

Company registration number 02103123 (England and Wales)

**HAVAS MEDIA LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

WEDNESDAY



\*ACDX1PY9\*

A19

11/10/2023

#173

COMPANIES HOUSE

# HAVAS MEDIA LIMITED

## COMPANY INFORMATION

---

<b>Directors</b>	D Todhunter P Affleck
<b>Secretary</b>	A McArthur
<b>Company number</b>	02103123
<b>Registered office</b>	Havas House Hermitage Court Hermitage Lane Maidstone Kent UK ME16 9NT
<b>Auditor</b>	Constantin 25 Hosier Lane London UK EC1A 9LQ

---

# HAVAS MEDIA LIMITED

## CONTENTS

---

	<b>Page</b>
Strategic report	1 - 5
Directors' report	6 - 8
Directors' responsibilities statement	9
Independent auditor's report	10 - 12
Profit and loss account	13
Statement of comprehensive income	14
Balance sheet	15
Statement of changes in equity	16
Notes to the financial statements	17 - 29

---

# HAVAS MEDIA LIMITED

## STRATEGIC REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2022

---

The directors present the strategic report for the year ended 31 December 2022. The directors, in preparing this strategic report, have complied with S414C of the Companies Act 2006.

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

The company provides communications planning and media buying and co-ordination services across all media in the United Kingdom, and globally through the Havas Media International division; including traditional media and increasingly all areas of digital media. In addition, the company provides bespoke production services including web design and branded content development. The company continues to deliver meaningful media on behalf of its clients; this is a result of strong relationships, collaborative partnerships and innovative and forward-thinking strategies.

There have not been any significant changes in this activity in the year under review. In 2021 all Arena Media Limited and Forward 1 UK Limited clients have been novated to Havas Media Limited or Havas Entertainment Limited as part of a wider Havas Media Group rebrand. All companies involved are Havas group companies.

The results for the period are set out in the profit and loss account and the position of the company at the end of the period is detailed in the balance sheet.

#### **Principal risks and uncertainties**

The management of the business and the execution of the company's strategy are subject to a number of risks. The main risk is market risk.

*Market risk* : The company operates in a highly competitive market which is a continuing risk to the company. The company manages this risk by providing bespoke value-added services to its clients, and by building and maintaining strong relationships with its clients.

#### **Key performance indicators**

To provide value for our shareholders, the directors consider that turnover, gross profit and operating profit are the key performance indicators (KPIs) that show a good measure of the company's performance and financial strength.

Turnover was £420,434,000 in 2022, an increase of £59,017,000 or 16% on the turnover in the previous year.

Gross profit was £44,455,000 in 2022, an increase of £3,606,000 or 9% on the gross profit in the previous year.

Operating profit was £2,348,000 in 2022, an improvement of £6,444,000 or 157% on the operating loss in the previous year.

#### **Non financial key performance indicators**

The directors believe that a non financial key performance indicator is the coverage of media channels by the entity. Media channels covered include TV, Radio, Poster, Social Media, Display, Search and Ad Exchanges.

Another non financial key performance indicator is the number of employees which has increased from an average of 533 in 2021 to 573 in 2022.

#### **Duty to promote the success of the company**

##### Vivendi

Havas is a member of the Vivendi group. The company is bound by and applies Vivendi group policies.

Vivendi is an integrated content, media and communications group.

More details of Vivendi's Corporate Social Responsibility ethos, policies, activities and results may be found at <https://www.vivendi.com/en/social-responsibility/>.

# HAVAS MEDIA LIMITED

## STRATEGIC REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

---

#### *Anti-corruption Code*

At Vivendi, all employees are required to comply with the laws and regulations in the countries in which they operate. The Group's commitment in this regard is reflected in the implementation of a Compliance Program that covers personal data protection and anti-corruption measures, as well as obligations for monitoring the Group's business activities.

An Anti-corruption policy has been drawn up to prevent and identify any potential risks situation. These rules apply to all Vivendi employees and all Group business partners (suppliers, subcontractors, intermediaries, etc.).

Vivendi Anti-corruption Code may be found at <https://www.vivendi.com/wp-content/uploads/2018/10/Code-anticorruption-SIGNATURE-VA-021018.pdf>.

#### *Vigilance Program*

Vivendi has implemented a Compliance Program which sets out general ethics rules which are applicable to each and every group employee.

These guidelines cover the rights of employees, the quality of information and its protection, the prevention of conflicts of interest, commercial ethics and the respect of competition rules, the use of group property and resources, financial ethics and respect for the environment. The objective of the Compliance Program is to make employees aware of their professional responsibilities, to provide them with a reference tool that helps them determine appropriate conduct.

More details may be found at <https://www.vivendi.com/en/our-group/governance/compliance-program/>.

#### Havas

The company is a member of the global Havas group. The company is bound by and applies global Havas group policies.

Havas is a leading global advertising and communications services group. Havas has special responsibilities due to its influence on society and how the latter evolves over time.

#### *Corporate Social Responsibility and Code of Ethics*

Havas Corporate Social Responsibility policy is coordinated at group level. More details may be found at <https://havaspositiveimpact.com/our-pillars/>. In addition, Havas 2022 CSR Report may be found at <https://havaspositiveimpact.com/wp-content/uploads/2023/06/2022-csr-report.pdf>.

Ethics is the foundation of this Corporate Social Responsibility approach and the basis on which the group conducts its business. Havas Code of Ethics is aligned with expectations on the part of its stakeholders. Havas Code of Ethics is detailed at [https://www.havasgroup.com/havas-content/uploads/2020/01/havas\\_codeofethics\\_2017.pdf](https://www.havasgroup.com/havas-content/uploads/2020/01/havas_codeofethics_2017.pdf).

Havas signed the United Nations Global Compact back in 2003 and continues to assert its commitment to the 10 main principles defined by the United Nations with regard to human rights, labour law, the environment and the fight against corruption.

Havas has made corporate social responsibility an integral part of everything it does. Havas encourages its agencies to harness the power of creative ideas to bring about positive change and minimize any negative impact on society.

The Group has established six commitments to progress which guide all aspects of the business regardless of the nature of the work.

# HAVAS MEDIA LIMITED

## STRATEGIC REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

---

Havas is committed to:

- promoting a harmonious and healthy working environment that supports collaborators' growth and development;
- reinforcing socially responsible procurement policies in our supply chain;
- promoting transparency and ethics in our business;
- taking the lead in the creation and diffusion of responsible communications throughout our agencies and in collaborations with clients and partners;
- reducing the environmental footprint of our operations; and
- maintaining our commitment to collaborative efforts in reducing climate change.

#### Havas Group UK

In the UK, the directors of the company have taken all necessary steps to ensure that the company has implemented and complied with all Havas and Vivendi group policies and procedures.

Furthermore, the board constantly assesses the implications of decisions made, in terms of the potential long-term consequences for the company, together with the impact on our stakeholders, including shareholders, employees, clients, suppliers and customers, the wider community and the environment.

#### Shareholders

The board communicates directly with Vivendi regarding strategy and performance of the company through a number of different channels:

- regular and timely management accounts;
- detailed and accurate financial budgets and forecasts;
- collaboration as part of the Vivendi cash management policy; and
- consultation and approval of any significant investment and acquisition decisions.

#### Havas Media Division and HKX

The company is primarily located within Havas's London Village at Havas King's Cross ("HKX") in Pancras Square, London.

#### Employee engagement

The board understands that Havas UK's staff are at the heart of everything we do as a business, and the importance of an engaged and dynamic workforce to ensure we can respond to the challenging media market. We have 3 key strategic pillars that deliver against this commitment.

#### *Learning and Development*

Our People team provide high quality development opportunities for all employees:

- HKX Campus, a comprehensive prospectus of learning and development offerings servicing 1,700 employees across the UK;
- regular keynote talks and inspiration sessions delivered in our onsite auditorium and virtually;
- bespoke individual development plans and manager training;

#### *Health and Wellbeing*

Our business also recognises the crucial importance of promoting positive health and wellbeing:

- Havas Equalise is our industry-leading award winning health and wellbeing programme, awarded the best mental health strategy from the Not a Red Card Awards 2020;
- the programme continues to deliver over 600 hours of wellbeing activity for our employees, comprised of: mental wellness sessions, 1:1 personal development coaching surgeries, physical wellness sessions.

#### *Diversity and Inclusion*

We have a concerted strategic focus on diversity and inclusion and strive to create a workplace that is free of bias and fully representative of the diversity community of the UK.

---

# HAVAS MEDIA LIMITED

## STRATEGIC REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

---

We deliver against this commitment in the following ways:

- our Executive Diversity, Equity & Inclusion Committee holds our Diversity & Inclusion Charter which sets out our commitments over the next five years;
- we encourage all our employees to share information about their ethnicity with us to ensure we have a clear picture and we communicate regularly and transparently with them;
- we deliver Havas Doorway events with partner schools and community groups to drive awareness about our industry with young people and make entry more accessible;
- we deliver our bespoke All In Workshop covering bias, privilege, equity, intersectionality and anti-racism practice; and
- our HKX Platform internship programme, designed to provide access and opportunity for individuals typically underserved and underrepresented by our industry, provides 6 month full time placements, paying the London Living Wage, for 10 people every quarter. In 2022, 39% of interns were offered permanent roles at the end of their internship.

#### The community

We recognise that we have a responsibility to enact positive social change and can be both a mirror and an engine in society.

Some of our achievements to date within our community:

- partnered with small UK-based charity to deliver meals and essential items to homeless people in London and Manchester;
- developed a homework club for local students who have nowhere to work after school;
- set up clothes recycling stations in our offices;
- partnered with Redemption Roasters to give young offenders the chance to skill up; and
- donated £50,000 worth of time to a charity combating loneliness and isolation.

#### The environment

Our unique employee-led HKX Roots committee is focused on progressing green policies in the UK to make our business as environmentally friendly as possible.

Some examples of achievements the group has garnered to date:

- our King's Cross premises has eliminated all single use plastics;
- reduced carbon emissions by 6% per employee;
- achieved zero waste to landfill;
- all employee notebooks, pens and pencils are made from old pallets; and
- achieved Gold CSR rating with EcoVardis, a trusted provider of sustainability ratings.

#### Suppliers, customers and clients

We are committed to reinforcing socially responsible procurement policies in our supply chain and with our clients.

Some examples include:

- for local corporate travel, we use a taxi company that only uses low and zero emission cars;
- sourced over 80% of suppliers within 50 miles of our office;
- Havas Media Group became the first agency group in the industry to become DTSG (Digital Trading Standards Group) certified and as part of the accreditation Havas Media take a zero tolerance approach to the misplacement of ads; and
- Havas are also certified with IAB Gold Standard. This certification consolidates all industry best practice initiatives across Brand Safety, Fraud and Coalition for Better Ads. As part of this certification our pledge is that we operate within the strict boundaries of the Gold Standard to ensure we offer our clients the very highest standards in digital buying.

# HAVAS MEDIA LIMITED

## STRATEGIC REPORT (CONTINUED)

*FOR THE YEAR ENDED 31 DECEMBER 2022*

---

On behalf of the board



D Todhunter  
**Director**

6 October 2023

# HAVAS MEDIA LIMITED

## DIRECTORS' REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2022

---

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

#### Results and dividends

The results for the year are set out on page 13.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

#### Directors

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

C Hirst (Resigned 19 July 2022)  
D Todhunter  
P Affleck

#### Financial instruments

The management of the business is subject to a number of financial risks, including credit risk, currency risk, cash flow and liquidity risk.

*Credit risk* : The company's credit risk is primarily attributable to its trade debtors. The amount presented in the balance sheet is net of allowances for doubtful receivables. The company manages this risk by continually monitoring the status of its debtors and client list. Credit checks are made and appropriate credit insurance is taken out in respect of specific customers, or payment terms are altered where no insurance can be obtained.

*Currency risk* : The company's reporting currency is GBP but it transacts in other currencies including the US Dollar and Euro. The company's revenues, costs and operating profits may be affected by fluctuations in value between GBP and the other foreign currencies. The company maintains bank accounts denominated in its major trading currencies and wherever possible matches foreign currency income and expenses in order to minimise its foreign currency exposures.

*Cash flow & liquidity risk* : The company monitors its working capital and available cash carefully. The company ensures that it has sufficient funds available to settle its liabilities as they fall due.

#### Changes in presentation of the financial statements

Details of how the company fosters relationships with suppliers, customers and others are set out in the strategic report.

#### Auditor

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

#### Energy and carbon report

Energy and carbon related to activities for which the Company has been responsible involving the combustion of gas, or consumption of fuel for the purposes of transport; and the purchase of electricity by the company for its own use is summated below. This has been correlated to Scopes 1 and 2 of the Green House Gas Protocol.

	2022	2021
	kWh	kWh
<i>Energy consumption</i>		
Aggregate of energy consumption in the year		
- Electricity purchased	458,757	482,824
- District heat	137,669	303,558
	<u>596,426</u>	<u>786,382</u>

# HAVAS MEDIA LIMITED

## DIRECTORS' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

---

	2022 metric tonnes	2021 metric tonnes
<i>Emissions of CO2 equivalent</i>		
Scope 1 - direct emissions		
- Gas combustion	-	-
- Fuel consumed for owned transport	-	-
	<hr/>	<hr/>
	-	-
Scope 2 - indirect emissions		
- Electricity purchased	23.50	51.97
- District heat		
Scope 3 - other indirect emissions		
- Fuel consumed for transport not owned by the	-	-
	<hr/>	<hr/>
Total gross emissions	23.50	51.97
	<hr/> <hr/>	<hr/> <hr/>
<i>Intensity ratio</i>		
Tonnes CO2e per £100,000 revenue	.006	0.014
	<hr/> <hr/>	<hr/> <hr/>

#### *Quantification and reporting methodology*

For calculation of electricity and gas used in *Scope 1 and 2 of the greenhouse gas protocol*, data from site energy meter billing information associated with UK premises in which the company carries out its business have been collated and multiplied by the relevant carbon emission factors, taken from the *UK Government GHG Conversion Factors for Company Reporting tables* as published by DBEIS and DEFRA for the reporting periods.

Scope 1 vehicle operations are very limited and under the 5% materiality threshold needed for consideration of inclusion, therefore they have been excluded from this report.

Scope 1 fugitive emissions are zero referent top up for 2022.

#### *Intensity measurement*

The energy intensity ratio used has been based upon tCO2e (gross Scope 1 + 2) / £100,000 revenue. Based upon the 2022 UK turnover of £420,434,000 this amounts to;

Market Based intensity ratio = 0.0055 tCO2e/£100,000 (2021 - 1.0144 tCO2e/£100,000).

#### *Measures taken to improve energy efficiency*

During the period the following measures were undertaken, a review of lighting strategy, shortening of PIR run times and implemented separate day-night schedules, enabling optimum start function to reduce HVAC run times. Also, multiple software improvements enabled the HVAC plant to run more efficiently.

#### *Location Based*

Electricity carbon emissions shown are for market based purchase.

Location based electricity equivalent scope 2 carbon emissions are 93.79 tonnes CO2e (2021 - 136.50 tonnes CO2e) . Using location based scope 2 carbon emissions as 117.29 tCO2e (2021 - 188.47 tCO2e) and the intensity ratio 0.028 (2021 - 0.052).

The greenhouse gas protocol corporate reporting standard compels organisations to dual report scope 2 where they are purchasing off-sets for electricity and not providing any additionality.

# HAVAS MEDIA LIMITED

## DIRECTORS' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2022**

---


### **Strategic report**

The company has chosen in accordance with Companies Act 2006, s. 414C(11) to include in the company's strategic report certain information in respect of the company's principal activities, a review of the business and the company's principal risks and uncertainties which would otherwise be contained in the directors' report in accordance with the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7.

### **Statement of disclosure to auditor**

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

On behalf of the board



D Todhunter  
Director

6 October 2023

# HAVAS MEDIA LIMITED

## DIRECTORS' RESPONSIBILITIES STATEMENT

### FOR THE YEAR ENDED 31 DECEMBER 2022

---

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

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

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# HAVAS MEDIA LIMITED

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HAVAS MEDIA LIMITED

---

### Opinion

In our opinion the financial statements of Havas Media Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 December 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the profit and loss account;
- the statement of comprehensive income;
- the balance sheet;
- the statement of changes in equity; and
- the related notes 1 to 23 which include the statement of accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

### 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 Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

*Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.*

### Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

# HAVAS MEDIA LIMITED

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS OF HAVAS MEDIA LIMITED

---

#### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

#### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management and the directors about their own identification and assessment of the risks of irregularities, including those that are specific to the company's business sector.

We obtained an understanding of the legal and regulatory framework that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the UK Companies Act and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

*In addition to the above, our procedures to respond to the risks identified included the following:*

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and external legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

# HAVAS MEDIA LIMITED

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS OF HAVAS MEDIA LIMITED

---

#### Report on other legal and regulatory requirements

##### Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the 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.

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

##### Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

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

We have nothing to report in respect of these matters.

##### 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.



**Peter Smith FCA (Senior Statutory Auditor)**

**For and on behalf of Constantin**

**Chartered Accountants and Statutory Auditor**

25 Hosier Lane

London

EC1A 9LQ

6 October 2023

# HAVAS MEDIA LIMITED

## PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2022

---

	Notes	2022 £000	2021 £000
Turnover	3	420,434	361,417
Cost of sales		(375,979)	(320,568)
<b>Gross profit</b>		<b>44,455</b>	<b>40,849</b>
Administrative expenses		(42,107)	(44,945)
<b>Operating profit/(loss)</b>	<b>4</b>	<b>2,348</b>	<b>(4,096)</b>
Interest receivable and similar income	8	293	96
Interest payable and similar expenses	9	(85)	(88)
<b>Profit/(loss) before taxation</b>		<b>2,556</b>	<b>(4,088)</b>
Tax on profit/(loss)	10	(467)	859
<b>Profit/(loss) for the financial year</b>		<b>2,089</b>	<b>(3,229)</b>

---

The profit and loss account has been prepared on the basis that all operations are continuing operations.

The notes on pages 17 to 29 form part of these financial statements.

# HAVAS MEDIA LIMITED

## STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2022

---

	<b>2022</b> <b>£000</b>	<b>2021</b> <b>£000</b>
<b>Profit/(loss) for the year</b>	2,089	(3,229)
<b>Other comprehensive income</b>	-	-
<b>Total comprehensive income for the year</b>	<u>2,089</u>	<u>(3,229)</u>

The notes on pages 17 to 29 form part of these financial statements.

# HAVAS MEDIA LIMITED

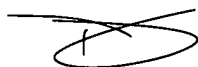
## BALANCE SHEET

AS AT 31 DECEMBER 2022

	Notes	2022 £000	£000	2021 £000	£000
<b>Fixed assets</b>					
Tangible assets	11		1,190		736
<b>Current assets</b>					
Work in progress		3,915		3,727	
Debtors	12	125,307		90,158	
Cash at bank and in hand		27,641		37,347	
		<u>156,863</u>		<u>131,232</u>	
<b>Creditors: amounts falling due within one year</b>	13	<u>(154,381)</u>		<u>(130,385)</u>	
<b>Net current assets</b>			<u>2,482</u>		<u>847</u>
<b>Net assets</b>			<u>3,672</u>		<u>1,583</u>
<b>Capital and reserves</b>					
Called up share capital	17		43,200		43,200
Share premium account	19		894		894
Profit and loss reserves	20		(40,422)		(42,511)
<b>Total equity</b>			<u>3,672</u>		<u>1,583</u>

The notes on pages 17 to 29 form part of these financial statements.

The financial statements were approved by the board of directors and authorised for issue on 6 October 2023 and are signed on its behalf by:



D Todhunter  
Director

Company Registration No. 02103123

# HAVAS MEDIA LIMITED

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	Share capital £000	Share premium account £000	Profit and loss reserves £000	Total £000
<b>Balance at 1 January 2021</b>		36,200	894	(39,282)	(2,188)
<b>Year ended 31 December 2021:</b>					
Loss and total comprehensive income for the year		-	-	(3,229)	(3,229)
Issue of share capital	17	7,000	-	-	7,000
<b>Balance at 31 December 2021</b>		43,200	894	(42,511)	1,583
<b>Year ended 31 December 2022:</b>					
Profit and total comprehensive income for the year		-	-	2,089	2,089
<b>Balance at 31 December 2022</b>		43,200	894	(40,422)	3,672

The notes on pages 17 to 29 form part of these financial statements.

# HAVAS MEDIA LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

---

### 1 Accounting policies

#### Company information

Havas Media Limited is a private company limited by shares incorporated in England and Wales. The registered office is Havas House, Hermitage Court, Hermitage Lane, Maidstone, Kent, UK, ME16 9NT.

#### 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 £000.

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

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

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

The financial statements of the company are consolidated in the financial statements of Vivendi SE. These consolidated financial statements are available from its registered office, 42 avenue de Friedland, 75380 Paris Cedex 08, France and the website - <https://www.vivendi.com/en/shareholders-investors/regulatory-information/annual-reports/>.

#### 1.2 Going concern

The directors of Havas S.A., the intermediate parent company, have confirmed that they will support the company to enable it to meet its third party liabilities as they fall due for a period of at least twelve months from the date of approval of these financial statements. Accordingly, the directors continue to adopt the going concern basis of accounting in preparing the financial statements. The directors took into account the impact of the covid-19 crisis and the impact of the Brexit in making their assessment of the going concern .

# HAVAS MEDIA LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

---

#### 1 Accounting policies (Continued)

##### 1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and 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.

Revenue from contracts for the provision of 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. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses incurred that are recoverable.

##### 1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	over the life of the lease
Fixtures, fittings & equipment	8% - 20%
Computer equipment	20% - 33.3%

##### 1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

##### 1.6 Work in progress

Work in progress consists of direct charges, which are recoverable from clients. It excludes overheads and salaries. It is valued at the lower of cost and net realisable value.

##### 1.7 Cash and cash equivalents

Cash and cash equivalents 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.

##### 1.8 Financial instruments

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

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

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

# HAVAS MEDIA LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

---

#### 1 Accounting policies

(Continued)

##### **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.

##### **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 company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

##### **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.

# HAVAS MEDIA LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

---

#### 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.

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

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

#### 1.9 Equity instruments

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

#### 1.10 Taxation

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

##### **Current tax**

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

##### **Deferred tax**

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

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

# HAVAS MEDIA LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

---

#### 1 Accounting policies

(Continued)

##### 1.11 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.

##### 1.12 Retirement benefits

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

##### 1.13 Share-based payments

Equity-settled share-based payments are measured at fair value at the date of grant by reference to the fair value of the equity instruments granted. The fair value determined at the grant date is expensed on a straight-line basis over the vesting period, based on the estimate of shares that will eventually vest. A corresponding adjustment is made to retained reserves.

Both the expense and retained reserves adjustments are reduced by any amount payable by the company in respect of an arrangement.

##### 1.14 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

#### 2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

##### Key sources of estimation uncertainty

Estimates within the Financial Statements include a late bookings estimate for media bookings that relate to the current period but are raised in the following period. There is also an estimate for rebates due to clients and from suppliers which are based on activity but finalised in the following period.

# HAVAS MEDIA LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

#### 3 Turnover

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

	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
<b>Turnover analysed by geographical market</b>		
United Kingdom	346,105	307,787
Europe	39,204	36,777
North America	7,297	7,128
Rest of the world	27,828	9,725
	<u>420,434</u>	<u>361,417</u>

#### 4 Operating profit/(loss)

Operating profit/(loss) for the year is stated after charging/(crediting):

	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
Exchange (gains)/losses	(907)	466
Depreciation of owned tangible fixed assets	520	376
Share-based payments	19	22
	<u>          </u>	<u>          </u>

#### 5 Auditor's remuneration

Fees payable to the company's auditor and associates:

	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
<b>For audit services</b>		
Audit of the financial statements of the company	69	57
	<u>          </u>	<u>          </u>

#### 6 Employees

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

	<b>2022</b>	<b>2021</b>
	<b>Number</b>	<b>Number</b>
Media planners / buyers	558	519
Management	15	14
	<u>          </u>	<u>          </u>
Total	<u>573</u>	<u>533</u>

# HAVAS MEDIA LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

#### 6 Employees (Continued)

Their aggregate remuneration comprised:

	2022 £000	2021 £000
Wages and salaries	32,559	30,189
Social security costs	4,259	3,170
Pension costs	1,033	529
	<u>37,851</u>	<u>33,888</u>

Redundancy payments made or committed to in the year amounted to £1,313,000 (2021 - £275,000).

#### 7 Directors' remuneration

	2022 £000	2021 £000
Remuneration for qualifying services	917	578
Company pension contributions to defined contribution schemes	36	34
	<u>953</u>	<u>612</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 2 (2021 - 2).

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

	2022 £000	2021 £000
Remuneration for qualifying services	575	365
Company pension contributions to defined contribution schemes	35	33
	<u>610</u>	<u>398</u>

#### 8 Interest receivable and similar income

	2022 £000	2021 £000
<b>Interest income</b>		
Interest on bank deposits	293	96
	<u>293</u>	<u>96</u>

#### 9 Interest payable and similar expenses

	2022 £000	2021 £000
Interest on bank overdrafts and loans	22	21
Other interest	63	67
	<u>85</u>	<u>88</u>

# HAVAS MEDIA LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

---

10 Taxation	2022 £000	2021 £000
<b>Current tax</b>		
UK corporation tax on profits for the current period	300	(816)
Adjustments in respect of prior periods	(33)	-
	<u>267</u>	<u>(816)</u>
Total UK current tax		
Foreign current tax on profits for the current period	-	1
	<u>267</u>	<u>(815)</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	200	(44)
	<u>467</u>	<u>(859)</u>
Total tax charge/(credit)		

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

	2022 £000	2021 £000
Profit/(loss) before taxation	<u>2,556</u>	<u>(4,088)</u>
Expected tax charge/(credit) based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	486	(777)
Tax effect of expenses that are not deductible in determining taxable profit	-	5
Effect of change in corporation tax rate	41	(78)
Permanent capital allowances in excess of depreciation	(56)	(11)
Under/(over) provided in prior years	(33)	-
Deferred tax adjustments in respect of prior years	29	1
Overseas withholding tax	-	1
	<u>467</u>	<u>(859)</u>
Taxation charge/(credit) for the year		

# HAVAS MEDIA LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

#### 11 Tangible fixed assets

	Leasehold improvements	Fixtures, fittings & equipment	Computer equipment	Total
	£000	£000	£000	£000
<b>Cost</b>				
At 1 January 2022	31	12	1,936	1,979
Additions	-	-	974	974
Disposals	-	(12)	-	(12)
At 31 December 2022	31	-	2,910	2,941
<b>Depreciation and impairment</b>				
At 1 January 2022	18	12	1,213	1,243
Depreciation charged in the year	2	-	518	520
Eliminated in respect of disposals	-	(12)	-	(12)
At 31 December 2022	20	-	1,731	1,751
<b>Carrying amount</b>				
At 31 December 2022	11	-	1,179	1,190
At 31 December 2021	13	-	723	736

#### 12 Debtors

	2022 £000	2021 £000
<b>Amounts falling due within one year:</b>		
Trade debtors	64,536	50,433
Amounts owed by group undertakings	16,427	9,165
Other debtors	29	33
Prepayments and accrued income	44,188	30,200
	125,180	89,831
Deferred tax asset (note 15)	127	327
	125,307	90,158

# HAVAS MEDIA LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

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

	2022	2021
	£000	£000
Trade creditors	97,073	72,100
Amounts owed to group undertakings	12,882	21,456
Corporation tax	876	883
Other taxation and social security	7,146	7,889
Other creditors	403	355
Accruals and deferred income	36,001	27,702
	<u>154,381</u>	<u>130,385</u>

#### 14 Contingent Liabilities

During 2018, the company entered into an agreement with a third party to act as the primary guarantor for its lease payments. It has been estimated that the maximum total liability in lieu of this guarantee could be £12.5m, which would become payable in tranches in periods 2022 to 2027. In the event that this liability crystallises, Havas SA, the ultimate parent company of Havas Media Limited, has agreed to bear the full expense as secondary guarantor of the lease agreement.

#### 15 Deferred taxation

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

	Assets	Assets
	2022	2021
	£000	£000
<b>Balances:</b>		
Accelerated capital allowances	59	281
Retirement benefit obligations	26	-
Share based payments	42	37
Short-term timing differences	-	9
	<u>127</u>	<u>327</u>
		<b>2022</b>
<b>Movements in the year:</b>		<b>£000</b>
Asset at 1 January 2022		(327)
Charge to profit or loss		200
		<u>(127)</u>

# HAVAS MEDIA LIMITED

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

### 15 Deferred taxation

(Continued)

#### Factors That May Affect Future Tax Charges

Finance Act 2020, which was substantively enacted on 11 March 2020, maintained the corporation tax rate at 19% until 31 March 2023.

Finance Act 2021, which was substantively enacted on 24 May 2021, has enacted an increase in the UK corporation tax main rate to 25% from 1 April 2023.

As this rate change had been substantively enacted before the balance sheet date, the closing deferred tax assets and liabilities have been calculated at 25%, on the basis that this is the rate at which those assets and liabilities are expected to unwind.

During September 2022 the government announced its intention to reverse the increase in the rate of corporation tax from 1 April 2023, such that the rate remains at 19%. This decision has not been substantially enacted.

### 16 Retirement benefit schemes

	2022	2021
	£000	£000
Charge to profit or loss in respect of defined contribution schemes	1,033	529

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

### 17 Share capital

	2022	2021	2022	2021
	Number	Number	£000	£000
<b>Ordinary share capital</b>				
<b>Issued and fully paid</b>				
ordinary shares of 10p each	432,000,000	432,000,000	43,200	43,200
	<u>432,000,000</u>	<u>432,000,000</u>	<u>43,200</u>	<u>43,200</u>

### 18 Share-based payment transactions

#### Vivendi SE share scheme

Vivendi SE has implemented performance share plans for employees of group companies. Under the plans free Vivendi SE shares will be issued to certain employees of the company, provided that they remain employees of the group for the term of the scheme and the group meets specified performance conditions. The schemes have a term of 3 years.

The fair value of the shares at grant under the schemes is measured by adjusting the listed market value of the shares for expected dividend yield, cost associated with the retention period and the discount for non-transferability.

#### Liabilities and expenses

The total expense in relation to these share based payments for the period was £19,000 (2021: £22,000).

# HAVAS MEDIA LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

#### 19 Share premium account

2022	2021
£000	£000

At the beginning and end of the year	894	894
--------------------------------------	-----	-----

#### 20 Profit and loss reserves

2022	2021
£000	£000

At the beginning of the year	(42,511)	(39,282)
Profit/(loss) for the year	2,089	(3,229)
At the end of the year	(40,422)	(42,511)

#### 21 Financial commitments, guarantees and contingent liabilities

The company and certain group undertakings participate in the Havas UK Limited group banking facility. In connection therewith, each of the members of the group have given unlimited cross guarantees. The directors do not expect any loss to the company to arise in respect of the foregoing guarantees.

#### 22 Related party transactions

##### Transactions with related parties

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

	Sales of services		Purchases of services	
	2022	2021	2022	2021
	£000	£000	£000	£000
Other related parties	22,840	81,370	103,793	159,414
	<u>22,840</u>	<u>81,370</u>	<u>103,793</u>	<u>159,414</u>

The following amounts were outstanding at the reporting end date:

	2022	2021
	£000	£000
Amounts due to related parties		
Other related parties	12,882	21,456
	<u>12,882</u>	<u>21,456</u>

# HAVAS MEDIA LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

---

#### 22 Related party transactions (Continued)

The following amounts were outstanding at the reporting end date:

	2022	2021
	£000	£000
Amounts due from related parties		
Other related parties	16,427	9,165
	<u>16,427</u>	<u>9,165</u>

#### 23 Ultimate controlling party

The company's immediate parent company and controlling party is Havas Shared Services Limited, which is incorporated in the United Kingdom and registered in England & Wales.

The smallest group in which the results of the company are consolidated is headed by Vivendi SE. The consolidated financial statements are available from its registered office, 42 avenue de Friedland, 75380 Paris Cedex 08, France.

The largest group in which the results of the company are consolidated is headed by Compagnie de l'Odette SE. The consolidated financial statements are available from its registered office, Odette - 29500 Ergue Gaberic, France.

The ultimate parent undertaking and controlling party as at 31 December 2021 was Bolloré Participations SE, a company registered in France.