

Registration number: 07420729

POD Staffing Limited

Annual Report and Unaudited Financial Statements

for the Year Ended 31 December 2020



POD Staffing Limited

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POD Staffing 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.

Principal activity

The principal activity of the Company is the supply of brand ambassadors, who are used to bring client marketing campaigns alive.

Dividends

The directors did not recommend a dividend in respect of the year ended 31 December 2020 (2019: £1,152,570).

Directors of the Company

The directors who held office during the year were as follows:

J G Sheppard (resigned 4 December 2020)

M A Watkins

M O Sandwith (appointed 4 December 2020)

Political and charitable donations


During the year the Company made political donations of £Nil (2019: £Nil). Donations to charity amounted to £25 (2019: £Nil).

Going concern

At the end of the year the Company had net current assets of £393,083 (2019: £540,460). The directors consider that the Company has access to sufficient funding to meet its funding requirements for the reasons set out in note 1 to the financial statements.

On this basis along with the fact that the company has access to Group funding should the need arise, the Directors have prepared the financial statements on a going concern basis.

Approved by the Board on 30 September 2021 and signed on its behalf by:


.....

M A Watkins
Director

Bankside 3
90 - 100 Southwark Street
London
SE1 0SW

POD Staffing Limited

Statement of Directors' Responsibilities in respect of the annual report and the financial statements

The directors acknowledge their responsibilities for preparing 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 UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

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 and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

POD Staffing Limited

Profit and Loss Account for the year ended 31 December 2020

	Note	2020 £	2019 £
Gross billings		584,774	3,319,530
Rebillable costs		<u>116,451</u>	<u>(583,980)</u>
Turnover	2	701,225	2,735,550
Direct costs		<u>(409,508)</u>	<u>(1,789,970)</u>
Gross profit		291,717	945,580
Administrative expenses		(564,336)	(740,496)
Other operating income		<u>84,148</u>	<u>-</u>
Operating (loss)/profit	3	(188,471)	205,084
Other interest receivable and similar income	6	393	7,023
Interest payable and similar expenses	7	<u>(115)</u>	<u>(216)</u>
(Loss)/profit before taxation		(188,193)	211,891
Tax on profit	8	<u>35,718</u>	<u>(42,917)</u>
(Loss)/profit for the financial year		<u><u>(152,475)</u></u>	<u><u>168,974</u></u>

The results shown above are derived wholly from continuing operations.

The Company has no recognised gains or losses for the year other than the results above. Consequently, a statement of comprehensive income has not been prepared.

POD Staffing Limited

(Registration number: 07420729)
Balance Sheet as at 31 December 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	10	18,221	24,334
Current assets			
Stocks	11	2,596	4,262
Debtors (Including £3,312 (2019: £1,739) due after more than year)	12	<u>721,935</u>	<u>986,132</u>
		724,531	990,394
Creditors: Amounts falling due within one year	13	<u>(331,448)</u>	<u>(449,934)</u>
Net current assets		<u>393,083</u>	<u>540,460</u>
Total assets less current liabilities		411,304	564,794
Creditors: Amounts falling due after more than one year	13	<u>(144)</u>	<u>(1,159)</u>
Net assets		<u>411,160</u>	<u>563,635</u>
Capital and reserves			
Called up share capital	14	1,000	1,000
Retained earnings		<u>410,160</u>	<u>562,635</u>
Total equity		<u>411,160</u>	<u>563,635</u>

For the year ending 31 December 2020 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

Directors' responsibilities:

- the members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476;
- the directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

Approved by the Board on 30 September 2021 and signed on its behalf by:

MAWatkins

M A Watkins

Director

POD Staffing Limited

Statement of Changes in Equity for the year ended 31 December 2020

	Share capital £	Retained earnings £	Total £
At 1 January 2020	1,000	562,635	563,635
Loss for the year	-	(152,475)	(152,475)
Total comprehensive income	-	(152,475)	(152,475)
At 31 December 2020	<u>1,000</u>	<u>410,160</u>	<u>411,160</u>

	Share capital £	Retained earnings £	Total £
At 1 January 2019	1,000	1,546,231	1,547,231
Profit for the year	-	168,974	168,974
Total comprehensive income	-	168,974	168,974
Dividends	-	(1,152,570)	(1,152,570)
At 31 December 2019	<u>1,000</u>	<u>562,635</u>	<u>563,635</u>

POD Staffing Limited

Notes to the Financial Statements for the year ended 31 December 2020

1 Accounting policies

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. The following accounting policies have been applied consistently in dealing with items which are considered to be material in relation to the Company's financial statements.

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules.

The company is a private company limited by share capital incorporated, domiciled and registered in England in the United Kingdom.

The financial statements are presented in sterling the Company's functional currency.

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Summary of disclosure exemptions

In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to end of the period;
- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

As the consolidated financial statements of Omnicom Group Inc. include the equivalent disclosures, the Company has also taken the exemptions under FRS 102 available in respect of the following disclosures:

- Certain disclosures required by FRS 102.26 Share Based Payments; and,
- The disclosures required by FRS 102.11 Basic Financial Instruments and FRS 102.12 Other Financial Instrument Issues in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

Related party transactions: As a 100% owned subsidiary of Omnicom Group Inc. the Company has taken advantage of the exemption available under FRS 102 Section 33. 1A: Related Party Disclosures, which enable it to exclude disclosure of transactions with Omnicom Group Inc., and its wholly owned subsidiaries.

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Notes to the Financial Statements for the year ended 31 December 2020

Going concern

The Company has net current assets of £393,083 at 31 December 2020 (2019: £540,460). The financial statements have been prepared on a going concern basis which the directors consider to be appropriate as the directors consider that the Company will have access to sufficient funding to meet its needs for the reasons set out below.

The Company participates in a cash concentration arrangement with its fellow subsidiary, Omnicom Finance Limited the group's UK treasury operation, under which bank balances are cleared to zero on a daily basis either by the Company depositing cash with Omnicom Finance Limited or by Omnicom Finance Limited depositing cash with the Company. The Company's access to borrowings under the cash concentration arrangement is not limited as long as these borrowings are required in the normal course of business and are made in accordance with the Omnicom Group Inc Grant of Authority and includes a period of at least 12 months from the date of approval of these financial statements.

Omnicom Finance Limited, is able to make this commitment because Omnicom Finance Limited is a co-borrower with Omnicom Finance Inc. and Omnicom Capital Inc. under certain group bank facilities which are more fully described in the Omnicom Group Inc. financial statements filed on Form 10-K and available at www.OmnicomGroup.com.

The directors of the Company consider the combination of the group facilities and expected funding requirements of the Omnicom Group Inc. and its subsidiaries provides sufficient access to funding to ensure that the Company is able to meet its liabilities as they fall due for the foreseeable future. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Accordingly, the directors have prepared the financial statements as a going concern.

Key sources of estimation uncertainty

There are no key sources of estimation uncertainty that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Gross Billings

Gross billings are recognised when the service is performed, in accordance with the terms and conditions of the contractual arrangement and when collection is reasonably assured.

Gross billings comprises the gross amounts billed to clients, exclusive of Value Added Tax. In respect of contracts for on-going services, gross billings represents the value of work done in the year, including estimates of amounts not invoiced. Gross billings in respect of contracts for on-going services are recognised by reference to stage of completion. The stage of completion is calculated with reference to actual time taken to date and the estimated time to completion.

Rebillable costs

Rebillable costs comprise third party costs for those services that the Company is arranging for its clients in its capacity as an intermediary. The Company contracts directly with suppliers and recharges its clients for all costs incurred. Although the Company bears credit risk in respect of these activities, the arrangements with its clients are such that, in effect it acts as an intermediary on behalf of its client. Where the Company acts as an intermediary, costs incurred with external suppliers are excluded from turnover.

POD Staffing Limited

Notes to the Financial Statements for the year ended 31 December 2020

Revenue

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the group's activities. Revenue is shown net of sales/value added tax, returns, rebates and discounts and after eliminating sales within the group.

The group recognises revenue when:

- The amount of revenue can be reliably measured;
- It is probable that future economic benefits will flow to the entity; and
- Specific criteria have been met for each of the group's activities.

Tax

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

Fixed assets and depreciation

Tangible fixed assets are stated at cost/deemed cost less accumulated depreciation and accumulated impairment losses. Depreciation is charged on tangible fixed assets so as to write off the cost of assets over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Motor vehicles	25% straight line
Office equipment	25% straight line

Trade and other debtors

Trade and other debtors are amounts due from customers for services performed in the ordinary course of business.

Trade and other debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade and other debtors is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables.

Stocks

Work in progress is valued on the basis of direct costs. Provision is made for any foreseeable losses where appropriate.

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Notes to the Financial Statements for the year ended 31 December 2020

Trade and other creditors

Trade and other creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the Company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade and other creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Assets held under finance leases, which are leases where substantially all of the risk and rewards of ownership of the asset have passed to the Company, are capitalised in the balance sheet as tangible fixed assets and are depreciated over the shorter of the lease term and their useful lives. The capital elements of future obligations under the leases are included as liabilities in the balance sheet. The interest element of the rental obligation is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends

Dividends distribution to the Company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Defined contribution pension obligation

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The amount charged to the profit and loss account represents the contributions payable to the scheme in respect of the accounting period.

Government grants

Government grants are included within accruals and deferred income in the balance sheet and credited to the profit and loss account over the expected useful lives of the assets to which they relate or in periods in which the related costs are incurred. Amounts recognised in the profit and loss are presented under the heading "Other operating income".

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Notes to the Financial Statements for the year ended 31 December 2020

2 Turnover

The whole of the Company's gross billings, turnover and operating profit for the year related to its principal activity, which was the supply brand ambassadors, who are used to bring client marketing campaigns alive.

The analysis of the Company's turnover for the year from continuing operations for rendering of services is as follows:

	2020	2019
	£	£
UK	764,543	2,701,287
Americas	(63,318)	28,930
Europe	-	5,333
	<u>701,225</u>	<u>2,735,550</u>

3 Operating loss

Arrived at after charging

	2020	2019
	£	£
Depreciation and other amounts written off tangible fixed assets: owned	16,108	15,042
Foreign exchange (gains) / losses	37	19
(Profit)/loss on disposal of property, plant and equipment	(1,885)	284
Hire of other assets - rentals payable	40,000	50,000
Operating lease expense - property	<u>1,225</u>	<u>-</u>

Included in operating loss are Governments grants of £84,148 received from the Coronavirus Job Retention Scheme.

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Notes to the Financial Statements for the year ended 31 December 2020

4 Directors' remuneration

	2020	2019
	£	£
Directors' emoluments	140,335	94,116
Company contributions to money purchase pension schemes	10,206	11,000
	<u>150,541</u>	<u>105,116</u>

During the year the number of directors who were receiving benefits and share incentives was as follows:

	2020	2019
	No.	No.
Accruing benefits under money purchase pension scheme	<u>1</u>	<u>1</u>

5 Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

	2020	2019
	£	£
Wages and salaries	306,348	313,945
Social security costs	40,255	42,605
Other pension schemes	11,353	24,803
Severance/loss of office	69,862	-
	<u>427,818</u>	<u>381,353</u>

The average number of persons employed by the Company (including directors) during the year, analysed by category was as follows:

	2020	2019
	No.	No.
Other departments	<u>4</u>	<u>7</u>

6 Other interest receivable and similar income

	2020	2019
	£	£
Receivable from group undertakings	<u>393</u>	<u>7,023</u>

7 Interest payable and similar expenses

	2020	2019
	£	£
Finance charges payable in respect of finance leases and hire purchase contracts	<u>115</u>	<u>216</u>

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Notes to the Financial Statements for the year ended 31 December 2020

8 Taxation

Tax charged/(credited) in the profit and loss account

	2020 £	2019 £
Current taxation		
Current tax on income for the period	(34,145)	41,001
Adjustments in respect of previous periods	<u>-</u>	<u>2,165</u>
	(34,145)	43,166
Deferred taxation		
Origination and reversal of timing differences	<u>(1,573)</u>	<u>(249)</u>
Tax (income)/expense in the profit and loss account	<u>(35,718)</u>	<u>42,917</u>

The tax on (loss)/ profit before tax for the year is lower than the standard rate of corporation tax in the UK (2019 - higher than the standard rate of corporation tax in the UK) of 19% (2019 - 19%).

The differences are reconciled below:

	2020 £	2019 £
(Loss)/profit before tax	<u>(188,193)</u>	<u>211,891</u>
Corporation tax at standard rate	(35,757)	40,259
Effect of expense not deductible in determining taxable profit (tax loss)	39	493
Increase (decrease) in UK and foreign current tax from adjustment for prior periods	<u>-</u>	<u>2,165</u>
Total tax (credit)/charge	<u>(35,718)</u>	<u>42,917</u>

A UK corporation rate of 19% (effective 1 April 2020) was substantively enacted on 17 March 2020, reversing the previously enacted reduction in the rate from 19% to 17%. This will increase the company's future current tax charge accordingly. The deferred tax asset at balance sheet date has been calculated at 19% (2019: 17%).

The March 2021 Budget announced that a rate of 25% would apply with effect from 1 April 2023. This change was substantively enacted on 24 May 2021. This will increase the company's future current tax charge accordingly and increase the deferred tax asset by £1,047.

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Notes to the Financial Statements for the year ended 31 December 2020

Deferred tax

Deferred tax assets and liabilities

	Asset £
2020	
Difference between accumulated depreciation and amortisation and capital allowances	<u>3,312</u>
2019	Asset £
Difference between accumulated depreciation and amortisation and capital allowances	<u>1,739</u>

9 Dividends

	2020 £	2019 £
Dividend of £Nil (2019 - £1,152.57) per ordinary share	<u>-</u>	<u>1,152,570</u>

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Notes to the Financial Statements for the year ended 31 December 2020

10 Tangible fixed assets

	Motor vehicles £	Office equipment £	Total £
Cost or valuation			
At 1 January 2020	5,250	60,578	65,828
Additions	9,995	-	9,995
Disposals	(5,250)	-	(5,250)
At 31 December 2020	<u>9,995</u>	<u>60,578</u>	<u>70,573</u>
Depreciation			
At 1 January 2020	5,250	36,244	41,494
Charge for the year	2,499	13,609	16,108
Disposal	(5,250)	-	(5,250)
At 31 December 2020	<u>2,499</u>	<u>49,853</u>	<u>52,352</u>
Carrying amount			
At 31 December 2020	<u>7,496</u>	<u>10,725</u>	<u>18,221</u>
At 31 December 2019	<u>-</u>	<u>24,334</u>	<u>24,334</u>

Assets held under finance leases and hire purchase contracts

The net carrying amount of tangible assets includes the following amounts in respect of assets held under finance leases and hire purchase contracts:

	2020 £	2019 £
Office equipment	<u>411</u>	<u>2,483</u>

11 Stocks

	2020 £	2019 £
Work in progress	<u>2,596</u>	<u>4,262</u>

POD Staffing Limited

Notes to the Financial Statements for the year ended 31 December 2020

12 Debtors

	Note	2020 £	2019 £
Trade and other debtors		74,890	575,482
Amounts owed by group undertakings - trading balances		5,719	183,300
Amounts owed by group undertakings - loans and advances		435,581	220,087
Other debtors		107,573	3,388
Deferred tax assets	8	3,312	1,739
Prepayments and accrued income		94,860	2,136
		<u>721,935</u>	<u>986,132</u>

The Company participates in a cash concentration arrangement with its fellow subsidiary, Omnicom Finance Limited, the Omnicom Europe Limited group's UK treasury operation, under which bank balances are cleared to zero on a daily basis either by the Company depositing cash with Omnicom Finance Limited or by Omnicom Finance Limited depositing cash with the Company. Included in Amounts owed by group undertakings - loans and advances is £435,581 (2019: £220,087) representing cash deposited by the Company under these arrangements.

13 Creditors

	2020 £	2019 £
Due within one year		
Obligations under finance lease and hire purchase contracts	1,015	2,304
Trade and other creditors	3,781	16,927
Amounts owed to group undertakings - trading balances	225,473	-
Taxation and social security	47,253	164,248
Accruals and deferred income	53,926	266,455
	<u>331,448</u>	<u>449,934</u>
Due after one year		
Obligations under finance lease and hire purchase contracts	<u>144</u>	<u>1,159</u>

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Notes to the Financial Statements for the year ended 31 December 2020

14 Share capital

Allotted, called up and fully paid shares

	2020		2019	
	No.	£	No.	£
Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>

15 Commitments

Operating leases

The Company's principal premises are leased from a fellow group company on terms with no future minimum lease payments.

16 Pension and other schemes

Defined contribution pension scheme

The Company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the Company to the scheme and amounted to £11,353 (2019: £24,803).

17 Related party transactions

Summary of transactions with subsidiaries

At 31 December 2020, the Company's ultimate parent undertaking was Omnicom Group Inc. The shareholders of the Company have interest directly or indirectly in certain other companies which are considered to give rise to related party disclosures under FRS 102 Section 33.

As a 100% owned indirect subsidiary of Omnicom Group Inc, the Company has taken advantage of the exemption under FRS102 Section 33.1A: Related Party Disclosures, which enable it to exclude disclosure of *transactions with Omnicom Group Inc and its wholly owned subsidiaries.*

18 Parent and ultimate parent undertaking

The ultimate parent is Omnicom Group Inc., incorporated in the United States of America.

These Financial Statements are available upon request from Omnicom Group Inc.'s registered address, 280 Park Avenue, New York, NY 10017, United States.

The Company is also consolidated into its immediate parent company Haygarth Group Limited and these accounts may be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ, Wales.