

Writtle Limited

Annual Report and Financial Statements

Year Ended

31 December 2020

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 United Kingdom
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 2020

Principal activities and business review

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

The company holds interests in trading subsidiaries FERO Retail Marketing Limited, Maglabs Limited, Magnet Harlequin Limited, Technik Limited and Williams Murray Hamm Limited through its interest in Branded Limited.

All subsidiaries operate in the media and marketing services sector.

On 8 September 2020, the company disposed of its investment in Beyond Communications Limited, and on 19 January 2021 the company disposed of its investment in 20/20 Limited.

Going Concern

These financial statements have been prepared on a going concern basis, reflecting the directors' view that the company will be able to meet its liabilities as they fall due for at least 12 months from the date of the signing of these financial statements.

Given the unprecedented global economic environment as a result of COVID-19, the directors' have placed additional emphasis on the evaluation of cash flow forecasts and made additional enquiries to ensure that the going concern basis remains appropriate. No significant additional risks to the going concern position were identified.

Based on this assessment, the directors' consider that the company has adequate resources to operate for the foreseeable future, and as such, have adopted the going concern basis for preparing these financial statements.

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 £42,000 (2019: £228,000).

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: 26/8/2021

Writtle Limited

Directors' Report for the Year Ended 31 December 2020

The directors present their report and the financial statements for the year ended 31 December 2020.

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 £42,000 (2019: £228,000).

A dividend of £97,000 was paid during the year (2019: £228,000).

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 2020

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.

Post balance sheet events

On 19 January 2021, the company disposed of its investment on 20/20 Limited (note 13).

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: 26/8/2021

Writtle Limited

Independent Auditor's Report to the Members of Writtle Limited

Opinion on the 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 2020 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.

We have audited the financial statements of Writtle Limited ("the Company") for the year ended 31 December 2020 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).

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

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Strategic report and Directors' 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Writtle Limited

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

We have nothing to report in this regard.

Other Companies Act 2006 reporting

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 Strategic report and Directors' 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.

Auditor's responsibilities for the audit of the financial statements

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.

Writtle Limited

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

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our testing included, but was not limited to:

- testing the financial statement disclosures to supporting documentation, performing substantive testing on account balances which were considered to be of greater risk of susceptibility to fraud; and
- critically assessing areas of the financial statements, which include judgement and estimates, as set out in Note 3 of the financial statements.

These procedures are designed to address the risk of material misstatements in respect of irregularities, including fraud, but do not provide absolute assurance as to the non-existence of any such misstatements.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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.

DocuSigned by:

Andrew Viner

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Andrew Viner (Senior Statutory Auditor)
For and on behalf of BDO LLP, statutory auditor
London, UK
Date: 26 August 2021

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 2020

	Note	2020 £000	2019 £000
Income from shares in group companies	12	131	228
Impairment of investment	8	(40)	-
Loss on sale of investment	8	(49)	-
Profit on ordinary activities before taxation		42	228
Taxation on profit on ordinary activities	6	-	-
Profit for the financial year		42	228

There was no other comprehensive income for 2020 (2019: £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 2020**

	Note	2020 £000	2019 £000
Fixed assets			
Investments	8	1,175	1,315
Current assets			
Debtors: Amounts falling due within one year	9	123	38
Net assets		<u>1,298</u>	<u>1,353</u>
Capital and reserves			
Share capital	10	255	255
Share premium account	11	1,034	1,034
Profit and loss account	11	9	64
		<u>1,298</u>	<u>1,353</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: 26/8/2021

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 2020

	Share capital	Share premium account	Profit and loss account	Total equity
	£000	£000	£000	£000
At 1 January 2020	255	1,034	64	1,353
Comprehensive income for the year				
Profit for the year	-	-	42	42
Total comprehensive income for the year	-	-	42	42
Dividends	-	-	(97)	(97)
At 31 December 2020	255	1,034	9	1,298

Statement of Changes in Equity for the Year Ended 31 December 2019

	Share capital	Share premium account	Profit and loss account	Total equity
	£000	£000	£000	£000
At 1 January 2019	255	1,034	64	1,353
Comprehensive income for the year				
Profit for the year	-	-	228	228
Total comprehensive income for the year	-	-	228	228
Dividends	-	-	(228)	(228)
At 31 December 2019	255	1,034	64	1,353

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 2020

1. General information

Writtle Limited is a private company limited by share capital 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 2020 and these financial statements may be obtained from Companies House.

2.3 Going concern

These financial statements have been prepared on a going concern basis, reflecting the directors' view that the company will be able to meet its liabilities as they fall due for at least 12 months from the date of the signing of these financial statements.

Given the unprecedented global economic environment as a result of COVID-19 the directors' have placed additional emphasis on the evaluation of cash flow forecasts and made additional enquiries to ensure that the going concern basis remains appropriate. No significant additional risks to the going concern position were identified. On the basis of this assessment, the directors' consider that the company has adequate resources to operate for the foreseeable future, and as such, have adopted the going concern basis for preparing these financial statements.

Writtle Limited

Notes to the Financial Statements for the Year Ended 31 December 2020

2. Accounting policies (continued)

2.4 Debtors

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

2.5 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.6 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.

2.7 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 a 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 (2019: £nil).

Writtle Limited

Notes to the Financial Statements for the Year Ended 31 December 2020

6. Taxation

	2020 £000	2019 £000
Total current tax	<u>-</u>	<u>-</u>

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2019: lower than) the standard rate of corporation tax in the UK of 19.00% (2019: 19.00%). The differences are explained below:

	2020 £000	2019 £000
Profit on ordinary activities before tax	<u>42</u>	<u>228</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.00% (2019: 19.00%)	8	43
Effects of:		
Expenses not deductible for tax purposes	16	-
Group income	(24)	(43)
Total tax charge for the year	<u>-</u>	<u>-</u>

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

7. Dividends

	2020 £000	2019 £000
Dividends paid on equity capital	<u>97</u>	<u>228</u>

A dividend of £0.38 per share was paid in the year (2019: £0.90 per share).

Writtle Limited

Notes to the Financial Statements for the Year Ended 31 December 2020

8. Fixed asset investments

	Investments in subsidiary companies £000
Cost or valuation	
At 1 January 2020	1,315
Disposals*	(100)
At 31 December 2020	<u>1,215</u>
Impairment	
At 1 January 2020	-
Charge for the year**	40
At 31 December 2020	<u>40</u>
Net book value	
At 31 December 2020	<u><u>1,175</u></u>
At 31 December 2019	<u><u>1,315</u></u>

*On 8 September 2020, the company disposed of its investment in Beyond Communications Limited for £51,000.

**On 19 January 2021, the company disposed of its investment in 20/20 Limited for £58,000. The investment value has been written down in 2020 to the proceeds value (note 13).

Writtle Limited

Notes to the Financial Statements for the Year Ended 31 December 2020

8. Fixed asset investments (continued)

Subsidiary undertakings

The following were investments of the company:

Name	Principal activity	Proportion of voting rights and ordinary share capital held
Branded Limited	Holding company	48.47 %
Magnet Harlequin Limited*	Creative services and digital pre-press	48.47 %
Magnet Harlequin Asia Limited*	Creative services and digital pre-press	48.47 %
Bosham Holdings Limited*	Non trading	48.47 %
Technik Limited*	Creative packaging and management services	48.47 %
Williams Murray Hamm Limited*	Design and new product development consultants	48.47 %
Identica Limited*	Non trading	48.47 %
FERO Holdings Limited*	Holding company	32.28 %
FERO Retail Marketing Limited*	Retail marketing services	32.28 %
Showcard Print Limited*	Non trading	32.28 %

*Subsidiary held indirectly.

The registered office of Branded Limited, Williams Murray Hamm Limited, Identica Limited, FERO Holdings Limited, FERO Retail Marketing Limited and Showcard Print Limited is 30 Park Street, London, SE1 9EQ.

The registered office of 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 Unit D, 23/F, EGL Tower, 83 Hung To Road, Kwun Tong, Kowloon, Hong Kong.

9. Debtors

	2020 £000	2019 £000
Amounts owed by group undertakings	<u>123</u>	<u>38</u>

10. Share capital

	2020 £000	2019 £000
Allotted, called up and fully paid		
255,064 Ordinary shares of £1 each	<u>255</u>	<u>255</u>

Writtle Limited

Notes to the Financial Statements for the Year Ended 31 December 2020

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.

During the year, the company received the following dividends from fellow members of the Writtle Holdings Limited group.

	2020 £000	2019 £000
Beyond Communications Limited	-	15
Branded Limited	131	213
	<u>131</u>	<u>228</u>

13. Post balance sheet events

On 19 January 2021, the company disposed of its investment in 20/20 Limited for £58,000. The investment value has been written down in 2020 to the proceeds value and therefore the full loss on disposal of £40,000 has been recognised in these accounts as an impairment of investment.

14. 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.