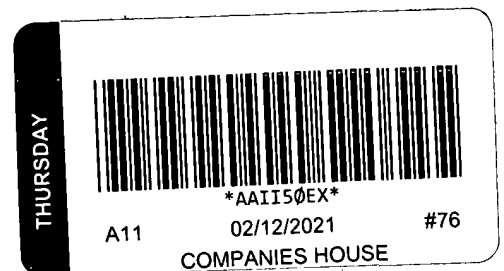


**Company Registration No. 03967805 (England and Wales)**

**TANGENT COMMUNICATIONS LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**



## **TANGENT COMMUNICATIONS LIMITED**

### **COMPANY INFORMATION**

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<b>Directors</b>	Michael Green Timothy Green
<b>Company number</b>	03967805
<b>Registered office</b>	21 South Street London W1K 2XB
<b>Auditor</b>	UHY Hacker Young Quadrant House 4 Thomas More Square London E1W 1YW

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# **TANGENT COMMUNICATIONS LIMITED**

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## TANGENT COMMUNICATIONS LIMITED

### STRATEGIC REPORT

#### FOR THE YEAR ENDED 31 MARCH 2021

The directors present the strategic report for the year ended 31 March 2021.

#### Fair review of the business

Tangent Communications Limited operates as the Management Company for the group. Costs relating to the operations of the Management Company are recharged through this company.

#### Principal risks and uncertainties

The COVID-19 pandemic has had an unprecedented impact across the UK and, therefore, on the businesses of the Group's companies. Since the start of the pandemic, these businesses have taken advantage of the support measures put in place by the UK Government together with reducing costs in all areas. Whilst the full impact of the pandemic is still uncertain, we believe that the measures taken to date place the Group's businesses in the best possible position for the future.

Risk area	Impact on Tangent	Mitigation of risk
Significant reduction in the businesses of Group companies	Inability of Group companies to finance the costs of the Management Company.	Monitor the activities of Group companies and the measures taken to mitigate their own risks and provide direction and support where required.
Loss of key personnel and skills in the Group companies	Inability to retain key staff with the required level of competency and technical knowledge may impact our ability to capitalise on opportunity and deliver against our Group's business strategy and objectives.	Engage, motivate and retain staff by offering remuneration packages that include competitive basic salaries, annual bonus awards and benefits packages. Comprehensive annual staff reviews are undertaken to identify skills gaps.

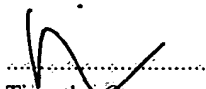
#### Development and performance

During the year, the company de-registered from a public limited company to a private company. Directors intentions are to continue operating Tangent Communications Limited as the Management Company for the Group.

#### Key performance indicators

The key performance indicator is the trading performance of the Group's businesses to generate cash, which allows distributions.

On behalf of the board

  
Timothy Green

Director

28 September 2021

# **TANGENT COMMUNICATIONS LIMITED**

## **DIRECTORS' REPORT**

### **FOR THE YEAR ENDED 31 MARCH 2021**

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The directors present their annual report and financial statements for the year ended 31 March 2021.

#### **Principal activities**

The principal activity of the company continued to be that of a management company.

#### **Results and dividends**

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

During the year, no ordinary dividends were paid by the Company to its shareholder, Portland Asset Management (UK) Ltd (2020: £65,000).

#### **Directors**

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

Michael Green  
Timothy Green

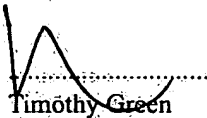
#### **Auditor**

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

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

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

On behalf of the board



Timothy Green

**Director**

Date: 28 September, 2021

## **TANGENT COMMUNICATIONS LIMITED**

### **DIRECTORS' RESPONSIBILITIES STATEMENT**

#### **FOR THE YEAR ENDED 31 MARCH 2021**

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

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF TANGENT COMMUNICATIONS LIMITED**

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**Opinion**

We have audited the financial statements of Tangent Communications Limited (the 'company') for the year ended 31 March 2021 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

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

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

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

**INDEPENDENT AUDITOR'S REPORT (CONTINUED)**  
**TO THE MEMBERS OF TANGENT COMMUNICATIONS LIMITED**

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**Other information**

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

We have nothing to report in this regard.

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

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

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

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

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

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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

**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.



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**INDEPENDENT AUDITOR'S REPORT (CONTINUED)**  
**TO THE MEMBERS OF TANGENT COMMUNICATIONS LIMITED**

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**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.

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:

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

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

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

**INDEPENDENT AUDITOR'S REPORT (CONTINUED)**  
**TO THE MEMBERS OF TANGENT COMMUNICATIONS LIMITED**

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**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.

*S Banerjee*

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

**30 September 2021**

**Chartered Accountants**  
**Statutory Auditor**

**TANGENT COMMUNICATIONS LIMITED****STATEMENT OF COMPREHENSIVE INCOME****FOR THE YEAR ENDED 31 MARCH 2021**

		<b>2021</b>	<b>2020</b>
	<b>Notes</b>	<b>£</b>	<b>£</b>
Administrative expenses		(221,737)	(234,189)
Other operating income		66,952	-
Gain on intercompany loan forgiveness		-	8,441,458
<b>Operating (loss)/profit</b>	<b>3</b>	<b>(154,785)</b>	<b>8,207,269</b>
Interest receivable and similar income	<b>7</b>	200,000	1,062,500
Interest payable and similar expenses	<b>6</b>	(833)	-
<b>Profit before taxation</b>	<b>3</b>	<b>44,382</b>	<b>9,269,769</b>
Taxation	<b>8</b>	-	-
<b>Profit for the financial year</b>		<b>44,382</b>	<b>9,269,769</b>

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

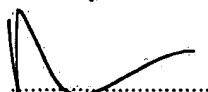
**TANGENT COMMUNICATIONS LIMITED**

**BALANCE SHEET**

**AS AT 31 MARCH 2021**

	Notes	2021		2020	
		£	£	£	£
<b>Fixed assets</b>					
Investments	11	23,868,218		23,868,218	
<b>Current assets</b>					
Debtors	13	5,707,918		5,210,395	
Cash at bank and in hand		430,420		100,900	
		<u>6,138,338</u>		<u>5,311,295</u>	
<b>Creditors: amounts falling due within one year</b>	14	<u>(1,108,087)</u>		<u>(325,426)</u>	
<b>Net current assets</b>		<u>5,030,251</u>		<u>4,985,869</u>	
<b>Total assets less current liabilities</b>		<u>28,898,469</u>		<u>28,854,087</u>	
<b>Capital and reserves</b>					
Called up share capital	16	1,000		2,814,298	
Share premium account	17	-		8,587,058	
Other reserves	17	-		1,138,559	
Profit and loss reserves	17	28,897,469		16,314,172	
<b>Total equity</b>		<u>28,898,469</u>		<u>28,854,087</u>	

The financial statements were approved by the board of directors and authorised for issue on 28 September 2021 and are signed on its behalf by:



Timothy Green  
Director

Company Registration No. 03967805

**TANGENT COMMUNICATIONS LIMITED**

**STATEMENT OF CHANGES IN EQUITY**

**FOR THE YEAR ENDED 31 MARCH 2021**

	Notes	Share capital £	Share premium account £	Other reserves £	Profit and loss reserves £	Total £
<b>Balance at 1 April 2019</b>		2,814,298	8,587,058	1,138,559	7,109,403	19,649,318
<b>Year ended 31 March 2020:</b>						
Profit and total comprehensive income for the year		-	-	-	9,269,769	9,269,769
Dividends	9	-	-	-	(65,000)	(65,000)
<b>Balance at 31 March 2020</b>		2,814,298	8,587,058	1,138,559	16,314,172	28,854,087
<b>Year ended 31 March 2021:</b>						
Profit and total comprehensive income for the year		-	-	-	44,382	44,382
Reduction of shares	16	(2,813,298)	(8,587,058)	(1,138,559)	12,538,915	-
<b>Balance at 31 March 2021</b>		1,000	-	-	28,897,469	28,898,469

**TANGENT COMMUNICATIONS LIMITED**

**STATEMENT OF CASH FLOWS**

**FOR THE YEAR ENDED 31 MARCH 2021**

	Notes	2021 £	£	2020 £	£
<b>Cash flows from operating activities</b>					
Cash generated from/(absorbed by) operations	21		130,353		(1,407,191)
Interest paid			(833)		-
			<u>          </u>		<u>          </u>
<b>Net cash inflow/(outflow) from operating activities</b>			129,520		(1,407,191)
<b>Investing activities</b>					
Dividends received		200,000		1,062,500	
		<u>          </u>		<u>          </u>	
<b>Net cash generated from investing activities</b>			200,000		1,062,500
<b>Financing activities</b>					
Dividends paid		-		(65,000)	
		<u>          </u>		<u>          </u>	
<b>Net cash used in financing activities</b>					(65,000)
			<u>          </u>		<u>          </u>
<b>Net increase/(decrease) in cash and cash equivalents</b>			329,520		(409,691)
Cash and cash equivalents at beginning of year			100,900		510,591
			<u>          </u>		<u>          </u>
<b>Cash and cash equivalents at end of year</b>			<u><u>430,420</u></u>		<u><u>100,900</u></u>

# **TANGENT COMMUNICATIONS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED 31 MARCH 2021**

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#### **1 Accounting policies**

##### **Company information**

Tangent Communications Limited is a private company limited by shares incorporated in England and Wales. The registered office is 21 South Street, London, W1K 2XB.

##### **1.1 Accounting convention**

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

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the company as an individual entity and not about its group.

Tangent Communications Limited financial statements are consolidated in the financial statements of Portland Asset Management (UK) Limited. These consolidated financial statements are available to the public and can be obtained from Companies House.

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 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

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

# **TANGENT COMMUNICATIONS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

### **FOR THE YEAR ENDED 31 MARCH 2021**

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#### **1 Accounting policies**

**(Continued)**

##### **1.2 Going concern**

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

At the time of approving the financial statements, the directors have assessed the continuing impact of COVID-19 on the business. While some customers have been impacted, the company has adequate resources to continue in operational existence for the foreseeable future.

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

##### **1.3 Other income**

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

##### **1.4 Tangible fixed assets**

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

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

Fixtures and fittings	2-5 years straight line
-----------------------	-------------------------

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

##### **1.5 Fixed asset investments**

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

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

##### **1.6 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.



## TANGENT COMMUNICATIONS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED 31 MARCH 2021

#### 1 Accounting policies

(Continued)

##### 1.7 Financial instruments

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

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

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

##### *Basic financial assets*

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

##### *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.

# TANGENT COMMUNICATIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2021

#### 1 Accounting policies

(Continued)

##### *Classification of financial liabilities*

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

##### *Basic financial liabilities*

Basic financial liabilities, including creditors and balances with fellow group companies, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### *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.

#### 1.8 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.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

## TANGENT COMMUNICATIONS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED 31 MARCH 2021

---

#### 1 Accounting policies

(Continued)

##### 1.9 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.

##### 1.10 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.

##### 1.11 Retirement benefits

Tangent has defined contribution plans under which Tangent pays fixed contributions into a separate entity. Tangent has no legal or constructive obligations to pay further contributions relating to employee service in the current and prior years. The contributions are recognised as an employee benefit expense when they are due.

# TANGENT COMMUNICATIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2021

#### 1 Accounting policies

(Continued)

##### 1.12 Leases

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

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

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

#### 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

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

##### *Valuation of investments*

Significant judgements are required in determining whether there are indicators of impairment of the company's investments. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset.

#### 3 Operating (loss)/profit

	2021	2020
Operating (loss)/profit for the year is stated after charging:	£	£
Fees payable to the company's auditor for the audit of the company's financial statements	17,350	17,350

**TANGENT COMMUNICATIONS LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2021****4 Employees**

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

	2021 Number	2020 Number
Total		

Their aggregate remuneration comprised:

	2021 £	2020 £
Pension costs	19,244	16,454

**5 Directors' remuneration**

	2021 £	2020 £
Company pension contributions to defined contribution schemes	19,244	16,454

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2020 - 1):

**6 Interest payable and similar expenses**

	2021 £	2020 £
Interest on financial liabilities measured at amortised cost:		
Other interest on financial liabilities	833	-

**7 Interest receivable and similar income**

	2021 £	2020 £
Income from fixed asset investments		
Income from shares in group undertakings	200,000	1,062,500

**TANGENT COMMUNICATIONS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2021**

**8 Taxation**

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

	2021 £	2020 £
Profit before taxation	44,382	9,269,769
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%)	8,433	1,761,256
Tax effect of expenses that are not deductible in determining taxable profit	1,429	1,271
Tax effect of income not taxable in determining taxable profit	-	(1,603,877)
Group relief	-	9,645
Deferred tax adjustments in respect of prior years	-	(19,150)
Other differences	-	75
Exempt ABGH distributions	(38,000)	(201,875)
Deferred tax not recognised	28,138	52,655
Taxation charge for the year	-	-

**9 Dividends**

	2021 £	2020 £
Final paid	-	65,000

# TANGENT COMMUNICATIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2021

#### 10 Tangible fixed assets

	Fixtures and fittings £
<b>Cost</b>	
At 1 April 2020 and 31 March 2021	1,677
<b>Depreciation and impairment</b>	
At 1 April 2020 and 31 March 2021	1,677
<b>Carrying amount</b>	
At 31 March 2021	-
At 31 March 2020	-

#### 11 Fixed asset investments

	Notes	2021 £	2020 £
Investments in subsidiaries	12	23,868,218	23,868,218

#### 12 Subsidiaries

Details of the company's subsidiaries during the year ended 31 March 2021 are as follows:

Name of undertaking	Address	Nature of business	Class of shares held	% Held Direct
The Printed Group Limited	England and Wales	Design and print services	Ordinary	86.25
Tangent Labs Limited	England and Wales	Design and print services	Ordinary	100.00
Tangent Marketing Services Limited	England and Wales	Marketing and technology	Ordinary	75.00

Registered office addresses (all UK unless otherwise indicated):

- 1 The Printed Group, Threeways House, 40-44 Clipstone Street, London, W1W 5DW
- 2 Tangent Labs Limited, 21 South Street, London W1K 2XB
- 3 Tangent Marketing Services Limited, The Varnish Works, 3 Bravingtons Walk, London, N1 9AJ

The aggregate capital and reserves and the result for the year of the subsidiaries noted above was as follows:

**TANGENT COMMUNICATIONS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2021**

**12 Subsidiaries**

**(Continued)**

Name of undertaking	Capital and Reserves £	Profit/(Loss) £
The Printed Group Limited	2,126,993	(115,853)
Tangent Labs Limited	32,028	(439,914)
Tangent Marketing Services Limited	3,246,774	1,570,877

**13 Debtors**

	2021 £	2020 £
<b>Amounts falling due within one year:</b>		
Trade debtors	16,788	-
Amounts owed by group undertakings	5,609,645	5,134,999
Other debtors	29,430	20,905
Prepayments and accrued income	52,055	54,491
	<u>5,707,918</u>	<u>5,210,395</u>

**14 Creditors: amounts falling due within one year**

	2021 £	2020 £
Trade creditors	6,241	958
Amounts owed to group undertakings	1,000,817	231,078
Other creditors	459	3,149
Accruals and deferred income	100,570	90,241
	<u>1,108,087</u>	<u>325,426</u>

The Company has a overdraft facility of up to £100 on which it has given a composite company unlimited multilateral guarantee dated 6 February 2007. The facility is secured by an unlimited multilateral guarantee given by tangent Marketing Services Limited, Tangent Communications Limited, Tangent Labs Ltd and Ravensworth Digital Services Limited.



**TANGENT COMMUNICATIONS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2021**

**15 Retirement benefit schemes**

	2021	2020
	£	£
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	19,244	16,454

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.

**16 Share capital**

	2021	2020	2021	2020
	Number	Number	£	£
<b>Ordinary share capital</b>				
<b>Issued and fully paid</b>				
Ordinary shares of £1 each	1,000	281,429,851	1,000	2,814,298

All shares are of equal rights to vote, receive dividends and participate in any distributions.

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

The Company undertook a capital reduction during the year from 281,429,851 Ordinary shares of 1p each to 1,000 Ordinary shares of £1 each.

**17 Reserves**

**Share premium**

The share premium account includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium.

**Other reserves**

Other reserves represents the following:

*Merger reserve*

The merger reserve arose on the acquisition of a subsidiary in prior years.

*Share-based payment reserve*

The share-based payment reserve represents the value of share-based payments recognised in the consolidated statement of comprehensive income to date less any transfers to retained earnings that arise from the exercise or lapse of options.

**Profit and loss reserves**

Profit and loss reserves include all current and prior period retained profits and losses, as well as the share premium and other reserves from last year, which have been transferred to the profit and loss reserve this year as part of the capital reduction which the Company undertook this year.

**TANGENT COMMUNICATIONS LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2021****18 Operating lease commitments**

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

	2021	2020
	£	£
Within one year	167,875	-
Between two and five years	384,714	-
	<u>552,589</u>	<u>-</u>

**Lessor**

The operating lease represents a sub-lease for the company's rented office. The sub-lease has a maturity date of July 2024.

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

	2021	2020
	£	£
Within one year	167,875	-
Between two and five years	384,714	-
	<u>552,589</u>	<u>-</u>

## **TANGENT COMMUNICATIONS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

#### **FOR THE YEAR ENDED 31 MARCH 2021**

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#### **19 Related party transactions**

##### **Other information**

Within the year £360,000 (2020: £360,000) has been charged by Tangent Industries Limited, of which £nil is outstanding at year end (2020: £Nil). In addition, within the year £47,500 (2020: £47,500) has been charged by Tangent Estates Limited. Both companies are ultimately owned and controlled by Michael Green.

Included within creditors, amounts owed to group undertakings, are amounts of £800,371 (2020: £231,076) due to The Printed Group Limited, a subsidiary which is not a wholly owned subsidiary of the group.

Included within creditors, amounts owed to group undertakings, are amounts of £200,446 (2020: debtor £321,334) due to Tangent Marketing Services Limited, a subsidiary which is not a wholly owned subsidiary of the group. Of this, £200,000 relates to a loan carrying interest at 1% per annum. In the year, interest accruing of £833 (2020: £Nil) has been paid by the year end.

During the year, the company charged £144,000 (2020: £144,000) to Tangent Marketing Services Limited and £140,000 (2020: £140,000) to The Printed Group Limited in relation to management charges.

During the year ended 31 March 2020, the shareholders of the group undertook an exercise to tidy up historic intercompany balances such that the net asset values of each of the group companies gave a realistic and meaningful value of each company. This resulted in a Gain of intercompany loan forgiveness in the amount of £8,441,458 in the statement of comprehensive income for the year ended 31 March 2020. There was £Nil intercompany loan forgiveness this year.

The company has taken advantage of the exemption available in FRS 102 "Related party disclosures" whereby it has not disclosed transactions with the ultimate parent company or any wholly owned subsidiary undertaking of the group.

#### **20 Ultimate controlling party**

The ultimate and immediate parent company is Portland Asset Management (UK) Limited, a company registered in England and Wales.

Portland Asset Management (UK) Limited is the largest company for which consolidated group financial statements are prepared. Group financial statements and copies are available from Companies House.

**TANGENT COMMUNICATIONS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2021**

**21 Cash generated from/(absorbed by) operations**

	2021	2020
	£	£
Profit for the year after tax	44,382	9,269,769
<b>Adjustments for:</b>		
Finance costs	833	-
Investment income	(200,000)	(1,062,500)
<b>Movements in working capital:</b>		
Increase in debtors	(497,523)	(211,628)
Increase/(decrease) in creditors	782,661	(9,402,832)
<b>Cash generated from/(absorbed by) operations</b>	<u>130,353</u>	<u>(1,407,191)</u>

**22 Analysis of changes in net debt**

	2021
	£
<b>Opening net funds</b>	
Cash at bank and in hand	100,900
<b>Changes in net debt arising from:</b>	
Cash flows of the entity	329,520
<b>Closing net funds as analysed below</b>	<u>430,420</u>
<b>Closing net funds</b>	
Cash at bank and in hand	<u>430,420</u>