

# Ptarmigan Media Holdings Limited

Annual Report and Financial Statements

For the year ended 31 December 2018



Company Registration No. 07272948 (England and Wales)

# Ptarmigan Media Holdings Limited

## Company Information

---

<b>Directors</b>	D Wiggins E Wiggins
<b>Company number</b>	07272948
<b>Registered office</b>	Mill House 8 Mill Street London SE1 2BA
<b>Auditors</b>	Kingston Smith LLP Charlotte Building 17 Gresse Street London W1T 1QL

---

# Ptarmigan Media Holdings Limited

## Contents

---

	<b>Page</b>
Strategic report	1 - 2
Directors' report	3
Directors' responsibilities statement	4
Independent auditor's report	5 - 7
Group profit and loss account	8
Group statement of comprehensive income	9
Group balance sheet	10
Company balance sheet	11
Group statement of changes in equity	12
Company statement of changes in equity	13
Group statement of cash flows	14
Notes to the financial statements	15 - 33

---

# Ptarmigan Media Holdings Limited

## Strategic Report

For the year ended 31 December 2018

---

The directors present the strategic report and financial statements for the year ended 31 December 2018.

### **Fair review of the business**

The directors present the strategic report and financial statements for the year ended 31 December 2018.

### **Introduction**

The principal activity of the Group and Company continues to be that of the planning and buying of media space. The Company is a member of The Newspaper Media Association (formally The National Publishers Association).

### **Review**

2018 was a landmark year for the business with a record turnover and a year of exceptional growth. The Group's strategy delivered another major increase in turnover versus the prior year to £116m, an increase of 39%, with gross profit levels rising by 30%. Like for like net profit levels (excluding exceptional profit) increased by 50%.

The Group remains cashflow positive and has zero debt outside of trade creditors. Debtors are under control with debtor days standing at 63 days. Due to the standing of the Group's client base there have been no client related bad debts in the year.

### **Operational Review**

The Group's strategy of using its geographical coverage to attract large multi-national clients and to grow local wins into global wins continues to deliver results with turnover growing across all markets. All offices delivered major category wins whilst continuing to retain all of their key clients

In recognition of these impressive results, the Group was again featured in the Sunday Times HSBC International Track 200 companies list, reflecting its average international sales growth over two years of 46%, rising 52 places to 145th in the year's survey.

All of the international offices had a strong year posting record months for turnover and income alike, across the group.

The UK office, serving both the UK and European markets, continued to provide the foundations of the Group, delivering year on year growth in both turnover and gross profit, whilst retaining its position as a well-respected, market leading, specialist service provider. Turnover grew from £48m to a record £60m with client wins and strong Continental European growth driving the increase across the year.

APAC markets, across Hong Kong, Singapore and Australia continued their positive trajectory with new client wins, adding to positive growth of both turnover and gross profit. All markets improved with turnover rising from £14.1m to £16.3m.

The Group's US subsidiary had another exceptionally strong year with new client wins, successfully increasing its turnover by 95% to £40m. The increased turnover allowed for further investment into resources, with an increase in staffing levels to 38. In light of this expansion, significant investment in the IT infrastructure was made, with the implementation of a new cloud based financial and media workflow system, which will be operational January 1st 2019

The Group has a strong and well-established management team which remained in place during 2018. Total staffing for the year rose to 109 globally.

Despite uncertain economic conditions forecast in 2019, in some territories, the year has started well and the Directors believe that the Group remains well positioned to retain its leading market position and grow its operational profitability. The Directors also believe Group's decision to diversify the business across international markets will help protect the business in 2019. It will continue its investment in quality staff, technology, research and development in order to be at the forefront of the Financial Services Sector globally.

# Ptarmigan Media Holdings Limited

Strategic Report (Continued)

For the year ended 31 December 2018

---

## Principal risks and uncertainties

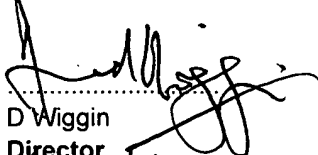
As the Group specialises heavily in the Financial Services sector it can be affected by the level of activity in that market place. The Group continually monitors its market place. If the market and economy showed a downturn it would take the relevant strategic measures necessary to ensure the continued profitability of the business. The current uncertainty around Brexit has to date not manifested itself with decreased client spend.

All clients deemed a risk are credit insured with their credit status fully reviewed at regular intervals. Due the standing of the Groups clients and continued strength of the Group's cash position, the Directors consider that the Group will continue to remain profitable and retain a very positive cash position.

The Group's exposure to currency risk is managed wherever possible by conducting transactions in the same currency. Brexit uncertainty has increased the fluctuation in rates and this is being closely managed.

The Group's key performance indicators are considered to be turnover and gross profit.

On behalf of the board



.....  
D Wiggin  
Director  
21/06/19  
.....

# Ptarmigan Media Holdings Limited

## Directors' Report

For the year Ended 31 December 2018

---

The directors present their annual report and financial statements for the year ended 31 December 2018.

### Principal activities

The principal activity of the company is that of a holding company, providing management services for the Ptarmigan Group.

### Directors

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

D Wiggin  
E Wiggin

### Results and dividends

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

Ordinary dividends were paid amounting to £1,770,582. The directors do not recommend payment of a further dividend.

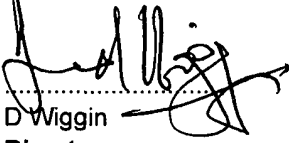
### Auditor

The auditors, Kingston Smith LLP, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

### 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 auditor of the company 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 auditor of the company is aware of that information.

On behalf of the board



D Wiggin

Director

24.06.19

# Ptarmigan Media Holdings Limited

## Directors' Responsibilities Statement

For the year ended 31 December 2018

---

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 group and company, and of the profit or loss of the group 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# Ptarmigan Media Holdings Limited

## Independent Auditor's Report

### To the Members of Ptarmigan Media Holdings Limited

---

#### **Opinion**

We have audited the financial statements of Ptarmigan Media Holdings Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2018 which comprise the Group Profit And Loss Account, the Group Statement of Comprehensive Income, the Group Balance Sheet, the Company Balance Sheet, the Group Statement of Changes in Equity, the Company Statement of Changes in Equity, the Group Statement of Cash Flows and notes to the financial statements, 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 group's and the parent company's affairs as at 31 December 2018 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**

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

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

#### **Other information**

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

# Ptarmigan Media Holdings Limited

## Independent Auditor's Report (Continued)

### To the Members of Ptarmigan Media Holdings Limited

---

#### **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 group and the parent 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

#### **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 group's and the parent 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 group or the parent 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.

# Ptarmigan Media Holdings Limited

## Independent Auditor's Report (Continued)

### To the Members of Ptarmigan Media Holdings Limited

---

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

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

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

#### Use of our report

This report is made solely to the company's 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.

*Kingston Smith LLP*

Ian Graham (Senior Statutory Auditor)  
for and on behalf of Kingston Smith LLP

*27/6/19*

Chartered Accountants  
Statutory Auditor

Charlotte Buidling  
17 Gresse Street  
London  
W1T 1QL

# Ptarmigan Media Holdings Limited

## Group Profit and Loss Account

For the year ended 31 December 2018

---

	Notes	2018 £	2017 £
<b>Turnover</b>	<b>3</b>	115,913,308	83,018,304
Cost of sales		(100,230,531)	(70,974,931)
<b>Gross profit</b>		<u>15,682,777</u>	<u>12,043,373</u>
Administrative expenses		(12,028,356)	(9,584,634)
<b>Operating profit</b>	<b>4</b>	<u>3,654,421</u>	<u>2,458,739</u>
Interest receivable and similar income	<b>8</b>	14,880	12,605
Interest payable and similar expenses	<b>9</b>	(2,788)	-
Profit on disposal of fixed asset investment		-	3,388,331
<b>Profit before taxation</b>		<u>3,666,513</u>	<u>5,859,675</u>
Tax on profit	<b>10</b>	(1,021,011)	(1,123,050)
<b>Profit for the financial year</b>		<u><u>2,645,502</u></u>	<u><u>4,736,625</u></u>
Profit for the financial year is attributable to:			
- Owners of the parent company		1,543,253	2,791,066
- Non-controlling interests		1,102,249	1,945,559
		<u><u>2,645,502</u></u>	<u><u>4,736,625</u></u>

The Profit and Loss Account has been prepared on the basis that all operations are continuing operations.

# Ptarmigan Media Holdings Limited

## Group Statement of Comprehensive Income

For the year ended 31 December 2018

---

	2018 £	2017 £
<b>Profit for the year</b>	2,645,502	4,736,625
<b>Other comprehensive income</b>		
Currency translation differences	62,401	(17,945)
<b>Total comprehensive income for the year</b>	<u>2,707,903</u>	<u>4,718,680</u>
Total comprehensive income for the year is attributable to:		
- Owners of the parent company	1,579,738	2,780,574
- Non-controlling interests	1,128,165	1,938,106
	<u>2,707,903</u>	<u>4,718,680</u>

# Ptarmigan Media Holdings Limited

## Group Balance Sheet

As at 31 December 2018

	Notes	2018		2017	
		£	£	£	£
<b>Fixed assets</b>					
Intangible assets	11		825		1,758
Tangible assets	12		180,324		221,824
Investments	13		38,751		38,751
			<u>219,900</u>		<u>262,333</u>
<b>Current assets</b>					
Work in progress	16	305,353		388,101	
Debtors	17	23,447,772		12,573,447	
Cash at bank and in hand		31,522,755		23,770,461	
		<u>55,275,880</u>		<u>36,732,009</u>	
<b>Creditors: amounts falling due within one year</b>	18	(46,231,954)		(28,717,837)	
<b>Net current assets</b>			<u>9,043,926</u>		<u>8,014,172</u>
<b>Total assets less current liabilities</b>			<u>9,263,826</u>		<u>8,276,505</u>
<b>Provisions for liabilities</b>	19		(50,000)		-
<b>Net assets</b>			<u><u>9,213,826</u></u>		<u><u>8,276,505</u></u>
<b>Capital and reserves</b>					
Called up share capital	21		28,180		28,180
Profit and loss reserves			6,544,659		5,839,921
<b>Equity attributable to owners of the parent company</b>			<u>6,572,839</u>		<u>5,868,101</u>
<b>Non-controlling interests</b>			<u>2,640,987</u>		<u>2,408,404</u>
			<u><u>9,213,826</u></u>		<u><u>8,276,505</u></u>

The financial statements were approved by the board of directors and authorised for issue on 24<sup>th</sup> JUNE 2019 and are signed on its behalf by:

  
D Wiggin  
Director

# Ptarmigan Media Holdings Limited

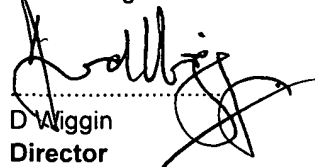
## Company Balance Sheet

As at 31 December 2018

	Notes	2018 £	£	2017 £	£
<b>Fixed assets</b>					
Investments	13		355,715		355,715
<b>Current assets</b>					
Debtors	17	1,329,740		189,785	
Cash at bank and in hand		1,887,926		3,036,076	
			3,217,666		3,225,861
<b>Creditors: amounts falling due within one year</b>	18	(53,103)		(57,434)	
<b>Net current assets</b>			3,164,563		3,168,427
<b>Total assets less current liabilities</b>			3,520,278		3,524,142
<b>Capital and reserves</b>					
Called up share capital	21		28,180		28,180
Profit and loss reserves			3,492,098		3,495,962
<b>Total equity</b>			3,520,278		3,524,142

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £879,647 (2017 - £1,239,711).

The financial statements were approved by the board of directors and authorised for issue on 24<sup>th</sup> JUNE 2019 and are signed on its behalf by:

  
 D Wiggin  
 Director

Company Registration No. 07272948

# Ptarmigan Media Holdings Limited

## Group Statement of Changes in Equity For the year ended 31 December 2018

	Notes	Share capital £	Profit and loss reserves £	Total controlling interest £	Non-controlling interest £	Total £
<b>Balance at 1 January 2017</b>		28,180	3,576,347	3,604,527	838,620	4,443,147
<b>Year ended 31 December 2017:</b>						
Profit for the year		-	2,791,066	2,791,066	1,945,559	4,736,625
Other comprehensive income:						
Currency translation differences		-	(10,492)	(10,492)	(7,453)	(17,945)
Total comprehensive income for the year		-	2,780,574	2,780,574	1,938,106	4,718,680
Dividends		-	(517,000)	(517,000)	(368,322)	(885,322)
<b>Balance at 31 December 2017</b>		28,180	5,839,921	5,868,101	2,408,404	8,276,505
<b>Year ended 31 December 2018:</b>						
Profit for the year		-	1,543,253	1,543,253	1,102,249	2,645,502
Other comprehensive income:						
Currency translation differences on overseas subsidiaries		-	36,485	36,485	25,916	62,401
Total comprehensive income for the year		-	1,579,738	1,579,738	1,128,165	2,707,903
Dividends		-	(875,000)	(875,000)	(895,582)	(1,770,582)
<b>Balance at 31 December 2018</b>		28,180	6,544,659	6,572,839	2,640,987	9,213,826

# Ptarmigan Media Holdings Limited

## Company Statement of Changes in Equity

For the year ended 31 December 2018

---

	Share capital	Profit and loss reserves	Total
Notes	£	£	£
<b>Balance at 1 January 2017</b>	28,180	2,773,251	2,801,431
<b>Year ended 31 December 2017:</b>			
Profit and total comprehensive income for the year	-	1,239,711	1,239,711
Dividends	-	(517,000)	(517,000)
<b>Balance at 31 December 2017</b>	28,180	3,495,962	3,524,142
<b>Year ended 31 December 2018:</b>			
Profit and total comprehensive income for the year	-	871,136	871,136
Dividends	-	(875,000)	(875,000)
<b>Balance at 31 December 2018</b>	28,180	3,492,098	3,520,278

---

# Ptarmigan Media Holdings Limited

## Group Statement of Cash Flows

For the year ended 31 December 2018

	Notes	2018 £	£	2017 £	£
<b>Cash flows from operating activities</b>					
Cash generated from/(absorbed by) operations	25	10,769,158		(1,002,097)	
Interest paid		(2,788)		-	
Income taxes paid		(1,304,929)		(646,431)	
<b>Net cash inflow/(outflow) from operating activities</b>		<b>9,461,441</b>		<b>(1,648,528)</b>	
<b>Investing activities</b>					
Purchase of intangible assets		(323)		(174)	
Purchase of tangible fixed assets		(14,947)		(227,070)	
Proceeds from other investments and loans		-		2,239,934	
Interest received		14,880		4,978	
<b>Net cash (used in)/generated from investing activities</b>			<b>(390)</b>		<b>2,017,668</b>
<b>Financing activities</b>					
Dividends paid to equity shareholders		(875,000)		(517,000)	
Dividends paid to non-controlling interests		(895,582)		(368,322)	
<b>Net cash used in financing activities</b>			<b>(1,770,582)</b>		<b>(885,322)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>			<b>7,690,469</b>		<b>(516,182)</b>
Cash and cash equivalents at beginning of year		23,770,461		24,307,825	
Effect of foreign exchange rates		61,825		(21,182)	
<b>Cash and cash equivalents at end of year</b>		<b>31,522,755</b>		<b>23,770,461</b>	

# Ptarmigan Media Holdings Limited

## Notes to the Financial Statements

For the year ended 31 December 2018

---

### 1 Accounting policies

#### Company information

Ptarmigan Media Holdings Limited ("the Company") is a limited company domiciled and incorporated in England and Wales. The registered office is Mill House, 8 Mill Street, London, SE1 2BA.

The Group consists of Ptarmigan Media Holdings Limited and all of its subsidiaries.

#### 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 £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The 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 for parent company information presented within the consolidated financial statements:

- 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 26 'Share based Payment' – Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £879,647 (2017 - £1,239,711).

# Ptarmigan Media Holdings Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 December 2018

---

### 1 Accounting policies

(Continued)

#### 1.2 Basis of consolidation

In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date. Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date. Investments in subsidiaries, joint ventures and associates are accounted for at cost less impairment.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Entities other than subsidiary undertakings or joint ventures, in which the group has a participating interest and over whose operating and financial policies the group exercises a significant influence, are treated as associates. In the group financial statements, associates are accounted for using the equity method.

Entities in which the group holds an interest and which are jointly controlled by the group and one or more other venturers under a contractual arrangement are treated as joint ventures. In the group financial statements, joint ventures are accounted for using the equity method.

#### 1.3 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.

#### 1.4 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 are recoverable.

# Ptarmigan Media Holdings Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 December 2018

---

### 1 Accounting policies

(Continued)

#### 1.5 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date if the fair value can be measured reliably.

Amortisation 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:

Software	33% Straight Line
----------	-------------------

#### 1.6 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:

Land and buildings Leasehold	20% straight line
Leasehold improvements	Over the life of the lease
Fixtures, fittings & equipment	20% straight line
Computer equipment	33% straight line

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

#### 1.7 Impairment of fixed assets

At each reporting period end date, the group 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.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

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.

# Ptarmigan Media Holdings Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 December 2018

---

### 1 Accounting policies

(Continued)

#### 1.8 Stock

Work-in-progress is recognised as costs that have been incurred during the year, where the revenue is to be recognised in the following period as per the revenue recognition policy. Work-in-progress is stated at the lower of the costs incurred and the estimated amount that is going to be charged as revenue in the following period.

#### 1.9 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. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.10 Financial instruments

The group 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 group's balance sheet when the group becomes party to the contractual provisions of the instrument.

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

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

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

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

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

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

# Ptarmigan Media Holdings Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 December 2018

---

### 1 Accounting policies

(Continued)

#### ***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.

#### ***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 group 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 group 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.

# Ptarmigan Media Holdings Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 December 2018

---

### 1 Accounting policies

(Continued)

#### **Other financial liabilities**

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

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

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 group after deducting all of its liabilities.

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

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

#### **1.11 Equity instruments**

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

#### **1.12 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 group'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 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 if, and only if, there is 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.

# Ptarmigan Media Holdings Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 December 2018

---

### 1 Accounting policies

(Continued)

#### 1.13 Provisions

Provisions are recognised when the group has a legal or constructive present obligation as a result of a past event, it is probable that the group 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.

#### 1.14 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.

#### 1.15 Retirement benefits

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

#### 1.16 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income 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 lease asset are consumed.

#### 1.17 Foreign exchange

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

Brought forward foreign assets and liabilities are retranslated at the closing rate and the differences are taken directly to reserves.

#### 1.18 Joint ventures

Entities in which the group has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

# Ptarmigan Media Holdings Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 December 2018

---

### 2 Judgements and key sources of estimation uncertainty

In the application of the group'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.

#### **Critical judgements**

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

#### ***Revenue recognition***

Revenue from contracts is assessed on an individual basis with revenue earned being ascertained based on the stage of completion of the contract which is estimated using a combination of the milestones in the contract and the time spent to date compared to the total time expected to be required to undertake the contract. Estimates of the total time required to undertake the contracts are made on a regular basis and subject to management review. These estimates may differ from the actual results due to a variety of factors such as efficiency of working, accuracy of assessment of progress to date and client decision making.

#### ***Depreciation***

The annual depreciation charge for property, plant and equipment is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 13 for the carrying amount of the property, plant and equipment and note 1.7 for the useful economic lives for each class of asset.

#### ***Amortisation***

The annual amortisation charge for intangible assets is sensitive to changes in the estimated lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. Goodwill impairment reviews are also performed annually. These reviews require an estimation of the value in use of the cash generating units to which goodwill has been allocated. The value in use calculation requires the entity to estimate the future cash flows expected to arise for the cash generating unit and a suitable discount rate to calculate present value. See note 12 for the carrying amount of the intangible assets and notes 1.5 and 1.6 for the useful economic lives for each class of asset.

# Ptarmigan Media Holdings Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 December 2018

### 3 Turnover and other revenue

An analysis of the group's turnover is as follows:

	2018 £	2017 £
<b>Turnover analysed by class of business</b>		
Planning and buying of media space	115,913,308	83,018,304
	<u>115,913,308</u>	<u>83,018,304</u>
	2018 £	2017 £
<b>Other significant revenue</b>		
Interest income	14,880	12,605
	<u>14,880</u>	<u>12,605</u>
	2018 £	2017 £
<b>Turnover analysed by geographical market</b>		
UK and Europe	59,585,369	48,365,891
USA	40,023,139	20,551,243
Asia	16,304,800	14,101,170
	<u>115,913,308</u>	<u>83,018,304</u>

### 4 Operating profit

	2018 £	2017 £
Operating profit for the year is stated after charging/(crediting):		
Exchange losses/(gains)	101,405	(22,942)
Depreciation of owned tangible fixed assets	56,991	32,281
Amortisation of intangible assets	1,288	121
Operating lease charges	596,360	473,075
	<u>755,944</u>	<u>512,535</u>

### 5 Auditors' remuneration

	2018 £	2017 £
Fees payable to the company's auditor and its associates:		
<b>For audit services</b>		
Audit of the financial statements of the group and company	13,000	13,000
Audit of the company's subsidiaries	57,383	40,994
	<u>70,383</u>	<u>53,994</u>

# Ptarmigan Media Holdings Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 December 2018

### 6 Employees

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

	<b>Group 2018 Number</b>	<b>2017 Number</b>	<b>Company 2018 Number</b>	<b>2017 Number</b>
Management	21	17	2	2
Administration	10	8	-	-
Marketing	80	57	-	-
	<u>111</u>	<u>82</u>	<u>2</u>	<u>2</u>

Their aggregate remuneration comprised:

	<b>Group 2018 £</b>	<b>2017 £</b>	<b>Company 2018 £</b>	<b>2017 £</b>
Wages and salaries	7,403,828	6,517,596	273,925	273,925
Social security costs	868,106	579,747	32,901	35,614
Pension costs	270,650	240,905	11,781	-
	<u>8,542,584</u>	<u>7,338,248</u>	<u>306,826</u>	<u>309,539</u>

### 7 Directors' remuneration

	<b>2018 £</b>	<b>2017 £</b>
Remuneration for qualifying services	273,925	273,925
Company pension contributions to defined contribution schemes	341	1,365
	<u>274,266</u>	<u>275,290</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2017 - 1).

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

Remuneration for qualifying services	<u>236,000</u>	<u>236,000</u>
--------------------------------------	----------------	----------------

# Ptarmigan Media Holdings Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 December 2018

---

<b>8 Interest receivable and similar income</b>	<b>2018</b>	<b>2017</b>
	£	£
<b>Interest income</b>		
Interest on bank deposits	14,880	12,605
	<u>14,880</u>	<u>12,605</u>
Investment income includes the following:		
Interest on financial assets not measured at fair value through profit or loss	14,880	12,605
	<u>14,880</u>	<u>12,605</u>
<b>9 Interest payable and similar expenses</b>	<b>2018</b>	<b>2017</b>
	£	£
<b>Interest on financial liabilities measured at amortised cost:</b>		
Interest on bank overdrafts and loans	2,788	-
	<u>2,788</u>	<u>-</u>
<b>10 Taxation</b>	<b>2018</b>	<b>2017</b>
	£	£
<b>Current tax</b>		
UK corporation tax on profits for the current period	468,089	992,262
Foreign current tax on profits for the current period	552,922	130,788
Total current tax	<u>1,021,011</u>	<u>1,123,050</u>

# Ptarmigan Media Holdings Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 December 2018

### 10 Taxation

(Continued)

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

	2018 £	2017 £
Profit before taxation	3,666,513	5,859,675
<i>Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2017: 19.25%)</i>	696,637	1,127,987
Tax effect of expenses that are not deductible in determining taxable profit	61,501	34,723
Tax effect of income not taxable in determining taxable profit	(1,260)	(654,752)
Tax effect of utilisation of tax losses not previously recognised	(11,385)	(37,507)
Unutilised tax losses carried forward	14,357	24,433
Depreciation on assets not qualifying for tax allowances	2,000	(36,289)
Effect of overseas tax rates	251,670	13,244
Under/(over) provided in the year	1,961	381
Foreign exchange differences	4,741	(2,620)
Other tax adjustments	789	1,203
Profit on disposal of investment	-	652,247
Tax expense for the year	1,021,011	1,123,050

# Ptarmigan Media Holdings Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 December 2018

### 11 Intangible fixed assets

<b>Group</b>	<b>Goodwill</b>	<b>Software</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>			
At 1 January 2018	170,248	137,034	307,282
Additions - internally developed	-	323	323
Exchange adjustments	-	510	510
	<u>170,248</u>	<u>137,867</u>	<u>308,115</u>
At 31 December 2018	170,248	137,867	308,115
<b>Amortisation and impairment</b>			
At 1 January 2018	170,248	135,276	305,524
Amortisation charged for the year	-	1,288	1,288
Exchange adjustments	-	478	478
	<u>170,248</u>	<u>137,042</u>	<u>307,290</u>
At 31 December 2018	170,248	137,042	307,290
<b>Carrying amount</b>			
At 31 December 2018	-	825	825
	<u>-</u>	<u>825</u>	<u>825</u>
At 31 December 2017	-	1,758	1,758
	<u>-</u>	<u>1,758</u>	<u>1,758</u>

The company had no intangible fixed assets at 31 December 2018 or 31 December 2017.

# Ptarmigan Media Holdings Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 December 2018

### 12 Tangible fixed assets

Group	Land and buildings Leasehold	Leasehold improvements	Fixtures, fittings & equipment	Computer equipment	Total
	£	£	£	£	£
<b>Cost</b>					
At 1 January 2018	30,441	175,761	128,733	358,825	693,760
Additions	-	-	453	14,494	14,947
Exchange adjustments	1,651	-	1,903	2,241	5,795
At 31 December 2018	32,092	175,761	131,089	375,560	714,502
<b>Depreciation and impairment</b>					
At 1 January 2018	30,324	8,788	90,714	342,110	471,936
Depreciation charged in the year	118	35,153	9,142	12,578	56,991
Exchange adjustments	1,650	-	1,726	1,875	5,251
At 31 December 2018	32,092	43,941	101,582	356,563	534,178
<b>Carrying amount</b>					
At 31 December 2018	-	131,820	29,507	18,997	180,324
At 31 December 2017	117	166,973	38,019	16,715	221,824

#### Company

#### Computer equipment

	£
<b>Cost</b>	
At 1 January 2018 and 31 December 2018	5,866
<b>Depreciation and impairment</b>	
At 1 January 2018 and 31 December 2018	5,866
<b>Carrying amount</b>	
At 1 January 2017 and 31 December 2018	-

### 13 Fixed asset investments

	Notes	Group 2018 £	2017 £	Company 2018 £	2017 £
Investments in subsidiaries	14	-	-	316,964	316,964
Unlisted investments		38,751	38,751	38,751	38,751
		38,751	38,751	355,715	355,715

# Ptarmigan Media Holdings Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 December 2018

### 13 Fixed asset investments (Continued)

#### Movements in fixed asset investments Group

##### Cost or valuation

At 1 January 2018 and 31 December 2018

Other  
investments  
£

38,751

##### Carrying amount

At 31 December 2018

38,751

At 31 December 2017

38,751

#### Movements in fixed asset investments Company

##### Cost or valuation

At 1 January 2018 and 31 December 2018

Shares in  
group  
undertakings  
£

Other  
investments  
£

Total  
£

316,964

38,751

355,715

##### Carrying amount

At 31 December 2018

316,964

38,751

355,715

At 31 December 2017

316,964

38,751

355,715

### 14 Subsidiaries

Details of the company's subsidiaries at 31 December 2018 are as follows:

Name of undertaking and country of incorporation or residency	Nature of business	Class of shareholding	% Held	
			Direct	Indirect
Ptarmigan Media (Asia) Limited *	Hong Kong Planning and buying of media space	Ordinary		58.47
Ptarmigan Media (Australia) Pty Ltd **	Australia Planning and buying of media space	Ordinary		58.47
Ptarmigan Media (Singapore) PTE Limited **	Singapore Planning and buying of media space	Ordinary		58.47
Ptarmigan Media (Taiwan) Ltd **	Taiwan Planning and buying of media space	Ordinary		58.47
Ptarmigan Media Inc. *	USA Planning and buying of media space	Ordinary		58.47
Ptarmigan Media Limited	England and Wales Planning and buying of media space	Ordinary	58.47	

# Ptarmigan Media Holdings Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 December 2018

### 14 Subsidiaries

(Continued)

\* owned by Ptarmigan Media Limited

\*\* owned by Ptarmigan Media (Asia) Limited

### 15 Financial instruments

	Group 2018 £	2017 £	Company 2018 £	2017 £
<b>Carrying amount of financial assets</b>				
Debt instruments measured at amortised cost	22,968,857	11,741,532	1,329,740	189,785
Equity instruments measured at cost less impairment	38,751	38,751	355,715	355,715
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>Carrying amount of financial liabilities</b>				
Measured at amortised cost	45,053,356	28,103,083	14,791	7,809
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>

### 16 Work in progress

	Group 2018 £	2017 £	Company 2018 £	2017 £
Work in progress	305,353	388,101	-	-
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>

### 17 Debtors

	Group 2018 £	2017 £	Company 2018 £	2017 £
<b>Amounts falling due within one year:</b>				
Trade debtors	19,875,969	10,125,422	-	-
Corporation tax recoverable	75,940	91,309	-	-
Amounts due from group undertakings	-	-	191,740	187,770
Other debtors	2,458,858	1,452,169	1,138,000	2,015
Prepayments and accrued income	1,037,005	904,547	-	-
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
	23,447,772	12,573,447	1,329,740	189,785
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>

# Ptarmigan Media Holdings Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 December 2018

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

	<b>Group</b>		<b>Company</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade creditors	19,814,554	11,615,382	5,042	-
Corporation tax payable	288,531	587,818	25,649	21,339
Other taxation and social security	890,067	26,936	12,663	28,286
Other creditors	881,014	793,270	4,148	1,365
Accruals and deferred income	24,357,788	15,694,431	5,601	6,444
	<u>46,231,954</u>	<u>28,717,837</u>	<u>53,103</u>	<u>57,434</u>

### 19 Provisions for liabilities

	<b>Group</b>		<b>Company</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
	<u>50,000</u>	<u>-</u>	<u>-</u>	<u>-</u>

Movements on provisions:

<b>Group</b>	<b>£</b>
At 1 January 2018	-
Additional provisions in the year	50,000
At 31 December 2018	<u>50,000</u>

### 20 Retirement benefit schemes

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
<b>Defined contribution schemes</b>		
Charge to profit and loss in respect of defined contribution schemes	<u>279,360</u>	<u>240,905</u>

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

# Ptarmigan Media Holdings Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 December 2018

### 21 Share capital

	Group and company	
	2018	2017
	£	£
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
28,180 Ordinary shares of £1 each	28,180	22,180
Class A ordinary shares of £1 each	-	1,250
Class B ordinary shares of £1 each	-	1,250
Class C ordinary shares of £1 each	-	1,250
Class D ordinary shares of £1 each	-	1,250
Class E ordinary shares of £1 each	-	1,000
	<u>28,180</u>	<u>28,180</u>

Ordinary shares have the right to vote and receive dividends. During the year, classes A, B, C, D and E shares have been reclassified as ordinary shares.

### 22 Operating lease commitments

#### Lessee

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

	Group		Company	
	2018	2017	2018	2017
	£	£	£	£
Within one year	628,478	349,816	-	-
Between two and five years	1,923,319	881,537	-	-
In over five years	821,368	1,040,400	-	-
	<u>3,373,165</u>	<u>2,271,753</u>	<u>-</u>	<u>-</u>

# Ptarmigan Media Holdings Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 December 2018

### 23 Related party transactions

#### Remuneration of key management personnel

	Group 2018 £	2017 £	Company 2018 £	2017 £
Aggregate emoluments	1,723,915	1,939,592	318,607	461,695

#### Company

During the year, the directors received dividends of £875,000 (2017: £517,000).

In addition the company provided a director a loan of £1,138,000 at 2.5% per annum, which was repaid after the year end. At the year end, the company was owed £1,138,000 (2017: £nil) by directors.

### 24 Controlling party

The ultimate controlling party is D Wiggin by virtue of his majority shareholding.

### 25 Cash generated from group operations

	2018 £	2017 £
Profit for the year after tax	2,645,502	4,736,625
Adjustments for:		
Taxation charged	1,021,011	1,123,050
Finance costs	2,788	-
Investment income	(14,880)	(4,978)
Amortisation and impairment of intangible assets	1,288	121
Depreciation and impairment of tangible fixed assets	56,991	32,281
Amounts written off investments	-	(3,388,331)
Increase in provisions	50,000	-
Movements in working capital:		
Decrease/(increase) in work in progress	82,748	(147,411)
(Increase) in debtors	(10,889,694)	(4,560,961)
Increase in creditors	17,813,404	1,207,507
<b>Cash generated from/(absorbed by) operations</b>	<b>10,769,158</b>	<b>(1,002,097)</b>