

Mongoose Promotions Limited

Annual Report

Year Ended 31 December 2017

Company Registration Number 09975027

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Mongoose Promotions Limited

Financial Statements

Year Ended 31 December 2017

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Mongoose Promotions Limited

Directors' Report

Year Ended 31 December 2017

The directors have pleasure in presenting their report and the audited financial statements of the company for the year ended 31 December 2017.

Principal Activity

The company's principal activity is advertising; specialising in promotional sales.

Results

The trading results for the year and the company's financial position at the end of the year are shown in the attached financial statements.

Directors

The directors who served the company during the period were as follows:

P D C Fitzwilliam

D Pearson

Statement of Directors' responsibilities

The directors are responsible for preparing the Director's 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 UK Financial Reporting Standard 102 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 year.

In preparing those financial statements, the directors are required to:

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

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

Mongoose Promotions Limited

Directors' Report

Year Ended 31 December 2017

Statement of Disclosure to Auditor

In so far as the directors are aware:

- there is no relevant audit information of which the company's auditor is unaware; and
- the directors have taken all steps that they ought to have taken in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Small Company Provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006



D Pearson
9 April 2018

**Approved by the Board of Directors
and signed on behalf of the Board**

Mongoose Promotions Limited

Independent Auditor's Report to the Members of Mongoose Promotions Limited

Year Ended 31 December 2017

Opinion

We have audited the financial statements of Mongoose Promotions Limited (the 'company') for the year ended 31 December 2017, which comprise the Statement of Income and Retained Earnings, the Balance Sheet and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Mongoose Promotions Limited

Independent Auditor's Report to the Members of Mongoose Promotions Limited

Year Ended 31 December 2017

Other information

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

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

We have nothing to report in this regard.

Opinion on other matter prescribed by the Companies Act 2006

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

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

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

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

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities [set out on page 1], the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Mongoose Promotions Limited

Independent Auditor's Report to the Members of Mongoose Promotions Limited

Year Ended 31 December 2017

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

..... PKF Fm : Cl

Christopher Hicks BA FCA DChA (Senior Statutory Auditor)
PKF Francis Clark, Statutory Auditor

Sigma House
Oak View Close
Edginswell Park
Torquay
TQ2 7FF

Date: 9 April 2018

Mongoose Promotions Limited

Profit and Loss Account

Year Ended 31 December 2017

	Notes	2017 £	2016 £
Turnover	5	1,108,333	133,131
Cost of sales		<u>(964,760)</u>	<u>(91,767)</u>
Gross Profit		143,573	41,364
Administrative expenses		<u>(281,475)</u>	<u>(74,709)</u>
Operating Loss	6	<u>(137,902)</u>	<u>(33,345)</u>
Loss on Ordinary Activities Before Taxation		(137,902)	(33,345)
Tax on loss on ordinary activities	9	<u>-</u>	<u>-</u>
Loss on Ordinary Activities After Taxation		<u>(137,902)</u>	<u>(33,345)</u>

Mongoose Promotions Limited

Balance Sheet

31 December 2017

	Notes	2017 £	2016 £
Fixed Assets			
Intangible assets	10	39,996	60,000
Tangible assets	11	1,068	1,788
		<u>41,064</u>	<u>61,788</u>
Current Assets			
Debtors	12	290,077	84,101
Cash at bank and in hand		233,066	-
		<u>523,143</u>	<u>84,101</u>
Creditors: Amounts falling due within one year	13	<u>(734,454)</u>	<u>(178,234)</u>
Net Current Liabilities		<u>(211,311)</u>	<u>(94,133)</u>
Total Assets Less Current Liabilities		<u>(170,247)</u>	<u>(32,345)</u>
Capital and Reserves			
Called-up share capital	16	1,000	1,000
Profit and loss account		<u>(171,247)</u>	<u>(33,345)</u>
Shareholders' Deficit		<u>(170,247)</u>	<u>(32,345)</u>

Company Registration Number 09975027

These financial statements were approved for issue by the directors on 9 April 2018 and were signed on their behalf by:



D Pearson
Director

Mongoose Promotions Limited

Statement of Changes in Equity

31 December 2017

	Called-up share capital £	Profit and loss account £	Total Equity £
Loss for the year	-	(33,345)	(33,345)
Total comprehensive income	-	(33,345)	(33,345)
Issue of shares	1,000	-	1,000
At 31 December 2016	1,000	(33,345)	(32,345)
Loss for the year	-	(137,902)	(137,902)
Total comprehensive income	-	(137,902)	(137,902)
At 31 December 2017	1,000	(171,247)	(170,247)

Mongoose Promotions Limited

Notes and Accounting Policies

31 December 2017

1. Company Information

Mongoose Promotions Limited is a company incorporated in England & Wales under the Companies Act. The address of the registered office is 36 Percy Street, London W1T 2DH.

2. Basis of preparation

The financial statements have been prepared under the historic cost convention and in accordance with the recognition and measurement requirements of Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

The functional currency of the company is considered to be pounds sterling because that is the currency of the primary economic environment in which the company operates.

Going concern

The company's balance sheet shows a deficiency of net assets amounting to £170,247. The continuation of the company's activities is dependent therefore upon the support of the group undertakings.

The financial statements have been prepared on the going concern basis on the assumption that their support will continue.

Reporting exemptions

The company has consent from its shareholder to exclude from its financial reports the following:

- Cash Flow statement
- Compensation of key management personnel
- Share based payments
- Certain disclosure requirements in relation to basic and non-basic financial instruments

3. Significant judgements and estimates

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgments and estimates have been made include:

Revenue recognition policies in respect of contracts which straddle the period end. Estimates of revenue to be recognised on contracts which straddle the period end are typically based on the amount of expenditure and time so far committed to those contracts in relation to the total estimated expenditure and time to complete them.

Mongoose Promotions Limited

Notes and Accounting Policies

31 December 2017

4. Principal Accounting Policies

(a) Turnover and Income Recognition

Turnover is in respect of the provision for services including fees, commissions, rechargeable expenses and sales of materials performed subject to specific contract. Where recorded turnover exceeds amounts invoiced to clients, the excess is classified as accrued income.

Project income is recognised in the period in which the project is worked on. For projects which fall over the accounting period end, income is recognised to reflect the partial performance of the contractual obligations.

Income is recognised on the following basis:

- Project income is recognised by apportioning the fees billed or billable to the time period for which those fees were earned by relationship to the percentage of completeness of the project to which they relate.
- Unbilled costs relating to contracts for services are included at rechargeable value in accrued income.
- Unbilled costs relating to contracts for products are carried forward at the lower of cost and net realisable value with no profit recognition.
- Financial liabilities are released to income when the liability is extinguished.

(b) Financial Instruments

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

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as fair value through profit and loss, which are initially measured at fair value.

Financial assets and liabilities are only offset in the statement of financial position when, and only when, there exists a legally enforceable right to set off the recognised amounts and the company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. Debt instruments which meet the conditions to be classified as basic instruments are subsequently measured at amortised cost using the effective interest method.

Basic debt instruments that are classified as payable or receivable within one year are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

Financial liabilities are released to the profit and loss account when the liability is extinguished.

(c) Intangible fixed assets - Software

Software assets are stated at cost less accumulated amortisation. Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset. The economic life of software is estimated to be 3 years.

Mongoose Promotions Limited

Notes and Accounting Policies

31 December 2017

(d) Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Technical Equipment	-	25% straight line
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(e) Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company in an independently administered fund. The amount charged to the profit and loss account represents the contributions payable to the scheme in respect of the accounting period.

(f) Corporation taxation

UK corporation tax payable is provided at amounts expected to be paid using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

(g) Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

	2017 £	2016 £
5. Turnover		
Turnover by destination		
United Kingdom	1,108,333	25,231
Rest of the World	-	107,900
	<u>1,108,333</u>	<u>133,131</u>

All turnover is derived by the rendering of services.

6. Loss on ordinary activities before taxation

Loss on ordinary activities before tax is stated after charging:

Amortisation of intangible fixed assets	20,004	-
Depreciation	720	356
Operating lease costs	9,987	-
Auditor's remuneration – audit fee	2,500	2,500

Auditor's remuneration for non-audit services are disclosed in the group accounts of The Mission Marketing Group plc.

Mongoose Promotions Limited

Notes and Accounting Policies

31 December 2017

	2017	2016
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7. Particulars of Employees

The average number of staff employed by the company during the financial period, analysed by category, was as follows:

	No.	No.
Client services	<u>3</u>	<u>2</u>

The aggregate payroll costs of the above were:

	£	£
Wages and salaries	172,056	48,446
Social security costs	21,614	8,777
Other pension costs	3,852	1,965
	<u>197,522</u>	<u>59,188</u>

The parent company, The Mission Marketing Group Plc (TMMG), operates a long term incentive plan which grants options over TMMG shares. The cost to TMMG of this scheme is not recharged to this subsidiary.

8. Directors' Emoluments

The Directors' aggregate emoluments in respect of qualifying services were:

Emoluments receivable	92,165	46,000
Value of Company pension contributions to money purchase schemes	<u>2,400</u>	<u>225</u>
	<u>94,565</u>	<u>46,225</u>

The number of Directors who accrued benefits under Company pension schemes was as follows:

	No.	No.
Money purchase schemes	<u>1</u>	<u>1</u>

Mongoose Promotions Limited

Notes and Accounting Policies

31 December 2017

	2017 £	2016 £
9. Taxation on Ordinary Activities		
(a) Analysis of charge in the period		
Current tax:		
UK Corporation tax based on the results for the period	-	-
Total current tax	-	-
(b) Factors affecting current tax charge		
The current tax charge for the year is higher (2016 - higher) than the standard rate of corporation tax in the UK of 19.25% (2016 - 20%). The differences are explained below.		
Loss on ordinary activities before taxation	<u>(137,902)</u>	<u>(33,345)</u>
Theoretical tax charge at 19.25% (2016 – 20%)	(26,546)	(6,669)
Effects of:		
Expenses not deductible for tax purposes	43	-
Depreciation in the period in excess of capital allowances	71	32
Tax losses carried forward	<u>26,432</u>	<u>6,637</u>
Total tax charge for the period	<u>-</u>	<u>-</u>

Tax losses

There are £170,500 (2016 - £33,200) of unused tax losses for which no deferred tax asset is recognised in the Balance Sheet.

10. Intangible Fixed Assets

	Website £
Cost	
At 1 January 2017 and 31 December 2017	<u>60,000</u>
Amortisation	
At 1 January 2017	-
Charge for the year	<u>20,004</u>
At 31 December 2017	<u>20,004</u>
Net Book Value	
At 31 December 2017	<u>39,996</u>
At 31 December 2016	<u>60,000</u>

Mongoose Promotions Limited

Notes and Accounting Policies

31 December 2017

11. Tangible Fixed Assets

	Technical Equipment £
Cost	
As at 1 January 2017	2,144
Additions	-
As at 31 December 2017	<u>2,144</u>
Depreciation	
As at 1 January 2017	356
Charge for the year	720
At 31 December 2017	<u>1,076</u>
Net Book Value	
At 31 December 2017	<u>1,068</u>
At 31 December 2016	<u>1,788</u>
	2017 £
	2016 £

12. Debtors

Trade debtors	163,195	19,450
Amounts owed from group undertakings	6,552	1,769
Other debtors	1,084	34,133
Prepayments and accrued income	119,246	28,749
	<u>290,077</u>	<u>84,101</u>

13. Creditors: Amounts falling due within one year

Bank overdraft	-	115,105
Payments received on account	199,702	-
Trade creditors	51,169	18,342
Amounts owed to group undertakings	13,215	24,078
Other taxation	30,823	-
Accruals and deferred income	439,545	20,709
	<u>734,454</u>	<u>178,234</u>

The bank overdraft is secured by a cross guarantee structure in place with the Group's bankers by means of a fixed and floating charge over all of the assets of the Group companies in favour of the Royal Bank of Scotland plc.

Mongoose Promotions Limited

Notes and Accounting Policies

31 December 2017

14. Pensions

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £3,852 (2016 - £1,965).

There were no outstanding contributions at either the beginning or end of the financial year.

15. Contingencies

The Company is party to a cross guarantee structure with the group's bankers by means of a fixed and floating charge over all of the assets of the group companies in favour of the Royal Bank of Scotland plc and HSBC Bank plc. The amount dealt with in these financial statements is £nil (2016 - £115,105).

As at 31 December 2017, net assets of the Group were £80,154,000 (2016 - £76,928,000), and net borrowings under this Group arrangement amounted to £7,219,000 (2016 - £11,271,000).

16. Share Capital

	2017		2016	
	No.	£	No.	£
Allotted, called up and fully paid				
A Ordinary shares of £1 each	250	250	250	250
B Ordinary shares of £1 each	750	750	750	750
	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>

All shares rank pari passu, except that the directors have the discretion to pay differing dividends on each class of shares.

17. Related Party Transactions

During the period the company traded with fellow subsidiaries of The Mission Marketing Group plc. Purchases from fellow group members totalled £238,180 (2016 - £60,000) and sales to fellow group members totalled £79,787 (2016 - £13,224).

18. Ultimate Parent Company

The immediate parent company is The Mission Marketing Group plc, which is incorporated in England and Wales. The consolidated accounts of The Mission Marketing Group plc are available from Companies House, Crown Way, Maindy, Cardiff CF14 3UZ.