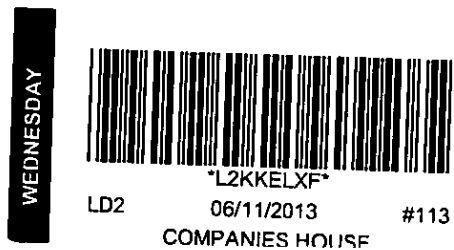


**Company Registration No. 3148086**

**AMNET Limited**

**Report and Financial Statements**

**31 December 2012**



# **AMNET Limited**

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# **AMNET Limited**

## **Directors and professional advisors**

### **Directors**

P G Wallace (resigned 30 August 2013)  
N Sharrocks (resigned 11 May 2012)  
R Horler  
B Wood  
L Wong (appointed 17 January 2012)  
P Glydon (appointed 27 August 2013)  
C Price (appointed 16 September 2013)

### **Secretary**

A Moberly

### **Auditors**

Ernst & Young LLP  
1 More London Place  
London SE1 2AF

### **Bankers**

NatWest  
130 Commercial Road  
Portsmouth  
Hants PO1 1ES

### **Registered Office**

10 Triton Street  
Regents Place  
London NW1 3BF

# **AMNET Limited**

## **Directors' report**

The directors present their report and the financial statements of AMNET Limited ("the company") for the year ended 31 December 2012

### **Results and dividends**

The total recognised profit for the financial year was £1,365,000 (2011 – £nil) The directors recommended and paid a dividend of £nil ( 2011– £nil)

### **Principal activity and review of business**

The company commenced trading during the year and its principal activity is that of media buying

The balance sheet on page 8 of the financial statements shows the company's financial position

At 31 December 2012 the company is a wholly owned subsidiary of Dentsu Aegis Network Ltd (formerly Aegis Group plc) Following the completion of the sale of the Aegis Group plc shares to Dentsu Inc on 26 March 2013 the ultimate parent company is Dentsu Inc Aegis Group plc has been renamed to Dentsu Aegis Network Ltd

Dentsu Aegis Network Limited (formerly Aegis Group plc) manages its operations on a divisional basis For this reason, the company's directors believe that further key performance indicators for the company are not necessary or appropriate for an understanding of the development, performance or position of the business

### **Principal risks and uncertainties**

The directors consider that the only significant financial risks to the company are credit risk and liquidity risk The company's principal assets subject to credit risk are trade debtors

The company does not use derivative financial instruments

### **Going concern**

The directors continue to adopt the going concern basis in preparing the financial statements

### **Directors and their interests**

The directors who served during the year are shown on page 1 None of the directors of the company have held any interest in the share capital of the company during the year or since year end

### **Employment policies**

It is the policy of the company that there should be no unfair discrimination in considering applications for employment, including those from disabled persons Should any employee become disabled every practical effort is made to provide continued employment

The directors are committed to maintain and develop communication and consultation procedures with employees, who in turn are encouraged to become aware of and involve themselves in the performance of their company This is achieved through companywide and departmental meetings, by the use of e-mail and intranet, through publication of an internal magazine and during individual performance appraisals

### **Policy and practice on payment of creditors**

The company agrees terms and conditions for its business transactions with suppliers Payment is then made on these terms subject to the terms and conditions being met by the supplier As at 31 December 2012 trade creditors were 9 days (2011 – nil) of average purchases during the year

## **AMNET Limited**

### **Directors' report (continued)**

#### **Disclosure of information to the auditors**

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that he/she is obliged to take as a director in order to make himself/herself aware of any relevant audit information and to establish that the auditor is aware of that information.

#### **Auditors**

Ernst & Young LLP was appointed as the auditors on 1 May 2013.

A resolution to reappoint Ernst & Young LLP as auditors will be put to the members at the Annual General Meeting.

On behalf of the Board



P Glydon

Director

4 November 2013

## **AMNET Limited**

### **Statement of Director's Responsibilities**

The directors are responsible for preparing the Annual 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied 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 these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, 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.

## **AMNET Limited**

### **Independent auditor's report to the members of AMNET Limited**

We have audited the financial statements of AMNET Limited for the year ended 31 December 2012 which comprise the Profit and Loss Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet and the related notes 1 to 13. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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.

#### **Respective responsibilities of directors and auditor**

As explained more fully in the Statement of Directors' Responsibilities set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the directors' report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2012 and of its profit 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.

#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

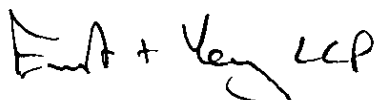
## AMNET Limited

### Independent auditor's report to the members of AMNET Limited (continued)

#### Matters on which we are required to report by exception

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



Paul Gordon (Senior statutory auditor)  
for and on behalf of Ernst & Young LLP (Statutory Auditor)  
London

5 November 2013



**AMNET Limited**  
**Profit and Loss account**  
**For the year ended 31 December 2012**

	Notes	2012 £'000	2011 £'000
Turnover	2	15,900	-
Cost of sales		(13,143)	-
<b>Gross profit</b>		<b>2,757</b>	<b>-</b>
Administrative expenses	3	(923)	-
<b>Operating profit</b>		<b>1,834</b>	<b>-</b>
Interest payable and similar charges	6	(22)	-
<b>Profit on ordinary activities before taxation</b>		<b>1,812</b>	<b>-</b>
Tax on profit on ordinary activities	7	(447)	-
<b>Profit for the financial year</b>		<b>1,365</b>	<b>-</b>

**Statement of total recognised gains and losses**  
**for the year ended 31 December 2012**


There are no recognised gains or losses other than the profit attributable to the shareholders of the company of £1,365,000 in the year ended 31 December 2012 (2011 nil)

**AMNET Limited**  
**Balance Sheet**  
**At 31 December 2012**

	Note	2012 £'000	2011 £'000
<b>Current assets</b>			
<b>Debtors:</b> Amounts falling due within on year	8	13,045	-
		<hr/> 13,045	<hr/> -
<b>Creditors:</b> Amounts falling due within one year	9	(11,680)	-
<b>Net current assets</b>		<hr/> 1,365	<hr/> -
 <b>Net assets</b>		 <hr/> 1,365	 <hr/> -
 <b>Capital and reserves</b>			
Called up share capital	10	-	-
Profit and loss account	11	1,365	-
<b>Shareholder's funds</b>		<hr/> 1,365	<hr/> -

These financial statements of AMNET Limited, registered number 3148086, were approved by the Board of Directors on 4 November 2013

Signed on behalf of the Board of Directors



P Glydon —

Director

# AMNET Limited

## Notes to the Accounts

### Year ended 31 December 2012

#### 1. Accounting policies

##### Basis of preparation

The financial statements have been prepared in accordance with applicable United Kingdom law and accounting standards. The particular accounting policies adopted are described below and have been applied consistently in both the current and preceding years.

##### Going concern

The directors have reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the annual financial statements.

##### Cash flow statement

The financial statements of Dentsu Aegis Network Ltd (formerly Aegis Group plc) for the year ended 31 December 2012 contain a consolidated statement of cash flows. Therefore the company has taken advantage of the exemption granted under FRS 1 (revised) whereby it is not required to publish its own statement of cash flows.

##### Turnover and revenue recognition

Turnover represents amounts invoiced, excluding value added taxes, for media and for services provided in the normal course of business.

##### Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the profit and loss account.

#### 2. Turnover

The directors consider there to be one class of revenue. All revenue originates in the United Kingdom and the destination is summarised as follows:

	2012 £'000	2011 £'000
United Kingdom	10,916	-
Rest of Europe	4,984	-
	<u>15,900</u>	<u>-</u>

#### 3. Operating profit/(loss)

This is stated after charging/ (crediting)

	2012 £'000	2011 £'000
Auditors' remuneration – audit services for audit of the company's financial statements (current year)	<u>5</u>	<u>-</u>

**AMNET Limited**  
**Notes to the Accounts**  
**Year ended 31 December 2012**

**4. Directors' remuneration**

The following is the total directors' remuneration paid as well as the amount paid to highest paid director

	<b>2012</b>	<b>2011</b>
	<b>£'000</b>	<b>£'000</b>
Remuneration	130	-
Pension	-	-
	<u>130</u>	<u>-</u>

**5. Staff costs**

	<b>2012</b>	<b>2011</b>
	<b>£'000</b>	<b>£'000</b>
Wages and salaries	730	-
Social security costs	68	-
Other pension costs	15	-
	<u>813</u>	<u>-</u>

The average monthly number of employees during the year was 14 (2011 – nil)

**6. Interest payable and similar charges**

	<b>2012</b>	<b>2011</b>
	<b>£'000</b>	<b>£'000</b>
Bank interest payable	20	-
Interest payable on loans held with group undertakings	2	-
	<u>22</u>	<u>-</u>

**AMNET Limited**  
**Notes to the Accounts**  
**Year ended 31 December 2012**

**7. Tax**

(a) Tax on profit on ordinary activities

The tax charge is made up as follows

	2012	2011
	£'000	£'000
<b>Current tax</b>		
UK corporation tax on the profit for the year at 24.5% (2011 26.5%)	447	-
Total current tax (note 7(b))	<u>447</u>	<u>-</u>
<b>Deferred tax:</b>		
Origination and reversal of timing differences	-	-
Adjustment in respect of prior years	-	-
Total deferred tax	<u>-</u>	<u>-</u>
Tax on profit on ordinary activities	<u>447</u>	<u>-</u>

(b) Factors affecting the current tax charge for the year

The tax assessed for the year differs from the blended rate of corporation tax in the UK of 24.5% (2011 26.5%). The differences are explained below

	2012	2011
	£'000	£'000
Profit on ordinary activities before tax	<u>1,812</u>	<u>-</u>
Profit on ordinary activities multiplied by blended rate of corporation tax in the UK of 24.5% (2011 26.5%)	444	-
<b>Effects of</b>		
Expenditure not deductible for tax purposes	3	-
Current tax for the year (note 7(a))	<u>447</u>	<u>-</u>

**8. Debtors – due within one year**

	2012	2011
	£'000	£'000
Trade debtors	246	-
Amounts due from related group company	6,550	-
VAT Receivable	8	-
Prepayments and accrued income	6,241	-
	<u>13,045</u>	<u>-</u>

**AMNET Limited**  
**Notes to the Accounts**  
**Year ended 31 December 2012**

**9. Creditors – due within one year**

	<b>2012</b>	<b>2011</b>
	<b>£'000</b>	<b>£'000</b>
Bank overdraft	28	-
Trade creditors	346	-
Amounts payable from related group company	4,121	-
UK corporation tax payable	206	-
Other creditors	52	-
Accruals and deferred income	6,927	-
	<u>11,680</u>	<u>-</u>

**10. Share capital**

	<b>2012</b>	<b>2011</b>
	<b>£000</b>	<b>£000</b>
<b>Authorised:</b>		
100 (2011 100) Ordinary shares of £1 each	-	-
	<u>-</u>	<u>-</u>
<b>Allotted, issued and fully paid</b>		
100 (2011 100) Ordinary shares of £1 each	-	-
	<u>-</u>	<u>-</u>

**11. Reserves**

**Profit and loss account**

	<b>2012</b>	<b>2011</b>
	<b>£'000</b>	<b>£'000</b>
At 1 January	-	-
Retained profit for the year	1,365	-
	<u>1,365</u>	<u>-</u>
At 31 December	<u>1,365</u>	<u>-</u>

**Shareholder's funds**

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
At 1 January	-	-
Retained profit for the year	1,365	-
	<u>1,365</u>	<u>-</u>
At 31 December	<u>1,365</u>	<u>-</u>

**AMNET Limited**  
**Notes to the Accounts**  
**Year ended 31 December 2012**

**12. Related party transactions**

The company has taken advantage of the exemption available to 90% owned subsidiaries, as defined by FRS 8, not to disclose related party transactions with other group companies. All transactions between the company and other group companies have been at arm's length.

There were no other transactions with related parties during the current or prior year.

**13. Ultimate holding company**

Aegis International Limited, the intermediate holding company is incorporated in Great Britain and registered in England and Wales. The ultimate parent undertaking and controlling party up to the 26 March 2013 was Dentsu Aegis Network Ltd (formerly Aegis Group plc), a company incorporated in Great Britain and registered in England and Wales. Following the completion of the sale of the Aegis Group plc shares to Dentsu Inc. on 26 March 2013 (refer to Directors' Report) the ultimate parent company is Dentsu Inc.

The largest group in which the results of the company are group is that headed by Dentsu Aegis Network Ltd (formerly Aegis Group plc). The group financial statements of Dentsu Aegis Network Ltd (formerly Aegis Group plc) are available to the public and may be obtained from 10 Triton Street, Regents Place, London, NW1 3BF.

The smallest group in which the results of the company are group is that headed by Aegis International Limited.