

E-consultancy.com Limited

**Annual Report and Financial Statements
for the year ended 31 December 2019**

Registered number: 04047149

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E-consultancy.com Limited

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E-consultancy.com Limited

Company information

Board of Directors

Swag Mukerji

Simon Longfield (appointed 6 November 2019)

Company Secretary

Helen Silver

Registered Number

04047149 (*England and Wales*)

Registered office

Floor M

10 York Road

London

SE1 7ND

E-consultancy.com Limited

Strategic report for the year ended 31 December 2019

The Directors present their Strategic report for the year ended 31 December 2019.

Principal activities

The principal activity of the Company is the provision of publishing services and training.

Performance Indicators

The company uses profit after tax as the main KPI to assess financial performance. Profit from continuing operations for the year ended 31 December 2019 was £399k (2018: £259k).

Business review

The increase in the current year profit was driven by the trade acquired from Econsultancy Asia Pacific Pte in the prior year.

Looking forward, the main focus for the Company is to continue to wind down the trade assets and liabilities acquired from Econsultancy Asia Pacific Pte. Ltd in September 2018. All trading activity is expected to cease in August 2020.

The Directors consider that the financial position of the Company at 31 December 2019 is satisfactory.

Principal risks and uncertainties

The Directors of Centaur Media Plc manage the Group's risks at a group level, rather than at an individual subsidiary level.

The main risks relating to the Group that relate to the Company are:

- Failure to deliver a high growth performance culture and not completing its MAP22 strategy.
- Breaches of GDPR and PECR regulations resulting in large fines from the ICO, third party claims and reputational damage
- Serious systems failure or breach of IT network security resulting in operational disruption (e.g. loss of revenue and collection activities) and other associated costs

For further information on these risks please refer to the risk management segment of the strategic report in the Group's 2019 annual report.

E-consultancy.com Limited

Strategic report for the year ended 31 December 2019 (continued)

Employee engagement

During 2019 the Group established a workforce advisory panel to cover Diversity, Inclusion, Culture and Engagement (DICE). This comprises ten employees from across the Group and is led by one of our senior leadership team. DICE was established so that all employees have a voice and their views are considered. DICE reports to the CEO.

The Group uses quarterly town halls to engage and communicate with all of the Company's employees.

Additionally, there is a weekly on-line sense check questionnaire and quarterly employee surveys which give employees the opportunity to provide feedback and enable management to get regular information on motivation levels and real time feedback from their teams.

By order of the Board



Simon Longfield
Director
3 July 2020

E-consultancy.com Limited

Directors' report for the year ended 31 December 2019

The Directors present their report and the financial statements of the Company for the year ended 31 December 2019.

Future developments

Given the restructure of the Group in the past year, the Company is expected to wind down trading in 2020 and become dormant going forward.

Dividends

The Directors do not propose a dividend for the year ended 31 December 2019 (2018: £nil).

Going concern

At year end, the Company had made a profit, has net current assets and is in a net asset position. On this basis, the Directors continue to adopt the going concern assumption in their preparation of the financial statements.

Directors

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

Swag Mukerji

Simon Longfield (appointed 6 November 2019)

Andria Vidler (resigned 30 September 2019)

Qualifying third party indemnity provisions

By virtue of article 206 of the Articles of Association of the Company, a qualifying indemnity provision (within the meaning given by section 234 of the Companies Act 2006) is in force at the date of this report in respect of each director of the Company.

Post balance sheet events

In early 2020, the coronavirus ("COVID-19") was declared a global pandemic. COVID-19 has caused significant disruption to businesses and general economic activity which has been reflected in recent fluctuations in global stock markets. Whilst COVID-19 was known prior to the 31 December 2019, the Company considers the impact of COVID-19 to be a non-adjusting event as the global spread and economic impact was not foreseeable until 2020.

The extent of the impact of the COVID-19 outbreak on the financial performance of the Company will depend on future developments that as of 3 July 2020 are still unknown. These future developments include the duration and spread of the pandemic and related governmental guidance and restrictions and the impact of COVID-19 on the overall economy.

E-consultancy.com Limited

Directors' report for the year ended 31 December 2019 (continued)

Employees

The Company is an equal opportunities employer and appoints employees without reference to gender, ethnic group or religious beliefs. It is the Company's policy to give full consideration to suitable applications for employment by disabled persons. Opportunities also exist for employees of the Company who become disabled to continue in their employment or to be trained for other positions in the Company.

Statement of Directors' responsibilities

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable laws and regulation.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", 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 the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors 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.

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.

The members have not required the Company to obtain an audit of its financial statements for the year in question in accordance with section 476 of the Companies Act 2006.

By order of the Board



Simon Longfield
Director
3 July 2020

E-consultancy.com Limited

Income Statement

For the year ended 31 December 2019

| | | 2019 | 2018 |
|--|------|------------|--------------|
| | Note | £'000 | £'000 |
| Revenue | 4 | 175 | 110 |
| Cost of sales | | (12) | (25) |
| Gross profit | | 163 | 85 |
| Administrative expenses | | 81 | 2 |
| Operating profit | 6 | 244 | 87 |
| Finance income | 7 | 264 | 272 |
| Finance costs | 8 | (51) | (36) |
| Profit before taxation | | 457 | 323 |
| Taxation | 9 | (58) | (64) |
| Profit from continuing operations | | 399 | 259 |
| Profit from discontinued operations | | - | 1,312 |
| Profit for the year | | 399 | 1,571 |

The notes on pages 9 to 21 are an integral part of these financial statements.

A statement of comprehensive income has not been presented as there are no other items of other comprehensive income/(loss) other than the profit after tax for the year.

E-consultancy.com Limited

Statement of financial position

As at 31 December 2019

| | | 2019 | 2018 |
|-----------------------------|------|----------------|----------------|
| | Note | £'000 | £'000 |
| Non-current assets | | | |
| Investments | 11 | 52 | 52 |
| Deferred tax asset | 14 | 47 | 46 |
| | | <u>99</u> | <u>98</u> |
| Current assets | | | |
| Trade and other receivables | 15 | 10,168 | 10,087 |
| Borrowings | 16 | 308 | 308 |
| Cash at bank and in hand | 17 | 140 | 98 |
| | | <u>10,616</u> | <u>10,493</u> |
| Total assets | | <u>10,715</u> | <u>10,591</u> |
| Current liabilities | | | |
| Trade and other payables | 18 | (2,303) | (2,505) |
| Deferred Income | 19 | (20) | (93) |
| | | <u>(2,323)</u> | <u>(2,598)</u> |
| Net current assets | | <u>8,293</u> | <u>7,895</u> |
| Net assets | | <u>8,392</u> | <u>7,993</u> |
| Equity | | | |
| Called up share capital | 20 | 47 | 47 |
| Share premium account | | 164 | 164 |
| Reserves | 21 | 432 | 432 |
| Retained earnings | | 7,749 | 7,350 |
| Total equity | | <u>8,392</u> | <u>7,993</u> |

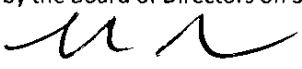
The notes on pages 9 to 21 are an integral part of these financial statements.

For the year ended 31 December 2019 the Company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

Directors' responsibilities:

- the members have not required the Company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- the Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The financial statements of E-consultancy.com Limited (registered number 04047149) on pages 6 to 21 were authorised for issue by the Board of Directors on 3 July 2020 and were signed on its behalf by:


Simon Longfield
Director

E-consultancy.com Limited

Statement of changes in equity

For the year ended 31 December 2019

| | Called up Share Capital | Share Premium Account | Other Reserves | Retained earnings | Total |
|---|----------------------------|-----------------------------|-------------------|----------------------|--------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 |
| Balance at 1 January 2018 | 47 | 164 | - | 5,779 | 5,990 |
| Profit and total comprehensive income for the year | - | - | - | 1,571 | 1,571 |
| Capital contribution | - | - | 432 | - | 432 |
| Balance at 31 December 2018 | 47 | 164 | 432 | 7,350 | 7,993 |
| Profit and total comprehensive income for the year | - | - | - | 399 | 399 |
| Balance at 31 December 2019 | 47 | 164 | 432 | 7,749 | 8,392 |

The notes on pages 9 to 21 are an integral part of these financial statements.

E-consultancy.com Limited

Notes to the financial statements

For the year ended 31 December 2019

1.General information

The nature of the Company's operations and its principal activities are set out in the Strategic report on page 2. The Company is a private limited company and is incorporated and domiciled in the UK. The address of its registered office is Floor M, 10 York Road, London, SE1 7ND.

2.Significant accounting policies

(a) Basis of preparation

The financial statements of the Company have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101). The financial statements have been prepared under the historical cost convention, as modified by financial liabilities and financial assets measured at fair value through profit or loss, and in accordance with the Companies Act 2006.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

The following disclosure exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- Paragraph 38 of IAS 1, 'Presentation of financial statements' – comparative information requirements in respect of:
 - (i) paragraph 79(a)(iv) of IAS 1; and
 - (ii) paragraph 73(e) of IAS 16, 'Property, plant and equipment'
 - (iii) paragraph 118 (e) of IAS 38, 'Intangible Assets'.
- The following paragraphs of IAS 1, 'Presentation of financial statements':
 - (i) 10(d) (statement of cash flows);
 - (ii) 16 (statement of compliance with all IFRS);
 - (iii) 111 (cash flow statement information); and
 - (iv) 134–136 (capital management disclosures).
- Paragraphs 45 (b) and 46-52 of IFRS 2 "Share based payments".
- IAS 7, 'Statement of cash flows'.
- IFRS 7, 'Financial instruments: Disclosures'.
- Paragraph 17 of IAS 24, 'Related party disclosures' (key management compensation).
- The requirements in IAS 24, 'Related party disclosures', to disclose related party transactions entered into between two or more members of a group.
- Paragraphs 30 and 31 of IAS 8, 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective).

The financial statements of the Company are consolidated into the financial statements of Centaur Media plc which is the smallest and largest group to consolidate these results. The consolidated financial statements of Centaur Media plc are available from its registered office, Floor M, 10 York Road, London, SE1 7ND.

E-consultancy.com Limited

Notes to the financial statements (continued)

For the year ended 31 December 2019

Business combinations

The acquisition method of accounting is used to account for all business acquisitions. The consideration transferred for the acquisition of a business is measured at the aggregate of fair values of assets transferred, liabilities incurred or assumed to the former owners of the acquired business and equity interests issued. Acquisition-related costs incurred are expensed as incurred in profit or loss.

Any deferred consideration to be transferred by the acquirer is recognised at fair value, with a provision being made for the future liability at the acquisition date. Where the deferred consideration is contingent on the continued employment of the vendors, such arrangements are recognised in profit or loss on a straight-line basis over the period over which the contingent consideration is earned with associated provision on the balance sheet.

The excess of the aggregate consideration transferred over the fair value of the net assets acquired is recorded as goodwill.

Going concern

The Company meets its day-to-day working capital requirements through its cash reserves and borrowings. The current economic conditions continue to create uncertainty, particularly over the level of demand for the Company's products and services. The Company's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the Company should be able to operate within the level of its current cash reserves and borrowings. After making enquiries, the Directors have a reasonable expectation that 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.

New and amended standards adopted

No new standards or amendments to standards (including the Annual Improvements (2015) to existing standards) that are mandatory for the first time for the financial year commencing 1 January 2019 affected any of the amounts recognised in the current year or any prior year and is not likely to affect future periods.

(b) Foreign currency translation

(i) Functional and presentation currency

The financial statements are presented in pounds sterling, which is the currency of the primary economic environment in which the Company operates (its functional currency).

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in the income statement.

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Notes to the financial statements (continued)

For the year ended 31 December 2019

(c) Revenue recognition

Revenue is measured at the transaction price, which is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to the customer. The Company recognises revenue earned from contracts as individual performance obligations are met, on a stand-alone selling price basis. This is when value and control of the product or service has transferred, being when the product is delivered to the customer or the period in which the services are rendered as laid out below.

(i) Premium Content:

Revenue from subscriptions is deferred and recognised on a straight-line basis over the subscription period. Revenue from individual publications is recognised in the year in which the publication is provided to the customer.

(ii) Training and Advisory

Revenue from training and advisory is deferred and recognised over the period of the training or when a separately identifiable milestone of a contract has been delivered to the customer. In general the Company bills customers for training and advisory up front on a milestone basis.

(d) Finance costs

Finance costs are recognised in the income statement in the period in which they are incurred.

(e) Finance income

Interest income is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

(f) Income tax

The tax expense represents the sum of current and deferred tax.

Current tax is based on the taxable profit for the period. Taxable profit differs from profit as reported in the statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years, and it further includes 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 statement of financial position date.

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Notes to the financial statements (continued)

For the year ended 31 December 2019

(f) Income tax (continued)

Deferred tax is provided in full, using the liability method, on temporary differences between the carrying amounts of assets and liabilities and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available to utilise those temporary differences and losses. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

Deferred tax is calculated at the enacted or substantively enacted 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 to the statement of comprehensive income, except when it relates to items charged or credited directly to equity, in which case the deferred tax is recognised in other comprehensive income.

(g) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event; it is probable that an outflow of resources will be required to settle the obligation can be reliably estimated.

(h) Share capital and share premium

Ordinary shares are classified as equity. The excess of consideration received in respect of shares issued over the nominal value of those shares is recognised in the share premium account.

(i) Dividends

Dividends are recognised as a liability in the period in which they are paid or approved by the shareholders in the Annual General Meeting.

(j) Financial instruments

The company has applied IFRS 9, Financial Instruments as outlined below:

(i) Financial assets

The Company classifies and measures its financial assets in line with one of the three measurement models under IFRS 9: at amortised cost, fair value through profit or loss, and fair value through other comprehensive income. Management determines the classification of its financial assets based on the requirements of IFRS 9 at initial recognition.

They are included in current assets, except for maturities greater than 12 months after the statement of financial position date. These are classified as non-current assets. The Company's financial assets comprise trade and other receivables and cash and cash equivalents in the statement of financial position. Please see the following sections.

E-consultancy.com Limited

Notes to the financial statements (continued)

For the year ended 31 December 2019

(j) Financial instruments (continued)

(ii) Trade receivables

Trade receivables are accounted for under IFRS 9 being recognised initially at fair value and subsequently at amortised cost less any allowance for expected lifetime credit losses under the “expected credit loss” model. As mandated by IFRS 9, the expected lifetime credit losses are calculated using the ‘simplified’ approach.

The allowance for expected lifetime credit losses for trade receivables is established by considering, on a discounted basis, the cash shortfalls it would incur in various defaults scenarios for prescribed future periods and multiplying those shortfalls by the probability of each scenario occurring. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The allowance is the sum of these probability weighted outcomes. The allowance and any changes to it are recognised in the statement of comprehensive income within net operating expenses. A provision matrix is used to calculate the allowance for expected lifetime credit losses on trade receivables which is based on historical default rates over the expected life of the trade receivables and is adjusted for forward looking estimates. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against net operating expenses in the statement of comprehensive income. The Company defines a default as failure of a debtor to repay an amount due as this is the time at which our estimate of future cash flows from the debtor is affected.

(iii) Cash and cash equivalents

Cash and cash equivalents includes cash in hand and deposits repayable on demand or maturing within three months of the statement of financial position date.

(iv) Financial liabilities

Debt and trade payables are recognised initially at fair value based on amounts exchanged, net of transaction costs, and subsequently at amortised cost.

Interest expense on debt is accounted for using the effective interest method and, is recognised in the income statement.

(v) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred and carried subsequently at amortised cost. Costs of borrowings are recognised in the income statement as incurred or, where appropriate, across the term of the related borrowing.

E-consultancy.com Limited

Notes to the financial statements (continued)

For the year ended 31 December 2019

(k) Investments

Investments in subsidiaries are stated at cost less provision for impairment in value.

Investments are reviewed for impairment whenever events indicate that the carrying value may not be recoverable. An impairment loss is recognised to the extent that the carrying value exceeds the higher of the investments fair value less cost of disposal and its value-in-use. An asset's value-in-use is calculated by discounting an estimate of future cash flows by the pre-tax weighted average cost of capital. Any impairment is recognised in the statement of comprehensive income. If there has been a change in the estimates used to determine the investment's recoverable amount, impairment losses that have been recognised in prior periods may be reversed. This reversal is recognised in the statement of comprehensive income.

3. Key accounting assumptions, estimates and judgements

The preparation of financial statements under IFRS requires the use of certain key accounting assumptions and requires management to exercise its judgement and to make estimates. The areas where assumptions and estimates are significant to the financial statements are as follows:

(i) Recoverability of amounts owed by group undertakings

The recoverability of amounts owed by group undertakings are ultimately dependent on the performance of the group undertakings. As such the Company shares the same risks as the Group which can be found in the Group's Annual report.

E-consultancy.com Limited

Notes to the financial statements (continued)

For the year ended 31 December 2019

4. Revenue

| Continuing operations | 2019 £'000 | 2018 £'000 |
|-----------------------------|---------------|---------------|
| Sales of goods and services | 175 | 110 |
| | 175 | 110 |

All of the Company's continuing revenues were derived in the Asia-Pacific region (APAC).

| Analysis of revenue by type: | 2019 £'000 | 2018 £'000 |
|------------------------------|---------------|---------------|
| Premium Content | 129 | 65 |
| Training and Advisory | 46 | 45 |
| | 175 | 110 |

5. Directors and employees

All staff costs for the year ended 31 December 2018 related to discontinued operations which were transferred to XEIM Limited from 1 December 2018 (note 10). The company had no employees as at 31 December 2018 and 31 December 2019.

The Directors did not receive any emoluments in respect of services to the Company, which are considered incidental to their duties on behalf of the Group. Emoluments for Swag Mukerji and Simon Longfield are disclosed in the Group consolidated financial statements of Centaur Media Plc. The emoluments of Andria Vidler (a director who resigned on 30 September 2019) are also disclosed in the financial statements of the Group.

6. Operating profit

| Operating profit for the year has been arrived at after charging | 2019 £'000 | 2018 £'000 |
|--|---------------|---------------|
| Net foreign exchange gain | (82) | (2) |

The members have not required the Company to obtain an audit of its accounts for the current period in accordance with section 476 of the Companies Act 2006.

7. Finance income

| | 2019 £'000 | 2018 £'000 |
|--|---------------|---------------|
| Interest receivable from group companies | 264 | 272 |
| | 264 | 272 |

E-consultancy.com Limited

Notes to the financial statements (continued) For the year ended 31 December 2019

8. Finance costs

| | 2019 £'000 | 2018 £'000 |
|-------------------------------------|---------------|---------------|
| Interest payable to group companies | 51 | 36 |
| | 51 | 36 |

9. Taxation

Analysis of charge for the year

| | 2019 £'000 | 2018 £'000 |
|---|---------------|---------------|
| Current tax | | |
| UK Corporation Tax | 84 | 466 |
| Adjustment in respect of the prior year | (25) | 17 |
| | 59 | 483 |

Deferred tax:

| | | |
|----------------------|------------|------------|
| Current year | (1) | 82 |
| Changes in tax rates | - | (7) |
| | (1) | 75 |
| Taxation | 58 | 558 |

The tax charge for the year ended 31 December 2018 is for both continuing and discontinued operations. The total tax charge for these are £64,000 and £494,000 (refer to note 10) respectively.

The total tax charge for the year can be reconciled to the profit in the income statement as follows:

| | 2019 £'000 | 2018 £'000 |
|--|---------------|---------------|
| Profit before tax | 457 | 2,129 |
| Tax at the UK rate of corporation tax of 19% (2018: 19%) | 87 | 405 |
| Effects of: | | |
| Expenses not deductible for tax purposes | (4) | 2 |
| Effects of changes in tax rate on deferred tax balances | - | 20 |
| Deferred tax relating to intra-group transfers | - | 121 |
| Adjustments in respect of the prior year | (25) | 10 |
| Taxation | 58 | 558 |

The Finance Act 2015 included legislation to reduce the main rate of corporation tax from 20% to 19% from 1 April 2017 and to 17% from 1 April 2020. This change has been substantively enacted at the balance sheet date and therefore the Company's deferred tax balances are recorded at 17%.

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Notes to the financial statements (continued)

For the year ended 31 December 2019

10. Discontinued operations

On 1 December 2018, the Company disposed of the Econsultancy and Festival of Marketing brands to another group undertaking, XEIM Limited. The disposal was effected in line with the Group's strategy to align its legal entities with its portfolios and operating segments.

The results of the discontinued operations, which have been included in the income statement were as follows:

| | 2019 £'000 | 2018 £'000 |
|--------------------------|---------------|---------------|
| Revenue | - | 8,094 |
| Expenses | - | (6,288) |
| Profit before tax | - | 1,806 |
| Attributable tax expense | - | (494) |
| Profit after tax | - | 1,312 |

No profit or loss arose on the disposal as the proceeds were equivalent to the net liabilities disposed of as disclosed in note 13.

11. Investments

| | £'000 |
|--|-----------|
| Cost and carrying amount | |
| Amount as at 31 December 2018 and 31 December 2019 | 52 |

| Company | % of ordinary shares and voting rights held | Principal activities | Registered office address |
|------------------------------------|--|--|------------------------------|
| Econsultancy LLC | 100% | Digital information, training and events | United States |
| Centaur Media USA Inc | 100% | Digital information, training and events | United States |
| Econsultancy Asia Pacific Pte. Ltd | 100% | Dormant | Singapore |
| Econsultancy Australia Pty Ltd | 100% | Digital information, training and events | Australia |

12. Acquisition of trade and assets

On 31 August 2018, the company acquired trade and assets of another group undertaking, Econsultancy Asia Pacific PTE. LTD, an online publishing, training, consultancy and events business. The net assets and liabilities were acquired at book value which was deemed to be their fair value on acquisition. Consideration was in the form of an amount owed from group undertakings.

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Notes to the financial statements (continued)

For the year ended 31 December 2019

12. Acquisition of trade and assets (continued)

The assets and liabilities acquired were:

| | 31 August 2018 £'000 |
|--------------------------------------|-------------------------|
| Trade receivables | 57 |
| Prepayments and other debtors | 20 |
| Accrued Income | 14 |
| Accruals | (48) |
| Deferred income | (94) |
| Net liabilities acquired | (51) |
| | <hr/> |
| Amounts owed from group undertakings | (51) |

The transfer of net liabilities resulted in a promissory note owed to the E-consultancy.com Limited which was outstanding at the year-end as disclosed in note 18.

Econsultancy Asia contributed revenues of £58,000 and profits of £51,000 from 1 September 2018 to 31 December 2018. If acquisitions had occurred on from 1 January 2018 the total revenue and profit that would have been contributed for the year ended 31 December 2018 would be £607,000 and £35,000 respectively.

No acquisitions were made in the year ending 31 December 2019.

13. Disposal of trade and assets

On 1 December 2018, the Company disposed of the Econsultancy and Festival of Marketing brands to another group undertaking, XEIM Limited. The disposal was effected in line with the Group's strategy to align its legal entities with its portfolios and operating segments.

The carrying amounts of assets and liabilities as at the date of the transfer were:

| | 31 August 2018 £'000 |
|--------------------------------------|-------------------------|
| Intangible assets | 1,409 |
| Trade debtors | 701 |
| Accrued Income | 94 |
| Prepayments | 26 |
| Stocks | 10 |
| Deferred income | (1,360) |
| Accruals | (572) |
| Net assets disposed | 308 |
| | <hr/> |
| Satisfied by: | |
| Amounts owed from group undertakings | 308 |

The transfer of net assets resulted in a promissory note owed to E-consultancy.com Limited which was outstanding at the year-end as disclosed in note 16. No gain or loss arose on disposal.

No disposals were made in the year ended 31 December 2019.

E-consultancy.com Limited

Notes to the financial statements (continued)

For the year ended 31 December 2019

14. Deferred tax assets/(liabilities)

The following are the major deferred tax assets/(liabilities) recognised by the Company and movement thereon during the current and prior year.

| | Accelerated capital allowances £'000 |
|-------------------------------|---|
| As at 1 January 2018 | 121 |
| Charge to income statement | (75) |
| As at 31 December 2018 | 46 |
| Credit to income statement | 1 |
| As at 31 December 2019 | 47 |

Deferred tax assets and liabilities are offset where the Company has a legally enforceable right to do so.

15. Trade and other receivables

| | 2019 £'000 | 2018 £'000 |
|------------------------------------|---------------|---------------|
| Trade receivables | 7 | 26 |
| Less: expected credit loss | (7) | (10) |
| Trade receivables - Net | - | 16 |
| Amounts owed by group undertakings | 10,156 | 9,984 |
| Other debtors | 12 | 67 |
| Prepayments | - | 20 |
| | 10,168 | 10,087 |

Amounts owed by group undertakings are unsecured, are repayable on demand, and bear interest at an annual rate of 2.53% (2018: 2.67%).

Trade receivables are accounted for under IFRS 9 being recognised initially at fair value and subsequently at amortised cost less any allowance for expected lifetime credit losses under the "expected credit loss" model. As mandated by IFRS 9, the expected lifetime credit losses are calculated using the 'simplified' approach. For further detail refer to note 2(j)(ii).

16. Loans receivable

| | 2019 £'000 | 2018 £'000 |
|---|---------------|---------------|
| Promissory notes owed from group undertakings | 308 | 308 |
| | 308 | 308 |

Promissory notes owed by group undertakings are unsecured, repayable on demand and do not bear interest.

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Notes to the financial statements (continued)

For the year ended 31 December 2019

17. Cash at bank and in hand

| | 2019 £'000 | 2018 £'000 |
|--------------------------|---------------|---------------|
| Cash at bank and in hand | 140 | 98 |

18. Trade and other payables

| | 2019 £'000 | 2018 £'000 |
|------------------------------------|---------------|---------------|
| Accrued expenses | 4 | 38 |
| Social security and other taxes | - | 1,026 |
| Corporation tax creditor | - | 483 |
| Amounts owed to group undertakings | 2,281 | 958 |
| Other creditors | 18 | - |
| | 2,303 | 2,505 |

Amounts owed to group undertakings are unsecured, have no fixed date of repayment and bear interest at an annual rate of 2.53% (2018: 2.67%).

19. Deferred income

| | 2019 £'000 | 2018 £'000 |
|-----------------|---------------|---------------|
| Premium Content | 20 | 93 |
| | 20 | 93 |

20. Called up Share capital

| | £'000 |
|---|-----------|
| Authorised at 31 December 2018 and 2019 | |
| 1,000,000 (2018: 1,000,000) Class A shares of £1 each | 1,000 |
| 1,000,000 (2018: 1,000,000) Class B shares of £1 each | 1,000 |
| Authorised, issued and fully paid share capital at 31 December 2018 and 2019 | |
| 42,115 (2018: 42,115) Class A shares of £1 each | 42 |
| 5,365 (2018: 5,365) Class B shares of £1 each | 5 |
| | 47 |

The class B shares do not carry voting rights. In all other respects they rank pari passu with Class A shares. Both classes of shares carry no right to fixed income.

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Notes to the financial statements (continued)

For the year ended 31 December 2019

21. Other reserves

In the year ended 31 December 2018, the Company received capital contributions of £432,000 from Centaur Media Plc in respect of historical intercompany amounts owed to Centaur Media Plc and share based payments.

22. Dividends

There were no dividends proposed for the year ended 31 December 2019 (2018: £nil).

23. Controlling party

In the opinion of the Directors, the Company's ultimate parent Company and ultimate controlling party is Centaur Media Plc, a Company incorporated in England and Wales and registered at 10 York Road, London, SE1 7ND. The parent undertaking of the largest and smallest group, which includes the Company and for which group financial statements are prepared, is Centaur Media Plc. Copies of the group financial statements of Centaur Media Plc are available from <http://www.centaurmedia.com/investors/financial-performance>.

The Company's immediate controlling party is Centaur Communications Limited.

24. Related party transactions

As a wholly owned subsidiary of Centaur Communications Limited, which is in turn a wholly owned subsidiary of Centaur Media Plc, the Company has taken advantage of the exemption under FRS 101 from disclosing transactions with other companies that are a wholly owned member of the Centaur Media Plc group.

25. Contingent liabilities

The Group holds a £25m multi-currency revolving credit facility with the Royal Bank of Scotland and Lloyds which runs to November 2021 with the option to extend for two periods of one year each. The Company's assets, in addition to other material companies of the Group, are pledged as security. As of 31 December 2019 the loan facility was fully undrawn (2018: fully undrawn).

26. Post balance sheet events

In early 2020, the coronavirus ("COVID-19") was declared a global pandemic. COVID-19 has caused significant disruption to businesses and general economic activity which has been reflected in recent fluctuations in global stock markets. Whilst COVID-19 was known prior to the 31 December 2019, the Company considers the impact of COVID-19 to be a non-adjusting event as the global spread and economic impact was not foreseeable until 2020.

The extent of the impact of the COVID-19 outbreak on the financial performance of the Company will depend on future developments that as of 3 July 2020 are still unknown. These future developments include the duration and spread of the pandemic and related governmental guidance and restrictions and the impact of COVID-19 on the overall economy.