

ITB360 Limited

Directors' Report, Strategic Report and Financial Statements
Year ended 31 December 2018

Registered Number: 6568982



ITB360 Limited

Strategic Report for the year ended 31 December 2018

The directors present their Strategic Report of ITB360 Limited (the "Company"), registered number 6568982 for the year ended 31 December 2018.

Principal activities and review of the business

The Company's principal activity during the year was that of representing clients in licensing of their intellectual property. On 30 August 2018 the Company transferred the business and assets to Independent Talent Brands Limited for consideration of £1.

The Company's loss for the year is £67,000 (2017: profit of £205,000). The Company had net liabilities of £313,000 as at 31 December 2018 (2017: £246,000).

Despite the financial position of the company, the directors have prepared the financial statements on a going concern basis. For more details refer to the Directors' Report.

Key performance indicators

In view of the relatively simple nature of the Company the directors do not consider it necessary to use key performance indicators for the analysis of the development, performance or position of the Company.

Principal risks and uncertainties

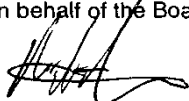
From the perspective of the Company, the principal risks and uncertainties are integrated with the principal risks of The Interpublic Group of Companies, Inc. and are not managed separately. These risks are discussed in The Interpublic Group of Companies, Inc.'s annual report for the year ended 31 December 2018, which does not form part of this report. Copies of the consolidated financial statements of The Interpublic Group of Companies, Inc. can be obtained from:

The Interpublic Group of Companies, Inc.
909 Third Avenue
New York, NY 10022 U.S.A.

Strategy and future developments

The Company no longer trades and no significant future developments are anticipated.

On behalf of the Board,



M Pitcher
Director

20/8/2019

ITB360 Limited

Directors' Report for the year ended 31 December 2018

The directors present their report and the financial statements of ITB360 Limited (the "Company"), registered number 6568982 for the year ended 31 December 2018.

Future developments

Future developments, strategy and key performance indicators are discussed in the Strategic Report.

Dividends

The Directors did not recommend the payment of a dividend during the year (2017: £nil).

Financial risk management objectives and policies

The Company has in place a risk management programme that seeks to minimise the potential adverse effects on the financial performance of the Company due to credit risk, liquidity risk and interest rate cash flow risks. The Company follows the Standard Policy and Procedures (SP&P) manual provided by The Interpublic Group of Companies, Inc, the ultimate holding company of the entire IPG Group, which sets out guidelines.

Given the size of the Company, the directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the board. The policies set by the board of directors are implemented by the Company's finance department. In view of the relatively simple nature of the Company the directors do not consider these financial risks as significant and will continue to monitor the financial risks when they are more significant to the business.

Political donations

The Company made no political donations in 2018 (2017: £nil).

Branches outside the UK

The Company has no branches outside the UK.

Going concern

The ultimate parent undertaking, The Interpublic Group of Companies Inc., has confirmed in writing to continue to support the Company for a period of not less than one year from the date of approval of these financial statements, by providing sufficient funds to enable it to meet its liabilities as they fall due. On this basis, the directors have concluded that it remains appropriate to prepare the financial statements on a going concern basis.

Directors

The directors who held office during the year and up to the date of signing the financial statements are given below:

B D Heath – resigned 30 April 2018
L A Posner – resigned 30 April 2018
M D Clark – resigned 30 April 2018
J B Grede – resigned 30 April 2018
M Pitcher – appointed 30 April 2018
M Owens – appointed 30 April 2018
S J Bent - appointed 30 April 2018
J S Ehrenkranz – appointed 30 April 2018
E Gregson - appointed 30 April 2018

Events post statement of financial position

Since the year end no material events have occurred.

Directors' Report for the year ended 31 December 2018 (Continued)

Statement of directors' responsibilities in respect of the financial statements

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

Company law requires the directors to prepare financial statements for each financial year. Under that law, the directors have prepared the Company's financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 102, The Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102).

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 judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards, including FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- notify its shareholders in writing about the use of disclosure exemptions, if any, of FRS 102 used in the preparation of financial statements; 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 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.

The directors acknowledge their responsibilities for:

- ensuring that the Company keeps adequate accounting records which comply with section 386 of the Companies Act 2006; and
- preparing financial statements which give a true and fair view of the state of the affairs of the Company at 31 December 2018 and its profit or loss for the year then ended in accordance with the requirement of section 394 of the Companies Act 2006, and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements so far as applicable to the Company;

Audit exemption

Advantage has been taken of the audit exemption available for subsidiary companies conferred by section 479A of the Companies Act 2006 on the grounds:

- a) that for the year ended 31 December 2018 the Company was entitled to the exemption from a statutory audit under section 479A of the Companies Act 2006 relating to subsidiary companies; and
- b) that no notice has been deposited under section 476 of the Companies Act 2006 in relation to the financial statements for the financial year.

On behalf of the Board



M Pitcher
Director

26/8/2019

ITB360 Limited

Statement of comprehensive income for the year ended 31 December 2018

	Note	2018 £000's	2017 £000's
Turnover	5	380	1,626
Cost of sales		(175)	(788)
Revenue		205	838
Administrative expenses		(272)	(562)
Operating (loss)/profit	6	(67)	276
Interest payable and similar expenses	7	(2)	(7)
(Loss)/profit before taxation		(69)	269
Tax on (loss)/profit	9	2	(64)
(Loss)/profit for the financial year		(67)	205

All operations are continuing.

ITB360 Limited

Statement of financial position as at 31 December 2018

	Note	2018 £000's	2017 £000's
Fixed assets			
Tangible assets	10	-	7
Current assets			
Debtors	11	-	217
Cash at bank and in hand		-	27
		-	244
Creditors: amounts falling due within one year	12	(313)	(497)
Net current liabilities		(313)	(253)
Total assets less current liabilities		(313)	(246)
Net liabilities		(313)	(246)
Capital and reserves			
Called up share capital	13	-	-
Share premium		7	7
Accumulated losses		(320)	(253)
Total shareholders' deficit		(313)	(246)

Advantage has been taken of the audit exemption available for subsidiary companies conferred by section 479A of the Companies Act 2006 on the grounds:

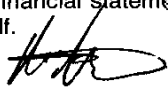
- that for the year ended 31 December 2018 the Company was entitled to the exemption from a statutory audit under section 479A of the Companies Act 2006 relating to subsidiary companies; and
- that no notice has been deposited under section 476 of the Companies Act 2006 in relation to the financial statements for the financial year.

The directors acknowledge their responsibilities for:

- ensuring that the Company keeps adequate accounting records which comply with section 386 of the Companies Act 2006; and
- preparing financial statements which give a true and fair view of the state of the affairs of the Company at 31 December 2018 and of its profit or loss for the year then ended in accordance with the requirement of section 394 of the Companies Act 2006, and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements so far as applicable to the Company.

The notes on pages 7 to 17 are an integral part of these financial statements.

The financial statements on pages 4 to 17 were authorised for issue by the board of directors on 20/8/19 and were signed on its behalf.


M Pitcher
Director
ITB360 Limited
Registered No. 6568982

20/8/2019

ITB360 Limited

Statement of changes in equity for the year ended 31 December 2018

	Called up share capital £000's	Share premium £000's	Accumulated losses £000's	Total shareholders' deficit £000's
At 1 January 2017	-	7	(458)	(451)
Profit for the financial year	-	-	205	205
At 31 December 2017 and 1 January 2018	-	7	(253)	(246)
Loss for the financial year	-	-	(67)	(67)
At 31 December 2018	-	7	(320)	(313)

Notes to the financial statements for the year ended 31 December 2018

1 General information

The Company develops mobile apps, Web sites and related social media.

The Company is a private company limited by shares and is incorporated and domiciled in the United Kingdom. The address of its registered office is 3 Grosvenor Gardens, London, SW1W 0BD.

2 Statement of compliance

The individual financial statements of the Company have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

3 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

a) Basis of preparation

These financial statements are prepared under the historical cost convention. The preparation of financial statements in conformity with FRS 102 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 4.

b) Going concern

At as 31 December 2018, the Company has a net liability of £313,000 (2017: £246,000). These financial statements are prepared on the going concern basis as The Interpublic Group of Companies Inc., has confirmed in writing its intention to continue to support the Company for a period of not less than one year from the date of approval of these financial statements, by providing sufficient funds to enable it to meet its liabilities as they fall due. On this basis, the directors have concluded that it remains appropriate to prepare the financial statements on a going concern basis.

c) Exemptions for qualifying entities under FRS 102

As a qualifying entity, the Company has taken advantage of the exemption, under FRS 102 paragraph 1.12(b), from preparing a statement of cash flows, on the basis that it is a qualifying entity and its ultimate parent company, The Interpublic Group of Companies Inc., includes the Company's cash flows in its own consolidated financial statements.

d) Consolidated financial statements

The Company is a subsidiary of Independent Talent Brands Limited and a wholly owned subsidiary of its ultimate parent, The Interpublic Group of Companies Inc. It is included in the consolidated financial statements of The Interpublic Group of Companies Inc., which are publicly available. Therefore the directors have concluded that the Company is exempt by virtue of section 401 of the Companies Act 2006 from the requirement to prepare consolidated financial statements. These financial statements are the Company's separate financial statements.

Notes to the financial statements for the year ended 31 December 2018 (Continued)

3 Summary of significant accounting policies (Continued)

e) Revenue recognition

Turnover represents invoiced billings, excluding value added tax and adjusted for accrued and deferred balances, in respect of fees and rechargeable costs. Fees are recognised over the period or on the date of completion of assignments or contracts. Attributable profit is that computed on a combination of factors; primarily time elapsed and work done, where the final profit can be assessed on a prudent basis. Revenues that are recognised ahead of billings are shown as accrued income. If the agreed billing date is greater than 12 months ahead, the associated revenue is recorded at fair value, after recognising a discount. Expenses recharged to customers are recognised as turnover. Revenue is deferred when the recognition criteria above cannot be met.

f) Interest income

Interest income is recognised using the effective interest rate method.

g) Dividend income

Dividend income is recognised when the right to receive payment is established.

h) Employee benefits

The Company provides a range of benefits to employees, including annual bonus arrangements, paid holiday arrangements and defined contribution pension plans.

i) Short term benefits

Short term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received.

ii) Pension costs

Contributions payable in respect of employees' personal pension plans are expensed in the statement of comprehensive income as they are incurred.

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from the Company in an independently administered fund. The pension cost charge disclosed in note 15 represents contributions payable by the Company to the fund.

iii) Annual bonus plan

The Company operates an annual bonus plan for some employees. An expense is recognised in the statement of comprehensive income when the Company has a legal or constructive obligation to make payments under the plan as a result of past events and a reliable estimate of the obligation can be made.

i) Foreign currencies

The Company's functional and presentation currency is pound sterling. Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the statement of financial position date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences arising from the revaluation of foreign currency assets and liabilities are taken to the statement of comprehensive income during the year.

j) Borrowing costs

All borrowing costs are recognised in the statement of comprehensive income in the period in which they are incurred.

Notes to the financial statements for the year ended 31 December 2018 (Continued)

3 Summary of significant accounting policies (Continued)

k) Leases

Rentals applicable to operating leases, where substantially all of the benefits and risks of membership remain with the lessor, are charged to the statement of comprehensive income on a straight line basis over the term of the lease.

l) Lease incentives

Incentives received to enter into an operating lease are credited to the statement of comprehensive income, to reduce the lease expense, on a straight-line basis over the period of the lease.

m) Taxation

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the statement of comprehensive income except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current and deferred taxation assets and liabilities are not discounted.

Corporation tax payable is provided on taxable profits and is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the year end.

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date, where transactions or events that result in an obligation to pay more tax in the future, or a right to pay less tax in the future, have occurred at the statement of financial position date. Timing differences are differences between a company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as probable that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates and laws that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the statement of financial position date. Deferred tax is measured on a non-discounted basis in line with FRS 102.

n) Investments

Investments in subsidiaries are held at cost less accumulated impairment losses. The Company makes an estimate of the recoverable value of its investments in subsidiaries. When assessing the potential impairment of investments, management considers factors including whether there has been a triggering event that requires an impairment test to be carried out.

Notes to the financial statements for the year ended 31 December 2018 (Continued)

3 Summary of significant accounting policies (Continued)

o) Tangible assets

Tangible assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. Depreciation is calculated to write off the cost of the assets evenly over their expected useful lives as follows:

Equipment, fixtures & fittings	3 - 10 years
Asset retirement obligation	Lesser of 10 years or the remaining life of the lease
Long leasehold & leasehold improvements	Lesser of 10 years or the remaining life of the lease

The assets' residual values and useful lives are reviewed, and adjusted, if appropriate, at the end of each reporting period. The effect of any change is accounted for prospectively.

Subsequent costs, including major inspections, are included in the assets carrying amount or recognised as a separate asset, as appropriate, only when it is probable that economic benefits associated with the item will flow to the Company and the cost can be measured reliably.

Repairs, maintenance and minor inspection costs are expensed as incurred.

The fair value of estimated asset retirement obligations is recognised in the statement of financial position when identified and a reasonable estimate of fair value can be made. The fair value is determined based on the net present value of the estimated costs which include those legal obligations where the Company will be required to return the properties to their original condition. The asset retirement costs, equal to the estimated fair value of the asset retirement obligation is capitalised as part of the cost of the related long lived asset. Asset retirement costs are amortised over the life of the lease.

Amortisation of asset retirement costs is included in depreciation of fixed assets. Increases in the provision of asset retirement obligation resulting from the passage of time are recorded as interest expense in the statement of comprehensive income. Actual expenditures incurred are charged against the accumulated provision.

p) Impairment of non-financial assets

At each statement of financial position date non-financial assets not carried at fair value are assessed to determine whether there is an indication that the asset (or asset's cash generating unit) may be impaired. If there is such an indication the recoverable amount of the asset (or asset's cash generating unit) is compared to the carrying amount of the asset (or asset's cash generating unit). The recoverable amount is calculated with reference to a discounted cash flow model based on forecasted financial performance.

If the recoverable amount of the asset (or asset's cash generating unit) is estimated to be lower than the carrying amount, the carrying amount is reduced to its recoverable amount.

When the reasons for the impairment loss have ceased to apply, the loss may be subsequently reversed. In such circumstances, the carrying amount of the asset (or asset's cash generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the revised carrying amount does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised in prior periods. A reversal of an impairment loss is recognised in the statement of comprehensive income.

q) Related party disclosures

The Company discloses transactions with related parties which are not wholly owned within the same group. It does not disclose transactions with members of the same group that are wholly owned.

Notes to the financial statements for the year ended 31 December 2018 (Continued)

3 Summary of significant accounting policies (Continued)

r) Work in progress

Work in progress comprises external charges for services incurred on behalf of clients which have still to be recharged to clients. Work in progress is stated net of amounts billed to clients. It is stated at the lower of cost and net realisable value.

s) Provisions

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

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provision is not made for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as a finance cost.

t) Financial instruments

The Company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

(i) Financial assets

Basic financial assets, including debtors and cash at bank and in hand balances, are initially recognised at transaction price, 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. Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired, the 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 the statement of comprehensive income.

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 the statement of comprehensive income.

Other financial assets, including equity investments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party, or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Notes to the financial statements for the year ended 31 December 2018 (Continued)

3 Summary of significant accounting policies (Continued)

t) Financial instruments (Continued)

(ii) Financial liabilities

Basic financial liabilities, including creditors and other payables, loans from 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.

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

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

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

u) Deferred income

Deferred income represents revenue invoiced in advance of services that have not yet been rendered to clients.

v) Netting off policy

Balances with other companies in The Interpublic Group of Companies, Inc. are stated gross, unless all of the following conditions are met:

- (i) The Company and the counterparty owe each other determinable monetary amounts, denominated either in the same currency, or in different but free convertible currencies;
- (ii) The Company has the ability to insist on a net settlement; and
- (iii) The Company's ability to insist on a net settlement is assured beyond doubt. For this to be the case it is necessary that the debit balance mature no later than the credit balance. It is also necessary that the Company's ability to insist on a net settlement would survive the insolvency of the counterparty.

w) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

x) Distributions to equity holders

Dividends and other distributions to the group's shareholders are recognised as a liability in the financial statements in the period in which the dividends and other distributions are approved by the shareholders. These amounts are recognised in the statement of changes in equity.

Notes to the financial statements for the year ended 31 December 2018 (Continued)

4 Critical accounting estimates and assumptions

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

(i) Useful economic lives of tangible assets (note 10)

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 10 for the carrying amount of the property plant and equipment, and note 3 for the useful economic lives for each class of assets.

(ii) Impairment of trade and other debtors (note 11)

The Company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. See note 11 for the net carrying amount of the debtors and associated impairment provision.

5 Turnover

	2018 £000's	2017 £000's
Turnover by origin		
United Kingdom	380	1,626

The analysis above is by geographical origin, being the location of the Company which is performing the service for the customer, that may be located in a different location.

Notes to the financial statements for the year ended 31 December 2018 (Continued)

6 Operating (loss)/profit

The following amounts have been charged in arriving at the operating (loss)/profit:

	2018 £000's	2017 £000's
Employee costs (note 8)	180	370
Depreciation		
- Tangible assets	2	3
Loss on disposal of tangible assets	5	-
Exchange loss	1	1

No remuneration or fees were paid by the Company to its directors during the year (2017: £nil). Directors' emoluments have been reflected in the Company where the director has a contract of employment.

7 Interest payable and similar expenses

	2018 £000's	2017 £000's
Interest payable on bank overdrafts	2	7

8 Employee costs

	2018 £000's	2017 £000's
Wages and salaries (including directors)	159	324
Social security costs	19	42
Other pension costs (note 15)	2	4
	180	370

The Company's employees are principally located in the United Kingdom.

Employee costs were recharged by another group company with which the persons had a contract of employment.

The average monthly number of people employed (including directors) by the Company during the year is set out below:

	2018 Number	2017 Number
United Kingdom	2	4

Notes to the financial statements for the year ended 31 December 2018 (Continued)

9 Tax on (loss)/profit

	2018 £000's	2017 £000's
Current taxation		
UK corporation taxation	-	52
Adjustment in respect of prior periods	(2)	12
Total current taxation	(2)	64
Tax on (loss)/profit	(2)	64

Factors affecting the tax (credit)/charge for the year:

The tax assessed for the year is higher (2017: higher) than the standard rate of corporation tax in the UK of 19% (2017: 19.25%).
The difference is explained below:

	2018 £000's	2017 £000's
(Loss)/profit before taxation	(69)	269
(Loss)/profit before taxation multiplied by the standard rate of corporation tax in the UK of 19% (2017: 19.25%)	(13)	52
Effects of:		
Income exempt from corporation tax		
Expenses not deductible for taxation purposes	1	-
Adjustments in respect of prior periods	(2)	12
Group relief for nil consideration	11	-
Unrecognised deferred tax	1	-
Total tax (credit)/charge for the year	(2)	64

A reduction in the rate of UK corporation tax from 20% to 19% took effect from 1 April 2017. A further reduction in the main rate of UK corporation tax to 17% from 1 April 2020 has been substantively enacted.

Notes to the financial statements for the year ended 31 December 2018 (Continued)

10 Tangible assets

	Long leasehold & leasehold improvements £000's	Equipment, fixtures & fittings £000's	Total £000's
At 31 December 2017			
Cost	19	33	52
Accumulated depreciation	19	26	45
Net book value	-	7	7
Cost			
1 January 2018	19	33	52
Disposals	(19)	(33)	(52)
31 December 2018	-	-	-
Accumulated depreciation			
1 January 2018	19	26	45
Charge for the financial year	1	1	2
Disposals	(20)	(27)	(47)
31 December 2018	-	-	-
Net book value			
31 December 2018	-	-	-

11 Debtors

	2018 £000's	2017 £000's
Trade debtors	-	160
Other debtors	-	6
Prepayments and accrued income	-	51
	-	217

12 Creditors: amounts falling due within one year

	2018 £000's	2017 £000's
Bank loans and overdrafts	-	232
Trade creditors	-	23
Amounts owed to group undertakings	313	123
Corporation tax	-	53
Accruals and deferred income	-	66
	313	497

Amounts owed to group undertakings are unsecured, repayable on demand and do not accrue interest.

ITB360 Limited

Notes to the financial statements for the year ended 31 December 2018 (Continued)

13 Called up share capital

	2018 Number	2017 Number	2018 £	2017 £
Issued:				
Ordinary A shares of £0.01 each	21,429	21,429	214	214
Fully paid:				
Ordinary A shares of £0.01 each	21,429	21,429	214	214

14 Contingent liabilities

The Company is not a party to any commitments or guarantees including composite cross guarantees between banks and fellow subsidiaries except for The Interpublic Group of Companies, Inc. pooling arrangements with Lloyds Banking Group plc. The interest rate is linked to a variable base rate and borrowings are secured by parent company guarantees.

15 Pensions

Defined contributions scheme

The Company participates in a defined contribution pension scheme. The assets of the schemes are held separately from those of the Company in an independently administered fund. The pension cost represents contributions payable by the Company to the fund and amounted to £2,000 (2017: £4,000). At 31 December 2018, £nil remained unpaid and accrued (2017: £nil).

16 Company information

The Company is registered in England and Wales and its registered office is at 3 Grosvenor Gardens, London, SW1W 0BD.

17 Ultimate parent undertaking and controlling party

The immediate parent undertaking is Independent Talent Brands Limited, a company registered in England and Wales. Copies of its financial statements are available at 3 Grosvenor Gardens, London, SW1W 0BD.

The ultimate parent undertaking and controlling party is The Interpublic Group of Companies, Inc., a company incorporated in the United States of America.

The Interpublic Group of Companies, Inc. is the parent undertaking of the largest group of undertakings to consolidate these financial statements at 31 December 2018, and the smallest group of undertakings to consolidate these financial statements at 31 December 2018 is IPG Holdings (UK) Limited.

The consolidated financial statements for the Interpublic Group of Companies, Inc. can be obtained from 909 Third Avenue, New York, NY 10022, United States, and the consolidated financial statements for IPG Holdings (UK) Limited can be obtained from 3 Grosvenor Gardens, London, United Kingdom, SW1W 0BD.