies

Company information

London & Partners Limited ("the company") is a not-for-profit private company limited by guarantee, and is registered, domiciled and incorporated in England.

The address of the company's registered office and principal place of business is 169 Union Street, London, SE1 0LL.

The group consists of London & Partners Limited and all of its subsidiaries.

The company's and the group's principal activities are to promote London to visitors, businesses and students.

Basis of accounting

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, including the provisions of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, and under the historical cost convention.

The financial statements are prepared in sterling, which is the functional currency of the company and group. Monetary amounts in these financial statements are rounded to the nearest £1,000.

Reduced disclosures

The Company has taken advantage of the exemption from disclosing the following information in its company only accounts, as permitted by the reduced disclosure regime within FRS 102:

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows' – Presentation of a Statement of Cash Flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' & Section 12 'Other Financial Instruments' – Carrying amounts for financial instruments measured at amortised cost or cost less impairment; interest income/expense and net gains/losses for financial instruments measured at amortised cost; loan defaults or breaches and descriptions of hedging relationships; and
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of London & Partners Limited which are available from Companies House, Crown Way, Cardiff, CF14 3UZ.

Company Statement of Income and Retained Earnings

As permitted by s408 Companies Act 2006, the company has not presented its own statement of comprehensive income as it prepares group accounts and the company's individual statement of financial position shows the company's profit or loss for the financial year.

Basis of consolidation

The consolidated financial statements incorporate those of London & Partners Limited and all its subsidiaries (i.e. entities that the group controls through its power to govern the financial and operating policies to obtain economic benefits). All financial statements are made up to 31 March 2022.

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

LONDON & PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

1. Accounting policies (continued)

Going concern

The accounts have been prepared on the going concern basis. Whilst future years' grant funding has not yet been approved, formal confirmation will be sought in 2022 and while there is no guarantee that it will be successful, at the date of approval of these financial statements, the directors are confident that it will be renewed based on correspondence with the GLA to date. The directors have assessed the company's financial position and the forecast for 12 months from the date of approval of the financial statements and consider that the current grant funding arrangements (assuming renewal) and the group's forecast other income are sufficient to ensure that the company can continue to operate as a going concern and to meet its liabilities as they fall due for the foreseeable future. Accordingly, the directors' opinion is that it is appropriate to prepare the financial statements on the going concern basis. The financial statements do not include the adjustment that would result if the company was unable to continue as a going concern. The GLA has agreed to hold a provision on behalf of the company designated specifically for the cost of performing an orderly wind down of the company's activities if grant funding was no longer available, and has confirmed this in a letter dated 26 June 2013. The total amount required is assessed each year and the provision adjusted as considered necessary.

Government grants

Capital based government grants are initially included within accruals and deferred income in the balance sheet and credited to the income and expenditure account over the estimated useful economic lives of the assets to which they relate.

Revenue grants are recognised when receivable in the period to which they relate with the relevant cost when any associated performance conditions are met.

Other government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received. A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

Turnover

Turnover from membership fees and other activities is recognised at the fair value of the consideration received or receivable for sale of services to external customers in the period to which the service is delivered, taking into account trade discounts, settlement discounts and volume rebates where applicable. Turnover is shown net of VAT.

Turnover from domain registry services generated by one of the group's subsidiaries represents fees for domain name registration and related services (excluding VAT) arising from the provision of registry services. Registration fees are recognised as revenue in the accounting period in which the services are provided. Revenue received in advance of the accounting period to which it relates is recorded in the Statement of Financial Position as deferred income. Revenue from registration fees is presented in the income statement after deducting any discounts given to customers. Where the fee from initial registration is higher than the subsequent renewal fee (arising mainly from the registration of "premium names"), the difference between the initial registration fee and the ongoing renewal fee (the "premium") is recognised at the date of registration with the balance recognised over the registration period. Revenue from the auction of domain names is recognised on the date of the auction for the portion of the revenue that represents the purchase of the right to register the name and over the period in which registry services are provided for the portion of the revenue that represents the registration fee.

Revenue arising from contractual arrangements included in the company's Registry Services Agreement with its Registry Service Provider is recognised when the income is independent of fees to customers for domain name registration and related services and when the company has no future obligations in respect of the income.

LONDON & PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

1. Accounting policies (continued)

Turnover (continued)

Income from other services is recognised when the services are provided. Income from re-charging certain agreed expenses paid on behalf of third parties is presented as income with the related cost shown within total expenditure.

Dividend income from the company's subsidiaries is recognised when the company's right to receive payment is established.

Cash and cash equivalents

Cash and cash equivalents are basic financial instruments and include cash in hand, and deposits held at call with banks.

Intangible fixed assets and amortisation

Intangible fixed assets are recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. The value of internally generated intangible assets and intangible assets owned by the company with no associated cost (such as rights acquired through participation in joint ventures) is not recorded in the Statement of Financial Position.

The group capitalises development expenditure as an intangible asset when it can demonstrate all the following for website and other projects: (a) The technical feasibility of completing the development so the intangible asset will be available for use or sale. (b) Its intention to complete the development and to use or sell the intangible asset. (c) Its ability to use or sell the intangible asset. (d) How the intangible asset will generate probable future economic benefits. (e) The availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset. (f) Its ability to measure reliably the expenditure attributable to the intangible asset during its development.

Intangible assets are initially recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Intangible assets are amortised to profit or loss on a straight-line basis over their useful lives, as follows:-

Software and apps	-	2-3 years
Names & trademarks	-	5 years

The directors have chosen these amortisation periods as they represent the useful life of the intangible assets within the business. The directors consider these useful lives to be appropriate due to the rapid pace of technological change.

All research expenditure and development expenditure that does not meet the above conditions is expensed as incurred.

Tangible fixed assets and depreciation

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

Depreciation is provided at rates calculated to write off the cost to the estimated residual value of the assets by equal instalments over their estimated useful economic lives as follows:

IT equipment	-	2-3 years
Leasehold improvements, fixtures, fittings and furniture	-	over the period of the lease

LONDON & PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

1. Accounting policies (continued)

Impairment of fixed assets

The carrying amounts of the group's assets are reviewed for impairment when events or changes in circumstances indicate that the carrying amount of the fixed asset may not be recoverable. If any such indication exists, the asset's recoverable amount is estimated.

An impairment loss is recognised whenever the carrying amount of an asset or its income-generating unit exceeds its recoverable amount. Impairment losses are recognised in the income and expenditure account.

Investments

Interests in subsidiaries 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.

Financial instruments

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

Financial assets and financial liabilities are recognised when the group becomes a party to the contractual provisions of the instrument, and are offset only when the group currently has a legally enforceable right to set off the recognised amounts and intends either 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, group and other receivables (including accrued income) and cash and bank balances, are initially measured at transaction price and are subsequently carried at amortised cost, being the transaction price less any amounts settled and any impairment losses.

Impairment of financial assets

Financial assets 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. The impairment loss is recognised in the income and expenditure account.

Basic financial liabilities

Trade, group and other creditors (including accruals) payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being transaction price less any amounts settled.

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable. Current tax is based on taxable profit for the year.

Grant funded activities are not considered to be subject to tax. Certain of the group's sources of income are, however, taxed under normal principles including: domain registry services, bank interest, profits from rental income and certain other activities which are considered to be a trade. For these activities, current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Current tax assets and liabilities are measured using tax rates that have enacted or substantively enacted by the reporting date.

LONDON & PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

1. Accounting policies (continued)

Taxation (continued)

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

Current and deferred tax is charged or credited in profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

London & Partners Limited is subject to partial restriction on the recoverability of VAT on inputs. Expenses are recorded at cost inclusive of VAT and recoverable VAT is deducted from other operating charges.

Leases

The group as lessee – operating leases

All leases are operating leases and the annual rentals are charged to the income and expenditure account on a straight-line basis over the lease term.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense. The holiday year for all group companies ends at the reporting date. Employees are entitled to carry forward up to 5 days of any unused holiday entitlement at the reporting date. The cost of any unused entitlement is recognised in the period in which the employee's services are received.

The best estimate of expenditure required to settle an obligation for termination benefits is recognised immediately as an expense when the group is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Retirement benefits

The group operates a defined contribution group personal pension plan. The assets of the plan are held separately from those of the group in an independently administered fund. The amount charged to the income and expenditure account represents the contributions payable to the plan in respect of the accounting period. Unpaid contributions at the balance sheet date are included in accruals and paid into the plan within one month.

LONDON & PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

1. Accounting policies (continued)

Foreign currencies

Transactions in currencies other than the functional currency (foreign currency) are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction, or, if the asset or liability is measured at fair value, the rate when that fair value was determined.

All translation differences are taken to profit or loss, except to the extent that they relate to gains or losses on non-monetary items recognised in other comprehensive income, when the related translation gain or loss is also recognised in other comprehensive income.

2. Critical accounting estimates and areas of judgement

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.

Critical accounting estimates and assumptions

The group makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. 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 and areas of judgement that are critical to the financial statements are described below:

- The going concern assumption, as noted above, is considered to be appropriate based on assumptions regarding future grant funding arrangements and other cash flows; and
- The directors have assessed the characteristics of the group's intangible assets and consider them appropriate to be capitalised and have estimated the useful economic life of the group's intangible assets taking into account the nature of each asset individually, the current plans of the company for utilising those assets and the comparable life of other technology products in the market place.

3. Income

The following income was recognised in 2021/22 in accordance with the accounting policies noted above. All income is derived from activities undertaken from the United Kingdom.

	2022 £000	2021 £000
Grant income		
GLA grant	14,588	13,416
Other grants	1,167	1,281
Total grant income	15,755	14,697

LONDON & PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

3. Income (continued)	2022	2021
	£000	£000
Turnover from the provision of services		
Income from partners	2,106	1,569
Other commercial income	1,386	727
Domain registry services	917	952
	<u> </u>	<u> </u>
Total turnover from the provision of services	<u>4,409</u>	<u>3,248</u>

The company received a grant of £14.6m (2021: £13.4m) from the Greater London Authority (GLA) for the international promotion of London.

4. Surplus/(deficit) before taxation	2022	2021
	£000	£000
<i>The surplus/(deficit) before taxation is stated after charging/(crediting)</i>		
Government grants	(4)	(347)
Depreciation of owned tangible fixed assets	209	168
Amortisation of intangible fixed assets	40	100
Loss on foreign currency translation	4	13
Loss on disposal of tangible fixed assets	-	2
Loss on disposal of intangible fixed assets	-	8
Operating lease rentals (note 22)	946	1,278
Auditor's remuneration for statutory audit	49	43
Auditor's remuneration for:		
- Tax compliance services	11	10
- Other services	40	10
	<u> </u>	<u> </u>

Government grants

The company received a grant totalling £4,091 (2021: £347,492) from the UK Government in relation to the Coronavirus Job Retention Scheme. The scheme was introduced in March 2020 in an effort to help employers avoid the need to make mass redundancies as a result of the impact of COVID-19. The scheme was available for all UK companies with no attached conditions which may result in the funds needing to be repaid.

5. Staff numbers and costs

The average number of persons employed by the group (including executive directors) during the year, analysed by category, was as follows:

	Group	
	2022	2021
	No.	No.
Promotional activities	155	184
Management and administration	22	23
	<u> </u>	<u> </u>
	<u>177</u>	<u>207</u>

LONDON & PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

5. Staff numbers and costs (continued)

All UK staff are employed by London & Partners Limited. Certain employees are seconded to Dot London Domains Limited and London & Partners Ventures Limited by London & Partners Limited with corresponding inter-company charges for the respective cost.

The aggregate people costs incurred by the group were as follows:

	Group	
	2022	2021
	£000	£000
Wages and salaries	9,476	10,721
Social security costs	1,086	1,292
Pension costs	1,114	1,141
	<u>11,754</u>	<u>13,154</u>
Payroll costs of staff numbers analysed above	11,754	13,154
Temporary staff and contractors	198	270
	<u>11,952</u>	<u>13,424</u>
Staff costs as presented in the income and expenditure account	11,952	13,424

6. Directors remuneration

In respect of the directors of London & Partners Limited:

	2022	2021
	£000	£000
Directors' emoluments	538	271
Company pension contributions included in directors' emoluments	63	34
	<u>601</u>	<u>305</u>
	Number of directors 2022	Number of directors 2021

Retirement benefits are accruing to the following number of directors under:

Group personal pension plan	3	2
-----------------------------	---	---

The aggregate of emoluments of the highest paid director were £277,842 (2021: £157,262) which consisted of salary payments of £250,420 (2021: £144,942), and company pension contributions made to a group personal pension plan of £27,423 (2021: £12,320).

Remuneration of key management personnel

The total remuneration of the Management Committee including the executive directors, who are considered to be the key management personnel of the group, was £2,191,926 (2021: £910,895). No bonuses were paid in respect of the 2020/21 or 2021/22 financial year.

LONDON & PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

7. Interest receivable and similar charges

	2022 £000	2021 £000
Bank interest receivable	12	6

8. Interest payable and similar income

	2022 £000	2021 £000
Other interest payable	2	-

9. Taxation

Analysis of charge in period

	2022 £000	2021 £000
UK corporation tax	59	56
Adjustments in respect of prior year	12	-
Total current tax	71	56

	2022 £000	2021 £000
<i>Deferred tax</i>		
Origination and reversal of timing differences	(1)	(7)
Total deferred tax	(1)	(7)

Tax on surplus on ordinary activities	70	49
---------------------------------------	----	----

LONDON & PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

9. Taxation (continued)

Factors affecting the tax charge for the current period

The tax assessed for the year is higher than the standard rate of corporation tax in the UK of 19% (2021: 19%). The differences are explained below.

	2022 £000	2021 £000
Group surplus/(deficit) before tax	55	(1,009)
Group surplus/(deficit) multiplied by the standard rate of corporation tax in the UK of 19% (2021: 19%)	10	(192)
<i>Effects of:</i>		
Income/expenses not deductible for tax purposes	102	213
Adjustments in respect of the prior year	12	-
Deferred tax not recognised	-	28
Income not taxable	(55)	-
Remeasurement of deferred tax	4	-
Movement in deferred tax	(3)	-
Tax expense	70	49

Factors that may affect future, current and total tax charges

In March 2021, the Chancellor announced that the tax rate would increase from 19% to 25% with effect from 1 April 2023. This rate was substantively enacted by the balance sheet date and therefore has been used in the calculation of deferred tax.

LONDON & PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

10. Intangible assets

	Group Software & other assets £000	Company Software & other assets £000
Cost		
At 1 April 2021	2,042	1,405
Additions	38	38
At 31 March 2022	<u>2,080</u>	<u>1,443</u>
Amortisation		
At 1 April 2021	1,981	1,348
Charge for the year	44	40
At 31 March 2022	<u>2,025</u>	<u>1,388</u>
Net book value		
At 31 March 2022	<u>55</u>	<u>55</u>
At 31 March 2021	<u>61</u>	<u>57</u>

The amortisation charge for the year is recognised in other operating costs.

LONDON & PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

11. Tangible fixed assets

	Leasehold improvement, furniture & fittings	IT equipment	Total
	£000	£000	£000
Group and company			
Cost			
At 1 April 2021	991	421	1,412
Additions	339	127	466
At 31 March 2022	1,330	548	1,878
Depreciation			
At 1 April 2021	730	306	1,036
Charge for the year	95	114	209
At 31 March 2022	825	420	1,245
Net book value			
At 31 March 2022	505	128	633
At 31 March 2021	261	115	376

The depreciation for the year is recognised in other operating costs.

LONDON & PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

12. Fixed Asset Investments

Company	2022 £000	2021 £000
Investments in subsidiaries	100	100
Movements in fixed asset investments		Shares in group undertakings
Company		£000
Cost or valuation		
At 1 April 2021 and at 31 March 2022		100
Carrying amount		
At 31 March 2022		100
At 31 March 2021		100

The undertakings in which the group's and company's interest at the year end is more than 20% are as follows:

	Country of Incorporation	Principal activity	Class and percentage of shares held	
			Group	Company
Subsidiary undertakings				
London & Partners International	UK	Holding company	100%	100%
London & Partners (US) Limited*	USA	Inward investment	100%	-
Dot London Domains Limited	UK	Registry operator	100%	100%
London & Partners Ventures Limited	UK	E-Commerce	100%	100%
London Convention Bureau Limited	UK	Dormant	100%	100%
London Tourist Board Limited	UK	Dormant	100%	100%
London Tourism Limited	UK	Dormant	100%	100%
Tourism London Limited	UK	Dormant	100%	100%
Visit London Limited	UK	Dormant	100%	100%
London & Partners Events Limited	UK	Dormant	100%	100%

*Interest held indirectly via London & Partners International.

The address of the registered office of all of the above companies is 169 Union Street, London, SE1 0LL except for London & Partners (US) Limited whose registered office address is 2711 Centerville Road, Suite 400, City of Wilmington, Delaware 19808, USA.

The dormant companies listed above are exempt from the requirement for audit under Section 479A of the Companies Act 2006.

LONDON & PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

13. Debtors

Amounts falling due within one year:

	Group		Company	
	2022 £000	2021 £000	2022 £000	2021 £000
Trade debtors	1,357	3,197	965	3,069
Amounts owed by group undertakings	-	-	669	131
Corporation tax recoverable	9	9	-	-
Other debtors	168	460	52	111
Prepayments and accrued income	1,499	1,274	1,450	1,206
	<u>3,033</u>	<u>4,940</u>	<u>3,136</u>	<u>4,517</u>

Amounts falling due after more than one year:

Prepayments and accrued income	48	81	-	-
Total debtors	<u>3,081</u>	<u>5,021</u>	<u>3,135</u>	<u>4,517</u>

Amounts owed by group undertakings are repayable on demand and do not incur interest.

14. Creditors: amounts falling due within one year

	Group		Company	
	2022 £000	2021 £000	2022 £000	2021 £000
Trade creditors	611	693	539	665
Amounts owed to group undertakings	-	-	1	119
Other taxation and social security	430	425	392	425
Corporation tax payable	15	-	-	-
Other creditors	144	453	128	417
Accruals and deferred income	3,194	4,913	2,254	4,282
	<u>4,394</u>	<u>6,484</u>	<u>3,314</u>	<u>5,908</u>

Amounts owed to group undertakings are repayable on demand and do not incur interest.

LONDON & PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

15. Creditors: amounts falling due after more than one year

	Group		Company	
	2022 £000	2021 £000	2022 £000	2021 £000
Accruals and deferred income	126	140		

Accruals and deferred income falling due after more than one year relate to accruals for leasehold costs and deferred income from domain registry services in respect of future years. The amount falling due after more than 5 years is £9,962 (2021: £11,839).

16. Provisions for liabilities

	Group		Company	
	2022 £000	2021 £000	2022 £000	2021 £000
Deferred tax liabilities		1		1
Dilapidations	3		3	

17. Deferred taxation

The major deferred tax liabilities and assets recognised by the group and company are:

Group and company	Liabilities	
	2022 £000	2021 £000
Accelerated capital allowances		1

Movements in the year:	Group and company	
	2022 £000	
Liability at 1 April 2021		1
Credit to profit or loss		(1)
Liability at 31 March 2022		1

LONDON & PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

18. Retirement benefits

Group personal pension plan

The group operates a defined contribution group personal pension plan for UK employees and others in each overseas branch or subsidiary as described below.

The pension cost charge for the period represents contributions payable by the group to the plans and amounted to £1,114,000 (2021: £1,031,000).

At 31 March 2022 contributions amounting to £80,096 (2021: £89,080) were payable to the UK plan and are included in creditors. The company has no other liability in respect of the pension scheme.

For overseas employees in the Indian branch, employee and employer contributions are paid into the Provident Fund held by the Commissioner of Mumbai and can be withdrawn by the employee as a lump sum on leaving service. For overseas employees in the Chinese branch the company contributes the statutory amount for each employee into the state administered fund. The group contributes to a 401k scheme for US employees.

19. Reserves

The reserves of the group represent the following:

Retained Earnings

The surplus for the year arises from trading profits of the company's subsidiaries, Dot London Domains Limited and London & Partners Ventures Limited. These funds will be utilised in future years in the promotion of London.

The GLA has agreed to hold a provision on behalf of the company designated specifically for the cost of performing an orderly wind down of the company's activities if grant funding was no longer available and has confirmed this in a letter dated 26 June 2013. The total amount required is assessed each year and the provision adjusted as considered necessary.

20. Reconciliation of surplus after tax to net cash generated from operations

	2022 £000	2021 £000
Deficit after tax	(16)	(1,058)
Adjustments for: Depreciation, amortisation and impairment charges	253	268
Profit on disposal of tangible fixed assets	-	10
Increase in provisions	2	(60)
Interest receivable	(12)	(6)
Taxation	70	(49)
Interest paid	2	-
	<hr/>	<hr/>
Operating cash flows before movements in working capital	298	(895)
Decrease/(increase) in trade and other debtors	1,907	(1,324)
(Decrease)/increase in trade and other creditors	(2,142)	2,262
	<hr/>	<hr/>
Cash generated from operations	64	43

LONDON & PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

21. Analysis of changes in net funds - Group

	1 April 2021	Cash flows	31 March 2022
	£000	£000	£000
Cash at bank and in hand	5,551	(428)	5,123

22. Operating lease commitments

Lessee

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

	Group		Company	
	2022	2021	2022	2021
	£000	£000	£000	£000
Amounts due:				
Within one year	392	762	296	663
Between one and five years	2,224	2,568	2,224	2,568
On over five years	-	588	-	588
	<u>2,616</u>	<u>3,918</u>	<u>2,520</u>	<u>3,819</u>

23. Related party transactions

The company has taken advantage of the exemptions provided by Section 33 of FRS102 'Related Party Disclosures' and has not disclosed transactions entered into between two or more members of a group, provided that any subsidiary undertaking which is party to the transaction is wholly owned by a member of that group.

24. Ultimate controlling party

The company is controlled by its members, who are the Mayor of London, ABTA, Society of London Theatre, the London Chamber of Commerce & Industry and UK Hospitality. In the opinion of the directors there is no ultimate controlling party.