

Ascential Group Limited
Annual Report and Financial Statements
For the year ended 31 December 2019

Registered Number: 435820



Principal activities and future developments

Ascential Group Limited ("the Company") primarily holds direct and indirect investments in subsidiaries and provides management services. It is intended that the Company will continue these activities for the foreseeable future.

Results

The results for the Company show revenue of £29.9 million (2018: £27.4 million) and a pre-tax profit of £10.2 million (2018 Restated*: £299.9 million) for the year.

Principal risks and uncertainties

1. Impact of Coronavirus

The Company's operations and the UK economy have seen significant disruption from the outbreak of COVID-19 for which the timing of resolution is uncertain. The outbreak may impact the health of the Company's workforce and key employees, customer ability to pay on a timely basis and demand for our services. Our business continuity plans have allowed staff to remain both safe and productive. In respect of the other risks and uncertainties, these are managed as described below.

2. Brexit risk

As there remain significant uncertainties and unknowns in respect of the final outcome of Brexit, our impact analysis concludes that the most significant threat is the increased broader economic uncertainty including risk of recession. The Board has concluded that it remains appropriate to identify and manage impacts from Brexit under the relevant specific principal risk, rather than recording Brexit as a discrete principal risk.

3. Macroeconomic and geopolitical conditions

Economic uncertainty or downturns in markets may reduce the revenue and profit of the group and in turn impact the performance of the Company. Political and regulatory changes, such as those that may arise following the UK's decision to leave the European Union, may disrupt patterns of trade, impose operating inefficiencies, and may significantly affect the company's tax position.

Other risks

In addition, the principal risks of the Ascential plc Group ("the Group"), whilst not material to the Company, may indirectly impact the Company. Please refer to the Ascential plc annual report pages 40-45 for further details on these risks and actions taken by the Group to manage the risks:

1. Customer end-market development
2. Competition/substitution
3. Execution of new product and capability development
4. People
5. Reliance on data providers
6. Cyber threat and information security
7. Business resilience
8. Financial risk
9. Regulation and compliance

*Restated for initial application of IFRS16 (see note 17).

Key performance indicators (“KPIs”)

The Directors of Ascential plc manage the operations and services provided by the Company at a Group level. For this reason, the Company's Directors believe that analysis using key performance indicators for the Company is not necessary or appropriate for an understanding of the development, performance and position of the business. The development, performance and position of the Group, which includes the Company, is discussed in the Ascential plc annual report and financial statements, which do not form part of this report.

Going concern

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

The Company had net current assets of £801.1 million as at 31 December 2019 and a profit for the year then ended of £7.0 million.

The directors of the Company have prepared cash flow forecasts for a period of at least 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides, the company will have sufficient funds, through funding from its intermediate parent company, Ascential Financing Limited, to meet its liabilities as they fall due for that period if required.

Those forecasts are dependent on Ascential Financing Limited providing additional financial support during that period. Ascential Financing Limited has indicated its intention to continue to make available such funds as are needed by the company for the period covered by the forecasts. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

The directors of the Company have taken into account the recent condensed consolidated interim financial statements of the Ascential plc group (“the Group”) for the six month period to and as at 30 June 2020 (approved 24 July 2020) and significant updates since this, in particular the cancellation of Money20/20 Europe and US (announced 4 August) in forming their conclusions. These are available at www.ascential.com.

The interim financial information for the Group as at and for the six months to 30 June 2020 was prepared on a going concern basis. In making this determination, the directors of the Group considered the uncertainty surrounding the resolution of the COVID-19 outbreak and the impact to the wider global economy through the evaluation of a number of stressed scenarios. They took into account the strong condition of the Group balance sheet, the recent refinancing, the diversification of business models and proactive steps taken already to provide covenant headroom and adjust the cost base as well as further potential mitigating actions. The directors concluded they were satisfied that there were sufficient resources for the operational needs of the Group and it would remain in compliance with the financial covenants in its bank facilities agreement for at least the next 12 months from the date of approving the interim statements. Further details including the various assumptions for the severe but plausible scenarios considered in coming to this conclusion are presented in the interim financial information which is available at www.ascential.com.

Ascential Group Limited
Strategic Report
For the year ended 31 December 2019

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

Approved by the Board on 1 October 2020.



M Gradden
Director

Company registered number: 435820

Ascential Group Limited
Directors' Report
For the year ended 31 December 2019

The Directors submit their report and financial statements for the year ended 31 December 2019.

Directors

The Directors who held office at any time during or since the end of the financial year are D Painter and M Gradden.

Insurance of Directors

Throughout the year, Directors' and Officers' liability insurance has been maintained by the ultimate parent company, Ascential plc.

Employment practices

All employment decisions are made irrespective of colour, race, age, nationality, ethnic or national origin, gender, gender identity, mental or physical disabilities, marital status or sexual orientation. For employees who may have a disability, the Group ensures proper procedures and equipment are in place to aid them. When it comes to training, career development and promotion, all employees are treated equally, and job applications are always judged on aptitude. Further details on the Group's policies on engagement and employment practices are set out on pages 46 to 47 of the Ascential plc annual report.

Corporate and Social responsibility

2019 saw the launch of the Group's new Corporate Responsibility framework and highlighted two strategic issues for focus: Sustainability (for our customers and internally) and Diversity & Inclusion. The framework also identifies helping young people thrive in a digital world as key signature activity. In order to implement this new framework, Ascential has multiple initiatives across the group. All of the Group's major events are addressing gender inequality in their industries (for example See it Be it at Cannes Lions, Money20/20's Rise Up programme), and WGSN furthered its partnership with Just Like Us. Sustainability at events has been a focus and Cannes Lions operated several awards as part of Lions for Good. Along with being a Patron of The Prince's Trust in order to implement the key activity of helping young people thrive in a digital world, Ascential also support various local charities across the Group, including Prostate Cancer UK.

Political Donations

The Company did not make any political donations during the year (2018: £nil).

Dividends

No interim ordinary dividend was paid during the year (2018: £nil). The Directors do not recommend the payment of a final dividend (2018: £nil).

A preference share dividend of £19.5 million was paid during the year (2018: £19.4 million).

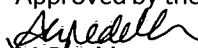
Disclosure of information to the auditor

The Directors who held office at the date of approval of this Directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each Director has taken all the steps that they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

Approved by the Board on 1 October 2020.


M Gradden
Director

Company registered number: 435820

Ascential Group Limited

Statement of Directors' Responsibilities in respect of the Strategic Report, the Directors' Report and the Financial Statements For the year ended 31 December 2019

The Directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 Reduced Disclosure Framework.

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

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

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Independent auditor's report to the members of Ascential Group Limited

Opinion

We have audited the financial statements of Ascential Group Limited ("the company") for the year ended 31 December 2019 which comprise the Balance Sheet, Statement of Profit or Loss and Other Comprehensive Income, the Statement of Changes in Equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 *Reduced Disclosure Framework*; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the company will continue in operation.

Strategic report and directors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or

Independent auditor's report to the members of Ascential Group Limited

- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 4, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; 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; 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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

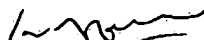
Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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.



Ian Griffiths (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
London E14 5GL
United Kingdom

1 October 2020

Ascential Group Limited
Profit and Loss Account and Other Comprehensive Income
For the year ended 31 December 2019

		Restated**	
	Note	2019 £'m	2018 £'m
Continuing operations			
Turnover	2	29.9	27.4
Administrative expenses		(21.3)	(22.0)
Operating profit	3	8.6	5.4
Adjusted EBITDA*		17.8	16.8
Depreciation and amortisation		(1.6)	(0.7)
Exceptional items	3	(5.8)	(8.4)
Share-based payments		(1.8)	(2.3)
Operating profit	3	8.6	5.4
Income from shares in Group undertakings	6	-	877.6
Interest receivable and similar income	7	30.7	13.3
Impairment of investments	12	-	(567.1)
Interest payable and similar expenses	8	(29.1)	(29.3)
Profit before taxation		10.2	299.9
Tax	9	(3.2)	(4.3)
Profit for the year		7.0	295.6
Other comprehensive income		-	-
Total other comprehensive income		-	-
Total comprehensive profit for the year		7.0	295.6

*Adjusted EBITDA is a non-FRS measure, defined as the Company's operating profit before expensing depreciation, amortisation, exceptional items and share-based payments.

**Restated for initial application of IFRS16 (see note 17).

Ascential Group Limited
Balance Sheet
As at 31 December 2019

	Note	2019 £'m	Restated* 2018 £'m
Assets			
Fixed Assets			
Intangible assets	10	3.7	4.2
Tangible Assets	11	2.2	2.1
Investments	12	731.6	731.6
Deferred tax asset	14	5.8	8.9
		743.3	746.8
Current assets			
Debtors	13	1,127.0	1,293.4
Cash at bank and in hand		21.7	126.9
		1,148.7	1,420.3
Total assets		1,892.0	2,167.1
Liabilities			
Current liabilities			
Creditors: amounts falling due within one year	15	(338.6)	(602.6)
		(338.6)	(602.6)
Non-current liabilities			
Creditors: amounts falling due after more than one	16	(378.8)	(396.9)
Provisions for liabilities			
Other provisions		(0.4)	(0.4)
Total liabilities		(717.8)	(999.9)
Net assets		1,174.2	1,167.2
Capital and reserves			
Called up share capital	18	65.6	65.6
Capital redemption reserve		0.5	0.5
Profit and loss account		1,108.1	1,101.1
Shareholders' funds		1,174.2	1,167.2

*Restated for initial application of IFRS16 (see note 17).

The accompanying notes on pages 11 to 29 are an integral part of these consolidated financial statements and were approved by the Board of Directors on 1 October 2020 and were signed on its behalf by:



M Gradden
 Director

Company registered number: 435820

Ascential Group Limited
Statement of Changes in Equity
For the year ended 31 December 2019

	Called up share capital	Capital redemption reserve	Profit and loss account	Total Equity
	£'m	£'m	£'m	£'m
Balance at 1 January 2018	65.6	0.5	805.3	871.4
Adjustment on initial application of IFRS 16, net of tax	-	-	(0.1)	(0.1)
Balance at 1 January 2018*	65.6	0.5	805.2	871.3
Total comprehensive income for the year	-	-	295.6	295.6
Taxation on share-based payments	-	-	0.3	0.3
Balance at 31 December 2018	65.6	0.5	1,101.1	1,167.2
Total comprehensive income for the year	-	-	7.0	7.0
Balance at 31 December 2019	65.6	0.5	1,108.1	1,174.2

*Restated for initial application of IFRS16 (see note 17).

1. Accounting policies

Ascential Group Limited ("the Company") is a company limited by shares and incorporated and domiciled in the UK.

The Company is a private company incorporated, domiciled and registered in England in the UK. The registered number is 435820 and the registered address is The Prow, 1 Wilder Walk, London, W1B 5AP.

Basis of accounting

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101").

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs") but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The Company's ultimate parent undertaking, Ascential plc, includes the Company in its consolidated financial statements. The consolidated financial statements of Ascential plc are prepared in accordance with International Financial Reporting Standards and are available to the public and may be obtained from The Prow, 1 Wilder Walk, London W1B 5AP.

In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- Certain disclosures regarding revenue;
- A Cash Flow Statement and related notes;
- Comparative period reconciliations for share capital, tangible assets and intangible assets;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs;
- Disclosures in respect of the compensation of Key Management Personnel; and
- Disclosures of transactions with a management entity that provides key management personnel services to the Company.

As the consolidated financial statements of Ascential plc include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- Certain disclosures required by IFRS 13 "Fair Value Measurement" and the disclosures required by IFRS 7 "Financial Instrument Disclosures"; and
- IFRS 2 "Share Based Payments" in respect of group settled share-based payments.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Change in accounting policy

The Company has adopted IFRS 16 "Leases" in these financial statements. This has been adopted using the full retrospective method and as a result the comparatives have been restated.

Leases

The standard includes an exemption for leases of low-value assets and short-term leases. The Company has elected to take both exemptions.

Definition of a lease

Previously, the Company determined at contract inception whether an arrangement contained a lease under IFRIC 4. The Company now assesses whether a contract is or contains a lease based on the new definition of a lease. Under IFRS 16, a contract is, or contains, a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration.

On transition to IFRS 16, the Company elected to apply the practical expedient to grandfather the assessment of which transactions were leases and applied IFRS 16 only to contracts that were previously identified as leases. Contracts that were not identified as a lease under IAS 17 and IFRIC 4 were not reassessed. Therefore, the definition of a lease under IFRS 16 has been applied only to contracts entered into or changed on or after 1 January 2019.

As a lessee

The Company leases commercial office space. The Company presents right of use assets that do not meet the definition of investment property within tangible assets.

The Company recognises a right of use asset and lease liability at the lease commencement date. The right of use asset is initially measured at cost, and subsequently at cost less any accumulated depreciation and impairment losses and adjusted for certain remeasurements of the lease liability. The assets are depreciated over the lease term. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date and are discounted using the Company's incremental borrowing rate. The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payments made. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, a change in the estimate of the amount expected to be payable under a residual value guarantee, or as appropriate, changes in the assessment of whether a purchase or extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised.

Measurement convention and presentation

The financial statements are prepared on the historical cost basis. The financial statements are presented in millions of pounds sterling, which is the Company's functional currency

Going concern

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

The Company has net current assets of £801.1 million as at 31 December 2019 and a profit for the year then ended of £7.0 million.

The directors of the Company have prepared cash flow forecasts for a period of at least 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides, the company will have sufficient funds, through funding from its intermediate parent company, Ascential Financing Limited, to meet its liabilities as they fall due for that period if required.

Those forecasts are dependent on Ascential Financing Limited providing additional financial support during that period. Ascential Financing Limited has indicated its intention to continue to make available such funds as are needed by the company for the period covered by the forecasts. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

The directors of the Company have taken into account the recent condensed consolidated interim financial statements of the Ascential plc group ("the Group") for the six month period to and as at 30 June 2020 (approved 24 July 2020) and significant updates since this, in particular the cancellation of

Ascential Group Limited
Notes to the Accounts
For the year ended 31 December 2019

Money20/20 Europe and US (announced 4 August) in forming their conclusions. These are available at www.ascential.com.

The interim financial information for the Group as at and for the six months to 30 June 2020 was prepared on a going concern basis. In making this determination, the directors of the Group considered the uncertainty surrounding the resolution of the COVID-19 outbreak and the impact to the wider global economy through the evaluation of a number of stressed scenarios. They took into account the strong condition of the Group balance sheet, the recent refinancing, the diversification of business models and proactive steps taken already to provide covenant headroom and adjust the cost base as well as further potential mitigating actions. The directors concluded they were satisfied that there were sufficient resources for the operational needs of the Group and it would remain in compliance with the financial covenants in its bank facilities agreement for at least the next 12 months from the date of approving the interim statements. Further details including the various assumptions for the severe but plausible scenarios considered in coming to this conclusion are presented in the interim financial information which is available at www.ascential.com.

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

Other intangible assets

Intangible assets other than goodwill are those that are distinct and can be sold separately or arise from legal rights. Intangible assets acquired as part of a business combination are capitalised at fair value at the date of acquisition. Intangible assets purchased separately are capitalised at cost.

The cost of intangible assets is amortised and charged to the income statement on a straight-line basis over their estimated useful economic lives as follows:

Software	2-5 years
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Useful lives are examined every year and adjustments are made, where applicable, on a prospective basis.

Website development costs relating to websites which are revenue generating are capitalised and amortised over three to five years. Development costs relating to websites which are not revenue generating are taken immediately to the income statement.

Tangible assets

Tangible assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost comprises expenditure directly attributable to the purchase of the asset. Assets are depreciated to their estimated residual value, on a straight-line basis, over their estimated useful economic life as follows:

Leasehold improvements	over the period of the lease
Office equipment	2-5 years

Estimated useful lives and residual values are reviewed at each reporting date.

A tangible asset is written off either on disposal or when there is no expected future economic benefit from its continued use. Any gain or loss on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying value of the asset) is included in the income statement in the year the item is derecognised.

Debtors

Debtors are recognised initially at fair value and subsequently measured at amortised cost, less loss allowances.

Loss allowances are calculated for lifetime expected credit losses. Expected credit losses are a probability weighted estimate of credit losses and are calculated based on actual historical credit losses over the past three years and adjusted to reflect differences between the historical credit losses and the Company's view of the economic conditions over the expected lives of the receivables. The amount of the loss is recognised in the profit and loss. When a debtor is uncollectible, it is written off against the allowance account for debtors. Subsequent recoveries of amounts previously written off are credited to the profit and loss. The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in the profit and loss.

Trade and other creditors

Creditors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

Interest-bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

Intra-group financial instruments

Where the Company enters into financial guarantee contracts to guarantee the indebtedness of other companies within the Group, the Company considers these to be insurance arrangements and accounts for them as such. In this respect, the Company treats the guarantee contract as a contingent liability until such time as it becomes probable that the Company will be required to make a payment under the guarantee.

Foreign currency translation

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

Tax

The Company is primarily subject to corporation tax in the UK and judgement and estimates of future profitability are required to determine the Company's deferred tax position. If the final tax outcome is different to that assumed, resulting changes will be reflected in the consolidated income statement, unless the tax relates to an item charged to equity, in which case the changes in tax estimates on those items will be reflected in equity.

Income tax on the profit or loss for the period comprises current tax and deferred tax. Income tax is recognised in the consolidated income statement, except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is tax payable based on taxable profits for the period, using tax rates that have been enacted or substantively enacted at the reporting date, along with any adjustment relating to tax payable in previous years. Taxable profit differs from net profit in the consolidated income statement in that income or expense items that are taxable or deductible in other years are excluded, as are items that are never taxable or deductible.

Using the liability method, deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, except for certain temporary differences, such as goodwill that is not deductible for tax purposes.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year in which the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted at the reporting date.

The deferred tax assets and liabilities are only offset where they relate to the same taxing authority and the Company has a legal right to offset.

Employee Benefits

Short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Pension and other post-employment benefits

The Company operates a defined contribution pension scheme. Contributions payable are charged to the income statement and included in employee costs as an operating expense as incurred.

Share-based payments

Certain employees (including directors) of the Company receive part of their remuneration in the form of share-based payment transactions, whereby employees render services in exchange for shares or rights over shares of the ultimate parent company, Ascential plc.

Where the Company grants options over its ultimate parent company's shares to employees, it accounts for the transaction as a cash-settled share-based payment and recognises an employee benefits expense and an increase in the intercompany payable.

Turnover

Revenue is measured based on the consideration specified in a contract with a customer. If multiple performance obligations exist within a contract, the revenue is allocated to the obligations based on the stand alone selling price, with any discounts allocated evenly across the obligations. For contracts with rebates and therefore variable consideration, revenue is recognised based on the best estimate of the revenue net of the rebated amount.

Revenue is recognised when the Group satisfies the performance obligations.

Pre-paid subscription and event revenues are shown as deferred income and released to the income statement in accordance with the revenue recognition criteria above. Transactional revenue is recognised when the service is delivered.

Barter transactions are those where goods and services, rather than cash, are exchanged between two third parties and revenue is recognised at fair value for the goods and services provided. Where goods or services are provided at a discount and dissimilar to the goods or services received, the discounted price is recorded as revenue with the corresponding amount included in operating costs.

Dividends

Dividends paid are recognised as an appropriation of the profit and loss account reserve in the year in which they are approved by the Company's shareholders. Interim dividends are recorded in the year in which they are paid.

Dividends receivable are recognised as income in the income statement in the year in which they are approved by the payee's shareholders. Interim dividends receivable are recorded in the year in which they are paid.

Critical accounting judgments and key sources of estimation uncertainty

Preparation of these financial statements requires the Directors to exercise judgement and to make estimates about uncertain future events in the process of applying the Company's accounting policies. The actual future outcomes may differ from these estimates and give rise to material adjustments to the reported results and financial position of the Company. The areas requiring a higher degree of judgement, or areas where assumptions and estimates are significant to the financial statements, are discussed below.

Critical accounting judgements

Alternative Performance Measures

The Company uses alternative performance measures which are not defined or specified under IFRS and comprises adjusting items. Adjusting items include amortisation and impairment of acquired intangibles, share-based payments and exceptional items. The classification of exceptional items requires significant management judgement to determine the nature and presentation of such transactions. Exceptional items are those which are considered significant by virtue of their nature, size or incidence. These items are presented as a separate column on the face of the income statement but within their relevant income statement caption. The Board view this as a relevant analysis to assist the reader in their understanding of the underlying performance and financial results of the Group.

Key sources of estimation uncertainty

Taxation (Note 9)

Deferred tax assets are recognised to the extent that their utilisation is probable. The utilisation of deferred tax assets will depend on the judgment whether it is more likely than not that the Group will generate sufficient and suitable taxable income of the correct type and jurisdiction in the future, taking into account any restrictions on the length of the loss-carry forward period. Various factors are used to assess the probability of the future utilisation of deferred tax assets, including past operating results, operational plans and loss-carry forward periods.

Ascential Group Limited
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2. Turnover

An analysis of revenue by category is as follows:

	2019	2018
	£'m	£'m
Management services fees	14.9	12.4
Royalties	15.0	15.0
Total	29.9	27.4

Royalties are derived from trademarks and domain names licensed to a subsidiary undertaking of the Company.

3. Operating profit before taxation

Operating profit before taxation is stated after charging:

	Note	2019	Restated*
		£'m	2018
			£'m
Employee costs	5	18.0	16.4
Amortisation of intangible assets	10	0.7	0.3
Depreciation of property, plant and equipment	11	0.9	0.4
Exceptional items			
- Expenses related to acquisition and disposal activities		5.8	8.4

*Restated for initial application of IFRS16 (see note 17).

Within operating profit there is auditor's remuneration of £11,000 (2018: £10,000) relating to Ascential Group Limited.

Amounts receivable by the Company's auditor and its associates in respect of services to the Company and its associates, other than the audit of the Company's financial statements, have not been disclosed as the information is required instead to be disclosed on a consolidated basis in the consolidated financial statements of the Company's parent, Ascential plc.

4. Remuneration of Directors

None of the Directors received any remuneration for their qualifying services to the Company (2018: £nil). The Directors' services were incidental to their service to the Group as a whole and no allocation has been made to the Company.

Ascential Group Limited
Notes to the Accounts
For the year ended 31 December 2019

5. Staff numbers and costs

(a) Employees

The average monthly number of persons employed by the Company during the year that the Company traded is as follows:

By job category	2019	2018
Administrative and other support functions	156	149
Total	156	149

(b) Costs

	2019	2018
	£'m	£'m
Wages and salaries	13.7	12.0
Social security costs	2.0	1.7
Share-based payments	1.8	2.3
Other pension costs	0.5	0.4
Total	18.0	16.4

(c) Pension costs

The Company participates in a defined contribution pension scheme. The assets of the scheme are held by independent custodians and are kept entirely separate from the assets of the Company. No loans have been made by the scheme to the Company and no shareholdings of the scheme have been used as security for any loans to the Company. The pension charge represents contributions due from the employer. The pension scheme is administered by the Company.

(d) Share-based payments

Certain employees (including directors) of the Company receive part of their remuneration in the form of share-based payment transactions, whereby employees render services in exchange for shares or rights over shares of the ultimate parent company, Ascential plc. Refer the Ascential plc accounts, note 7, for details of the type of share-based payment arrangements and the general terms and conditions of each arrangement.

6. Income from shares in Group undertakings

Income from shares in Group undertakings comprises the following:

	2019	2018
	£'m	£'m
Dividends from shares in Group undertakings	-	297.8
Dividend from subsidiary undertaking	-	579.8
Total	-	877.6

Ascential Group Limited
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7. Interest receivable and similar income

	2019	2018
	£'m	£'m
Interest income on loans to Group undertakings	10.9	4.0
Interest income on bank deposits	0.5	0.6
Net foreign exchange gain on loans to Group undertakings	-	8.7
Net foreign exchange gain on cash and cash equivalents	1.5	-
Net foreign exchange gain on preference shares	17.8	-
Total	30.7	13.3

8. Interest payable and similar expenses

	2019	Restated* 2018
	£'m	£'m
Interest expense on loans to Group undertakings	-	0.1
Net foreign exchange loss on loans to Group undertakings	9.5	-
Net foreign exchange loss on cash and cash equivalents	-	0.8
Lease liabilities	0.1	0.1
Net foreign exchange loss on preference shares	-	8.9
Dividends on preference shares	19.5	19.4
Total	29.1	29.3

* Restated for initial application of IFRS16 (see note 17).

9. Taxation

	2019	2018
	£'m	£'m
Current tax charge		
UK corporation tax on profit for the year	0.8	2.3
Adjustments in respect of prior years	(0.7)	(1.4)
Total current tax charge	0.1	0.9
Deferred tax		
Current year	2.2	2.0
Adjustments in respect of prior years	0.9	1.4
Total deferred tax charge	3.1	3.4
Total tax charge	3.2	4.3

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For the year ended 31 December 2019

Factors affecting the tax charge for the year

The tax assessed for the year is higher (2018: lower) than the standard rate of corporation tax in the UK. The difference between tax as per the financial statements and tax at the UK standard rate is explained below:

	2019	2018
	£'m	£'m
Profit before tax	10.2	299.9
Expected tax charge at 19.0% (2018: 19.0%)	1.9	57.0
Non-deductible permanent items	0.8	0.9
Non-deductible/(taxable) intra-group items	0.3	(53.6)
Adjustments in respect of prior years	0.2	-
Total tax charge for the year	3.2	4.3

10. Intangible fixed assets

	Software	Total
	£'m	£'m
Cost		
At 1 January 2019	20.4	20.4
Additions	0.5	0.5
Disposals	(11.7)	(11.7)
Transfers	(0.2)	(0.2)
At 31 December 2019	9.0	9.0
Amortisation		
At 1 January 2019	(16.2)	(16.2)
Charge for the year	(0.7)	(0.7)
Disposals	11.6	11.6
At 31 December 2019	(5.3)	(5.3)
Net book value		
At 31 December 2019	3.7	3.7
At 31 December 2018	4.2	4.2

Disposals mainly relate to the write off of fully depreciated software assets.

Ascential Group Limited
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For the year ended 31 December 2019

11. Tangible Assets

	Right of use assets*	Leasehold improvements	Office equipment	Total*
	£'m	£'m	£'m	£'m
Cost				
At 1 January 2019	2.1	1.3	1.3	4.7
Additions	-	0.7	0.3	1.0
At 31 December 2019	2.1	2.0	1.6	5.7
Accumulated				
At 1 January 2019	(1.2)	(0.5)	(0.9)	(2.6)
Charge for the year	(0.3)	(0.4)	(0.2)	(0.9)
At 31 December 2019	(1.5)	(0.9)	(1.1)	(3.5)
Net book value				
At 31 December 2019	0.6	1.1	0.5	2.2
At 31 December 2018	0.9	0.8	0.4	2.1

* Restated for initial application of IFRS16 (see note 17).

12. Investments

	Shares in Group undertakings
	£'m
Cost	
At 1 January 2019	1,567.2
Movement for the year	-
At 31 December 2019	1,567.2
Provision	
At 1 January 2018	(835.6)
Movement for the year	-
At 31 December 2018	(835.6)
Net book value	
At 31 December 2019	731.6
At 31 December 2018	731.6

In 2019 the Company received a dividend of £nil (2018: £579.8 million) from its subsidiary undertakings.

Ascential Group Limited
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At 31 December 2019, the Company had the following investments in subsidiaries, associated and joint venture undertakings:

Company name	Percentage shareholding / interest	Direct / Indirect	Registered address
Ascential Radio Financing Limited	100%	Indirect	The Prow, 1 Wilder Walk, London W1B 5AP, England
BEP Holdco Limited	100%	Indirect	The Prow, 1 Wilder Walk, London W1B 5AP, England
4C Dormant Limited	100%	Indirect	The Prow, 1 Wilder Walk, London W1B 5AP, England
Ascential Information Services Limited	100%	Indirect	The Prow, 1 Wilder Walk, London W1B 5AP, England
Ascential Operations Limited	100%	Indirect	The Prow, 1 Wilder Walk, London W1B 5AP, England
CLR Code Limited	100%	Indirect	The Prow, 1 Wilder Walk, London W1B 5AP, England
De Havilland Information Services Limited	100%	Indirect	The Prow, 1 Wilder Walk, London W1B 5AP, England
Ascential America (Holdings) Limited	100%	Direct	The Prow, 1 Wilder Walk, London W1B 5AP, England
Ascential America Limited	100%	Direct	The Prow, 1 Wilder Walk, London W1B 5AP, England
Flywheel Digital Limited	100%	Direct	The Prow, 1 Wilder Walk, London W1B 5AP, England
Ascential UK Holdings Limited	100%	Direct	The Prow, 1 Wilder Walk, London W1B 5AP, England
Glenigan Limited	100%	Indirect	The Prow, 1 Wilder Walk, London W1B 5AP, England
Groundsure Limited	100%	Indirect	The Prow, 1 Wilder Walk, London W1B 5AP, England
Ascential Events (Europe) Limited	100%	Indirect	The Prow, 1 Wilder Walk, London W1B 5AP, England
Clavis Insight Limited	100%	Indirect	The Prow, 1 Wilder Walk, London W1B 5AP, England
Spotlight by Ascential Limited (formerly known as Medialink Europe Limited)	100%	Indirect	The Prow, 1 Wilder Walk, London W1B 5AP, England
Edge by Ascential Limited	100%	Indirect	The Prow, 1 Wilder Walk, London W1B 5AP, England
Rembrandt Technology Limited	100%	Indirect	The Prow, 1 Wilder Walk, London W1B 5AP, England
4C Information Limited	100%	Indirect	The Prow, 1 Wilder Walk, London W1B 5AP, England
Siberia Europe Limited	100%	Indirect	The Prow, 1 Wilder Walk, London W1B 5AP, England
WGSN Group Limited	100%	Indirect	The Prow, 1 Wilder Walk, London W1B 5AP, England
Worth Global Style Network Limited	100%	Indirect	The Prow, 1 Wilder Walk, London W1B 5AP, England
WGSN Limited	100%	Indirect	The Prow, 1 Wilder Walk, London W1B 5AP, England

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Brandview Limited	100%	Indirect	The Prow, 1 Wilder Walk, London W1B 5AP, England
ePossibilities Global (Holdings) Limited	100%	Indirect	The Prow, 1 Wilder Walk, London W1B 5AP, England
ePossibilites USA Limited	100%	Indirect	The Prow, 1 Wilder Walk, London W1B 5AP, England
The Gunn Report Limited	100%	Indirect	The Prow, 1 Wilder Walk, London W1B 5AP, England
World Advertising Research Center Limited	100%	Indirect	The Prow, 1 Wilder Walk, London W1B 5AP, England
Ascential Jersey Financing Limited	100%	Direct	44 Esplanade, St Helier, Jersey, Channel Islands JE4 9WG
2WH Assessoria Empresarial Ltda	100%	Indirect	Rua Tabapuã 841, Conjunto 15, 1º Andar, São Paulo, Brazil 04533-013
Ascential Serviços de Informação Ltda	100%	Indirect	Rua Tabapuã 841, Conjunto 15, 1º Andar, São Paulo, Brazil 04533-013
Mindset Comunicacao Marketing Ltda	100%	Indirect	Rua Tabapuã 841, Conjunto 15, 1º Andar, São Paulo, Brazil 04533-013
Media Link, LLC	100%	Indirect	2710 Gateway Oaks Drive, Suite 150N Sacramento, California, CA 95833, United States
Money2020, LLC*	100%	Indirect	251 Little Falls Drive, Wilmington, New Castle, Delaware DE 19808, United States
Edge by Ascential, LLC	100%	Indirect	251 Little Falls Drive, Wilmington, New Castle, Delaware DE 19808, United States
Siberia LLC	100%	Indirect	251 Little Falls Drive, Wilmington, New Castle, Delaware DE 19808, United States
CLR Code LLC	100%	Indirect	251 Little Falls Drive, Wilmington, New Castle, Delaware DE19808, United States
Ascential Inc. (formerly known as WGSN Inc.)	100%	Indirect	251 Little Falls Drive, Wilmington, New Castle, Delaware DE 19808, United States
Ascential Events France SAS	100%	Indirect	6 Place du Commandant Maria, Cannes 06400, France
Clavis Technology Limited	100%	Indirect	7th floor, O'Connell Bridge House, D'Olier Street, Dublin 2, Ireland
WGSN GmbH	100%	Indirect	Venloer Strasse 310-316, 50823 Cologne, Germany
WGSN Intelligence España SL	100%	Indirect	C/ San Elias 29-35, 5º, 08006 Barcelona, Spain
Planet Retail GmbH	100%	Indirect	Eschersheimer Landstraße 42 60322 Frankfurt, Germany
WGSN (Pty) Limited	100%	Indirect	Workshop17, 32 Kloof Street Gardens, Cape Town 8000, South Africa
Trades Exhibitions Limited	10%	Indirect	Allington House 25 High Street, Wimbledon, London SW19 5DX
Top Right Group India Knowledge Services Private Limited	100%	Direct	Options Primo, Unit No. 501/502, 5th Floor, Vijay Nagar Flyover Bridge Cross Road No. 21 MIDC, Andheri (East), Mumbai – 400093, Maharashtra, India

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Sistema Use Fashion Comércio de Informações Ltda	100%	Indirect	Av. Unisomos, no. 950, Condomínio Padre Rick – 410, São João Batista, City of São Leopoldo, State of Rio Grande do Sul, 93022-970, Brazil
Stylesight Limited	100%	Indirect	23 rd floor Lee Garden Six, 111 Leighton Road, Causeway Bay, Hong Kong
WGSN (Asia Pacific) Limited	99%	Indirect	23 rd floor Lee Garden Six, 111 Leighton Road, Causeway Bay, Hong Kong
WGSN Business Information Consulting (Shanghai) Company Limited	100%	Indirect	Unit 39 of 7/F, No.2, Building 2, 999 Middle Huaihai Road, Xuhui District, Shanghai, People's Republic of China
Clavis Information Technology (Shanghai) Limited	100%	Indirect	Room 3301, No. 10 Yu Tong Road, Jing An District, Shanghai, People's Republic of China
Ascential Events (HangZhou) Company Limited	100%	Indirect	Room 601, 603, 6/F, Building 2, Jiang Ning Tower, 27 Ningtai Road, Ningwei Town, Xiaoshan, Hangzhou, Zhejiang, People's Republic of China
Stylesight Information Technology (Shanghai) Company Limited	100%	Indirect	Room 617, 28 Tan Jia Du Road, Putuo District, Shanghai, People's Republic of China
CTIC WGSN China Limited	51%	Indirect	Floor 5, Building 29, No.1 Lane 618, Dingyuan Road, Songjiang District, Shanghai, People's Republic of China
WGSN Group Trend Forecasting Moda Danışmanlık Hizmetleri Limited Şirketi	100%	Indirect	Cevdetpasa Caddesi, No. 31/7 Bebek, 34342 Istanbul, Turkey
Asian Advertising Festival (Spikes Asia) Pte Limited	50%	Indirect	182 Cecil Street, Level 17 Frasers Tower, Singapore 069547
Ascential (Singapore) Pte Limited	100%	Indirect	63 Market Street #09-01, The Bank of Singapore Centre, Singapore 048942
Flywheel Digital LLC	100%	Indirect	St. Paul Street, Suite 820, Baltimore, Maryland MD 21202, United States
Flywheel Digital LLC	100%	Indirect	300 Deschutes Way SW, Suite 304 Tumwater, Washington WA 98501, United States
WARC Limited	100%	Indirect	The Prow, 1 Wilder Walk, London W1B 5AP, England
Shenzhen Yimian Network Technology Co., Limited	99%	Indirect	47/F China Energy Storage Building, 3099 KeYuan South Road, Nanshan District, Shenzhen, Guangdong, People's Republic of China
Hudson MX, Inc	14.74%	Indirect	3500 South Dupont Highway, Dover, Kent County, Delaware, DE 19901, United States
Shanghai Coloro Company Limited	30%	Indirect	Floor 2-4, Building 4, 300 Dingyuan Road, Songjian District, Shanghai, People's Republic of China

* Money20/20, LLC was merged with and into Ascential, Inc. after the end of the reporting period, with effect from 1 January 2020. Therefore, it no longer exists as legal entity at the date of approval of these financial statements.

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13. Debtors

	2019	Restated*
	£'m	2018 £'m
Trade debtors, net of allowance for doubtful debts	0.4	-
Other debtors	2.1	3.8
Amounts receivable from Group undertakings	1,109.2	1,279.8
Current tax asset	11.7	6.8
Prepayments and accrued income	3.6	3.0
Total	1,127.0	1,293.4

	2019	2018
	£'m	£'m
Due within one year	1,127.0	1,293.4
Total	1,127.0	1,293.4

*Restated for initial application of IFRS16 (see note 17).

Amounts due from Group undertakings are unsecured, bear interest at the LIBOR rate and are repayable on demand. Included within the amounts receivable from Group undertakings is the cash swept daily by the Company arising from a cash sweeping agreement in place between entities within Ascential Group Limited.

14. Deferred tax

	2019	2018
	£'m	£'m
Accelerated capital allowances	1.2	1.7
Other short term timing differences	0.8	0.8
Tax losses recognised	3.8	6.4
Total deferred tax asset	5.8	8.9
Balance at the start of the period	8.9	12.0
Charged to equity	-	0.3
Deferred tax charge in profit and loss account for the period	(3.1)	(3.4)
Balance at the end of the period	5.8	8.9

The deferred tax asset has arisen as a result of accelerated capital allowances, tax losses and other short-term timing differences, which includes the impact of share based payments. The Directors consider that it is more likely than not that there will be sufficient taxable profits in the future such as to realise the deferred tax asset and therefore the asset has been recognised in these financial statements.

Finance Act 2020, which was enacted on 22 July 2020, reversed the previously enacted reduction in the corporation tax rate to 17% from 1 April 2020 leaving the rate at 19%. As this had not been substantively

Ascential Group Limited
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enacted at the balance sheet date, the above deferred tax assets are valued using the enacted rate of 17%. If these assets were revalued to 19%, this would increase the asset by £0.9m.

15. Creditors: falling due within one year

	2019	Restated* 2018
	£'m	£'m
Trade creditors	3.5	3.0
Other taxation and social security	0.3	0.6
Accruals	5.0	7.5
Amounts payable to Group undertakings	329.2	590.4
Other creditors	0.3	0.8
Lease liabilities	0.3	0.3
Total	338.6	602.6

*Restated for initial application of IFRS16 (see note 17).

Amounts payable to Group undertakings are unsecured, bear interest at various rates and are repayable on demand. Included within the amounts payable to Group undertakings is the cash swept daily by the Company arising from a cash sweeping agreement in place between entities within Ascential Group Limited.

16. Creditors: falling due after more than one year

	2019	Restated* 2018
	£'m	£'m
Preference shares	378.4	396.2
Lease liabilities	0.4	0.7
Total	378.8	396.9

*Restated for initial application of IFRS16 (see note 17).

	2019	2018
Preference shares	£'m	£'m
In issue at 1 January	396.2	387.3
Foreign exchange movement	(17.8)	8.9
In issue at 31 December	378.4	396.2

Holders of preference shares, being the immediate parent undertaking of the Company, are entitled to a dividend of 5% per annum. The preference shares are redeemable at par, at the option of the holder, by giving three days' notice to the Company, at any time. The preference shares are classified as financial instruments. While the preference shares are redeemable with three days' notice, the Company has agreed with the holder of these shares that repayment remains at the option of the Company for a period

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of not less than 12 months from 31 December 2019. The preference shares rank ahead of the ordinary shares, see note 18. The preference shares are comprised of €300m and \$163m.

17. Leases

The Company leases commercial office space. Previously, these leases were classified as operating leases under IAS 17. Right of use assets for leased properties are presented within tangible assets in note 11 and the lease liabilities are included within current or non-current liabilities as appropriate (note 15 and note 16 respectively). The results for the year ending 31 December 2018 have been restated for the initial application of IFRS 16. The impact of on the financial statements is shown below.

	2019	2018
	£'m	£'m
Consolidated Statement of Financial Position		
Non-current assets		
Right of use assets	0.6	0.9
Current assets		
Debtors	-	(0.1)
Current liabilities		
Creditors: amounts falling due within one year	-	0.1
Lease liabilities	(0.3)	(0.3)
Non-current liabilities		
Lease liabilities	(0.4)	(0.7)
Net liability and adjustment to Retained Earnings on initial application of IFRS 16	(0.1)	(0.1)
	2019	2018
	£'m	£'m
Rent expense	0.3	0.3
Depreciation	(0.2)	(0.2)
Finance costs	(0.1)	(0.1)
Profit for the year	-	-

18. Called up share capital

	2019	2018
	£'m	£'m
Allotted, issued and fully paid		
218.8 million Ordinary shares of £ 0.30 each	65.6	65.6

Holders of ordinary shares are entitled to participate in the payment of dividends pro rata to their holdings. The Board may propose and pay interim dividends and recommend a final dividend, in respect of any accounting period, out of the profits available for distribution under English law. A final dividend may be declared by the shareholders in general meeting by ordinary resolution, but no dividend may be declared in excess of the amount recommended by the Board.

Rights conferred by ordinary shares - at any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) a poll is properly demanded. On a show of hands every member, or his duly appointed proxy, at a general meeting of the Company shall have one vote. On a poll every member who is present in person or by proxy shall have one vote for every share of which he is the holder.

19. Dividends

No ordinary interim dividend was paid during the year (2018: £nil). The Directors do not recommend the payment of a final dividend (2018: £nil).

A preference share dividend of £19.5 million was paid during the year (2018: £19.4 million).

20. Commitments and contingencies

On 12 February 2016, the Group entered into a New Facilities Agreement of £66 million, €171 million and \$96 million and a revolving credit facility of £95 million. On 11 March 2016, the Company and certain of its fellow Group undertakings became guarantors of the New Facilities Agreement held by Ascential plc. As guarantors, the Company and those Group undertakings have access to the funding provided and have in turn provided security over assets and investments and are jointly and severally required to meet the performance obligations and associated payments, and to comply with the covenants, defined in the facility agreements.

During the year the Company was a member of the Group cash pooling arrangement. This allows the Group to combine the liquidity of companies within the Group in order to distribute such cash centrally as required.

The Company is registered with H.M. Revenue & Customs as a member of the Ascential Group Limited group for value added tax and Pay As You Earn purposes and is therefore jointly and severally liable on a continuing basis for amounts owing by other members of the Group in respect of their value added tax, income tax and national insurance contributions liabilities.

The Company had capital commitments of £0.6 million at 31 December 2019 (2018: £0.1 million) relating to software under construction.

The Company acts as guarantor for some group companies in regard to several leased office spaces in the UK.

21. Related party transactions

The Company is exempt from disclosing related party transactions as they are wholly owned by a member of Ascential plc.

22. Ultimate parent company

The immediate and controlling parent undertaking is Ascential Financing Limited.

The ultimate controlling party at 31 December 2019 was Ascential plc. The results of the Company are included in the consolidated financial statements of Ascential plc. Copies of Ascential plc accounts can be obtained from the Company Secretary at The Prow, 1 Wilder Walk, London, W1B 5AP.

23. Events after the reporting period

On 14 January 2020, the Group entered into a new 5 year multi-currency revolving credit facility ("RCF Agreement") of £450 million, which has been partially drawn down after the reporting date, with an accordion of up to a further £120 million or 150% of EBITDA. The maturity of the facility may be extended at the option of the Group for up to two further one year terms subject to individual lender approval. As part of this refinancing, the existing facility was cancelled. The Company continues to be a guarantor and a borrower for the new RCF Agreement.

At the date of refinancing, the USD and EUR preference shares which Ascential Financing Limited held in Ascential Group Limited were converted into ordinary share capital, resulting in an increase to the share capital of £256 million.

After the year end, the COVID-19 pandemic has created significant disruption to the global economy. This may lead to an increase in churn of customers, and in addition there is an expectation of an increased number of potential customers with financial difficulties which may increase the risk of bad debt. Due to the uncertainty this unprecedented situation has resulted in, a fellow Group company, Ascential Financing Limited, has indicated its intention to provide adequate financial support to the Company if required to enable it to continue as a going concern.