

Company Registration No. 04323657 (England and Wales)

TANGENT MARKETING SERVICES LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

THURSDAY

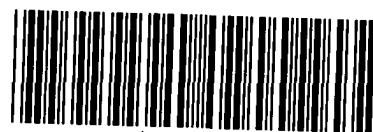


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COMPANIES HOUSE

TANGENT MARKETING SERVICES LIMITED

COMPANY INFORMATION

Directors Oliver Green
Timothy Green
Theodore Green

Secretary Leana Denisova

Company number 04323657

Registered office The Varnish Works
3 Bravingtons Walk
London
N1 9AJ

Auditor UHY Hacker Young
Quadrant House
4 Thomas More Square
London
E1W 1YW

TANGENT MARKETING SERVICES LIMITED

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TANGENT MARKETING SERVICES LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2022

The directors present the strategic report for the year ended 31 March 2022.

Background information

The principal activity of the company is that of a digital product agency, specialising in the design and engineering of enterprise-level websites and apps.

Review of the business

FY22 was Tangent's most successful trading year in recent history. The Company generated operating profit (before exceptional items) of £851k (FY21: £365k) on revenue of £8.1m (FY21: £6.1m).

The significant year-on-year growth was driven by increased demand from Tangent's longstanding clients, as well as a new, multi-year engagement for a combination of user experience design and technology services.

Post-COVID, global enterprises are reviewing their digital estates and investing for further digital transformation to futureproof their businesses. This dynamic provides strong tailwinds for Tangent's operating activities, and is a trend the Directors expect will continue.

The number of full-time employees has increased to 60 (FY21: 57), and the total cost inclusive of contract and freelancer resource has increased substantially further. Tangent has incorporated a new entity in Spain for the Company's operations in Valencia.

Brave Bison Group plc

Tangent successfully exited its investment in Brave Bison Group plc, an AIM-listed social and digital media company. The investment was sold at a profit to Tangent's parent company.

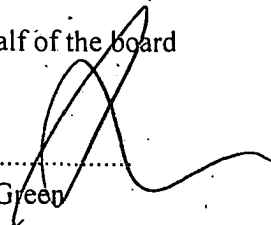
Principal risk and Uncertainties

The key risks to the business are losses of contracts, losses of key staff and information security. To mitigate these risks we continually review our processes around delivery and client satisfaction, as well as staff satisfaction and engagement.

Key performance indicators

Tangent uses revenue, gross profit, operating profit and profit before tax as KPIs.

On behalf of the board


.....
Oliver Green
Director

Date: 3rd April 2022

TANGENT MARKETING SERVICES LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2022

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

Principal activities

The principal activity of the company is that of a digital product agency, specialising in the design and engineering of enterprise-level websites and apps.

Directors

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

Oliver Green

Philippa Norridge

(Resigned 31 October 2021)

Timothy Green

Theodore Green

Michael Green

(Appointed 28 September 2021 and resigned 31 December 2021)

Results and dividends

The results for the year are set out on page 8.

The directors do not propose the payment of a dividend for the financial year ended 31 March 2022 (2021: £Nil).

Auditor

The auditor, UHY Hacker Young, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

TANGENT MARKETING SERVICES LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Statement of directors' responsibilities

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

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board


.....
Oliver Green
Director

Date: 8th Aug 2022

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TANGENT MARKETING SERVICES LIMITED

Opinion

We have audited the financial statements of Tangent Marketing Services Limited (the 'company') for the year ended 31 March 2022 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 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.

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.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF TANGENT MARKETING SERVICES LIMITED

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters where 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.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF TANGENT MARKETING SERVICES LIMITED

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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the Company and the industry in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to UK tax legislation, employment and health and safety regulations, anti-bribery, corruption and fraud, we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to inflated revenue and profit.

Audit procedures performed included: review of the financial statement disclosures to underlying supporting documentation, review of correspondence with legal advisors, enquiries of management and in so far as they related to the financial statements, and testing of journals and evaluating whether there was evidence of bias by the Directors that represented a risk of material misstatement due to fraud.

Auditor's responsibilities for the audit of the financial statements


There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, 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 or intentional misrepresentations, or through collusion.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF TANGENT MARKETING SERVICES LIMITED

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 company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Subarna Banerjee (Senior Statutory Auditor)
For and on behalf of UHY Hacker Young

Date: 19 August 2022

Chartered Accountants
Statutory Auditor

TANGENT MARKETING SERVICES LIMITED**STATEMENT OF COMPREHENSIVE INCOME****FOR THE YEAR ENDED 31 MARCH 2022**

		2022 £	2021 £
	Notes		
Turnover	3	8,070,618	6,106,046
Cost of sales		(5,404,365)	(4,132,405)
Gross profit		2,666,253	1,973,641
Administrative expenses		(1,830,215)	(1,786,457)
Other operating income		15,014	177,982
Operating profit	4	851,052	365,166
Interest receivable and similar income	7	15,269	834
Interest payable and similar expenses	8	(2,820)	(7,355)
Gains on financial instruments	9	385,541	1,037,766
Profit before taxation		1,249,042	1,396,411
Tax on profit	10	131,494	174,466
Profit for the financial year		1,380,536	1,570,877

TANGENT MARKETING SERVICES LIMITED

BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Intangible assets	11		1,072		1,608
Tangible assets	12		80,815		109,375
Investments	13		2,553		2,413,033
			<u>84,440</u>		<u>2,524,016</u>
Current assets					
Debtors	16	5,877,975		1,705,649	
Cash at bank and in hand		356,702		886,058	
		<u>6,234,677</u>		<u>2,591,707</u>	
Creditors: amounts falling due within one year	17	(1,520,102)		(1,687,557)	
Net current assets			<u>4,714,575</u>		<u>904,150</u>
Total assets less current liabilities			<u>4,799,015</u>		<u>3,428,166</u>
Creditors: amounts falling due after more than one year	18		(33,205)		(42,892)
Provisions for liabilities					
Provisions	20	138,500		138,500	
		<u>(138,500)</u>		<u>(138,500)</u>	
Net assets			<u><u>4,627,310</u></u>		<u><u>3,246,774</u></u>
Capital and reserves					
Called up share capital	23	250,000		250,000	
Profit and loss reserves	24	4,377,310		2,996,774	
Total equity			<u><u>4,627,310</u></u>		<u><u>3,246,774</u></u>

TANGENT MARKETING SERVICES LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2022

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

09/09/22

.....
Oliver Green
Director

Company Registration No. 04323657

TANGENT MARKETING SERVICES LIMITED**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2022**

	Share capital £	Profit and loss reserves £	Total £
Balance at 1 April 2020	250,000	1,425,897	1,675,897
Year ended 31 March 2021:			
Profit and total comprehensive income for the year	-	1,570,877	1,570,877
Balance at 31 March 2021	250,000	2,996,774	3,246,774
Year ended 31 March 2022:			
Profit and total comprehensive income for the year	-	1,380,536	1,380,536
Balance at 31 March 2022	250,000	4,377,310	4,627,310

TANGENT MARKETING SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

Company information

Tangent Marketing Services Limited is a private company limited by shares incorporated in England and Wales. The registered office is The Varnish Works, 3 Bravingtons Walk, London, N1 9AJ.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

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 £.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of Portland Asset Management (UK) Limited. These consolidated financial statements are available from Companies House.

TANGENT MARKETING SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.2 Going concern

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

The budget as set shows a positive pre-tax profit and positive cash generation, both indicating there are no going concern issues for the company. However, the directors continue to monitor the effect of Covid-19 on the business and have included sensitivities and applied reverse stress testing to reflect these and other uncertainties. Whilst this has resulted in some months of a negative cash flow, the company have determined where they are able to cut costs to mitigate this risk. Further, the ending cash balance is still expected to be positive given the strong cash balance at year end.

The company therefore continues to adopt the going concern basis in preparing its financial statements.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

Other income

Rental income is recognised on an accrual basis on a straight line method across the lease term. Rental income is recognised net of VAT.

1.4 Intangible fixed assets other than goodwill

Intangible assets comprise of license costs. Intangible assets are stated at cost less amortisation and are reviewed for impairment whenever there is an indication that the carrying value may be impaired.

License costs are defined as having finite useful lives and the costs are amortised on a straight line basis over their estimated useful lives of 5 years.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives.

TANGENT MARKETING SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

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, fittings & equipment	Over 3-5 years on cost

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.

1.6 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in profit or loss. Transaction costs are expensed to profit or loss as incurred.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

1.7 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible 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.

TANGENT MARKETING SERVICES LIMITED

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

1 Accounting policies

(Continued)

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.

1.8 Cash and cash equivalents

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.

1.9 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.

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.

TANGENT MARKETING SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

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 company 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 company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans and balances with fellow group companies, 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 receipts 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.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.10 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.

1.11 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

TANGENT MARKETING SERVICES LIMITED

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

1 Accounting policies

(Continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.12 Provisions

Provisions are recognised when the company has a legal or constructive present obligation as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

~~The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.~~

1.13 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 company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.14 Retirement benefits

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

TANGENT MARKETING SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.15 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

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 leases asset are consumed.

1.16 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 company's accounting policies, the directors 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.

TANGENT MARKETING SERVICES LIMITED

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

2 Judgements and key sources of estimation uncertainty

(Continued)

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Debtors valuation

In assessing whether the debtors are correctly valued, the debtors have considered the level of provision which would be sufficient given the current circumstances in order to identify any items that may not be recoverable. Following this review, an adequate provision is made for any amounts where there is a strong indication that those amounts are not recoverable, either in full or partly, as appropriate.

Accrued income

The company has unbilled revenue based on an assessment of the services provided and the estimated costs to complete a project to support the calculation of percentage of completion and the recognition of turnover. The directors review this assessment in order to identify the appropriate level of provisioning.

Dilapidation provisions

Dilapidation provisions have been made in respect of the company's operating leases, as there is a requirement for each respective premises to be restored to their original state at the end of each lease. The directors have reviewed these potential dilapidation costs, and adequate provision has been made for these amounts.

3 Turnover and other revenue

	2022 £	2021 £
Turnover analysed by class of business		
Fees and consultancy	8,070,618	6,106,046
	<u> </u>	<u> </u>
	2022 £	2021 £
Other significant revenue		
Interest income	15,269	834
	<u> </u>	<u> </u>

TANGENT MARKETING SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

4 Operating profit

	2022	2021
	£	£
Operating profit for the year is stated after charging:		
Exchange differences apart from those arising on financial instruments measured at fair value through profit or loss	7,823	10,978
Fees payable to the company's auditor for the audit of the company's financial statements	17,765	16,150
Depreciation of owned tangible fixed assets	75,098	103,350
Amortisation of intangible assets	536	536
Operating lease charges	428,762	408,295
	<u>428,762</u>	<u>408,295</u>

5 Employees

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

	2022	2021
	Number	Number
Sales & production	56	47
Administration	4	10
Total	<u>60</u>	<u>57</u>

Their aggregate remuneration comprised:

	2022	2021
	£	£
Wages and salaries	3,575,241	3,013,475
Social security costs	390,166	330,631
Pension costs	78,196	65,230
	<u>4,043,603</u>	<u>3,409,336</u>

TANGENT MARKETING SERVICES LIMITED

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

6 Directors' remuneration

	2022 £	2021 £
Remuneration for qualifying services	243,638	279,191
Company pension contributions to defined contribution schemes	2,642	3,475
	<u>246,280</u>	<u>282,666</u>

Remuneration disclosed above include the following amounts paid to the highest paid director:

	2022 £	2021 £
Remuneration for qualifying services	105,000	-
Company pension contributions to defined contribution schemes	1,321	-
	<u>106,321</u>	<u>-</u>

7 Interest receivable and similar income

	2022 £	2021 £
Interest income		
Interest on bank deposits	6	1
Interest receivable from group companies	15,263	833
Total income	<u>15,269</u>	<u>834</u>

8 Interest payable and similar expenses

	2022 £	2021 £
Interest on bank overdrafts and loans	2,820	7,355
	<u>2,820</u>	<u>7,355</u>

TANGENT MARKETING SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

9 Gains on financial instruments

	2022	2021
	£	£
Fair value gains/(losses) on financial instruments		
Change in value of financial assets held at fair value through profit or loss	-	1,037,766
Other gains/(losses)		
Gain on disposal of fixed asset investments	385,541	-
	<u>385,541</u>	<u>1,037,766</u>

10 Taxation

	2022	2021
	£	£
Current tax		
Adjustments in respect of prior periods	(128,431)	(165,730)
	<u>(128,431)</u>	<u>(165,730)</u>
Deferred tax		
Origination and reversal of timing differences	(3,063)	(8,736)
	<u>(3,063)</u>	<u>(8,736)</u>
Total tax credit	<u>(131,494)</u>	<u>(174,466)</u>

TANGENT MARKETING SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

10 Taxation

(Continued)

The actual credit for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2022 £	2021 £
Profit before taxation	1,249,042	1,396,411
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	237,318	265,318
Tax effect of expenses that are not deductible in determining taxable profit	11,562	(197,176)
Tax effect of income not taxable in determining taxable profit	(73,253)	-
Adjustments in respect of prior years	(128,431)	(165,730)
Group relief	(161,118)	(80,326)
Other permanent differences	(996)	3,448
Deferred tax not recognised	(16,576)	-
Taxation credit for the year	(131,494)	(174,466)

11 Intangible fixed assets

	License £
Cost	
At 1 April 2021 and 31 March 2022	2,680
Amortisation and impairment	
At 1 April 2021	1,072
Amortisation charged for the year	536
At 31 March 2022	1,608
Carrying amount	
At 31 March 2022	1,072
At 31 March 2021	1,608

TANGENT MARKETING SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

12 Tangible fixed assets

	Leasehold improvements £	Fixtures, fittings & equipment £	Total £
Cost			
At 1 April 2021	184,117	423,346	607,463
Additions	-	46,538	46,538
At 31 March 2022	184,117	469,884	654,001
Depreciation and impairment			
At 1 April 2021	172,094	325,994	498,088
Depreciation charged in the year	5,965	69,133	75,098
At 31 March 2022	178,059	395,127	573,186
Carrying amount			
At 31 March 2022	6,058	74,757	80,815
At 31 March 2021	12,023	97,352	109,375

13 Fixed asset investments

	Notes	2022 £	2021 £
Investments in subsidiaries	14	2,553	-
Investments in associates	15	-	2,413,033
		2,553	2,413,033

TANGENT MARKETING SERVICES LIMITED

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

13 Fixed asset investments

(Continued)

Movements in fixed asset investments

	Shares in subsidiaries and associates
	£
Cost or valuation	
At 1 April 2021	2,413,033
Additions	1,002,553
Disposals	(3,413,033)
At 31 March 2022	2,553
Carrying amount	
At 31 March 2022	2,553
At 31 March 2021	2,413,033

14 Subsidiaries

Details of the company's subsidiaries at 31 March 2022 are as follows:

Name of undertaking	Registered office	Class of shares held	% Held Direct
Tangent Digital S.L.	Carrer De Les Barques, Street 2, Valencia, 46002, Spain	Ordinary	100.00

15 Associates

During the year, Tangent Marketing Services Limited sold its investment in Brave Bison Group Plc to its parent company for a consideration of £3,798,574.

As at the disposal date, the fair value of the investment was £3,413,033 (2021: £2,413,033). The fair value has been determined through a quoted market price in an active market.

Therefore, at the year end, there was a gain on disposal of £385,541.

TANGENT MARKETING SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

16 Debtors

	2022	2021
	£	£
Amounts falling due within one year:		
Trade debtors	1,043,602	997,288
Amounts owed by group undertakings	4,019,756	200,446
Other debtors	2,242	-
Prepayments and accrued income	790,808	489,411
	<u>5,856,408</u>	<u>1,687,145</u>
Deferred tax asset (note 21)	21,567	18,504
	<u>5,877,975</u>	<u>1,705,649</u>

17 Creditors: amounts falling due within one year

	Notes	2022	2021
		£	£
Bank loans	19	9,687	302,335
Trade creditors		168,519	459,988
Amounts owed to group undertakings		9,501	501
Taxation and social security		15,186	211,912
Other creditors		263,388	175,876
Accruals and deferred income		1,053,821	536,945
		<u>1,520,102</u>	<u>1,687,557</u>

18 Creditors: amounts falling due after more than one year

	Notes	2022	2021
		£	£
Bank loans and overdrafts	19	<u>33,205</u>	<u>42,892</u>
Amounts included above which fall due after five years are as follows:			
Payable by instalments		<u>-</u>	<u>2,651</u>

TANGENT MARKETING SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

19 Loans and overdrafts

	2022 £	2021 £
Bank loans	42,892	345,227
	<u> </u>	<u> </u>
Payable within one year	9,687	302,335
Payable after one year	33,205	42,892
	<u> </u>	<u> </u>

The bank loan amounts relate to a £50,000 business loan taken out in June 2020, carrying a 2.5% fixed interest rate, with interest accruing from July 2021. The loan is repayable in 60 equal instalments, with repayments starting from July 2021. £9,687 (2021: £7,108) of this loan is classified as a current liability, with £33,205 (2021: £42,892) classified as a non-current liability.

Bank loans payable within one year includes £Nil (2021: £295,227) related to a bank loan which was secured by fixed charges to which the The Printed Group Limited, Tangent Labs Limited and Tangent Communications Limited agreed to postpone repayment of all indebtedness which the borrower owed to them, in form and substance satisfactory to the bank. The loan attracted an interest rate of 1.65% over the Bank base rate. The bank loan was matured in September 2021 and fully repaid.

20 Provisions for liabilities

	2022 £	2021 £
Termination of lease costs	138,500	138,500
	<u> </u>	<u> </u>

Movements on provisions:

	Termination of lease costs £
At 1 April 2021 and 31 March 2022	138,500
	<u> </u>

Provisions for termination of lease costs are related to the cost of repairs upon maturity of the leases held, as the company has a present obligation to carry out repair work on some of the leasehold premises it occupies before they are vacated. The amount recognised as a provision is the best estimate of the costs required to carry out these repair works.

TANGENT MARKETING SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

21 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Assets 2022 £	Assets 2021 £
Balances:		
Fixed asset timing difference	15,347	13,022
Short term timing difference	6,220	5,482
	<u>21,567</u>	<u>18,504</u>
Movements in the year:		2022 £
Asset at 1 April 2021		(18,504)
Credit to profit or loss		(3,063)
Asset at 31 March 2022		<u>(21,567)</u>

22 Retirement benefit schemes

	2022 £	2021 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	<u>78,196</u>	<u>65,230</u>

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

23 Share capital

	2022 Number	2021 Number	2022 £	2021 £
Ordinary share capital				
Issued and fully paid				
Ordinary shares of £1 each	<u>250,000</u>	<u>250,000</u>	<u>250,000</u>	<u>250,000</u>

All shares are non-redeemable and hold equal voting and distribution rights.

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

TANGENT MARKETING SERVICES LIMITED

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

24 Profit and loss reserves

Profit and loss reserves include all current and prior period retained profits and losses.

25 Operating lease commitments

Lessee

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

	2022 £	2021 £
Within one year	371,555	376,820
Between two and five years	452,556	824,420
	<u>824,111</u>	<u>1,201,240</u>

Lessor

The operating leases represent a sub-lease for areas of the company's main rented office. The sub-lease has a maturity date of August 2022.

At the reporting end date the company had contracted with tenants for the following minimum lease payments:

	2022 £	2021 £
Within one year	<u>133,529</u>	<u>11,200</u>

26 Related party transactions

Transactions with related parties

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

TANGENT MARKETING SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

26 Related party transactions

(Continued)

During the year, the company recognised income of £11,793 (2021: £18,231) from recharges to Brave Bison Group Plc, an associate investment which was disposed of during the year. Brave Bison Group Plc still remains part of the related parties within the group. These recharges relate to IT services and salaries, for secondment of key personnel. During the year, the company was charged by Brave Bison Group Plc £26,095 (2021: £14,636) for HR related salary costs. Included in turnover is £22,475 (2021: £4,500) related to website retainer services provided to Brave Bison Group Plc.

Included within debtors, amounts due from group undertakings, as at the year-end is £200,000 (2021: £200,446) due from Tangent Communications Limited, the immediate parent company. £200,000 of this relates to a shareholder loan made in October 2020. The loan carries an interest rate of 1% per annum, in the year interest accruing of £1,500 (2021: £833) has been received by the year-end.

Included within debtors, amounts due from group undertakings, as at the year-end is £3,812,337 (2021: £Nil) due from Tangent Communications Limited, the immediate parent company. This amount relates to the consideration from the sale of shares in Brave Bison Group Plc. The loan carries an interest rate of 5.75% per annum, in the year interest of £13,763 (2021: £Nil).

Included within debtors, amounts due from group undertakings, as at the year-end is £463 (2021: £Nil) due from Tangent Communications Limited, the immediate parent company. The amount relates to recharges relating to IT services

Included within debtors, amounts due from group undertakings, as at the year-end is £6,956 (2021: £Nil) due from Tangent Digital S.L, a subsidiary of Tangent Marketing Services Limited which was incorporated in Spain. The amount relates to recharges relating to IT services.

Included within creditors, amounts due to group undertakings, as at the year end are amounts of £Nil (2021: £247) due to Tangent Labs Limited, a company under common control and £760 (2021: £253) due to The Printed Group Limited. Tangent Labs Limited has been dissolved post year end.

Included within creditors, amounts due from group undertakings, as at the year-end is £8,742 (2021: £Nil) due from Tangent Communications Limited, the immediate parent company.

During the year, purchases were incurred of £2,569 (2021: £16,500) from Tangent Industries Limited, a company under common control.

During the year, the company made sales of £3,928 (2021: £32,728) to The Printed Group Limited, a company under common control. During the year, purchases were incurred of £760 (2021: £1,678) from The Printed Group Limited.

Included within prepayments at the year-end is £22,635 (2021: £15,964) related to the prepayment of recharged expenses from Tangent Communications Limited the immediate parent company and £448 (2021: Nil) from Tangent Labs Limited a company under common control (which was dissolved post year end).

During the year, the company incurred £144,000 (2021: £144,000) in relation to management charges from the immediate parent company, Tangent Communications Limited.

TANGENT MARKETING SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

27 Ultimate controlling party

The immediate parent company of the entity is Tangent Communications Limited, which is registered in England and Wales.

The ultimate parent company is Portland Asset Management (UK) Limited, a company registered in England and Wales. This is the largest company for which consolidated group financial statements are prepared. Group financial statements are available from Companies House.
