

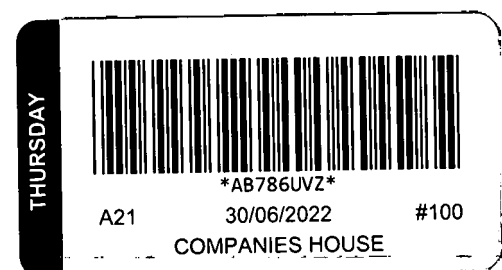
WIRE & PLASTIC PRODUCTS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

Registered office address:

Sea Containers
18 Upper Ground
London
SE1 9GL
United Kingdom



WIRE & PLASTIC PRODUCTS LIMITED

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WIRE & PLASTIC PRODUCTS LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

The Directors present their Strategic report on Wire & Plastic Products Limited (the 'Company') for the year ended 31 December 2020.

Principal activities

The Company is a member of the WPP plc Group (the 'Group'). The Company's principal activity is to act as an intergroup financing 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 loss for the year ended 31 December 2020 of £66,631 which will be transferred from reserves (2019: a loss of £748,187 which was transferred from reserves). Net assets as at 31 December 2020 were £(916,266) (2019: £(849,635)). The Company sold its manufacturing business during 2019, including transferring all employees to the acquiring company.

During the course of the preparation of these financial statements it was noted that legal ownership of the investment property is held by the subsidiary of the Company. However these assets have been incorrectly reported in the financial statements of the Company from 1 January 1996 until 31 December 2019. Therefore, and under the terms of a Deed of Release agreed between the parties in April 2022, the 2019 financial statements have been restated to transfer balances relating to the investment property to the subsidiary.

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.

Covid-19

The coronavirus pandemic has touched all our lives. At WPP, and in the Company, our first priority remains the wellbeing of our people and doing what we can to limit the impact of the virus on society. The second priority has been the continuity of service for our clients. We have thrown ourselves into achieving both objectives.

The Directors will continue to monitor, review and take any appropriate steps to respond to the impact of the Covid-19 pandemic in the Company, as well as recognise and address the other current and emerging risks and uncertainties we face as a business.

The extent of the continued impact of the Covid-19 pandemic on our business will depend on numerous factors that we are not able to accurately predict, including the duration and scope of the pandemic, government actions to mitigate the effects of the pandemic and the intermediate and long-term impact of the pandemic on our clients' spending plans.

Dividends

The Company did not pay a dividend either in the current year or prior year. No dividends have been declared since the balance sheet date.

WIRE & PLASTIC PRODUCTS LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

Going concern and liquidity risk

The Directors have assessed the ongoing business activities and the potential impact that the global outbreak of Covid-19 may have on the liquidity, performance and financial position of the Company for at least the next 12 months.

As the Company is now primarily an intercompany financing company, there is no expected impact to the financial position of the Company as a result of Covid-19.

As at 31 December 2020, the Company has net cash of £181,764, net current assets of £(916,266) and net assets of £(916,266) 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.

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

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 2020 and up to date of this report. The Company's activities expose it to a number of financial risks including credit risk, currency risk and liquidity risk. The use of financial derivatives by the Company is governed by the overall Group policies approved by the board of directors, which provide written principles on the use of financial derivatives to manage these risks. The Group does not use derivative financial instruments for speculative purposes. The principal risks for the Company are shown below:

Credit risk

The Company's principal financial assets are bank balances and cash and trade and other receivables. The Company's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows. The credit risk is limited because the counterparties are intergroup companies which are supported by the overall Group financing arrangements.

Currency risk

The Company's activities expose it to the financial risks of changes in foreign exchange rates. Overall, the Company has minimal exposure to currency risks due to it mainly transacting in Pounds sterling. The Group's treasury function takes out contracts to manage the risk at a Group level.

Liquidity risk

Liquidity risk is discussed in the section above.

WIRE & PLASTIC PRODUCTS LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

Financial key performance indicators

	2020	2019	Change
	£	£	%
Turnover	-	324,636	(100.0)%
Loss before tax	(66,631)	(748,187)	91.1%
Net liabilities	(916,266)	(849,635)	7.8%

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 117-118 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 30 June 2022 and signed on its behalf.



D Conaghan
Director

WIRE & PLASTIC PRODUCTS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

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

Results

The Company's results for the financial year are shown in the income statement on page 9.

Directors and their interests

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

D Conaghan
A Payne

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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 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.

WIRE & PLASTIC PRODUCTS LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

Matters covered in the strategic report

The following items have been included in the strategic report on pages 1 - 3:

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

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 April 2022, the Company and its subsidiary signed a Deed of Release in relation to the investment properties which had been accounted for by the Company but are legally owned by the subsidiary. The Deed releases the Company and its subsidiary from any obligation and/or liability to account to the other for any monies in connection with the investment properties prior to 31 December 2019. The subsidiary will account for the properties from 1 January 2019 onwards.

Auditor

Deloitte LLP are deemed to be re-appointed in accordance with an elective resolution made under section 487 of the Companies Act 2006.

This report was approved by the board on 30 June 2022 and signed on its behalf.



D Conaghan
Director

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Wire & Plastic Products Limited (the 'Company'):

- give a true and fair view of the state of the Company's affairs as at 31 December 2020 and of the Company's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the income statement;
- the balance sheet;
- the statement of changes in equity;
- the statement of accounting policies; and
- the related notes 1 to 17.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "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 Financial Reporting Council's (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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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.

We have nothing to report in this regard.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, 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.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered 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.

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory framework that the Company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act 2006, tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the Company's ability to operate or to avoid a material penalty. These included the UK Bribery Act.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

**Extent to which the audit was considered capable of detecting irregularities, including fraud
(continued)**

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

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

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 any material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- the company 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.

We have nothing to report in respect of these matters.

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.



Edward Salter, FCA (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom
30 June 2022

WIRE & PLASTIC PRODUCTS LIMITED

INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2020

		Continuing operations	Discontinued operations	Total	Continuing operations As restated 2019	Discontinued operations As restated 2019	Total As restated 2019
	Notes	2020 £	2020 £	2020 £	£	£	£
Turnover	4	-	-	-	-	324,636	324,636
Cost of sales		-	-	-	-	(261,158)	(261,158)
Gross profit		-	-	-	-	63,478	63,478
Administrative expenses		(66,631)	-	(66,631)	(5,470)	(173,263)	(178,733)
Operating loss	5	(66,631)	-	(66,631)	(5,470)	(109,785)	(115,255)
Loss on disposal of operations		-	-	-	-	(632,932)	(632,932)
Loss before tax		(66,631)	-	(66,631)	(5,470)	(742,717)	(748,187)
Tax on loss	9	-	-	-	-	-	-
Loss for the year		(66,631)	-	(66,631)	(5,470)	(742,717)	(748,187)

The notes on pages 12 to 19 form part of these financial statements.

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.

WIRE & PLASTIC PRODUCTS LIMITED
REGISTERED NUMBER: 00899099

BALANCE SHEET
AS AT 31 DECEMBER 2020

	Note	2020 £	As restated 2019 £
Current assets			
Trade and other receivables	10	11,972	11,225
Cash at bank and in hand	11	181,764	194,619
		<u>193,736</u>	<u>205,844</u>
Current liabilities			
Trade and other payables	12	(1,110,002)	(1,055,479)
Net current liabilities		<u>(916,266)</u>	<u>(849,635)</u>
Total assets less current liabilities		<u>(916,266)</u>	<u>(849,635)</u>
Net liabilities		<u>(916,266)</u>	<u>(849,635)</u>
Capital and reserves			
Called up share capital	13	2,498,000	2,498,000
Profit and loss account		(3,414,266)	(3,347,635)
		<u>(916,266)</u>	<u>(849,635)</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 30 June 2022.



D Conaghan
Director

The notes on pages 12 to 19 form part of these financial statements.

WIRE & PLASTIC PRODUCTS LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Called up share capital £	Revaluation reserve £	Profit and loss account £	Total equity £
At 1 January 2019 (as previously stated)	2,498,000	49,302	(1,310,457)	1,236,845
Correction of historic errors	-	-	(1,338,293)	(1,338,293)
At 1 January 2019 (as restated)	2,498,000	49,302	(2,648,750)	(101,448)
Loss and total comprehensive expense for the year (as restated)	-	-	(748,187)	(748,187)
Transfers	-	(49,302)	49,302	-
At 1 January 2020	2,498,000	-	(3,347,635)	(849,635)
Loss and total comprehensive expense for the year	-	-	(66,631)	(66,631)
At 31 December 2020	2,498,000	-	(3,414,266)	(916,266)

The notes on pages 12 to 19 form part of these financial statements.

WIRE & PLASTIC PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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, 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 - 3.

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).

First time application of FRS 101

The policies applied under the entity's previous accounting framework are not materially different to FRS 101 and have not impacted on equity or profit or loss.

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 paragraphs 91-99 of IFRS 13 Fair Value Measurement
- the requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers
- 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;
 - paragraphs 76 and 79(d) of IAS 40 Investment Property; and
- 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.

WIRE & PLASTIC PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.3 Exemption from preparing consolidated financial statements

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 Belgrave Square. 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 global outbreak of Covid-19 may have on the liquidity, performance and financial position of the Company for at least the next 12 months.

As the Company is now primarily an intercompany financing company, there is no expected impact to the financial position of the Company as a result of Covid-19.

As at 31 December 2020, the Company has net cash of £181,764, net current assets of £(916,266) and net assets of £(916,266) 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.

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 2020.

2.6 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.

WIRE & PLASTIC PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.7 Investments in subsidiaries

Investments in subsidiaries are measured at cost less accumulated impairment.

2.8 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.

2.9 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.

2.10 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.

2.11 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.

WIRE & PLASTIC PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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.

In the opinion of the Directors there are no critical accounting estimates or judgements that have a significant risk of causing material adjustments to the carrying amounts of assets and liabilities within the next financial year.

4. Revenue

All turnover arose within the United Kingdom in the prior year.

5. Operating loss

The operating profit is stated after charging/(crediting):

	2020 £	2019 £
Depreciation of owned tangible fixed assets	-	9,689

6. Auditor's remuneration

	2020 £	2019 £
Fees payable to the Company's auditor for the audit of the Company's annual financial statements	50,000	5,042

There were no non-audit services provided by the Company's auditor in the current or prior year.

WIRE & PLASTIC PRODUCTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

7. Employees

Staff costs, including Directors' remuneration, were as follows:

	2020 £	2019 £
Wages and salaries	-	204,142
Social security costs	-	13,608
Cost of defined contribution pension scheme	-	4,618
	<u>-</u>	<u>222,368</u>

The average monthly number of employees, including the Directors, during the year was as follows:

	2020 Number	2019 Number
Production and administration	<u>-</u>	<u>10</u>

8. Directors' remuneration

	2020 £	2019 £
Directors' emoluments	-	27,100
Company contributions to defined contribution pension schemes	-	1,050
	<u>-</u>	<u>28,150</u>

During the year, the Directors of the Company were remunerated as executives of the Group by a fellow Group company. They received no remuneration in respect of their services to the Company.

9. Taxation

	2020 £	2019 £
Income tax charge		
Current tax on losses for the year	<u>-</u>	<u>-</u>

WIRE & PLASTIC PRODUCTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

9. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2019 - higher than) the standard rate of corporation tax in the UK of 19% (2019 - 19%). The differences are explained below:

	2020 £	As restated 2019 £
Loss before tax	<u>(66,631)</u>	<u>(748,187)</u>
Loss multiplied by standard rate of corporation tax in the UK of 19% (2019 - 19%)	<u>(12,660)</u>	<u>(142,156)</u>
Effects of:		
Loss on discontinued operations not deductible for tax purposes	-	120,257
Capital allowances for year in excess of depreciation	-	1,840
Group relief	<u>12,660</u>	<u>20,059</u>
Total tax charge for the year	<u>-</u>	<u>-</u>

Factors that may affect future tax charges

The UK tax rate for the year ended 31 December 2020 is 19%. The reversal of a planned reduction to 17% was enacted in 2020, and therefore the rate used for deferred tax balances for 2020 is 19% (2019: 17%).

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. This change was not substantively enacted at the balance sheet date and hence has not been reflected in the measurement of deferred tax balances at the period end.

10. Trade and other receivables

	2020 £	As restated 2019 £
Amounts owed by group undertakings	10,549	9,156
Other receivables	1,423	1,685
Prepayments and accrued income	-	384
	<u>11,972</u>	<u>11,225</u>

Amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

WIRE & PLASTIC PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

11. Cash and cash equivalents

	2020 £	2019 £
Cash at bank and in hand	<u>181,764</u>	<u>194,619</u>

The Company participates in group banking arrangements with its ultimate parent company, WPP plc, and has access to a group cash management facility. The Company guarantees the facility to the extent of its cash deposited in the UK with its clearing bank. The Company, together with its ultimate parent company, WPP plc, and certain other subsidiary undertakings, is a party to the group's syndicated banking arrangements. The Company has jointly and severally guaranteed the borrowings under these arrangements. Details of these arrangements are included in the financial statements of WPP plc.

12. Trade and other payables falling due within one year

	2020 £	As restated 2019 £
Trade creditors	2,010	3,962
Amounts owed to group undertakings	1,027,103	1,026,754
Accruals and deferred income	80,889	24,763
	<u>1,110,002</u>	<u>1,055,479</u>

Amounts owed to group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

13. Share capital

	2020 £	2019 £
Allotted, called up and fully paid		
2,498,000 (2019 - 2,498,000) Ordinary shares of £1.00 each	<u>2,498,000</u>	<u>2,498,000</u>

14. 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.

WIRE & PLASTIC PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

15. Prior year adjustments

During the course of the preparation of these financial statements it was noted that legal ownership of the investment property is held by the subsidiary of the Company. However these assets have been incorrectly reported in the financial statements of the Company from 1 January 1996 until 31 December 2019. Therefore, and under the terms of a Deed of Release agreed between the parties in April 2022, the 2019 financial statements have been restated to transfer balances relating to the investment property to the subsidiary. Certain intragroup balances that had historically been treated as having been waived were also reinstated. A summary of the impacted balances is set out below:

	As previously reported £	Adjustments £	As restated £
Impact on assets, liabilities and equity as at 1 January 2020			
Investment property	803,500	(803,500)	-
Prepayments and accrued income	21,903	(21,519)	384
Net impact on total assets	825,403	(825,019)	384
Amounts owed to group undertakings	-	(1,026,754)	(1,026,754)
Net impact on liabilities	-	(1,026,754)	(1,026,754)
Net impact on net assets	825,403	(1,851,773)	(1,026,370)
Other operating income	29,111	(29,111)	-
Change in fair value of investment properties	484,369	(484,369)	-
Correction of historic errors	-	(1,338,293)	(1,338,293)
Net impact on retained earnings	513,480	(1,851,773)	(1,338,293)

16. Post balance sheet events

On 19 April 2022, the Company and its subsidiary signed a Deed of Release in relation to the investment properties which had been accounted for by the Company but are legally owned by the subsidiary. The Deed releases the Company and its subsidiary from any obligation and/or liability to account to the other for any monies in connection with the investment properties prior to 31 December 2019. The subsidiary will account for the properties from 1 January 2019 onwards.

17. Subsidiary undertaking

The following is a subsidiary undertaking of the Company:

Name	Registered office	Class of shares	Holding
Alton Wire Products Limited	Sea Containers, 18 Upper Ground, London, SE1 9GL, United Kingdom	Ordinary	100%