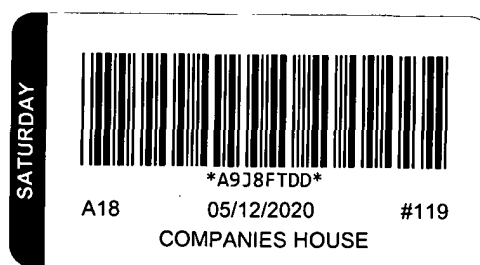


**COMPANY REGISTRATION NUMBER: 02863933**

**RTL ADCONNECT UK LIMITED  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
31 DECEMBER 2019**



**RTL ADCONNECT UK LIMITED**  
**FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2019**

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**RTL ADCONNECT UK LIMITED**  
**OFFICERS AND PROFESSIONAL ADVISERS**

<b>The board of directors</b>	Mr C Loisel Mr B Prat Mr S Betts Mr S Coruble
<b>Company secretary</b>	Mr B Prat
<b>Registered office</b>	4 Tenterden Street, 4th Floor London W1S 1TE
<b>Auditor</b>	BSG Valentine (UK) LLP Chartered Accountants & Statutory Auditor Lynton House 7 - 12 Tavistock Square London WC1H 9BQ

**RTL ADCONNECT UK LIMITED**

**DIRECTORS' REPORT**

**YEAR ENDED 31 DECEMBER 2019**

The directors present their report and the financial statements of the company for the year ended 31 December 2019.

**Principal activities**

The company's principal activity is that of providing international multimedia advertising services.

**Directors**

The directors who served the company during the year were as follows:

Mr C Loisel  
Mr B Prat  
Mr S Betts  
Mr S Coruble

**Directors' responsibilities statement**

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

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

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

- select suitable accounting policies and then apply them consistently;
- make 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 company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Auditor**

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

**Small company provisions**

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

**RTL ADCONNECT UK LIMITED**

**DIRECTORS' REPORT** *(continued)*

**YEAR ENDED 31 DECEMBER 2019**

This report was approved by the board of directors on ..... 30/11/2020 ..... and signed on behalf of the board by:

Mr S Betts  
Director



Registered office:  
4 Tenterden Street, 4th Floor  
London  
W1S 1TE

**RTL ADCONNECT UK LIMITED**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF RTL ADCONNECT UK LIMITED**

**YEAR ENDED 31 DECEMBER 2019**

**Opinion**

We have audited the financial statements of RTL Adconnect UK Limited (the 'company') for the year ended 31 December 2019 which comprise the statement of income and retained earnings, statement of financial position and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 company's affairs as at 31 December 2019 and of its loss 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 company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

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

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

**RTL ADCONNECT UK LIMITED**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF RTL ADCONNECT UK LIMITED**  
*(continued)*

**YEAR ENDED 31 DECEMBER 2019**

**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. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

**Opinions on other matters prescribed by the Companies Act 2006**

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

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

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

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

**RTL ADCONNECT UK LIMITED**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF RTL ADCONNECT UK LIMITED**  
(continued)

**YEAR ENDED 31 DECEMBER 2019**

**Responsibilities of directors**

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

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

**Auditor's responsibilities for the audit of the financial statements**

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

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

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



**RTL ADCONNECT UK LIMITED**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF RTL ADCONNECT UK LIMITED**  
(continued)

**YEAR ENDED 31 DECEMBER 2019**

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**Use of our report**

This report is made solely to the company's member, 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 member 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 member as a body, for our audit work, for this report, or for the opinions we have formed.

BSG Valentine (UK) LLP

Gary Allen FCA (Senior Statutory Auditor)

For and on behalf of  
BSG Valentine (UK) LLP  
Chartered Accountants & Statutory Auditor  
Lynton House  
7 - 12 Tavistock Square  
London  
WC1H 9BQ

30/11/2020

**RTL ADCONNECT UK LIMITED**  
**STATEMENT OF INCOME AND RETAINED EARNINGS**  
**YEAR ENDED 31 DECEMBER 2019**

	Note	2019 £	2018 £
<b>Turnover</b>	<b>4</b>	6,864,864	4,122,961
Cost of sales		<u>(2,272,898)</u>	<u>(551,468)</u>
<b>Gross profit</b>		4,591,966	3,571,493
Administrative expenses		<u>(4,682,552)</u>	<u>(3,296,330)</u>
<b>Operating (loss)/profit</b>	<b>5</b>	(90,586)	275,163
Other interest receivable and similar income	<b>9</b>	348	298
Interest payable and similar expenses	<b>10</b>	<u>(1,954)</u>	<u>(973)</u>
<b>(Loss)/profit before taxation</b>		(92,192)	274,488
Tax on (loss)/profit	<b>11</b>	<u>2,176</u>	<u>(60,832)</u>
<b>(Loss)/profit for the financial year and total comprehensive income</b>		<u>(90,016)</u>	<u>213,656</u>
Dividends paid and payable	<b>12</b>	–	(505,274)
<b>Retained earnings at the start of the year</b>		1,447,192	1,738,810
<b>Retained earnings at the end of the year</b>		<u>1,357,176</u>	<u>1,447,192</u>

All the activities of the company are from continuing operations.

The notes on pages 10 to 16 form part of these financial statements.

**RTL ADCONNECT UK LIMITED**  
**STATEMENT OF FINANCIAL POSITION**

**31 DECEMBER 2019**

	Note	2019 £	£	2018 £	£
<b>Fixed assets</b>					
Tangible assets	13		94,481		82,969
<b>Current assets</b>					
Debtors	14	2,878,408		1,306,004	
Cash at bank and in hand		2,544,471		2,423,145	
		<u>5,422,879</u>		<u>3,729,149</u>	
<b>Creditors: amounts falling due within one year</b>	15	<u>3,960,184</u>		<u>2,164,926</u>	
<b>Net current assets</b>			<u>1,462,695</u>		<u>1,564,223</u>
<b>Total assets less current liabilities</b>			<u>1,557,176</u>		<u>1,647,192</u>
<b>Net assets</b>			<u>1,557,176</u>		<u>1,647,192</u>
<b>Capital and reserves</b>					
Called up share capital	18		200,000		200,000
Profit and loss account	19		1,357,176		1,447,192
<b>Shareholder funds</b>			<u>1,557,176</u>		<u>1,647,192</u>

These financial statements were approved by the board of directors and authorised for issue on .....30/11/2020....., and are signed on behalf of the board by:



Mr S Betts  
Director

Company registration number: 02863933

The notes on pages 10 to 16 form part of these financial statements.

**RTL ADCONNECT UK LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2019**

**1. General information**

The company is a private company limited by shares, registered in United Kingdom. The address of the registered office is 4 Tenterden Street, 4th Floor, London, W1S 1TE.

**2. Statement of compliance**

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

**3. Accounting policies**

**Basis of preparation**

The financial statements have been prepared on the historical cost basis.

**Going concern**

As at the year end the company had net current assets of £1.46m (2018: £1.56m), including £2.54m of cash (2018: £2.42m). The Covid-19 pandemic has materially impacted on the company's results post year end, however sales have now recovered and the directors are forecasting a break even position for 2020 and a small profit in 2021. The latest management accounts show a net current asset position of £1.2m, including cash at bank of £576k. The company is the subsidiary of a large listed parent and that parent company has confirmed group support should it be required. On the basis of the above the directors have not identified an material uncertainty regarding going concern and therefore continue to prepare the financial statements on a going concern basis.

**Disclosure exemptions**

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. Its financial statements are consolidated into the financial statements of RTL Group S.A, which can be obtained from General Counsel at RTL Group S.A, 45 Boulevard Pierre Frieden, L-1543 Luxembourg. As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102:

- (a) No cash flow statement has been presented for the company.
- (b) No disclosure has been given for the aggregate remuneration of key management personnel.

**Judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. There are no significant judgements and accounting estimates recognised in the financial statements.

**Revenue recognition**

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for services rendered, stated net of discounts and of Value Added Tax.

Turnover comprises commissions which are recognised as they are earned based on the underlying sales generated.

**RTL ADCONNECT UK LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS** *(continued)*  
**YEAR ENDED 31 DECEMBER 2019**

**3. Accounting policies** *(continued)*

**Income tax**

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

**Foreign currencies**

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the profit and loss account.

**Operating leases**

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

**Tangible assets**

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

**Depreciation**

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures and fittings	- 25% on cost
Computer equipment	- 33% on cost

**Impairment of fixed assets**

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

**RTL ADCONNECT UK LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS** *(continued)*  
**YEAR ENDED 31 DECEMBER 2019**

**3. Accounting policies** *(continued)*

**Financial instruments**

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

**Defined contribution plans**

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

**4. Turnover**

Turnover arises from:

	2019	2018
	£	£
Commissions	<u>6,864,864</u>	<u>4,122,961</u>

The whole of the turnover is attributable to the principal activity of the company wholly undertaken in the United Kingdom.

**5. Operating profit**

Operating profit or loss is stated after charging/crediting:

	2019	2018
	£	£
Depreciation of tangible assets	49,698	37,396
Impairment of trade debtors	(11,897)	122,842
Foreign exchange differences	78,389	(14,984)
Lease expenses	<u>153,961</u>	<u>81,474</u>

**6. Auditor's remuneration**

	2019	2018
	£	£
Fees payable for the audit of the financial statements	<u>12,000</u>	<u>12,000</u>

**7. Staff costs**

The average number of persons employed by the company during the year, including the directors, amounted to:

	2019	2018
	No.	No.
Administrative staff	<u>17</u>	<u>11</u>

**RTL ADCONNECT UK LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS** *(continued)*  
**YEAR ENDED 31 DECEMBER 2019**

**7. Staff costs** *(continued)*

The aggregate payroll costs incurred during the year, relating to the above, were:

	2019	2018
	£	£
Wages and salaries	1,327,861	896,182
Social security costs	124,642	77,606
Other pension costs	49,470	50,439
	<u>1,501,973</u>	<u>1,024,227</u>

**8. Directors' remuneration**

The directors' aggregate remuneration in respect of qualifying services was:

	2019	2018
	£	£
Remuneration	134,543	130,686
Company contributions to defined contribution pension plans	10,528	13,343
	<u>145,071</u>	<u>144,029</u>

The number of directors who accrued benefits under company pension plans was as follows:

	2019	2018
	No.	No.
Defined contribution plans	<u>1</u>	<u>1</u>

**9. Other interest receivable and similar income**

	2019	2018
	£	£
Interest on cash and cash equivalents	<u>348</u>	<u>298</u>

**10. Interest payable and similar expenses**

	2019	2018
	£	£
Interest on banks loans and overdrafts	<u>1,954</u>	<u>973</u>

**11. Tax on (loss)/profit**

**Major components of tax (income)/expense**

	2019	2018
	£	£
Current tax:		
UK current tax expense	3,604	62,370
Adjustments in respect of prior periods	2,337	812
Total current tax	<u>5,941</u>	<u>63,182</u>

**RTL ADCONNECT UK LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS** *(continued)*  
**YEAR ENDED 31 DECEMBER 2019**

**11. Tax on (loss)/profit** *(continued)*

	2019 £	2018 £
<b>Deferred tax:</b>		
Origination and reversal of timing differences	(8,117)	(2,350)
<b>Tax on (loss)/profit</b>	<u>(2,176)</u>	<u>60,832</u>

**Reconciliation of tax (income)/expense**

The tax assessed on the (loss)/profit on ordinary activities for the year is higher than (2018: higher than) the standard rate of corporation tax in the UK of 19% (2018: 19%).

	2019 £	2018 £
(Loss)/profit on ordinary activities before taxation	(92,192)	274,488
(Loss)/profit on ordinary activities by rate of tax	(17,516)	52,153
Adjustment to tax charge in respect of prior periods	2,337	812
Effect of expenses not deductible for tax purposes	12,075	7,284
Other tax adjustment	928	583
<b>Tax on (loss)/profit</b>	<u>(2,176)</u>	<u>60,832</u>

**12. Dividends**

	2019 £	2018 £
Dividends paid during the year (excluding those for which a liability existed at the end of the prior year )	<u>-</u>	<u>505,274</u>

**13. Tangible assets**

	Fixtures and fittings £	Equipment £	Total £
<b>Cost</b>			
At 1 January 2019	114,117	71,718	185,835
Additions	48,833	12,377	61,210
<b>At 31 December 2019</b>	<u>162,950</u>	<u>84,095</u>	<u>247,045</u>
<b>Depreciation</b>			
At 1 January 2019	60,303	42,563	102,866
Charge for the year	30,991	18,707	49,698
<b>At 31 December 2019</b>	<u>91,294</u>	<u>61,270</u>	<u>152,564</u>
<b>Carrying amount</b>			
<b>At 31 December 2019</b>	<u>71,656</u>	<u>22,825</u>	<u>94,481</u>
At 31 December 2018	<u>53,814</u>	<u>29,155</u>	<u>82,969</u>



**RTL ADCONNECT UK LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS** *(continued)*  
**YEAR ENDED 31 DECEMBER 2019**

**14. Debtors**

	2019	2018
	£	£
Trade debtors	690,026	242,531
Amounts owed by group undertakings	1,852,616	1,026,105
Deferred tax asset	13,651	5,534
Prepayments and accrued income	302,655	1,052
Other debtors	19,460	30,782
	<u>2,878,408</u>	<u>1,306,004</u>

**15. Creditors: amounts falling due within one year**

	2019	2018
	£	£
Bank loans and overdrafts	–	240
Trade creditors	892,406	79,782
Amounts owed to group undertakings	2,234,976	1,158,060
Accruals and deferred income	360,273	457,271
Corporation tax	–	62,370
Social security and other taxes	442,136	33,768
Other creditors	30,393	373,435
	<u>3,960,184</u>	<u>2,164,926</u>

**16. Deferred tax**

The deferred tax included in the statement of financial position is as follows:

	2019	2018
	£	£
Included in debtors (note 14)	<u>13,651</u>	<u>5,534</u>

The deferred tax account consists of the tax effect of timing differences in respect of:

	2019	2018
	£	£
Accelerated capital allowances	(8,956)	(5,534)
Provisions	(4,695)	–
	<u>(13,651)</u>	<u>(5,534)</u>

**17. Employee benefits**

**Defined contribution plans**

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £49,470 (2018: £50,439).

**RTL ADCONNECT UK LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**YEAR ENDED 31 DECEMBER 2019**

**18. Called up share capital**

**Authorised share capital**

	2019		2018	
	No.	£	No.	£
Ordinary shares of £1 each	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>

**Issued, called up and fully paid**

	2019		2018	
	No.	£	No.	£
Ordinary shares of £1 each	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>

**19. Reserves**

Called up share capital - This represents the nominal value of shares that have been issued.

Profit and loss account - This reserve records retained earnings and accumulated losses.

**20. Operating leases**

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2019	2018
	£	£
Not later than 1 year	74,390	56,867
Later than 1 year and not later than 5 years	<u>185,975</u>	<u>113,734</u>
	<u>260,365</u>	<u>170,601</u>

**21. Related party transactions**

During the year the company entered into the following transactions with related parties:

	Transaction value		Balance owed by/(owed to)	
	2019	2018	2019	2018
	£	£	£	£
Sales to group members	4,214,188	3,532,228	1,852,616	1,026,105
Sales to group associates	310,120	322,888	103,648	136,744
Purchases from group members	<u>3,360,740</u>	<u>1,665,859</u>	<u>(2,234,976)</u>	<u>(652,786)</u>

**22. Controlling party**

The company is owned 100% by RTL Adconnect SA, a company registered in France.

The smallest group to consolidate these accounts is RTL Group S.A., a company registered in Luxembourg. Copies of RTL Group S.A. accounts can be obtained from the General Counsel at RTL Group S.A., 45 Boulevard Pierre Frieden, L-1543 Luxembourg.

The ultimate parent undertaking and controlling party is Bertelsmann SE & Co.KGaA, a company registered in Germany which is the largest group to consolidate these financial statements. Copies of the Bertelsmann SE & Co.KGaA financial statements can be obtained from the General Counsel at Bertelsmann SE & Co.KGaA, Carl-Bertelsmann-Straße 270, 33311 Gütersloh, Germany.