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**TCP MANAGED SERVICES LIMITED**

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**FINANCIAL STATEMENTS**

**INFORMATION FOR FILING WITH THE REGISTRAR**

**FOR THE YEAR ENDED 31 DECEMBER 2019**

**TCP MANAGED SERVICES LIMITED**  
**REGISTERED NUMBER: 03878996**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2019**

	Note	2019 €	2018 €
<b>Current assets</b>			
Debtors: amounts falling due within one year	4	1,347,691	1,857,474
Cash at bank and in hand	5	377,225	180,083
		<u>1,724,916</u>	<u>2,037,557</u>
Creditors: amounts falling due within one year	6	(1,372,881)	(1,989,112)
<b>Net current assets</b>		<u>352,035</u>	<u>48,445</u>
<b>Total assets less current liabilities</b>		<u>352,035</u>	<u>48,445</u>
<b>Net assets</b>		<u><u>352,035</u></u>	<u><u>48,445</u></u>
<b>Capital and reserves</b>			
Called up share capital		1	1
Profit and loss account		352,034	48,444
		<u><u>352,035</u></u>	<u><u>48,445</u></u>

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 have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

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

**A Craighill**  
Director

Date: 1 December 2020

The notes on pages 2 to 8 form part of these financial statements.

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**TCP MANAGED SERVICES LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**1. General information**

TCP Managed Services Limited is a company incorporated in the United Kingdom. The address of its registered office and principal place of business is Nutmeg House, 60 Gainsford Street, London, SE1 2NY. The company is registered in England and Wales. The company registration number is 03878996.

**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 following principal accounting policies have been applied:

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**2. Accounting policies (continued)**

**2.2 Going concern**

These financial statements have been prepared on a going concern basis.

In September 2019, TCP Management BV, a fellow subsidiary of the Group of which the company is a member, was declared bankrupt by the Dutch courts. This subsidiary company was the largest within the Group. The liquidator of TCP Management BV has indicated that a discount will be applied in respect of debts owed to it by other group companies. In response to TCP Management BV going into liquidation and the write down of the intercompany debt, the directors have carefully considered the future of the Group, including an assessment of uncertainty on future trading projections for a period of at least 12 months from the date of signing the financial statements, and the extent to which they might affect the preparation of the financial statements on a going concern basis. The parent company of the Group was sold on 1 May 2020 and the directors are confident that sufficient finances are available for the foreseeable future.

Based on these assessments, the directors consider that the company maintains an appropriate level of liquidity, sufficient to meet the demands of the business including any capital and servicing obligations of external debt liabilities.

In addition the company's assets are assessed for recoverability on a regular basis, and the directors consider that the company is not exposed to losses on these assets which would affect their decision to adopt the going concern basis.

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and that there are no material uncertainties that lead to significant doubt upon the company's ability to continue as a going concern. Thus the directors have continued to adopt the going concern basis of accounting in preparing these financial statements.

On 30th January 2020, the World Health Organization declared the outbreak of coronavirus ("COVID-19") to be a public health emergency of international concern. This coronavirus outbreak has severely restricted the level of economic activity around the world. In response to this coronavirus outbreak, the governments of many countries, states, cities and other geographic regions have taken preventative or protective actions, such as imposing restrictions on travel and business operations and advising or requiring individuals to limit or forego their time outside of their homes.

The full extent to which the COVID-19 pandemic may impact TCP Managed Services Ltd results, operations or liquidity is uncertain. Management continues to monitor the impact that the COVID-19 pandemic has on the TCP Managed Services Ltd and the economies in which it operates. Management has performed a COVID -19 impact analysis as part of their going concern assessment using information available to the date of issue of these financial statements.

The analysis has modelled a number of adverse scenarios to assess the potential impact that COVID-19 may have on TCP Managed Services Ltd operations, liquidity, solvency and capital position as well as a reverse stress test to assess the stresses the balance sheet has to endure before there is a going concern risk and including an assessment of any relevant mitigations management have within their control to implement.

In their assessment management has considered the net assets, liquidity positions and the TCP Managed Services Ltd fixed or variable ongoing expense to operate.

Management consider there will be no material direct impact on the TCP Managed Services Ltd.

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**2. Accounting policies (continued)**

**2.2 Going concern (continued)**

Having performed this analysis management believes they have sufficient liquidity to meet its liabilities for the next 12 months and that the preparation of the financial statements on a going concern basis remains appropriate as the TCP Managed Services Ltd expects to be able to meet its obligations as and when they fall due for the foreseeable future.

**2.3 Foreign currency translation**

**Functional and presentation currency**

The Company's functional and presentational currency is Euros.

**Transactions and balances**

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of income and retained earnings within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

**2.4 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.

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**2. Accounting policies (continued)**

**2.5 Interest income**

Interest income is recognised in profit or loss using the effective interest method.

**2.6 Finance costs**

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

**2.7 Borrowing costs**

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

**2.8 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 profit or loss 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.

**2.9 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss 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 sup.

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.

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**2. Accounting policies (continued)**

**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 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.

**3. Employees**

The average monthly number of employees, including directors, during the year was 133 (2018 - 89).

**TCP MANAGED SERVICES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
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**4. Debtors**

	2019 €	2018 €
Trade debtors	975,906	1,276,008
Amounts owed by group undertakings	29,433	131,769
Other debtors	93,506	290,739
Prepayments and accrued income	248,846	139,950
Deferred taxation	-	19,008
	<u>1,347,691</u>	<u>1,857,474</u>

**5. Cash and cash equivalents**

	2019 €	2018 €
Cash at bank and in hand	377,225	180,083
Less: bank overdrafts	(67,527)	(35,949)
	<u>309,698</u>	<u>144,134</u>

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

	2019 €	2018 €
Bank overdrafts	67,527	35,949
Trade creditors	443,679	660,604
Amounts owed to group undertakings	259,765	68,262
Other taxation and social security	172,626	221,479
Other creditors	164,831	872,014
Accruals and deferred income	264,453	130,804
	<u>1,372,881</u>	<u>1,989,112</u>

The company's bank borrowings amounting to €67,527 (2018: €35,949) are secured over the assets of the company. A Composite Company Limited Multilateral Guarantee dated 6 August 2014 given by TCP Group Limited and TCP Managed Services Ltd also exists.



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**7. 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 €21,692 (2018: €21,196). Contributions totalling €21,740 (2018 - €NIL) were payable to the fund at the balance sheet date.

**8. Controlling party**

The ultimate parent undertaking during the period was TCP Solutions Limited, a company registered in England and Wales.

The company's immediate parent undertaking is TCP Group Limited, a company registered in England and Wales. On 1 May 2020 TCP Solutions Limited sold 100% of its shares in TCP Group Limited to P20 WPP Acquisition BV, a company registered in The Netherlands.

TCP Group Limited is the parent undertaking which consolidates the financial information of the largest group. Its registered office is Nutmeg House, 60 Gainsford Street, London, United Kingdom, SE1 2NY.

**9. Auditors' information**

The auditors' report on the financial statements for the year ended 31 December 2019 was unqualified.

The audit report was signed on 4 December 2020 by Robert Carter (Senior statutory auditor) on behalf of Feltons.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.