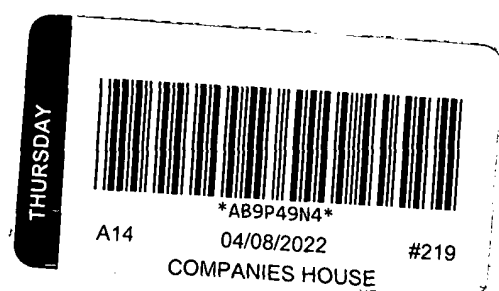


# **RTL ADCONNECT UK LIMITED**

**Annual report and financial statements**

**For the year ended 31 December 2021**

Registered number: 02863933



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**Company information**

**The board of directors**

Mr C Loisel

Mr B Prat

Mr S Betts

Mr S Coruble

**Company secretary**

Mr B Prat

**Registered office**

4 Tenterden Street, 4th Floor

London

W1S1TE

**Registered Number**

02863933

**Independent auditor**

BSG Valentine (UK) LLP

Chartered Accountants & Statutory Auditor

Lynton House

7-12 Tavistock Square

WC1H9BQ

## **Directors' report for the year ended 31 December 2021**

The Directors present this annual report and the audited financial statements for the year ended 31 December 2021.

### **PRINCIPAL ACTIVITY**

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

### **DIRECTORS**

C Loisel, B Prat, S Betts and S Coruble held office during the whole of the period from 1 January 2021 to the date of this report.

### **DISCLOSURE OF INFORMATION TO 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 (as defined by Section 418 of the Companies Act 2006) of which the Company's auditor is unaware; and
- they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

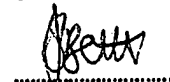
### **SMALL COMPANY PROVISION**

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

### **AUDITOR**

BSG Valentine (UK) LLP have been appointed as the auditor of the Company by way of ordinary resolution of members in accordance with Section 485 of the Companies Act 2006. Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and BSG Valentine (UK) LLP will therefore continue in office.

On behalf of the Board



S. Betts – Director

Registered office: 4 Tenterden Street, 4th Floor, London, W1S1TE

Date: 19 July 2022

**Statement of directors' responsibilities in respect of the directors' report and the financial statements**

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

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and 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;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

**Independent auditor's report to the members of RTL Adconnect UK Ltd  
Year ended 31 December 2021**

**Opinion**

We have audited the financial statements of RTL Adconnect UK Ltd (the 'company') for the year ended 31 December 2021 which comprise the statement of comprehensive income, balance sheet, statement of changes in equity 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 2021 and of its 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 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 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. 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.

#### **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.

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:

We identified and assessed the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations. Our procedures included enquiry of management and performing analytical review procedures to identify any unusual relationships that may indicate a material misstatement. We also tested the appropriateness of journals to address the risk of fraud through management override of controls. We also performed appropriate testing in respect of the risk of fraud in revenue recognition through a detailed review of year end accrued income and by performing existence and valuation testing on trade debtors. Relevant laws and regulations, together with potential fraud risks, were communicated to the audit engagement team at the planning stage to ensure they remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](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 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

19 July 2022



**Statement of comprehensive income for the year ended 31 December 2021**

		2021 £	2020 £
	Notes		
<b>Turnover</b>	3	<b>8,664,948</b>	<b>7,782,229</b>
<b>Cost of sales</b>		<b>(3,068,761)</b>	<b>(3,059,204)</b>
<b>Gross profit</b>		<b>5,596,187</b>	<b>4,723,025</b>
<b>Administrative expenses</b>		<b>(5,322,609)</b>	<b>(4,050,020)</b>
<b>Other operating income</b>	4	<b>378</b>	<b>41,934</b>
<b>Operating profit</b>	6	<b>273,956</b>	<b>714,939</b>
<b>Other interest receivable and similar income</b>		<b>8</b>	<b>1,630</b>
<b>Interest payable and similar expenses</b>		<b>(1,311)</b>	<b>(6,465)</b>
<b>Profit on ordinary activities before taxation</b>		<b>272,653</b>	<b>710,104</b>
<b>(Tax on profit) / Tax credit on loss on ordinary activities</b>	7	<b>(42,498)</b>	<b>(140,275)</b>
<b>Profit for the financial year</b>		<b>230,155</b>	<b>569,829</b>
<b>Other comprehensive income</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive income for the year</b>		<b>230,155</b>	<b>569,829</b>

The notes on page 12 onwards form part of these financial statements.

**Balance sheet as at 31 December 2021**

		2021		2020
		£	£	£
	Notes			
<b>Fixed assets</b>				
Tangible assets	8	21,396		49,232
<b>Current assets</b>				
Debtors	9	2,035,672		3,511,631
Prepayments and accrued income		58,585		576,359
Cash at bank and in hand		1,542,886		552,285
		<u>3,637,143</u>		<u>4,640,275</u>
<b>Creditors: amounts falling due within one year</b>	10	<u>(2,501,379)</u>		<u>(3,762,502)</u>
<b>Net current assets (liabilities)</b>		<u>1,135,764</u>		<u>877,773</u>
<b>Total assets less current liabilities</b>		<u>1,157,160</u>		<u>927,005</u>
<b>Capital and reserves</b>				
Called up share capital	12	200,000		200,000
Profit and loss account		<u>957,160</u>		<u>727,005</u>
<b>Total equity</b>		<u>1,157,160</u>		<u>927,005</u>

The notes on page 12 onwards form part of these financial statements.

The financial statements were approved by the board of directors and authorised for issue on 19 July 2022 and are signed on its behalf by:



S. Betts  
Director

Company Registration No. 02863933

**Statement of changes in equity for the year ended 31 December 2021**

	Notes	Share capital £	Profit and loss account £	Total £
<b>Balance at 1 January 2020</b>		200,000	1,357,176	1,557,176
Dividend distribution		-	(1,200,000)	(1,200,000)
Profit and total comprehensive income for the year		-	569,829	569,829
<b>Balance at 1 January 2021</b>		200,000	727,005	927,005
Profit and total comprehensive income for the year		-	230,155	230,155
<b>Balance at 31 December 2021</b>		200,000	957,160	1,157,160

The notes on page 12 onwards form part of these financial statements.

**Notes to the financial statements for the year ended 31 December 2021**

**1. Statutory information**

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

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

The financial statements have been prepared on a going concern basis which the Directors consider to be appropriate for the following reasons:

The Directors have prepared cash flow forecasts for a period of at least 12 months from the date of approval of the financial statements which indicate that the Company will have sufficient funds, through current working capital and cash balances, to meet its liabilities as they fall due for that period.

Consequently, the Directors are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of these financial statements and therefore have prepared the financial statements on a going concern basis.

**2. Principal accounting policies**

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's financial statements.

**2.1. Basis of accounting**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

**Financial Reporting Standard 102 - reduced disclosure exemptions**

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

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirement of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26, 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 26 Share-based Payment paragraphs 26.18(b), 26.19 to 26.21 and 26.23;
- the requirement of Section 33 Key Management Personnel Compensation Disclosures paragraph 33.6;
- the requirement of Section 33 Related Party Disclosures paragraph 33.7.

**Significant judgements and estimates**

In the application of the Company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amounts 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 if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

#### **Turnover**

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for serviced rendered, stated net of discounts and value added tax.

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

#### **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:

Fixtures, fittings & equipment	4 years (straight line basis)
Computer equipment	3 years (straight line basis)

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 credited or charged to profit or loss.

#### **Impairment of fixed assets**

At each reporting period end date, the company 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 company 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.

#### **Government grants**

Governments grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received.

Government grants are recognised using the accrual model.

Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable

as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable.

#### **Cash at bank and in hand**

Cash at bank and in hand 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.

#### **Financial instruments**

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

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

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

#### **Basic financial assets**

Basic financial assets, which include 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.

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

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

#### **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.

#### **Equity instruments**

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

#### **Taxation**

Taxation for the year comprises current and deferred tax as well as expenses or income from tax pooling with a group undertaking. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current tax, including UK corporation tax and foreign 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.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date and that result in an obligation to pay more tax in the future or right to pay less tax in the future. An asset is not recognised to the extent that the transfer of economic benefits in future is uncertain.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

#### **Translation of foreign currencies**

The Company's functional currency is sterling. Transactions in foreign currencies are translated to the Company's functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined. Foreign exchange differences arising on translation are recognized in the profit and loss account.

#### **Operating leases assets**

Leases which do not transfer substantially all the risks and rewards of ownership are classified as operating leases.

Operating lease payments are recognized as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

#### **Employee benefits**

The obligations for contributions to the company's defined contribution pension plan are recognised as an expense in the period in which they are incurred. The assets of the scheme are held separately from those of the Company in an independently administered scheme.

### 3. Turnover

Turnover is attributable to the principal activity of the Company. An analysis of turnover by geographical market is given below:

	2021	2020
Germany	35%	37%
United Kingdom	28%	36%
Sweden	21%	16%
Other	16%	11%

### 4. Other operating income

	2021 £	2020 £
Government grant income	-	16,818
Other operating income	378	25,116
<b>Total</b>	<b>378</b>	<b>41,934</b>

### 5. Employees and Directors

The average monthly number of persons (including directors) employed by the company during the year was 23 (2020: 20).

	2021 £	2020 £
<b>Staff costs</b>		
Wages and salaries	1,897,017	1,489,540
Social security costs	211,716	138,281
Pension costs - defined contribution plans	157,572	131,925
<b>Total</b>	<b>2,266,305</b>	<b>1,759,746</b>

The average number of employees during the year was:

	2021 Number	2020 Number
Administrative staff	23	20
<b>Total</b>	<b>23</b>	<b>20</b>



**Directors' remuneration**

	2021 £	2020 £
Aggregate emoluments (including benefits in kind)	145,454	140,095
Aggregate of company contributions to defined contribution pension scheme	10,931	14,461
Number of directors to whom retirement benefits are accruing - defined contribution scheme	1	1

**6. Operating profit**

The operating profit is stated after charging / (crediting):

	2021 £	2020 £
Foreign exchange losses / (gains)	231,697	(1,404)
Operating leases	193,723	168,738
Depreciation - owned assets	41,114	50,378
Impairment of trade debtors	25,122	(94,116)
Auditors' remuneration	12,500	12,500

7. (Tax on profit)/Tax credit on loss on ordinary activities

The tax on profit on ordinary activities is as follows:

	2021 £	2020 £
<b>Current tax</b>		
UK corporation tax on profit / loss for the year	47,833	140,379
Prior year under-provision / (over-provision)	814	693
	<u>48,647</u>	<u>141,072</u>
<b>Total current tax (credit)</b>	<b>48,647</b>	<b>141,072</b>
<b>Deferred tax</b>		
Origination and reversal of timing differences	(6,149)	(797)
<b>Tax on profit / (Tax credit) on loss on ordinary activities</b>	<b>42,498</b>	<b>140,275</b>

The tax assessed for the year is lower (2020: higher) than the standard rate of corporation tax in the U.K. of 19.00% (2020: 19.00%). The differences are explained below:

	2021 £	2020 £
Profit / (loss) on ordinary activities before tax	272,653	710,104
Profit / (loss) on ordinary activities multiplied by the U.K. standard rate of corporation tax of 19.00% (2020: 19.00%)	51,804	134,919
<b>Adjusted for the effects of:</b>		
Expenses not deductible for tax purposes	4,750	1,022
Adjustment in respect of prior years - current tax	814	693
Deferred tax at different rate	2,754	-
Deferred tax prior year adjustment	(13,061)	5,247
Deferred tax change in rate	(4,563)	(1,606)
<b>Tax on profit / (Tax credit) on loss on ordinary activities</b>	<b>42,498</b>	<b>140,275</b>

It was announced in the Budget 3 March 2021 which has now been substantially enacted that the UK rate of tax will increase from 19% to 25% from 1 April 2023. As a result of this change in tax rate, deferred tax has been provided for at 25% (2020: 19%)

8. Tangible assets

	Fixtures and fittings	Equipment	Total
	£	£	£
<b>Cost</b>			
At 1 January 2021	162,950	89,224	252,174
Additions	-	13,276	13,276
Disposal	(5,688)	(4,703)	(10,391)
At 31 December 2021	157,262	97,797	255,060
<b>Depreciation and impairment</b>			
At 1 January 2021	126,894	76,048	202,942
Depreciation charged in the year	29,581	11,533	41,114
Disposal	(5,688)	(4,703)	(10,391)
At 31 December 2021	150,787	82,878	233,664
<b>Carrying amount</b>			
At 31 December 2021	6,475	14,919	21,396
At 31 December 2020	36,056	13,176	49,232

9. Debtors

	2021	2020
	£	£
<b>Amounts falling due within one year:</b>		
Trade debtors	486,957	1,589,768
Amounts owed by group undertakings	1,511,058	1,874,075
Other debtors	17,060	33,340
	2,015,075	3,497,183
<b>Deferred tax asset</b>	20,597	14,448
	2,035,672	3,511,631

Trade debtors and amounts owed by group companies are in accordance with the group's standard payment terms and do not attract interest.

10. Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	106,830	118,505
Amounts owed to group undertakings	1,590,107	2,925,274
Accruals and deferred income	566,322	342,340
Corporation tax	38,566	140,379
Social security and other taxes	151,346	232,950
Other creditors	48,208	3,054
<b>Total</b>	<b>2,501,379</b>	<b>3,762,502</b>

11. Deferred tax

	2021 £	2020 £
At 1 January	14,448	13,651
Provided during the year	6,149	797
<b>At 31 December</b>	<b>20,597</b>	<b>14,448</b>

Timing differences related to the differences between the net book value of fixed assets and their corresponding tax written down value. The deferred tax asset is recognised at 25% as this rate was substantially enacted at the balance sheet date as is included in debtors (Note 9).

12. Called up share capital

	2021 £	2020 £
<b>Ordinary share capital issued and fully paid</b>		
200,000 ordinary shares of £1 each	200,000	200,000
	<b>200,000</b>	<b>200,000</b>

**13. Pension commitments**

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the entity in an independently administered fund. The pension cost charge represents contributions payable by the entity to the fund and amounted to £157,572 (2020: £131,925).

**14. Operating lease commitments**

*Lessee*

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

	2021 £	2020 £
Not later than 1 year	75,384	158,110
Later than 1 year and not later than 5 years	-	37,195
	<b>75,384</b>	<b>195,305</b>

**15. Ultimate controlling party**

The company is owed 100% by RTL Group Support Services Limited, a company registered in UK.

The Company is a subsidiary undertaking of Bertelsmann SE & Co. KGaA.

The largest group in which the results of the Company are consolidated is that headed by Bertelsmann SE & Co. KGaA, a company incorporated under German law whose registered office is established at Carl-Bertelsmann-Strasse 270, D-33311 Guetersloh, Germany.

The smallest group in which they are consolidated is that headed by RTL Group SA, a company incorporated under the laws of Luxembourg whose registered office is established at 43 Boulevard Pierre Frieden, L-1543 Luxembourg, Luxembourg.

The consolidated financial statements of these groups are available to the public and may be obtained at their registered offices or on their official websites.

**16. Related party disclosures**

The Company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Transactions with group undertakings which are not wholly owned subsidiaries can be summarised as follows:

	2021 £	2020 £
Commission income from		
Entities under common control	1054 396	937 420
Associated entities	262 093	92 815
	<b>1316 489</b>	<b>1030 235</b>
Purchase of advertising space from		
Entities under common control	1328 783	25 788
Associated entities	125 187	2 121
	<b>1453 970</b>	<b>27 909</b>

Receivables from not wholly owned subsidiaries amounted to £430,004 (2020: £458,637). Payables to not wholly owned subsidiaries amounted to £484,335 (2020: £296,936).