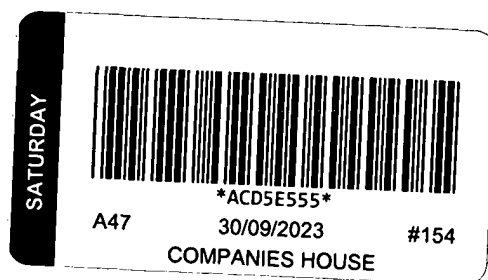


Limited Liability Partnership registration number OC360654 (England and Wales)

# Anomaly London LLP

Annual Report And Financial Statements

For The Year Ended 31 December 2022



# Anomaly London LLP

## Limited Liability Partnership Information

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<b>Designated members</b>	Anomaly UK Limited C Harrison S Smith
<b>LLP registration number</b>	OC360654
<b>Registered office</b>	25 Charterhouse Square London EC1M 6AE
<b>Auditor</b>	Loucas The Carriage House Mill Street Maidstone Kent ME15 6YE
<b>Business address</b>	25 Charterhouse Square London EC1M 6AE
<b>Bankers</b>	HSBC 60 Queen Victoria Street London EC4N 4TR

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# Anomaly London LLP

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# Anomaly London LLP

## Members' Report

For The Year Ended 31 December 2022

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The members present their annual report and financial statements for the year ended 31 December 2022.

### Principal activities

The principal activity of the limited liability partnership continued to be that of a marketing agency.

### Members' drawings, contributions and repayments

The members' drawing policy allows each member to draw a proportion of their profit share, subject to the cash requirements of the business.

A member's capital requirement is linked to their share of profit and the financing requirement of the limited liability partnership. There is no opportunity for appreciation of the capital subscribed. Just as incoming members introduce their capital at "par", so the retiring members are repaid their capital at "par".

### Designated members

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

Anomaly UK Limited  
C Harrison  
S Smith

### Auditor

Loucas were appointed as auditor to the limited liability partnership and in accordance with section 485 of the Companies Act 2006 (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008), a resolution proposing that they be re-appointed will be put at a general meeting.

### Energy and carbon report

This is the first year that we have been required to report greenhouse gas emissions and our reporting covers the accounting period to December 2022.

The consumption figures have been obtained from Ashdown Phillips & Partners, who supply all electricity to our offices. Therefore, it follows that our calculations are based on what we have directly used and paid for.

The following table gives our gross emissions and intensity ratios:

	Energy Consumption	CO2 Emissions (tons of CO2)	CO2e Per Sqm Office space
Scope 1	None	None	None
Scope 2	115,086	37	0.03
Scope 3	864,266	201,495	177.84
	<u>979,352</u>	<u>201,532</u>	<u>177.87</u>

## Anomaly London LLP

### Members' Report (Continued)

For The Year Ended 31 December 2022

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#### Methodology and reporting

There are no Scope 1 emissions to report.

In respect of scope 2, the emissions from our use of electricity at our offices are derived from figures provided in KWH supplied by the landlord. CO2 emissions were also provided by the landlord and apportioned based on square meter of office space.

Scope 3 emissions represent our CO2 emissions for business travel obtained from our business travel partner in kilograms of CO2. This has been converted to KWH using the Greenhouse gas reporting: conversion factors from the department for Business, Energy and Industrial Strategy.

#### Energy efficiency action

Anomaly's policy for sustainability is to encourage our stakeholders to have a considered attitude to the environment and to embrace behaviours that minimise a negative impact on the environment. Our policy is designed to consciously call on the business to embed sustainability in all its operations and ways of working, which fundamentally includes the following key areas:

Energy – All offices have automated motion sensor lighting, so energy isn't wasted in areas that don't require constant lighting. Employees are encouraged to switch off all their electrical devices at the end of the day, and any applicable kitchen appliances are turned off.

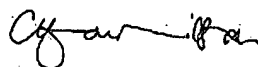
Recycling and waste – We provide recycling and food waste bins to encourage composting and recycling.

Paper use – We encourage all employees to reduce the amount they print by emailing presentations, rather than printing out paper copies and using double sided printing only when it is necessary.

Transportation – Anomaly participates in the Cycle to Work scheme and encourages virtual calls for meetings as opposed to using transport. It also advocates electric cars for travelling and allows employees time for walking to meetings within a short distance. Anomaly has adopted a hybrid working model which reduces employees' carbon footprint from traveling to and from the office.

Anomaly is selective about the clients it partners with, ensuring that they share the same values regarding sustainability. All client productions are subject to an Adgreen levy and carbon offsetting is currently being investigated for those employees who attend shoots and travel the most.

Approved by the members on 28 September 2023 and signed on behalf by:



.....  
C Harrison  
**Designated Member**

## **Anomaly London LLP**

### **Members' Responsibilities Statement**

**For The Year Ended 31 December 2022**

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

Company law (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008) requires the members to prepare financial statements for each financial year. Under that law the members have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice. Under company law (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008) the members 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 limited liability partnership and of the profit or loss of the limited liability partnership for that period. In preparing these financial statements, the members are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the limited liability partnership will continue in business.

The members are responsible for keeping adequate accounting records that are sufficient to show and explain the limited liability partnership's transactions and disclose with reasonable accuracy at any time the financial position of the limited liability partnership and enable them to ensure that the financial statements comply with the Companies Act 2006 (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008). They are also responsible for safeguarding the assets of the limited liability partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# Anomaly London LLP

## Independent Auditor's Report

### To The Members Of Anomaly London LLP

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#### Opinion

We have audited the financial statements of Anomaly London LLP (the 'limited liability partnership') for the year ended 31 December 2022 which comprise the profit and loss account, the statement of comprehensive income, the balance sheet, the reconciliation of members' interests, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the limited liability partnership's affairs as at 31 December 2022 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 as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008.

#### 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 limited liability partnership 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 members' 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 limited liability partnership'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 members 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 members 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.

## **Anomaly London LLP**

### **Independent Auditor's Report (Continued)**

#### **To The Members Of Anomaly London LLP**

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##### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 as applied to limited liability partnerships 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*
- *we have not received all the information and explanations we require for our audit.*

##### **Responsibilities of members**

As explained more fully in the members' responsibilities statement, the members 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 members 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 members are responsible for assessing the limited liability partnership'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 members either intend to liquidate the limited liability partnership 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.

##### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

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

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements, including how fraud may occur by enquiring of management's own consideration of fraud. In particular we assessed whether judgements made in making accounting estimates are indicative of potential bias, and evaluated the business rationale of significant transactions outside the normal course of business. We also addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and other adjustments. We also considered potential financial or other pressures, opportunities and motivations for fraud. As part of discussions with management we identified the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations and how management monitor these processes.

We obtained an understanding of the legal and regulatory environment applicable to the company and established the most relevant laws and regulations are FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), Companies Act 2006, direct and indirect taxation legislation in the United Kingdom, and operational laws and regulations including health and safety, employment law, anti-money laundering, anti-bribery and corruption, and GDPR rules.

We considered the extent of compliance with these laws and regulations as part of our procedures on the related financial statement lines. We made enquiries of management with regards to compliance with the above laws and regulations and corroborated any necessary evidence, for example, review and inspection of legal invoices and correspondence with the relevant authorities and the entity's solicitors.

## **Anomaly London LLP**

**Independent Auditor's Report (Continued)**  
**To The Members Of Anomaly London LLP**

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Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentation or through collusion. There are inherent limitations in the audit procedures performed as non-compliance with laws and regulations may not necessarily be reflected in transactions reported in the financial statements, and therefore we may be less likely to become aware of it. Management and those charged with governance of the entity have the primary responsibility for the prevention and detection of fraud.

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

### **Use of our report**

This report is made solely to the limited liability partnership's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 as applied by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008. Our audit work has been undertaken so that we might state to the limited liability partnership'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 limited liability partnership and the limited liability partnership's members as a body, for our audit work, for this report, or for the opinions we have formed.

*Athos Louca*

**Mr Athos Louca FCCA, ICPAC (Senior Statutory Auditor)**  
**For and on behalf of Loucas**

29-09-2023  
Date: .....

**Chartered Certified Accountants**  
**Statutory Auditor**

The Carriage House  
Mill Street  
Maidstone  
Kent  
ME15 6YE

## Anomaly London LLP

### Profit And Loss Account

For The Year Ended 31 December 2022

	Notes	2022 £	2021 £
<b>Turnover</b>	<b>3</b>	73,290,573	42,252,988
Cost of sales		(43,101,078)	(19,710,023)
<b>Gross profit</b>		30,189,495	22,542,965
Administrative expenses		(21,088,014)	(16,434,061)
<b>Operating profit</b>	<b>4</b>	9,101,481	6,108,904
Interest receivable and similar income	<b>7</b>	54,300	-
Interest payable and similar expenses	<b>8</b>	(10,173)	(1,773)
<b>Profit for the financial year before members' remuneration and profit shares</b>		9,145,608	6,107,131
Members' remuneration charged as an expense	<b>6</b>	(550,000)	(550,000)
<b>Profit for the financial year available for discretionary division among members</b>		<u>8,595,608</u>	<u>5,557,131</u>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

## Anomaly London LLP

### Statement Of Comprehensive Income For The Year Ended 31 December 2022

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	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Profit for the financial year available for discretionary division among members</b>	8,595,608	5,557,131
<b>Other comprehensive income</b>	-	-
<b>Total comprehensive income for the year</b>	<u>8,595,608</u>	<u>5,557,131</u>

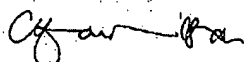
# Anomaly London LLP

## Balance Sheet

As At 31 December 2022

	Notes	2022		2021	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	9		703,036		468,617
<b>Current assets</b>					
Stocks	10	51,604		151,668	
Debtors	11	31,870,079		22,480,324	
Cash at bank and in hand		3,626,831		3,230,359	
			35,548,514		25,862,351
<b>Creditors: amounts falling due within one year</b>	12	(17,491,491)		(15,056,161)	
<b>Net current assets</b>			18,057,023		10,806,190
<b>Total assets less current liabilities and net assets attributable to members</b>			18,760,059		11,274,807
<b>Represented by:</b>					
<b>Loans and other debts due to members within one year</b>					
Amounts due in respect of profits			18,136,662		10,651,410
Other amounts			615,000		615,000
			18,751,662		11,266,410
<b>Members' other interests</b>					
Members' capital classified as equity			8,397		8,397
			18,760,059		11,274,807
<b>Total members' interests</b>					
Amounts due from members		(615,000)		(615,000)	
Loans and other debts due to members			18,751,662		11,266,410
Members' other interests			8,397		8,397
			18,145,059		10,659,807

The financial statements were approved by the members and authorised for issue on 28 September 2023 and are signed on their behalf by:



C Harrison  
Designated member

Limited Liability Partnership Registration No. OC360654

## Anomaly London LLP

### Reconciliation Of Members' Interests

For The Year Ended 31 December 2022

<i>Current financial year</i>	EQUITY			DEBT		TOTAL
	Members' other interests		Total	Loans and other debts due to members less any amounts due from members in debtors		MEMBERS' INTERESTS
	Members' capital	Other reserves			Other amounts	Total
	£	£	£	£	£	£
Members' interests at 1 January 2022	8,397	-	8,397	10,651,410	10,651,410	10,659,807
Members' remuneration charged as an expense, including employment costs and retirement benefit costs	-	-	-	550,000	550,000	550,000
Profit for the financial year available for discretionary division among members	-	8,595,608	8,595,608	-	-	8,595,608
Members' interests after profit and remuneration for the year	8,397	8,595,608	8,604,005	11,201,410	11,201,410	19,805,415
Allocation of profit for the financial year	-	(8,595,608)	(8,595,608)	8,595,608	8,595,608	-
Drawings on account and distributions of profit	-	-	-	(1,660,356)	(1,660,356)	(1,660,356)
Members' interests at 31 December 2022	8,397	-	8,397	18,136,662	18,136,662	18,145,059

## Anomaly London LLP

### Reconciliation Of Members' Interests (Continued)

For The Year Ended 31 December 2022

<i>Prior financial year</i>	EQUITY			DEBT		TOTAL
	Members' other interests			Loans and other debts due to members less any amounts due from members in debtors		MEMBERS' INTERESTS
	Members' capital	Other reserves	Total	Other amounts	Total	Total 2021
£	£	£	£	£	£	£
Members' interests at 1 January 2021	8,397	-	8,397	5,803,611	5,803,611	5,812,008
Members' remuneration charged as an expense, including employment costs and retirement benefit costs	-	-	-	550,000	550,000	550,000
Profit for the financial year available for discretionary division among members	-	5,557,131	5,557,131	-	-	5,557,131
Members' interests after profit and remuneration for the year	8,397	5,557,131	5,565,528	6,353,611	6,353,611	11,919,139
Allocation of profit for the financial year	-	(5,557,131)	(5,557,131)	5,557,131	5,557,131	-
Drawings on account and distributions of profit	-	-	-	(1,259,332)	(1,259,332)	(1,259,332)
Members' interests at 31 December 2021	8,397	-	8,397	10,651,410	10,651,410	10,659,807

## Anomaly London LLP

### Statement Of Cash Flows

For The Year Ended 31 December 2022

	Notes	2022		2021	
		£	£	£	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	17	2,489,147		580,496	
Interest paid		(10,173)		(1,773)	
<b>Net cash inflow from operating activities</b>		<b>2,478,974</b>		<b>578,723</b>	
<b>Investing activities</b>					
Purchase of tangible fixed assets		(476,446)		(224,698)	
Proceeds on disposal of tangible fixed assets		-		2,573	
Interest received		54,300		-	
<b>Net cash used in investing activities</b>		<b>(422,146)</b>		<b>(222,125)</b>	
<b>Financing activities</b>					
Payments to members that represent a return on amounts subscribed or otherwise contributed		(1,660,356)		(1,259,332)	
<b>Net cash used in financing activities</b>		<b>(1,660,356)</b>		<b>(1,259,332)</b>	
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>396,472</b>		<b>(902,734)</b>	
Cash and cash equivalents at beginning of year		3,230,359		4,133,093	
<b>Cash and cash equivalents at end of year</b>		<b>3,626,831</b>		<b>3,230,359</b>	

# Anomaly London LLP

## Notes To The Financial Statements

For The Year Ended 31 December 2022

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### 1 Accounting policies

#### Limited liability partnership information

Anomaly London LLP is a limited liability partnership incorporated in England and Wales. The registered office is 25 Charterhouse Square, London, EC1M 6AE.

The limited liability partnership's principal activities are disclosed in the Members' Report.

#### 1.1 Accounting convention

These financial statements have been prepared in accordance with the Statement of Recommended Practice "Accounting by Limited Liability Partnerships" issued in December 2021, together with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

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

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

#### 1.2 Going concern

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

#### 1.3 Turnover

Turnover represents the amounts recoverable for the services provided to clients, excluding value added tax, under contractual obligations which are performed gradually over time.

If, at the balance sheet date, completion of contractual obligations is dependent on external factors (and thus outside the control of the Limited Liability Partnership), then revenue is recognised only when the event occurs. In such cases, costs incurred up to the balance sheet date are carried forward as work in progress.

#### 1.4 Members' participating interests

Members' participation rights are the rights of a member against the LLP that arise under the members' agreement (for example, in respect of amounts subscribed or otherwise contributed remuneration and profits).

Members' participation rights in the earnings or assets of the LLP are analysed between those that are, from the LLP's perspective, either a financial liability or equity, in accordance with section 22 of FRS 102. A member's participation rights including amounts subscribed or otherwise contributed by members, for example members' capital, are classed as liabilities unless the LLP has an unconditional right to refuse payment to members, in which case they are classified as equity.

All amounts due to members that are classified as liabilities are presented within 'Loans and other debts due to members' and, where such an amount relates to current year profits, they are recognised within 'Members' remuneration charged as an expense' in arriving at the relevant year's result. Undivided amounts that are classified as equity are shown within 'Members' other interests'. Amounts recoverable from members are presented as debtors and shown as amounts due from members within members' interests.

Where there exists an asset and liability component in respect of an individual member's participation rights, they are presented on a gross basis unless the LLP has both a legally enforceable right to set off the recognised amounts, and it intends either to settle on a net basis or to settle and realise these amounts simultaneously, in which case they are presented net.

# Anomaly London LLP

## Notes To The Financial Statements (Continued) For The Year Ended 31 December 2022

### 1 Accounting policies

(Continued)

Once an unavoidable obligation has been created in favour of members through allocation of profits or other means, any undrawn profits remaining at the reporting date are shown as 'Loans and other debts due to members' to the extent they exceed debts due from a specific member.

Distributions of profits are shown as financing cash flows, because they represent costs of obtaining financial resources or claims on cash flows by the providers of capital to the LLP.

#### 1.5 Tangible fixed assets

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

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

Leasehold improvements	Over the term of the lease
Fixtures and fittings	Straight line over 7 years
Computers	Straight line over 3 years

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

#### 1.6 Impairment of fixed assets

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

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

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

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

# Anomaly London LLP

## Notes To The Financial Statements (Continued)

For The Year Ended 31 December 2022

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### 1 Accounting policies

(Continued)

#### 1.7 Stocks

Stock consists of work in progress (WIP) on ongoing projects that have not yet been completed as at the year end and, where applicable, direct material and overhead costs. Work in progress is measured at the lower of cost and net realisable value,

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of WIP over its estimated selling prices less costs to complete and sell is recognised as an impairment loss in the profit or loss. Reversals of impairment losses are also recognised in the profit or loss.

#### 1.8 Cash and cash equivalents

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

#### 1.9 Financial instruments

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

Financial instruments are recognised in the limited liability partnership's statement of financial position when the limited liability partnership becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Other financial assets**

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

##### **Impairment of financial assets**

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

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

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

# Anomaly London LLP

## Notes To The Financial Statements (Continued)

For The Year Ended 31 December 2022

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### 1 Accounting policies

(Continued)

#### ***Derecognition of financial assets***

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

#### ***Classification of financial liabilities***

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the limited liability partnership after deducting all of its liabilities.

#### ***Basic financial liabilities***

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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

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

#### ***Other financial liabilities***

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

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

#### ***Derecognition of financial liabilities***

Financial liabilities are derecognised when the limited liability partnership's obligations expire or are discharged or cancelled.

#### **1.10 Employee benefits**

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

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

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

#### **1.11 Retirement benefits and post retirement payments to members**

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

# Anomaly London LLP

## Notes To The Financial Statements (Continued) For The Year Ended 31 December 2022

### 1 Accounting policies

(Continued)

#### 1.12 Leases

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

#### 1.13 Foreign exchange

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

### 2 Judgements and key sources of estimation uncertainty

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

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

### 3 Turnover

An analysis of the limited liability partnership's turnover is as follows:

	2022	2021
	£	£
<b>Turnover analysed by class of business</b>		
Services	73,290,573	42,252,988
	<u>73,290,573</u>	<u>42,252,988</u>
	2022	2021
	£	£
<b>Turnover analysed by geographical market</b>		
UK	14,377,785	10,592,866
Europe	35,103,583	22,763,956
USA	23,651,794	8,680,256
Rest of the World	157,411	215,910
	<u>73,290,573</u>	<u>42,252,988</u>
	2022	2021
	£	£
<b>Other significant revenue</b>		
Interest income	54,300	-
	<u>54,300</u>	<u>-</u>

## Anomaly London LLP

### Notes To The Financial Statements (Continued) For The Year Ended 31 December 2022

#### 4 Operating profit

	2022	2021
	£	£
Operating profit for the year is stated after charging/(crediting):		
Exchange (gains)/losses	(223,930)	299,202
Fees payable to the LLP's auditor for the audit of the LLP's financial statements	55,321	13,500
Depreciation of owned tangible fixed assets	239,684	357,705
Loss on disposal of tangible fixed assets	2,343	2,708
Operating lease charges	22,436	18,744
	<u>                    </u>	<u>                    </u>

#### 5 Employees

The average number of persons (excluding members) employed by the partnership during the year was:

	2022	2021
	Number	Number
Account management	47	37
Créative	46	30
Design	28	17
Planning	24	18
Production	26	28
Admin	17	13
New Business	3	3
Transformation	3	-
	<u>                    </u>	<u>                    </u>
Total	194	146
	<u>                    </u>	<u>                    </u>

Their aggregate remuneration comprised:

	2022	2021
	£	£
Wages and salaries	16,273,375	12,398,955
Social security costs	1,955,641	1,308,226
Pension costs	197,718	124,969
	<u>                    </u>	<u>                    </u>
	18,426,734	13,832,150
	<u>                    </u>	<u>                    </u>

## Anomaly London LLP

### Notes To The Financial Statements (Continued) For The Year Ended 31 December 2022

#### 6 Members' remuneration

	2022 Number	2021 Number
Average number of members during the year	3	3
	<u>3</u>	<u>3</u>
	2022 £	2021 £
Profit attributable to the member with the highest entitlement	7,311,100	4,885,705
	<u>7,311,100</u>	<u>4,885,705</u>
Average members' remuneration	3,046,292	2,035,710
	<u>3,046,292</u>	<u>2,035,710</u>

#### 7 Interest receivable and similar income

	2022 £	2021 £
<b>Interest income</b>		
Interest on bank deposits	25,077	-
Interest receivable from group companies	29,223	-
	<u>54,300</u>	<u>-</u>
Total income	54,300	-
	<u>54,300</u>	<u>-</u>
	2022 £	2021 £
Investment income includes the following:		
Interest on financial assets not measured at fair value through profit or loss	54,300	-
	<u>54,300</u>	<u>-</u>

#### 8 Interest payable and similar expenses

	2022 £	2021 £
<b>Interest on financial liabilities measured at amortised cost:</b>		
Interest on bank overdrafts and loans	10,173	1,773
	<u>10,173</u>	<u>1,773</u>

## Anomaly London LLP

### Notes To The Financial Statements (Continued) For The Year Ended 31 December 2022

#### 9 Tangible fixed assets

	Leasehold improvements	Fixtures and fittings	Computers	Total
	£	£	£	£
<b>Cost</b>				
At 1 January 2022	1,530,477	269,915	313,243	2,113,635
Additions	150,549	150,369	175,528	476,446
Disposals	-	-	(2,925)	(2,925)
At 31 December 2022	1,681,026	420,284	485,846	2,587,156
<b>Depreciation and impairment</b>				
At 1 January 2022	1,269,020	192,876	183,122	1,645,018
Depreciation charged in the year	109,429	35,853	94,402	239,684
Eliminated in respect of disposals	-	-	(582)	(582)
At 31 December 2022	1,378,449	228,729	276,942	1,884,120
<b>Carrying amount</b>				
At 31 December 2022	302,577	191,555	208,904	703,036
At 31 December 2021	261,457	77,039	130,121	468,617

#### 10 Stocks

	2022	2021
	£	£
Work in progress	51,604	151,668

#### 11 Debtors

	2022	2021
	£	£
<b>Amounts falling due within one year:</b>		
Trade debtors	6,816,834	14,342,222
Amounts owed by group undertakings	2,045,668	1,063,638
Amounts owed by members	615,000	615,000
Other debtors	20,976,255	5,930,397
Prepayments and accrued income	1,416,322	529,067
	31,870,079	22,480,324

## Anomaly London LLP

### Notes To The Financial Statements (Continued)

For The Year Ended 31 December 2022

#### 12 Creditors: amounts falling due within one year

	2022	2021
	£	£
Trade creditors	5,346,249	3,197,049
Other taxation and social security	682,655	557,062
Other creditors	10,772,267	9,916,475
Accruals and deferred income	690,320	1,385,575
	<u>17,491,491</u>	<u>15,056,161</u>

#### 13 Retirement benefit schemes

	2022	2021
	£	£
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	<u>197,718</u>	<u>124,969</u>

The limited liability partnership operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the limited liability partnership in an independently administered fund.

#### 14 Loans and other debts due to members

	2022	2021
	£	£
<b>Analysis of loans</b>		
Amounts falling due within one year	<u>18,751,662</u>	<u>11,266,410</u>

In the event of a winding up the amounts included in "Loans and other debts due to members" will rank equally with unsecured creditors.

#### 15 Operating lease commitments

##### Lessee

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

	2022	2021
	£	£
Within one year	<u>-</u>	<u>4,052</u>

#### 16 Related party transactions

##### Remuneration of key management personnel

The total remuneration of the members of the LLP and the area managers, who are considered to be the key management personnel of the LLP was £9,145,608, of which £550,000 has been recognised as employee remuneration and £8,595,608 as profits distributable to members.

# Anomaly London LLP

## Notes To The Financial Statements (Continued) For The Year Ended 31 December 2022

### 16 Related party transactions

(Continued)

#### Transactions with related parties

During the year the limited liability partnership entered into the following transactions with related parties:

	Sales 2022 £	Sales 2021 £	Purchases 2022 £	Purchases 2021 £
Other related parties	8,506,796	2,717,480	1,400,371	3,573,850

#### Amounts due to related parties

	2022 £	2021 £
Other related parties	1,313,561	4,414,668

The following amounts were outstanding at the reporting end date:

	2022 £	2021 £
Other related parties	21,122,380	6,678,586

### 17 Cash generated from operations

	2022 £	2021 £
Profit for the year	9,145,608	6,107,131
<b>Adjustments for:</b>		
Finance costs recognised in profit or loss	10,173	1,773
Investment income recognised in profit or loss	(54,300)	-
Loss on disposal of tangible fixed assets	2,343	2,708
Depreciation and impairment of tangible fixed assets	239,684	357,705
<b>Movements in working capital:</b>		
Decrease/(increase) in stocks	100,064	(97,540)
Increase in debtors	(9,389,755)	(13,339,814)
Increase in creditors	2,435,330	7,548,533
<b>Cash generated from operations</b>	<b>2,489,147</b>	<b>580,496</b>

## Anomaly London LLP

Notes To The Financial Statements (Continued)  
For The Year Ended 31 December 2022

### 18 Analysis of changes in net funds

	1 January 2022 £	Cash flows £	31 December 2022 £
Cash at bank and in hand	3,230,359	396,472	3,626,831
Loans and other debts due to members:			
- Other amounts due to members	(11,266,410)	(7,485,252)	(18,751,662)
Balances including members' debt	<u>(8,036,051)</u>	<u>(7,088,780)</u>	<u>(15,124,831)</u>