

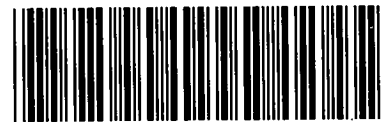
Company Registration No. 3148086

AMNET Limited

Report and Financial Statements

31 December 2013

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AMNET Limited

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AMNET Limited

Directors and professional advisors

Directors

P G Wallace (resigned 30 August 2013)

R Horler

B Wood

L Wong

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

Strategic report

The directors present their Strategic report of AMNET Limited ("the company") for the year ended 31 December 2013.

Principal activity and review of the business

The company commenced trading in the prior year and its principal activity is that of media buying.

The Company's key performance indicators during the year were as follows:

	2013 £000	2012 £000	Change %
Turnover	44,387	15,900	179%
Operating Profit	2,996	1,834	63%
Profit before tax	3,085	1,812	71%

Turnover and operating profit has increased due to new revenue opportunities created by the Dentsu Aegis Network and a full year of trading activities.

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

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 Limited.

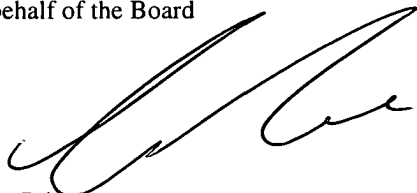
Dentsu Aegis Network Limited manages its operations on a divisional basis. For this reason, the company's directors believe that further key performance indicators for the company are not necessary or appropriate for an understanding of the development, performance or position of the business.

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.

On behalf of the Board



Claire Price
29 September 2014

AMNET Limited

Directors' report

The directors present their report and the financial statements of the company for the year ended 31 December 2013.

Results and dividends

The total recognised profit for the financial year was £2,361,000 (2012 – £1,365,000). The directors recommended and paid a dividend of £nil (2012 – £nil).

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 2013 trade creditors were 69 days (2012 – 9 days) of average purchases during the year.

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

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



Claire Price

Director
29 September 2014

AMNET Limited

Statement of directors' responsibilities

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 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 2013 which comprise the Profit and Loss Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet and the related notes 1 to 14. 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 report and financial statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 2013 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 Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

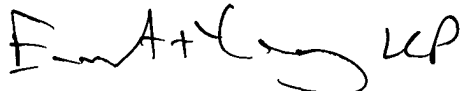
AMNET Limited

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

29 September 2014

AMNET Limited
Profit and Loss account
For the year ended 31 December 2013

	Notes	2013 £'000	2012 £'000
Turnover	2	44,387	15,900
Cost of sales		(38,931)	(13,143)
Gross profit		5,456	2,757
Administrative expenses	3	(2,460)	(923)
Operating profit		2,996	1,834
Interest receivable and similar income	6	137	-
Interest payable and similar charges	7	(48)	(22)
Profit on ordinary activities before taxation		3,085	1,812
Tax on profit on ordinary activities	8	(724)	(447)
Profit for the financial year		2,361	1,365

Statement of total recognised gains and losses
for the year ended 31 December 2013

There are no recognised gains or losses other than the profit attributable to the shareholders of the company of £2,361,000 in the year ended 31 December 2013 (2012: 1,365,000).

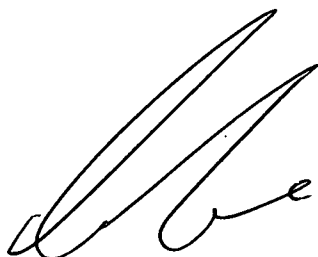
AMNET Limited
Balance Sheet
At 31 December 2013

	Notes	2013 £'000	2012 £'000
Current assets			
Debtors: Amounts falling due within on year	9	26,495	13,045
Cash at bank and in hand		4,792	-
		<u>31,289</u>	<u>13,045</u>
Creditors: Amounts falling due within one year	10	<u>(27,563)</u>	<u>(11,680)</u>
Net current assets		<u>3,726</u>	<u>1,365</u>
Net assets		<u>3,726</u>	<u>1,365</u>
Capital and reserves			
Called up share capital	11	-	-
Profit and loss account	12	<u>3,726</u>	<u>1,365</u>
Shareholder's funds		<u>3,726</u>	<u>1,365</u>

These financial statements of AMNET Limited, registered number 3148086, were approved by the Board of Directors on 29 September 2014.

Signed on behalf of the Board of Directors

Claire Price
Director



AMNET Limited

Notes to the Accounts

Year ended 31 December 2013

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 2013 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:

	2013 £'000	2012 £'000
United Kingdom	18,293	10,916
Rest of Europe	26,094	4,984
	<u>44,387</u>	<u>15,900</u>

3. Operating profit

This is stated after charging/(crediting):

	2013 £'000	2012 £'000
Auditors' remuneration – audit services for audit of the company's financial statements (current year)	<u>9</u>	<u>5</u>

AMNET Limited
Notes to the Accounts
Year ended 31 December 2013

4. Directors' remuneration

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

	2013	2012
	£'000	£'000
Remuneration	163	130
Pension	11	-
	<u>174</u>	<u>130</u>

Pension contributions made in respect of 1 director (2012: Nil).

5. Staff costs

	2013	2012
	£'000	£'000
Wages and salaries	1,088	730
Social security costs	202	68
Other pension costs	47	15
	<u>1,337</u>	<u>813</u>

The average monthly number of employees during the year was 31 (2012 – 14).

6. Interest receivable and similar income

	2013	2012
	£'000	£'000
Bank interest receivable	24	-
Interest receivable from deposits held with group undertakings	113	-
	<u>137</u>	<u>-</u>

7. Interest payable and similar charges

	2013	2012
	£'000	£'000
Bank interest payable	-	20
Interest payable on loans held with group undertakings	48	2
	<u>48</u>	<u>22</u>

AMNET Limited
Notes to the Accounts
Year ended 31 December 2013

8. Tax

(a) Tax on profit on ordinary activities

The tax charge is made up as follows:

	2013	2012
	£'000	£'000
Current tax:		
UK corporation tax on the profit for the year at 23.25% (2012: 24.5%)	734	447
Prior year adjustment	(10)	-
Total current tax (note 8(b))	<u>724</u>	<u>447</u>
Deferred tax:		
Origination and reversal of timing differences	-	-
Adjustment in respect of prior years	-	-
Total deferred tax	-	-
Tax on profit on ordinary activities	<u>724</u>	<u>447</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 23.25% (2012: 24.5%). The differences are explained below:

	2013	2012
	£'000	£'000
Tax on ordinary activities before tax	<u>3,085</u>	<u>1,812</u>
Tax on ordinary activities multiplied by blended rate of corporation tax in the UK of 23.25% (2012: 24.5%)	717	444
Effects of:		
Expenditure not deductible for tax purposes	7	3
Current tax for the year (note 7(a))	<u>724</u>	<u>447</u>

(c) Factors which may affect future tax charges

Reductions in the UK corporation tax rate from 26% to 24% (effective from 1 April 2012) and 23% (effective from 1 April 2013) were substantively enacted on 26th March 2012 and 3rd July 2012 respectively. Further reductions to 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) were substantively enacted on 2nd July 2013.

It is expected that this will reduce the company's future current tax charge accordingly

AMNET Limited
Notes to the Accounts
Year ended 31 December 2013

9. Debtors – due within one year

	2013	2012
	£'000	£'000
Trade debtors	-	246
Amounts due from fellow group undertakings	7,733	6,550
VAT Receivable	195	8
Prepayments and accrued income	18,567	6,241
	<u>26,495</u>	<u>13,045</u>

10. Creditors – due within one year

	2013	2012
	£'000	£'000
Bank overdraft	-	28
Trade creditors	4,822	346
Amounts payable to fellow group undertakings	12,617	4,121
UK corporation tax payable	418	206
Other taxation and social security	5	-
Other creditors	116	52
Accruals and deferred income	9,585	6,927
	<u>27,563</u>	<u>11,680</u>

11. Share capital

	2013	2012
	£000	£000
Authorised:		
100 (2012: 100) Ordinary shares of £1 each	-	-
Allotted, issued and fully paid		
100 (2012: 100) Ordinary shares of £1 each	-	-

12. Reserves

Profit and loss account

	2013	2012
	£'000	£'000
At 1 January	1,365	-
Retained profit for the year	2,361	1,365
	<u>3,726</u>	<u>1,365</u>
At 31 December		

AMNET Limited
Notes to the Accounts
Year ended 31 December 2013

Shareholder's funds

	2013	2012
	£	£
At 1 January	1,365	-
Retained profit for the year	2,361	1,365
	<hr/>	<hr/>
At 31 December	3,726	1,365
	<hr/>	<hr/>

13. 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.

14. 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.

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., a company incorporated in Tokyo and registered in Japan. Dentsu Inc. is the parent undertaking of the largest group for which group financial statements are prepared and of which the Company is a member. Copies of Group financial statements can be obtained from: The Secretary, Dentsu Inc., 1-8-1 Higashi-shimbashi, Minato-ku, Tokyo 105-7001. The smallest group in which the results of the company are group is that headed by Aegis International Limited.