

Writtle Limited

Annual Report and Financial Statements

Year Ended

31 December 2017

Company Number 05757222



Writtle Limited

Company Information

Directors	R T T Essex G R Harris A Sutcliffe
Company secretary	M J Gilmore
Registered number	05757222
Registered office	30 Park Street London SE1 9EQ
Independent auditor	BDO LLP 55 Baker Street London W1U 7EU

Writtle Limited

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Writtle Limited

Strategic Report for the Year Ended 31 December 2017

Principal activities and business review

The company's principal activity is that of a holding company.

The company holds interests in trading subsidiaries Magnet Harlequin Limited and Technik Limited through its interest in Magnet Harlequin Holdings Limited. During the year, Magnet Harlequin Holdings Limited acquired 79.4% holdings in Williams Murray Hamm Limited and Identica Limited.

All subsidiaries operate in the media and marketing services sector.

Principal risks and uncertainties

The principal risk of the business is the investment value of its subsidiaries which in turn is determined by the net assets and trading of its subsidiaries.

The directors assess the general risks and uncertainties that affect the company are those which affect its subsidiaries. These include the effects of credit risk, liquidity risk and interest rate risk and the details of these are set out in the financial statements of the subsidiaries.

Financial key performance indicators

The profit for the year, before taxation, amounted to £140,202 (2016: £6,959,026).

The financial key performance indicators for the group and company are those of its subsidiaries, being turnover, gross margin and pre-tax profit. These can be found in the accounts of each subsidiary.

Future Developments

The company is expected to continue to act as a holding company.

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


.....
G R Harris
Director

Date: 21/5/18

Writtle Limited

Directors' Report for the Year Ended 31 December 2017

The directors present their report and the financial statements for the year ended 31 December 2017.

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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Under company law the directors must not approve the financial statements unless they are satisfied that 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 period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- 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 to 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.

Results and dividends

The profit for the year, after taxation, amounted to £140,202 (2016: £6,959,026).

A dividend of £140,202 was paid during the year (2016: £6,959,026).

Directors

The directors who served during the year were:

R T T Essex
G R Harris
A Sutcliffe

Directors indemnity insurance

As permitted by Section 234 of the Companies Act 2006, the company has purchased insurance cover on behalf of the directors, indemnifying them against certain liabilities which may be incurred by them in relation to the company.

Matters covered in the strategic report

As permitted by Paragraph 1A of Schedule 7 to the Large and Medium Sized Companies and Groups (Accounts and Reports) Regulations 2008, certain matters which are required to be disclosed in the directors' report have been omitted as they are included in the strategic report on page 1. These matters relate to the risks that the company faces and future developments.

Writtle Limited

Directors' Report (continued) for the Year Ended 31 December 2017

Disclosure of information to auditor

Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Auditor

The auditor, BDO LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

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


.....

G R Harris
Director

Date: 21/5/18

Writtle Limited

Independent Auditor's Report to the Members of Writtle Limited

Opinion

We have audited the financial statements of Writtle Limited ("the company") for the year ended 31 December 2017 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Writtle Limited

Independent Auditor's Report to the Members of Writtle Limited (continued)

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the director's report.

We have nothing to report in respect of the following matters in relation to which 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.

Responsibilities of directors

As explained more fully in the directors' responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Writtle Limited

Independent Auditor's Report to the Members of Writtle Limited (continued)

Auditor's responsibilities for the audit of the financial statements

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.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

BDO LLP

Andrew Viner (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
London
United Kingdom

Date: 21 MAY 2018

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Writtle Limited

Statement of Comprehensive Income for the Year Ended 31 December 2017

	Note	2017 £	2016 £
Income from shares in group companies		140,202	229,910
Profit on sale of investments		-	6,729,116
Profit on ordinary activities before taxation		140,202	6,959,026
Taxation on profit on ordinary activities	6	-	-
Profit for the financial year		140,202	6,959,026

There was no other comprehensive income for 2017 (2016: £nil).

The notes on pages 10 to 15 form part of these financial statements.

Writtle Limited
Registered number: 05757222

**Statement of Financial Position
as at 31 December 2017**

	Note	2017 £	2016 £
Fixed assets			
Investments	8	1,314,867	1,314,867
Current assets			
Debtors: Amounts falling due within one year	9	38,336	38,336
Net assets		<u>1,353,203</u>	<u>1,353,203</u>
Capital and reserves			
Called up share capital	10	255,064	255,064
Share premium account	11	1,034,185	1,034,185
Profit and loss account	11	63,954	63,954
		<u>1,353,203</u>	<u>1,353,203</u>

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


.....
G R Harris
Director

Date: 21/5/18

The notes on pages 10 to 15 form part of these financial statements.

Writtle Limited

Statement of Changes in Equity for the Year Ended 31 December 2017

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2017	255,064	1,034,185	63,954	1,353,203
Comprehensive income for the year				
Profit for the year	-	-	140,202	140,202
Total comprehensive income for the year	-	-	140,202	140,202
Dividends	-	-	(140,202)	(140,202)
At 31 December 2017	255,064	1,034,185	63,954	1,353,203

Statement of Changes in Equity for the Year Ended 31 December 2016

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2016	255,064	1,034,185	63,954	1,353,203
Comprehensive income for the year				
Profit for the year	-	-	6,959,026	6,959,026
Total comprehensive income for the year	-	-	6,959,026	6,959,026
Dividends	-	-	(6,959,026)	(6,959,026)
At 31 December 2016	255,064	1,034,185	63,954	1,353,203

The notes on pages 10 to 15 form part of these financial statements.

Writtle Limited

Notes to the Financial Statements for the Year Ended 31 December 2017

1. General information

Writtle Limited is a private limited company, incorporated in England and Wales under the Companies Act. The address of the registered office is given on the company information page and the nature of the company's operations and principal activity are set out in the strategic report.

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 Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies (see note 3).

The company is itself a subsidiary company and is exempt from the requirement to prepare group accounts by virtue of section 400 of the Companies Act 2006. These financial statements therefore present information about the company as an individual undertaking and not about its group.

The following principal accounting policies have been applied:

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A.

This information is included in the consolidated financial statements of Writtle Holdings Limited as at 31 December 2017 and these financial statements may be obtained from Companies House.

2.3 Debtors

Short-term debtors are measured at transaction price, less any impairment.

2.4 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.5 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders.

Writtle Limited

Notes to the Financial Statements for the Year Ended 31 December 2017

2. Accounting policies (continued)

2.6 Taxation

Tax is recognised in the statement of comprehensive income, 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 reporting date in the countries where the company operates and generates income.

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

In preparing these financial statements, the directors have made the following judgment:

- Determining whether there are indications of impairment of the company's investments and intercompany receivable balances. Factors taken into consideration in reaching such as decision include the economic viability and expected future financial performance of the investment/group company.

4. Operating profit

The audit fees for the company are borne by a fellow group company.

5. Employees

The company has no employees other than the directors, who did not receive any remuneration (2016: £nil).

Writtle Limited

Notes to the Financial Statements for the Year Ended 31 December 2017

6. Taxation

	2017 £	2016 £
Total current tax	-	-

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2016: lower than) the standard rate of corporation tax in the UK of 19.25% (2016: 20.00%). The differences are explained below:

	2017 £	2016 £
Profit on ordinary activities before tax	140,202	6,959,026
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.25% (2016: 20.00%)	26,984	1,391,805
Effects of:		
Non-taxable income	-	(1,345,823)
Group Income	(26,984)	(45,982)
Total tax charge for the year	-	-

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

7. Dividends

	2017 £	2016 £
Dividends paid on equity capital	140,202	6,959,026

A dividend of £0.55 per share was paid in the year (2016: £27.28 per share).

Writtle Limited

Notes to the Financial Statements for the Year Ended 31 December 2017

8. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 January 2017	1,314,867
At 31 December 2017	<u>1,314,867</u>
Net book value	
At 31 December 2017	<u>1,314,867</u>
At 31 December 2016	<u>1,314,867</u>

Subsidiary undertakings

The following were subsidiary undertakings of the company:

Name	Principal activity
Magnet Harlequin Holdings Limited	Holding company
Magnet Harlequin Limited*	Creative services and digital pre-press.
Magnet Harlequin Asia Limited*	Creative services and digital pre-press.
Bosham Holdings Limited*	Holding company
Technik Limited*	Creative and packaging management services

*Subsidiary held indirectly.

The registered office of Magnet Harlequin Holdings Limited, Magnet Harlequin Limited, Bosham Holdings Limited and Technik Limited is Unit F Tomo Estate, Packet Boat Lane, Uxbridge, Middlesex, UB8 2JP.

The registered office of Magnet Harlequin Asia Limited is Units C & D, 11F, Block 1, Camelpaint Building, 62 Hoi Yuen Road, Kwun Tong, Kowloon, Hong Kong.

Writtle Limited

Notes to the Financial Statements for the Year Ended 31 December 2017

9. Debtors

	2017 £	2016 £
Amounts owed by group undertakings	<u>38,336</u>	<u>38,336</u>

10. Share capital

	2017 £	2016 £
Allotted, called up and fully paid		
255,064 Ordinary shares of £1 each	<u>255,064</u>	<u>255,064</u>

11. Reserves

Share premium account

The share premium account comprises the amount subscribed for share capital in excess of the nominal value.

Profit and loss account

The profit and loss account comprises all other net gains and losses and transactions with owners not recognised elsewhere.

12. Related party transactions

The company has taken advantage of the exemption under paragraph 33.1A of Financial Reporting Standard 102 not to disclose transactions with other wholly owned members of the group.

	2017 £	2016 £
Beyond Communications Limited	14,865	4,955
20/20 Limited	8,726	-
Magnet Harlequin Holdings Limited	116,611	88,463
	<u>140,202</u>	<u>93,418</u>

Writtle Limited

Notes to the Financial Statements for the Year Ended 31 December 2017

13. Controlling party

The immediate parent company, ultimate parent company and controlling party is Writtle Holdings Limited, whose registered office is 30 Park Street, London, SE1 9EQ.

Writtle Holdings Limited is the largest and smallest group for which group accounts are available.

The consolidated accounts of Writtle Holdings Limited are available to the public and may be obtained from Companies House.