

# The Writer Limited

Unaudited Financial Statements

For Filing with Registrar

For the year ended 31 December 2020

Company Registration No. 04114384 (England and Wales)

# The Writer Limited

## Company Information

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<b>Directors</b>	M Hennessey I Astley B Martin	(Appointed 15 April 2021)
<b>Company number</b>	04114384	
<b>Registered office</b>	Charlotte Building 17 Gresse Street London W1T 1QL	
<b>Accountants</b>	Moore Kingston Smith LLP Charlotte Building 17 Gresse Street London W1T 1QL	

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# The Writer Limited

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# The Writer Limited

## Balance Sheet

As at 31 December 2020

	Notes	2020 £	£	2019 £	£
<b>Fixed assets</b>					
Tangible assets	4		17,682		28,093
Investments	5		6,204		6,204
			<u>23,886</u>		<u>34,297</u>
<b>Current assets</b>					
Debtors	7	1,172,103		1,353,825	
Cash at bank and in hand		689,816		290,372	
		<u>1,861,919</u>		<u>1,644,197</u>	
<b>Creditors: amounts falling due within one year</b>	8	<u>(1,332,736)</u>		<u>(1,076,887)</u>	
<b>Net current assets</b>			<u>529,183</u>		<u>567,310</u>
<b>Total assets less current liabilities</b>			<u>553,069</u>		<u>601,607</u>
<b>Provisions for liabilities</b>			<u>(69,414)</u>		<u>(3,549)</u>
<b>Net assets</b>			<u><u>483,655</u></u>		<u><u>598,058</u></u>
<b>Capital and reserves</b>					
Called up share capital	9		107		107
Share premium account			55,656		55,656
Capital redemption reserve			23,701		23,701
Profit and loss reserves			404,191		518,594
<b>Total equity</b>			<u><u>483,655</u></u>		<u><u>598,058</u></u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 December 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006.

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

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

# The Writer Limited

## Balance Sheet (Continued)

As at 31 December 2020

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The financial statements were approved by the board of directors and authorised for issue on 1 September 2021 and are signed on its behalf by:

B Martin  
**Director**

**Company Registration No. 04114384**

# The Writer Limited

## Statement of Changes in Equity

For the year ended 31 December 2020

	Share capital	Share premium account	Capital redemption reserve	Profit and loss reserves	Total
Notes	£	£	£	£	£
<b>Balance at 1 January 2019</b>	107	55,656	23,701	608,320	687,784
<b>Year ended 31 December 2019:</b>					
Loss and total comprehensive income for the year	-	-	-	(24,534)	(24,534)
Dividends	-	-	-	(65,192)	(65,192)
<b>Balance at 31 December 2019</b>	107	55,656	23,701	518,594	598,058
<b>Year ended 31 December 2020:</b>					
Loss and total comprehensive income for the year	-	-	-	(72,398)	(72,398)
Dividends	-	-	-	(42,005)	(42,005)
<b>Balance at 31 December 2020</b>	107	55,656	23,701	404,191	483,655

# The Writer Limited

## Notes to the Financial Statements

For the year ended 31 December 2020

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### 1 Accounting policies

#### Company information

The Writer Limited is a private company limited by shares incorporated in England and Wales. The registered office is Charlotte Building, 17 Gresse Street, London, W1T 1QL.

#### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest pound.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

These financial statements are prepared on the going concern basis. The director has considered the impact that Covid-19 will have on the business and has a reasonable expectation that the company will continue in operational existence for the foreseeable future. The director believes that the company will have sufficient funds to settle all of its liabilities as they fall due for at least 12 months from signing the accounts.

#### 1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

#### 1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

# The Writer Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 December 2020

### 1 Accounting policies

(Continued)

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	Over length of lease
Fixtures, fittings & equipment	Over 3 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

#### 1.5 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

#### 1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.



# The Writer Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 December 2020

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### 1 Accounting policies

(Continued)

#### 1.7 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Classification of financial liabilities**

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.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### 1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

#### 1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

# The Writer Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 December 2020

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### 1 Accounting policies

(Continued)

#### **Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

#### **Deferred tax**

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

#### **1.11 Provisions**

Provisions are recognised when the company has a legal or constructive present obligation as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

#### **1.12 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### **1.13 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

# The Writer Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 December 2020

### 1 Accounting policies

(Continued)

#### 1.14 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

#### 1.15 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

#### 1.16 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

### 2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 25 (2019 - 26).

### 3 Intangible fixed assets

	Other £
<b>Cost</b>	
At 1 January 2020 and 31 December 2020	2,581
<b>Amortisation and impairment</b>	
At 1 January 2020 and 31 December 2020	2,581
<b>Carrying amount</b>	
At 31 December 2020	-
At 31 December 2019	-

# The Writer Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 December 2020

### 4 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
<b>Cost</b>			
At 1 January 2020	184,885	133,871	318,756
Additions	7,418	865	8,283
	<u>192,303</u>	<u>134,736</u>	<u>327,039</u>
At 31 December 2020			
<b>Depreciation and impairment</b>			
At 1 January 2020	165,579	125,084	290,663
Depreciation charged in the year	13,539	5,155	18,694
	<u>179,118</u>	<u>130,239</u>	<u>309,357</u>
At 31 December 2020			
<b>Carrying amount</b>			
At 31 December 2020	13,185	4,497	17,682
	<u>19,306</u>	<u>8,787</u>	<u>28,093</u>
At 31 December 2019			

### 5 Fixed asset investments

	2020 £	2019 £
Investments	6,204	6,204
	<u>6,204</u>	<u>6,204</u>

#### Movements in fixed asset investments

	Shares in group undertakings £
<b>Cost or valuation</b>	
At 1 January 2020 & 31 December 2020	6,204
<b>Carrying amount</b>	
At 31 December 2020	6,204
	<u>6,204</u>
At 31 December 2019	6,204
	<u>6,204</u>

# The Writer Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 December 2020

### 6 Subsidiaries

Details of the company's subsidiaries at 31 December 2020 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
The Writer Inc	U.S.A	Language Consultancy	Ordinary	100.00	0
Tungtree Communications Limited	England & Wales	Language Consultancy	Ordinary	100.00	0

### 7 Debtors

	2020 £	2019 £
<b>Amounts falling due within one year:</b>		
Trade debtors	260,667	542,276
Corporation tax recoverable	31,197	-
Amounts due from group undertakings	734,377	605,757
Other debtors	145,862	205,792
	<u>1,172,103</u>	<u>1,353,825</u>

Included within the other debtors balance is £34,723 (2019: £79,385) in relation to debtors due in more than 1 year.

### 8 Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	111,525	152,317
Corporation tax	-	33,941
Other taxation and social security	462,070	105,784
Other creditors	759,141	784,845
	<u>1,332,736</u>	<u>1,076,887</u>

### 9 Called up share capital

	2020 £	2019 £
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
900,008 Ordinary Shares of 0.01p each	90	90
26,307 Deferred Shares of 0.01p each	3	3
100,001 B Ordinary Shares of 0.01p each	10	10
400 C Ordinary Shares of 1p each	4	4
	<u>107</u>	<u>107</u>

# The Writer Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 December 2020

### 10 Operating lease commitments

#### Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2020 £	2019 £
Within one year	226,417	39,375
Between two and five years	264,153	-
	<u>490,570</u>	<u>39,375</u>

#### Lessor

At the reporting end date the company had contracted with tenants for the following minimum lease payments:

	2020 £	2019 £
Within one year	-	17,314
	<u>-</u>	<u>17,314</u>

# The Writer Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 December 2020

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### **11 Related party transactions**

The company has taken advantage of the FRS 102 exemption available, whereby it has not disclosed transactions with any wholly owned subsidiary undertaking.

During the period, the aggregate dividends to directors was £42,005 (2019: £65,192).

### **12 Parent company**

The controlling party is M. Hennessey by virtue of his majority shareholding in the company.

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