

Company registration number: 07882020

VGL SERVICES LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018



CONTENTS	Page(s)
Director and Other Information	3
Director's Report	4 - 5
Independent Auditors' Report to the Members of VGL Services Limited	6 - 8
Statement of Comprehensive Income	9
Balance Sheet	10
Statement of Changes in Equity	11
Notes to the Financial Statements	12 - 17

VGL SERVICES LIMITED

(Registered number 07882020)

DIRECTOR AND OTHER INFORMATION

BOARD OF DIRECTOR

Shantall Lopez

REGISTERED OFFICE

Cannon Place
78 Cannon Street
London
EC4N 6AF

REGISTERED NUMBER: 07882020

INDEPENDENT AUDITORS

PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
1 Embankment Place
London
WC2N 6RH

SOLICITORS

CMS London LLP
Cannon Place
78 Cannon Street
London
EC4N 6AF

BANKERS

HSBC Bank Plc
Kensington Commercial Banking Centre
2nd Floor Space One,
1 Beadon Road
Hammersmith
London W6 0EA

VGL SERVICES LIMITED

(Registered number 07882020)

DIRECTOR'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2018

The director presents his annual report and the audited financial statements of the company for the year ended 31 December 2018.

Principal activities

The principal activity of the company is to provide operational, supply and technology support services to group companies. The decline in activity relates to decreases in roles and responsibilities for the entity.

Future developments

Management intends for the roles of this entity to continue to decline over the foreseeable future.

Going Concern

As the functions of the entity will continue to be supported by the Group, Management assess that it will have adequate resources to fund operations for foreseeable future and accordingly have adopted the going concern basis in the preparation of the financial statement. For further details refer to Note 1.

Dividends

There were no dividends proposed or paid during the year ended 31 December 2018 or 2017.

Directors

The directors who served during the year and up to the date of signing the financial statements were as follows:

- Felix Descamps (appointed on 8 September 2017, resigned on 18 February 2019)
- Shantall Lopez (appointed on 15 February 2019)

Post balance sheet events

The outbreak and spread of COVID-19 has had adverse impact on the business of the group as government restrictions and social distancing measures have been implemented in order to reduce the continuing spread of the virus. However, there was no significant impact to the activities of IFOT Services Limited. The company did not have any other post balance sheet events for the year ended 31 December 2018.

Statement of director's responsibilities in respect of the financial statements

The director is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" Section 1A, and applicable law). Under company law the director 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 the financial statements, the director is required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102 Section 1A, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

VGL SERVICES LIMITED

(Registered number 07882020)

DIRECTOR'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2018 (continued)**Statement of director's responsibilities in respect of the financial statements (continued)**

The director is 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. The director is 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.

Director's confirmations

In the case of each director in office at the date the Director's Report is approved:

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

Small companies exemption

These financial statements are prepared in accordance with the provision applicable to companies subject to the small companies regime.

Independent auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the Annual General Meeting.

Approved by the Board of Director and signed on behalf of the Board.

 July 2, 2020

Shantall Lopez
Director
2 July 2020

Independent auditors' report to the members of VGL Services Limited

Report on the audit of the financial statements

Opinion

In our opinion, VGL Services Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" Section 1A, and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the Balance Sheet as at 31 December 2018; the Statement of Comprehensive Income, the Statement of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Material uncertainty relating to going concern

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1 to the financial statements concerning the company's ability to continue as a going concern. Due to the postponement and cancellation of live entertainment events resulting from the COVID-19 outbreak, the ultimate parent company, Pugnacious Endeavors, Inc. (the Group) which supports the operations of the Company, has experienced a material negative impact in its financial results and liquidity, and whilst the Group is planning for a modest recovery initially, in the fourth quarter of 2020, the exact timing and pace of the recovery is uncertain. If this recovery is worse than anticipated, then additional funding may be required to continue to support the Company, which the Group may not be able to obtain on favourable terms. These conditions, along with the other matters explained in note 1 to the financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The director is responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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.

Independent auditors' report to the members of VGL Services Limited

Report on the audit of the financial statements

obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities. With respect to the Director's Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Director's Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Director's Report for the year ended 31 December 2018 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Director's Report.

Responsibilities for the financial statements and the audit

Responsibilities of the director for the financial statements

As explained more fully in the Statement of director's responsibilities in respect of the financial statements set out on page 4, the director is responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The director is also 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.

In preparing the financial statements, the director is 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.

Auditors' 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 auditors' 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.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Independent auditors' report to the members of VGL Services Limited

Report on the audit of the financial statements

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of director's remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the director was not entitled to: prepare financial statements in accordance with the small companies regime; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.



Brian Henderson (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
2 July 2020

VGL SERVICES LIMITED

(Registered number 07882020)

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2018

	Note	2018 £	2017 £
TURNOVER		6,406,783	6,156,597
Administrative expenses		<u>(6,519,562)</u>	<u>(5,727,718)</u>
(LOSS)/ PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	4	(112,779)	428,879
Tax on (loss)/profit on ordinary activities		<u>(2,633,546)</u>	<u>(117,454)</u>
(LOSS)/ PROFIT FOR THE FINANCIAL YEAR		<u>(2,746,325)</u>	<u>311,425</u>
Other comprehensive income		<u>—</u>	<u>—</u>
TOTAL COMPREHENSIVE (EXPENSE)/ INCOME		<u><u>(2,746,325)</u></u>	<u><u>311,425</u></u>

All results shown above relate to continuing operations.

VGL SERVICES LIMITED

(Registered number 07882020)

BALANCE SHEET

As at 31 December 2018

	Note	2018 £	2017 £
Non-Current assets			
Fixed assets – Tangible	5	347,134	510,960
Debtors: amounts falling due after more than one year	7	497,279	442,136
		<u>844,413</u>	<u>953,096</u>
CURRENT ASSETS			
Cash at bank and in hand		408,298	288,609
Debtors: amounts falling due within one year	6	372,354	988,922
		<u>780,652</u>	<u>1,277,531</u>
CREDITORS: amounts falling due within one year	8	<u>(3,868,253)</u>	<u>(1,727,489)</u>
Net Current (Liabilities)/ Assets		<u>(3,087,601)</u>	<u>(449,958)</u>
NET (LIABILITIES)/ ASSETS		<u><u>(2,243,188)</u></u>	<u><u>503,138</u></u>
CAPITAL AND RESERVES			
Called up share capital	10	1	1
Profit and loss account		<u>(2,243,188)</u>	<u>503,137</u>
TOTAL SHAREHOLDERS' (DEFICIT)/ FUNDS		<u><u>(2,243,187)</u></u>	<u><u>503,138</u></u>

The notes on pages 12 to 17 are an integral part of these financial statements.

These financial statements on pages 9 to 17 were approved by the Board of Director and signed on behalf of the Board of Directors.

These financial statements are prepared in accordance with the provision applicable to companies subject to the small companies regime.

Prior year balances have been re-presented to align with current year.

Shantall Lopez July 2, 2020

Shantall Lopez
Director
2 July 2020

VGL SERVICES LIMITED

(Registered number 07882020)

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2018

	Called Up Share Capital	Profit and Loss Account	Total Shareholders' Funds
	£	£	£
Balance at 1 January 2017	1	191,712	191,713
Profit for the financial year	—	311,425	311,425
Balance at 31 December 2017	1	503,137	503,138
Balance at 1 January 2018	1	503,137	503,138
Loss for the financial year	—	(2,746,325)	(2,746,325)
Balance at 31 December 2018	1	(2,243,188)	(2,243,187)

VGL SERVICES LIMITED

(Registered number 07882020)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2018

1. ACCOUNTING POLICIES

General Information

The Company is a private company limited by shares and is incorporated in England. The address of its registered office is Cannon Place 78 Cannon Street, London EC4N 6AF.

Basis of accounting

These financial statements are prepared on the going concern basis, under the historical cost convention and in accordance with the Companies Act 2006 as applicable to companies subject to small company regime of Financial Reporting Standard 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102 Section 1A). The disclosure requirements of Section 1A of FRS102 have been applied other than where additional disclosure is required to show a true and fair view.

The preparation of financial statements in conformity with FRS 102 1A requires the use of certain key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the financial year. It also requires the director to exercise judgement in the process of applying the company's accounting policies.

The financial statements are presented in British Pound Sterling.

The significant accounting policies adopted by the company are set forth below. These policies have been consistently applied to all financial years presented, unless otherwise stated.

Going concern

The Company relies on the ongoing funding and support of Pugnacious Endeavors Inc (the Parent Company). As the functions of the Company will continue to be supported by, Pugnacious Endeavors Inc, having reviewed the budgeted cash flow requirements for the next 12 months, management has reasonably assessed that the Company will have adequate resources to fund operations for the foreseeable future and accordingly the company has adopted the going concern basis in the preparation of the financial statements.

However, the outbreak and spread of COVID-19 has had a significant material adverse impact on the Parent's and subsidiaries' (together the 'Group') business as government restrictions and social distancing measures have been implemented in order to reduce the continuing spread of the virus. While the length and severity of the reduction in live events due to the pandemic is uncertain, Group management expects a significant negative impact to live entertainment to continue through at least the third quarter of 2020 and potentially into 2021. While the Group is planning for a modest recovery in the beginning, which is expected to occur in the fourth quarter of 2020, the exact timing and pace of the recovery is uncertain. Group and Company management believes the ongoing effects of COVID-19 on operations will continue to have a material negative impact on results and liquidity and such negative impact may continue beyond the containment of the outbreak.

The Group has indicated that it has existing cash resources that are sufficient to meet the fixed costs of the business while supporting all Group entities including the Company. Therefore management believes the Parent can continue to provide liquidity from cash on-hand and future operations to support the Company in satisfying its obligations for at least the next twelve months from the signing of these financial statements. The Parent Company has confirmed this in writing.

However, to the extent that the severity and duration of this pandemic extends beyond what is currently anticipated and should cash inflows to the Group's ticketing platforms be delayed beyond the fourth quarter of 2020, the Group would likely require additional sources of funding to meet its obligations in further supporting the Company.

VGL SERVICES LIMITED

(Registered number 07882020)

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2018

1. ACCOUNTING POLICIES (continued)

Given there is no certainty the Group would be able to obtain such funding on acceptable terms and conditions, there is uncertainty as to whether the Parent can continue to provide support to the Company. As the Company relies on Parent funding for support, this downside scenario indicates the existence of material uncertainty regarding the Company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the Company was unable to continue as a going concern.

Revenue recognition

Turnover derives from the provision of operational, supply, and technology support services to group companies. Turnover is stated at the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the company's activities and is recognised in accordance with the performance of service. The company recognises turnover when the amount can be reliably measured, it is probable that future economic benefits will flow to the entity and when specific criteria have been met for the company's activity.

Cash and cash equivalents

Cash and cash equivalents are short-term, highly liquid investments with original maturities of three months or less when purchased and are mainly comprised of bank deposits, certificates of deposit and money market funds.

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.

Deferred tax

Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

No provision is made for deferred tax on gains recognised on revaluing property to its market value unless the company has a binding contract, at the balance sheet date, to sell the revalued assets.

Uncertain tax positions are evaluated based on the uncertainty surrounding the potential liability and uncertain tax provisions are measured including potential interest and penalties and using a single best estimate approach.

Foreign currency translation

Transactions denominated in foreign currencies are translated at the rate of exchange ruling at the transaction date. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. Foreign exchange gains and losses are dealt with through the profit and loss account.

VGL SERVICES LIMITED

(Registered number 07882020)

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2018

1. ACCOUNTING POLICIES (continued)

Tangible assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. Cost comprises cost of purchase together with any related costs of acquisition and installation. Depreciation on tangible fixed assets is calculated to write off their cost over their expected useful lives by equal instalments.

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset on a straight-line basis as follows:

Computer Equipment	3 years
Office Equipment	3 years
Leasehold Improvements	5 years

Financial instruments

The company does not have any other financial instruments other than cash, debtors and creditors. These 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.

2. HOLDING COMPANY

The Company's ultimate controlling party is Pugnacious Endeavors Inc., a company registered in the United States of America. The Company consolidates into Pugnacious Endeavors Inc. Its registered address is National Registered Agents, Inc., 160 Greentree Drive, Suite 101, City of Dover, County of Kent, DE 19904, United States of America.

3. EMPLOYEE INFORMATION

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

For the year ended 31 December 2018

	2018	2017
	Number	Number
Operational support	17	21
Supply support	5	7
Technology	5	7
Total	27	35

4. (LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

(Loss)/Profit on ordinary activities before taxation for the year is after charging:

	2018	2017
	£	£
Operating lease charges	847,113	407,096
Foreign exchange losses /(gain)	203,534	(250,985)

Fee payable to the company's auditors for the audit of the company's financial statements

13,000

8,755

VGL SERVICES LIMITED

(Registered number 07882020)

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2018

5. TANGIBLE ASSETS

	Computer Equipment	Office Equipment	Leasehold Improvements	Total
	£	£	£	£
Cost				
At 1 January 2018	362,970	434,615	570,818	1,368,403
Additions ¹	18,327	—	—	18,327
At 31 December 2018	<u>381,297</u>	<u>434,615</u>	<u>570,818</u>	<u>1,386,730</u>
Accumulated depreciation				
At 1 January 2018	317,944	251,916	287,583	857,443
Charge for the year	23,635	86,530	71,988	182,153
At 31 December 2018	<u>341,579</u>	<u>338,446</u>	<u>359,571</u>	<u>1,039,596</u>
Net book value				
At 31 December 2018	<u>39,718</u>	<u>96,169</u>	<u>211,247</u>	<u>347,134</u>
At 31 December 2017	<u>45,026</u>	<u>182,699</u>	<u>283,235</u>	<u>510,960</u>

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018	2017
	£	£
Amounts owed by group undertakings	144,728	636,358
Prepayments and accrued income	99,211	142,643
Other Debtors	128,415	209,921
Total	<u>372,354</u>	<u>988,922</u>

Amounts owed by group undertakings are unsecured, interest free and are repayable on demand.

Other debtors is made up of lease deposits for leases with an end date before 31 December 2019.

Prior year balances has been re-presented to align with current year The net amount owed by Group undertakings in 2017 has been reclassified to present the gross amounts owed by group undertakings and amounts owed to group undertakings presented in Note 8.

7. DEBTORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2018	2017
	£	£
Other debtors	497,279	442,136
Total	<u>497,279</u>	<u>442,136</u>

Other debtors is made up of lease deposits for leases with an end date after 31 December 2019.

VGL SERVICES LIMITED

(Registered number 07882020)

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2018

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018	2017
	£	£
Trade creditors	50	80,773
Amounts owed to group undertakings	477,606	413,123
Other taxes and social security	89,911	40,107
Corporation tax	2,638,165	82,559
Accruals and deferred income	662,521	1,110,927
Total	3,868,253	1,727,489

Tax and social security are payable at various dates over the coming months in accordance with the applicable statutory provisions. Corporation tax includes an estimate for uncertain tax provisions.

Prior year balances has been re-presented to align with current year as stated in Note 6. VAT receivable included within other taxes and social security has been reclassified to other debtors in Note 6.

9. CONTINGENT LIABILITY

The Company has recorded a provision for an uncertain tax position. Management has taken professional advice and considers the Company's tax provisions to be appropriate. However, there remains a risk of future settlement in excess of the amounts provided.

10. CALLED UP SHARE CAPITAL

	2018	2017
	£	£
Authorised		
1 ordinary shares of £1 each (2017: 1)	1	1
Allotted and fully paid		
1 ordinary shares of £1 each (2017: 1)	1	1

11. FINANCIAL COMMITMENTS

The Company had commitments under non-cancellable operating leases of:

	2018	2017
	£	£
Total obligation, within 1 year	615,946	568,538
Total obligation, from 1-5 years	1,160,311	1,895,636

Subsequent to the balance sheet date, the rental property was reassigned to a new tenant eliminating VGL Services Limited from any future liability. The rental deposit was returned in full.

VGL SERVICES LIMITED

(Registered number 07882020)

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2018

12. RELATED PARTY TRANSACTIONS

All companies which are ultimately controlled by Pugnacious Endeavors, Inc. (see note 2) are considered related parties. Related parties also comprise of the company's shareholders and directors who have the ability to significantly influence the company's financial and operating decisions.

During the year, the company carried out the following transactions or had the following balances with related parties consisting of entities controlled by Pugnacious Endeavors, Inc. and directors of Pugnacious Endeavors, Inc. and subsidiaries:

	2018	2017
	£	£
Recharge of expenses to fellow subsidiaries	6,406,783	6,156,597
Amounts owed to group undertakings	110,108	214,162
Amounts owed by group undertakings	(144,728)	(636,358)
Amounts owed to parent and fellow subsidiaries	367,498	198,961

13. Directors Emoluments

No director received remuneration from the company for their services as a director for the years ended 31 December 2018 or 31 December 2017.

14. EVENTS AFTER THE BALANCE SHEET DATE

The outbreak and spread of COVID-19 has had adverse impact on the business of the group as government restrictions and social distancing measures have been implemented in order to reduce the continuing spread of the virus. However, there was no significant impact to the activities of IFOT Services Limited. The company did not have any other post balance sheet events for the year ended 31 December 2018.