

Registered number: 05653301

## **Pinknews Media Group Limited**

**Unaudited**

**Directors' report and financial statements**

**For the year ended 31 December 2019**



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**Pinknews Media Group Limited**

**Company Information**

**Directors**

B M Cohen  
R C Cohen  
A Millet

**Company secretary**

R C Cohen

**Registered number**

05653301

**Registered office**

Wisteria Grange Barn  
Pikes End  
Pinner  
London  
HA5 2EX

**Accountants**

PricewaterhouseCoopers LLP  
Waterfront Plaza  
8 Laganbank Road  
Belfast  
BT1 3LR

**Pinknews Media Group Limited**

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## **Pinknews Media Group Limited**

### **Directors' report For the year ended 31 December 2019**

The directors present their report and the financial statements for the year ended 31 December 2019.

#### **Principal activity**

News agency activities.

#### **Directors**

The directors who served during the year were:

B M Cohen  
R C Cohen  
A Millet

#### **Directors' responsibilities statement**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the Company's financial statements and then apply them consistently;
- make judgments 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 to 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.

#### **Small companies note**

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 02 November 2020 and signed on its behalf.

DocuSigned by:  
  
78F29129727D42D...  
**A Millet**  
Director

**Pinknews Media Group Limited****Statement of comprehensive income  
For the year ended 31 December 2019**

	2019 £	2018 £
Turnover	1,783,363	867,301
Cost of sales	(153,162)	(185,405)
<b>Gross profit</b>	<b>1,630,201</b>	<b>681,896</b>
Administrative expenses	(1,528,644)	(894,413)
<b>Operating profit/(loss)</b>	<b>101,557</b>	<b>(212,517)</b>
Interest receivable and similar income	167	213
<b>Profit/(loss) before tax</b>	<b>101,724</b>	<b>(212,304)</b>
Tax on profit/(loss)	(23,290)	41,779
<b>Profit/(loss) for the financial year</b>	<b>78,434</b>	<b>(170,525)</b>
<b>Total comprehensive income/(loss) for the year</b>	<b>78,434</b>	<b>(170,525)</b>

The notes on pages 4 to 9 form part of these financial statements.

**Pinknews Media Group Limited**  
**Registered number: 05653301**

**Balance sheet**  
**As at 31 December 2019**

	Note	2019 £	2018 £
<b>Fixed assets</b>			
Intangible assets	4	17,717	12,375
Tangible assets	5	17,507	16,014
		<u>35,224</u>	<u>28,389</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	6	396,277	480,961
Cash: at bank and in hand	7	322,513	116,735
		<u>718,790</u>	<u>597,696</u>
Creditors: due within one year		<u>(391,975)</u>	<u>(344,711)</u>
<b>Net current assets</b>		<u>326,815</u>	<u>252,985</u>
<b>Total assets less current liabilities</b>		<u>362,039</u>	<u>281,374</u>
<b>Provisions for liabilities</b>			
Deferred tax		<u>(2,231)</u>	
		<u>(2,231)</u>	
<b>Net assets</b>		<u>359,808</u>	<u>281,374</u>
<b>Capital and reserves</b>			
Called up share capital		1,526	1,526
Share premium account		34,674	34,674
Profit and loss account		<u>323,608</u>	<u>245,174</u>
		<u>359,808</u>	<u>281,374</u>

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 02 November 2020

DocuSigned by:  
  
 78F29129727D42D...  
**A Millet**  
 Director

The notes on pages 4 to 9 form part of these financial statements.

## **Pinknews Media Group Limited**

### **Notes to the financial statements For the year ended 31 December 2019**

#### **1. General information**

PinkNews Media Group Limited is a private company limited by shares and registered in England & Wales. The address of its registered office is Wisteria Grange Barn, Pikes End, Pinner, London, HA5 2EX.

#### **2. Accounting policies**

##### **2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

The following principal accounting policies have been applied:

##### **2.2 Going concern**

Subsequent to the year end the world has been impacted by the Covid 19 Pandemic, despite the impact on the world economies of the Pandemic the Company has been able to continue its operations, with staff working remotely and focus on delivery of its technology to take advantage of the commercial opportunities it is presenting.

##### **2.3 Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

##### **Rendering of services**

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

When cash inflows are deferred and represent a financial agreement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

##### **2.4 Interest income**

Interest income is recognised in the Statement of comprehensive income using the effective interest method.

**Pinknews Media Group Limited**

**Notes to the financial statements  
For the year ended 31 December 2019**

**2. Accounting policies (continued)**

**2.5 Borrowing costs**

All borrowing costs are recognised in the Statement of comprehensive income in the year in which they are incurred.

**2.6 Pensions**

**Defined contribution pension plan**

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

**2.7 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.



**Pinknews Media Group Limited**

**Notes to the financial statements  
For the year ended 31 December 2019**

**2. Accounting policies (continued)**

**2.8 Intangible assets**

**Goodwill**

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Statement of comprehensive income over its useful economic life of four years.

**Other intangible assets**

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

**2.9 Tangible fixed assets**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Office equipment	-	33% Straight line
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The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of comprehensive income.

**2.10 Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**2.11 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

## **Pinknews Media Group Limited**

### **Notes to the financial statements For the year ended 31 December 2019**

#### **2. Accounting policies (continued)**

##### **2.12 Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

##### **2.13 Provisions for liabilities**

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of comprehensive income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

##### **2.14 Financial instruments**

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an 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.

#### **3. Employees**

The average monthly number of employees, including directors, during the year was 23 (2018 - 16).

**Pinknews Media Group Limited****Notes to the financial statements  
For the year ended 31 December 2019****4. Intangible assets**

	<b>Goodwill £</b>
<b>Cost</b>	
At 1 January 2019	16,500
Additions	12,000
At 31 December 2019	<u>28,500</u>
<b>Amortisation</b>	
At 1 January 2019	4,125
Charge for the year	6,658
At 31 December 2019	<u>10,783</u>
<b>Net book value</b>	
At 31 December 2019	<u><u>17,717</u></u>

On 5th February 2019 the company entered into an agreement with Othervox Limited to purchase its trade and certain assets. The addition to goodwill arose as a result of this acquisition and the acquired trade resulted in an increase to turnover of £0 during the financial year.

**5. Tangible fixed assets**

	<b>Office equipment £</b>
<b>Cost or valuation</b>	
At 1 January 2019	26,172
Additions	10,916
At 31 December 2019	<u>37,088</u>
<b>Depreciation</b>	
At 1 January 2019	10,158
Charge for the year on owned assets	9,423
At 31 December 2019	<u>19,581</u>
<b>Net book value</b>	
At 31 December 2019	<u><u>17,507</u></u>

**Pinknews Media Group Limited****Notes to the financial statements  
For the year ended 31 December 2019****6. Debtors**

	2019 £	2018 £
Trade debtors	269,216	308,216
Other debtors	73,212	49,143
Prepayments and accrued income	53,849	123,602
	<u>396,277</u>	<u>480,961</u>

**7. Cash and cash equivalents**

	2019 £	2018 £
Bank and cash balances	343,051	116,735
Loans and overdrafts	(20,538)	-
	<u>322,513</u>	<u>116,735</u>

**8. Creditors: Amounts falling due within one year**

	2019 £	2018 £
Trade creditors	88,117	41,252
Corporation tax	21,742	50,267
Other taxation and social security	30,154	34,316
Other creditors	4,978	1,574
Accruals and deferred income	246,984	217,302
	<u>391,975</u>	<u>344,711</u>

**9. Share capital**

	2019 £	2018 £
Allotted, called up and fully paid		
1,526 (2018 - 1,526) Ordinary shares of £1.00 each	<u>1,526</u>	<u>1,526</u>

**10. Pension commitments**

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £12,861 (2018 - £6,938). Contributions totalling £4,381 (2018 - £1,547) were payable to the fund at the balance sheet date and are included in creditors.