

WPP LN LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021



Registered office address:
Sea Containers House
18 Upper Ground
London
SE1 9GL
United Kingdom

WPP LN LIMITED

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WPP LN LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

The Directors present their Strategic report on WPP LN Limited (the 'Company') for the year ended 31 December 2021.

Principal activities

The Company is a member of the WPP plc Group (the 'Group'). The Company's principal activity is to act as an investment holding company.

Future developments

The Directors do not envisage any major change to the nature of the business in the foreseeable future.

Business review

The Company made a profit for the year ended 31 December 2021 of £417,796,000 which will be transferred to reserves (2020: a loss of £71,105,000 which was transferred from reserves).

From April 2021, following an update to Group policy, the Company's syndicated banking arrangements with the Group have been restructured into 'zero balancing' pooling arrangements with a fellow Group company acting as the cash pool leader of these cash pools within the UK. All such receivables and/or payables shall be short term in nature and the Company, as a participant in the cash pooling arrangements, can transact as normal on its bank accounts, notwithstanding that any cash and/or overdraft will be held by the cash pool leader.

The Directors are of the opinion that the current level of activity and performance is sustainable, due to the positive financial position of the Company and will remain so for the foreseeable future. Further details are provided in the "Going concern and liquidity risk" section.

Dividends

During 2021, the Company paid an interim dividend of £0.50 per share totalling £4,683,119,143 to ordinary shareholders (2020: £nil). No final dividend has been declared since the balance sheet date.

Going concern and liquidity risk

The Directors have assessed the ongoing business activities and the potential impact that the Covid-19 pandemic, Russian invasion of Ukraine and general global economic conditions may have on the liquidity, performance and financial position of the Company for at least the next 12 months from the date of signing the financial statements.

As the Company is primarily an investment holder, there is no expected impact to the financial position of the Company as a result of Covid-19 or other general global economic conditions.

As at 31 December 2021, the Company has net current assets of £5,000 and net assets of £3,922,486,000 and can therefore meet its short and long term obligations as they fall due.

After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for at least the next 12 months from the date of signing the financial statements. Additionally, the Company is a subsidiary of WPP plc and is supported by the overall WPP plc financing arrangements via the cash pooling arrangements.

The Directors therefore continue to adopt the going concern basis of accounting in preparing the financial statements.

WPP LN LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Financial risk management and principal risks and uncertainties

The Directors of the Company have considered the principal risks and uncertainties affecting the Company as at 31 December 2021 and up to date of this report. As the Company is primarily an investment holding financing company with a limited amount of transactions, the Directors believe that the Company has no principal risks and uncertainties other than going concern and liquidity. Going concern and liquidity risks are discussed above.

Financial key performance indicators

	2021 £'000	2020 £'000	Change %
Net assets	3,922,486	8,187,809	(52.1)%

The Company is a wholly owned subsidiary of WPP plc. For this reason, the Company's Directors believe that further key performance indicators for the Company are not necessary or appropriate for an understanding of the development, performance or position of the business. The performance of WPP plc, which includes this Company, is discussed in the Group's annual report, which does not form part of this report. The financial statements of WPP plc are available at www.wpp.com/investors.

Directors' statement of compliance with duty to promote the success of the Company

The Directors of the Company, as those of all UK companies, must act in accordance with section 172 of the UK Companies Act 2006. The Directors are of the opinion that they have acted fairly and in good faith to promote the success of the Company for the benefits of its members.

The Directors have carried out these duties and have made decisions and undertaken short and long term strategies to maintain its financial performance and position. The Directors continue to recognise the importance of the Company's partnership with all stakeholders, including employees, members, suppliers, customers and the community, as well as maintaining its high standards of business conduct and reputation.

Further details of the Company's engagement with external stakeholders is given in the Directors' report.

The Directors are of the opinion that the remaining details of how they meet their duty is in line with those reflected by the Directors of WPP plc in their Annual report. Refer to pages 113-115 of the Annual report of WPP plc available at wpp.com/investors for more information on how the Group directors meet their duty.

This report was approved by the board on 28 September 2022 and signed on its behalf.

R Payne

R Payne Sep 23, 2022 15:00 GMT+1

R Payne
Director

WPP LN LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

The Directors present their Annual report and the financial statements for the year ended 31 December 2021.

Results

The Company's results for the financial year are shown in the income statement on page 5 .

Directors and their interests

The Directors who served during the year and up to the date of signing the financial statements, unless otherwise stated, were:

R Payne (appointed 1 July 2022)
A Payne
C Van der Welle
D Conaghan (resigned 8 July 2022)

No Director had, during the year or at the end of the year, any material interest in any contract of significance to the Company's business.

Directors' indemnity

Each of the Directors benefit from a third party qualifying indemnity given by the Company in respect of liabilities incurred by the Director in the execution and discharge of their duties. The provision remains in force throughout the financial year and up until the date of this report.

Directors' responsibilities statement

The Directors are responsible for preparing the Annual 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 101 'Reduced Disclosure Framework'. 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 then 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;
- 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.

WPP LN LIMITED

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

Matters covered in the strategic report

The following items have been included in the strategic report on pages 1 - 2:

- principal activities and future developments;
- review of business;
- dividends paid or declared;
- going concern statement; and
- financial risk management and principal risks and uncertainties

Post balance sheet events

There have been no significant events affecting the Company since the year end.

This report was approved by the board on 28 September 2022 and signed on its behalf.

R Payne

R Payne, 28 Sep 2022, 15:11 GMT+01

R Payne
Director

WPP LN LIMITED

INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021 £'000	2020 £'000
Income from investments	6	4,516,544	-
Impairment of investments in subsidiaries	11	(4,100,646)	(74,485)
Write off of intercompany balances		1	-
Interest receivable and similar income	7	1,907	3,418
Interest payable and similar expenses	8	(10)	(38)
Profit/(loss) before tax		417,796	(71,105)
Tax on profit/(loss)	9	-	-
Profit/(loss) for the financial year		417,796	(71,105)

The notes on pages 8 to 17 form part of these financial statements.

All results arise from continuing operations.

The Company has no other comprehensive income during either the current year or prior year and therefore no separate statement to present other comprehensive income has been prepared.

WPP LN LIMITED
REGISTERED NUMBER: 04050182

BALANCE SHEET
AS AT 31 DECEMBER 2021

	Notes	2021 £'000	2020 £'000
Non-current assets			
Investments	11	3,922,481	7,909,083
Current assets			
Trade and other receivables	12	5	281,960
Cash at bank and in hand	13	-	305
		5	282,265
Current liabilities			
Trade and other payables	14	-	(3,539)
Net current assets		5	278,726
Total assets less current liabilities		3,922,486	8,187,809
Net assets		3,922,486	8,187,809
Capital and reserves			
Called up share capital	15	849,187	8,491,868
Profit and loss account		3,073,299	(304,059)
		3,922,486	8,187,809

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

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

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

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 28 September 2022.

R Payne

R Payne
Director

The notes on pages 8 to 17 form part of these financial statements.

WPP LN LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Called up share capital £'000	Profit and loss account £'000	Total equity £'000
At 1 January 2020	5,267,727	(232,954)	5,034,773
Loss and total comprehensive expense for the year	-	(71,105)	(71,105)
Shares issued during the year	3,224,141	-	3,224,141
At 31 December 2020	8,491,868	(304,059)	8,187,809
Profit and total comprehensive income for the year	-	417,796	417,796
Dividends: Equity capital	-	(4,683,119)	(4,683,119)
Share capital reduction	(7,642,681)	7,642,681	-
At 31 December 2021	849,187	3,073,299	3,922,486

WPP LN LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1. General information

The Company is a private company, limited by shares and is incorporated in the United Kingdom under the Companies Act 2006. The Company is registered in England and Wales. The address of the registered office is Sea Containers House, 18 Upper Ground, London, SE1 9GL, United Kingdom.

The Company's principal business activities, future development and a review of its performance and position are set out in the Strategic report on pages 1 - 2.

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 101 'Reduced Disclosure Framework' ("FRS 101") and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Financial reporting standard 101 - reduced disclosure exemptions

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

- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
 - paragraph 79(a)(iv) of IAS 1;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member
- the requirements of paragraphs 130(f)(ii), 130(f)(iii), 134(d)-134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets.

WPP LN LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.3 Consolidation and ultimate parent company

The Company is a wholly owned subsidiary of its ultimate parent company and as such has taken advantage of the exemption from preparing group financial statements under section 400 of the Companies Act 2006. WPP plc, a company incorporated in Jersey, is the Company's ultimate parent undertaking and controlling party. The largest group of undertakings for which group financial statements are prepared and which include the results of the Company are the consolidated financial statements of WPP plc. The registered address of WPP plc is 13 Castle Street, St Helier, Jersey, JE1 1ES. Copies of the consolidated financial statements can be obtained from www.wpp.com/investors. The smallest group of undertakings for which group financial statements are prepared and which include the results of the Company are the consolidated financial statements of WPP Jubilee Limited, registered in the England and Wales. The registered address of WPP Jubilee Limited is Sea Containers House, 18 Upper Ground, London, SE1 9GL, United Kingdom. The immediate parent undertaking is WPP 2005 Limited. These financial statements are separate financial statements.

2.4 Going concern

The Directors have assessed the ongoing business activities and the potential impact that the Covid-19 pandemic, Russian invasion of Ukraine and general global economic conditions may have on the liquidity, performance and financial position of the Company for at least the next 12 months from the date of signing the financial statements.

As the Company is primarily an investment holder, there is no expected impact to the financial position of the Company as a result of Covid-19.

As at 31 December 2021, the Company has net current assets of £5,000 and net assets of £3,922,486,000 and can therefore meet its short and long-term obligations as they fall due.

After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for at least the next 12 months from the date of signing the financial statements. Additionally, the Company is a subsidiary of WPP plc and is supported by the overall WPP plc financing arrangements via the cash pooling arrangements.

The Directors therefore continue to adopt the going concern basis of accounting in preparing the financial statements.

2.5 Impact of new international reporting standards, amendments and interpretations

No new accounting standards or IFRIC interpretations have had a material impact on the Company for the year ended 31 December 2021.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)

2.6 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is Pounds Sterling (£).

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

2.7 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.8 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.9 Taxation

Tax is recognised in profit or loss 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 balance sheet date in the countries where the Company operates and generates income.

2.10 Investments in subsidiaries

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted Company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Income Statement for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)

2.11 Associates and joint ventures

An associate is an entity over which the Company has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

Associates and joint ventures are held at cost less impairment.

2.12 Trade and other receivables

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Trade and other receivables are carried at original invoice amount less any provisions for doubtful debts.

Provisions are made where there is evidence of a risk of non-payment, taking into account ageing, previous experience and general economic conditions. When a trade or other receivable is determined to be uncollectable it is written off, firstly against any provisions available and then to the income statement.

The Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets.

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Company has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

Subsequent recoveries of amounts previously provided for are credited to the income statement. Long-term receivables are discounted where the effect is material.

2.13 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.14 Trade and other payables

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

WPP LN LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.15 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 at an annual general meeting.

2.16 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from proceeds.

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

In the application of the Company's accounting policies, the Directors are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimate are recognised in the period in which the estimate is revised if the revision only affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical accounting estimates and assumptions

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing material adjustments to the carrying amounts of assets and liabilities within the next financial year are addressed below:

Impairment of investments

Investments in subsidiaries and associates are held at cost less accumulated impairment losses. Annual impairment tests are carried out to ascertain if the carrying value of investments are impaired. These tests comprise a comparison between the carrying value of investment in subsidiary and associates and the net asset value of the subsidiary and associates. In some instances, valuations of subsidiary companies and associates are prepared. Valuations for impairment tests are based on established market multiples or risk-adjusted future cash flows over the estimated useful life of the asset, where limited, discounted using appropriate interest rates.

The assumptions relating to future cash flows, estimated useful lives and discount rates are based on business forecasts and are therefore inherently judgemental. Future events could cause the assumptions used in these impairment tests to change with a consequent adverse effect on the future results of the Company.

In the opinion of the Directors there are no critical judgements that have been made in the process of applying the accounting policies.

WPP LN LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

4. Employees

The Company has no employees (2020: nil).

5. Directors' remuneration

During the year, Directors of the Company were remunerated as executives of the Group. They received no remuneration in respect of their services to the Company (2020: £nil).

6. Income from investments

	2021 £'000	2020 £'000
Income from investments	<u>4,516,544</u>	<u>-</u>

The Company received dividends from the below subsidiaries during 2021:

WPP Finance Co. Limited of £956,459,079

WPP MR US of £225,832,497

WPP Consulting Limited of £202,163,235

WPP Group (UK) Limited of £3,116,286,747

WPP Marketing Communications Holdings Limited of £15,802,554

7. Interest receivable

	2021 £'000	2020 £'000
Interest receivable from group companies	<u>1,907</u>	<u>3,418</u>

8. Interest payable and similar expenses

	2021 £'000	2020 £'000
Interest payable to group companies	<u>10</u>	<u>38</u>

WPP LN LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

9. Taxation

	2021	2020
	£'000	£'000
Income tax charge		
Current tax on profit/(loss) for the year	-	-

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2020 - higher than) the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

	2021	2020
	£'000	£'000
Profit/(loss) before tax	417,796	(71,105)
Profit/(loss) multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	79,381	(13,510)
Effects of:		
Expenses not deductible for tax purposes	779,123	14,152
Non-taxable income	(858,143)	-
Group relief	(361)	(642)
Total tax charge for the year	-	-

Factors that may affect future tax charges

The UK tax rate for the year ended 31 December 2021 is 19%. In the UK Budget on 3 March 2021, the Chancellor of the Exchequer announced an increase in the UK corporation tax rate from 19% to 25%, which is due to be effective from 1 April 2023. The change was enacted at the balance sheet date, and deferred tax balances have been remeasured accordingly at 25% (2020: 19%).

10. Dividends

	2021	2020
	£'000	£'000
Dividends paid (£0.50 per share)	4,683,119	-

WPP LN LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

11. Investments

	Investments in subsidiaries £'000	Investments in associates £'000	Total £'000
Cost			
At 1 January 2021	9,649,164	259,420	9,908,584
Additions	159,486	-	159,486
Disposals	(45,442)	-	(45,442)
At 31 December 2021	<u>9,763,208</u>	<u>259,420</u>	<u>10,022,628</u>
Accumulated impairment			
At 1 January 2021	1,999,501	-	1,999,501
Charge for the period	4,100,646	-	4,100,646
At 31 December 2021	<u>6,100,147</u>	<u>-</u>	<u>6,100,147</u>
Net book value			
At 31 December 2021	<u>3,663,061</u>	<u>259,420</u>	<u>3,922,481</u>
At 31 December 2020	<u>7,649,663</u>	<u>259,420</u>	<u>7,909,083</u>

On 12 May 2021, the Company acquired 108,109,760 ordinary shares of EUR0.10 each in the share capital of WPP 2323 Limited for a total cash consideration of £33,188,250.

On 24 May 2021, the Company acquired 4,263,050 ordinary shares of £1 each in the share capital of Premiere Group Holdings Limited for a total cash consideration of £4,263,050.

On 30 June 2021, the Company transferred its entire holding in WPP 2323 Limited as dividend-in-specie to WPP 2005 Limited at a market value of £33,188,250.

On 1 December 2021, the Company received 32,039,507 ordinary shares of £1 each in the share capital of WPP Sphinx Limited from WPP MR US in the form of dividend-in-specie amounting to £109,781,440.

On 16 December 2021, the Company received 94,348,021 ordinary shares of £0.000001 each in the share capital of WPP Marketing Communications Spain Limited from WPP Marketing Communications Holdings Limited in the form of dividend-in-specie amounting to £12,254,022.

On the same day, the Company transferred its entire holding in WPP Marketing Communications Spain Limited as dividend-in-specie to WPP 2005 Limited at a market value of £12,254,022.

WPP LN LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

11. Investments (continued)

The current year impairment charge of £4,100,646,000 relates to write downs in the carrying value of the Company's investments in Premiere Group Holdings Limited of £4,263,000, WPP Consulting Limited of £236,244,000, WPP Marketing Communications Holdings of £12,254,000, WPP Group (UK) Limited of £3,428,703,000, WPP Finance Co. Limited of £45,789,000 and WPP MR US of £373,393,000.

Details of the subsidiary and associate undertakings of the Company as at 31 December 2021 are given in Note 18.

12. Trade and other receivables

	2021 £'000	2020 £'000
Amounts owed by group undertakings	5	281,960

Amounts owed by group undertakings as at 31 December 2021 represents an intergroup loan with a fellow Group company in relation to the cash pooling arrangement.

13. Cash and cash equivalents

	2021 £'000	2020 £'000
Cash at bank and in hand	-	305

From April 2021, following an update to Group policy, the Company's syndicated banking arrangements with the Group have been restructured into 'zero balancing' pooling arrangements with a fellow Group company acting as the cash pool leader of these cash pools within the UK. All such receivables and/or payables shall be short term in nature and the Company, as a participant in the cash pooling arrangements, can transact as normal on its bank accounts, notwithstanding that any cash and/or overdraft will be held by the cash pool leader.

14. Trade and other payables falling due within one year

	2021 £'000	2020 £'000
Amounts owed to group undertakings	-	3,539

Amounts owed to group undertakings are unsecured and are repayable on demand. Interest rate applied on the Company's loan due to other group undertaking is nil (2020: 0.3334%)

WPP LN LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

15. Share capital

	2021 £'000	2020 £'000
Allotted, called up and fully paid		
9,435,408,962 (2020 - 9,435,408,962) Ordinary shares of £0.09 (2020: £0.90) each	849,187	8,491,868

On 10 May 2021, the Company undertook a share capital reduction by reducing the nominal value of shares from £0.90 per share to £0.09 per share generating distributable reserves of £7,642,681,259.

16. Related party transactions

As a wholly owned subsidiary of the ultimate parent company, WPP plc, advantage has been taken of the exemption afforded by FRS 101 'Reduced Disclosure Framework' not to disclose any related party transactions with other wholly owned members of the Group, or information around remuneration of key management personnel.

17. Post balance sheet events

There have been no significant events affecting the Company since the year end.

18. Subsidiaries and associates

The following were subsidiary and associate undertakings of the Company:

Name	Registered office	Class of shares	Holding
Intact Limited	(a)	Ordinary	76%
Nectar Acquisition LLC	(b)	Ordinary	100%
Premiere Group Holdings Limited	(a)	Ordinary	100%
Santo UK Limited	(c)	Ordinary	100%
Tempus Group Limited	(a)	Ordinary	100%
Permanent Organisation Two	(a)	Ordinary	98%
WPP Consulting Limited	(a)	Ordinary	100%
WPP CP Finance plc	(a)	Ordinary	100%
WPP Finance Co. Limited	(a)	Ordinary	100%
WPP Group (UK) Limited	(a)	Ordinary	100%
WPP Knowledge	(a)	Ordinary	100%
WPP Marketing Communications Holdings Limited	(a)	Ordinary	100%
WPP Sphinx Limited	(a)	Ordinary	2%
WPP MR US	(a)	Ordinary	100%
WPP Finance One Limited	(a)	Ordinary	11%

(a) Sea Containers House, 18 Upper Ground, London, SE1 9GL, England, United Kingdom

(b) 3 WTC- 175 Greenwich Street, 31st Floor, New York, NY, 10007, United States

(c) Greater London House, Hampstead Road, London, NW1 7QP, United Kingdom