

Registered number: 04091288

# **HATCH INTERNATIONAL LIMITED**

**UNAUDITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2016**



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## HATCH INTERNATIONAL LIMITED

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### COMPANY INFORMATION

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<b>Directors</b>	M Morrow R A Horne (resigned 1 July 2016) N G Jones (appointed 8 September 2016)
<b>Registered number</b>	04091288
<b>Registered office</b>	8th Floor Holborn Gate 26 Southampton Buildings London WC2A 1AN

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## HATCH INTERNATIONAL LIMITED

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## HATCH INTERNATIONAL LIMITED

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### STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2016

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#### Introduction

The Directors present their report and the financial statements for the year ended 31 December 2016.

#### Business review

The Company has not traded in the current year. The Directors do not anticipate the Company will resume trading in the foreseeable future.

#### Principal risks and uncertainties

The ultimate parent of the Company reviews the principal risks and uncertainties facing the Group and individual companies. The Company's key risks and uncertainties are identified as: economic downturn; currency risk; investment decisions fail to deliver expected growth; new services do not meet changing market needs; loss of key clients; loss of key talent; information systems access and security; loan facility and covenant headroom risk and legal and regulatory compliance.

This report was approved by the board on 7 July 2017 and signed on its behalf.



**M Morrow**  
Director

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**HATCH INTERNATIONAL LIMITED**

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**DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2016**

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The Directors present their report and the financial statements for the year ended 31 December 2016.

**Results and dividends**

The profit for the year, after taxation, amounted to £NIL (2015 - £NIL).

The Directors of the Company do not recommend the payment of a dividend (2015: £NIL).

**Directors**

The Directors who served during the year were:

M Morrow

R A Horne (resigned 1 July 2016)

N G Jones (appointed 8 September 2016)

**Future developments**

The Directors expect that the Company will continue with its existing operations for the foreseeable future.

This report was approved by the board on 7 July 2017 and signed on its behalf.



**M Morrow**  
Director

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**HATCH INTERNATIONAL LIMITED**

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**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 2016**

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The Company has not traded during the year or the preceding financial year. During these periods, the Company received no income and incurred no expenditure and therefore made neither profit or loss.

The Company earned no other comprehensive income during the financial period.

The notes on pages 6 to 9 form part of these financial statements.

**HATCH INTERNATIONAL LIMITED**  
**REGISTERED NUMBER: 04091288**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2016**

	<b>Note</b>	<b>2016 £</b>	<b>2015 £</b>
Investments	4	<b>1,574,644</b>	<b>1,574,644</b>
		<b>1,574,644</b>	<b>1,574,644</b>
<b>Current assets</b>			
Debtors: amounts falling due within one year	5	<b>1,928,661</b>	<b>1,928,661</b>
		<b>1,928,661</b>	<b>1,928,661</b>
Creditors: amounts falling due within one year	6	<b>(3,342,441)</b>	<b>(3,342,441)</b>
<b>Net current liabilities</b>		<b>(1,413,780)</b>	<b>(1,413,780)</b>
<b>Net assets</b>		<b>160,864</b>	<b>160,864</b>
<b>Capital and reserves</b>			
Called up share capital	7	<b>2</b>	<b>2</b>
Profit and loss account		<b>160,862</b>	<b>160,862</b>
		<b>160,864</b>	<b>160,864</b>

The members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The Company was entitled to exemption from the requirement to have an audit under section 479A of the Companies Act 2006.

The Directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 7 July 2017.



**M Morrow**  
Director

The notes on pages 6 to 9 form part of these financial statements.

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HATCH INTERNATIONAL LIMITED

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STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2016

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	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2015	2	160,862	160,864
At 1 January 2016	2	160,862	160,864
At 31 December 2016	<u>2</u>	<u>160,862</u>	<u>160,864</u>



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## HATCH INTERNATIONAL LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

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#### 1. Accounting policies

##### 1.1 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 Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 2).

The following principal accounting policies have been applied:

##### 1.2 Financial reporting standard 101 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present *comparative information in respect of*:
  - paragraph 79(a)(iv) of IAS 1;
  - paragraph 118(e) of IAS 38 Intangible Assets;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member

##### 1.3 Going concern

On the basis of their assessment of the Company's financial position the Company's Directors have a *reasonable expectation that the Company will be able to continue in operational existence for the foreseeable future*. Accordingly, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

##### 1.4 Investments

Investments held as fixed assets are shown at cost less provision for impairment. The carrying values of fixed asset investments are reviewed for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable.

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## HATCH INTERNATIONAL LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

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#### 1. Accounting policies (continued)

##### 1.5 Financial instruments

The Company recognises financial instruments when it becomes a party to the contractual arrangements of the instrument. Financial instruments are de-recognised when they are discharged or when the contractual terms expire. The Company's accounting policies in respect of financial instruments transactions are explained below:

##### **Financial assets**

The Company classifies all of its financial assets as loans and receivables.

##### **Loans and receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers (e.g. trade receivables), but also incorporate other types of contractual monetary asset. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

Impairment provisions are recognised when there is objective evidence (such as significant financial difficulties on the part of the counterparty or default or significant delay in payment) that the Company will be unable to collect all of the amounts due under the terms receivable, the amount of such a provision being the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable. For trade receivables, which are reported net, such provisions are recorded in a separate allowance account with the loss being recognised within administrative expenses in the Profit and Loss Account. On confirmation that the trade receivable will not be collected, the gross carrying value of the asset is written off against the associated provision.

##### **Financial liabilities**

The Company classifies all of its financial liabilities as liabilities at amortised cost.

##### **At amortised cost**

Financial liabilities at amortised cost including bank borrowings are initially recognised at fair value net of any transaction costs directly attributable to the issue of the instrument. Such interest bearing liabilities are subsequently measured at amortised cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried into the Balance Sheet.

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## HATCH INTERNATIONAL LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

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#### 2. Judgments in applying accounting policies and key sources of estimation uncertainty

In the application of the Company's accounting policies, the Directors are required to make judgements and assumptions about the future, based on historical experience and other factors which are considered to be relevant. The resulting accounting estimate will, by definition, seldom equal the related actual results:

##### **Carrying value of investments**

The Company tests annually whether investments have suffered any impairment. The recoverable amounts of investments have been determined based on value in use calculations. The value in use calculation requires the Directors to estimate the future cash flows expected to arise from each investment and a suitable discount rate in order to calculate present value. Central costs are not allocated to individual investments.

#### 3. Employees

The Company has no employees other than the Directors, who did not receive any remuneration (2015 - *ENIL*).

#### 4. Fixed asset investments

	Investments in subsidiary companies £
<b>Cost or valuation</b>	
At 1 January 2016	1,574,644
At 31 December 2016	<u>1,574,644</u>
<b>Net book value</b>	
At 31 December 2016	<u>1,574,644</u>
At 31 December 2015	<u>1,574,644</u>

##### **Subsidiary undertakings**

The following were subsidiary undertakings of the Company:

Name	Class of shares	Holding	Registered office
Trimedia Communications UK Limited	Ordinary	100 %	8th Floor, Holborn Gate, 26 Southampton Buildings, London, England, WC2A 1AN

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## HATCH INTERNATIONAL LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

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#### 5. Debtors

	2016 £	2015 £
Amounts owed by group undertakings	<u>1,928,661</u>	<u>1,928,661</u>

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

	2016 £	2015 £
Amounts owed to group undertakings	<u>3,342,441</u>	<u>3,342,441</u>

#### 7. Share capital

	2016 £	2015 £
<b>Shares classified as equity</b>		
<b>Allotted, called up and fully paid</b>		
2 Ordinary shares of £1 each	<u>2</u>	<u>2</u>

#### 8. Controlling party

The Company's immediate parent entity is Grayling Communications Limited. The Company's ultimate parent undertaking and controlling party is Huntsworth plc. Huntsworth plc is the parent undertaking for the smallest and largest group to consolidate these financial statements. Copies of Huntsworth plc's consolidated financial statements, which include the Company, are available from its registered office at 8th Floor, Holborn Gate, 26 Southampton Buildings, London, WC2A 1AN.