

THISTLECLUB 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



THISTLECLUB LIMITED

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THISTLECLUB LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

The Directors present their Strategic report on Thistleclub 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 intend to maintain the Company as a dormant entity in the foreseeable future.

Business review

The Company made a loss for the year ended 31 December 2021 of £122,225,000 which will be transferred from reserves (2020: a loss of £1,000 which was transferred from reserves).

During 2021 and 2022, as part of an internal group re-structuring process, the Company transferred all of its assets and liabilities to fellow group companies.

Dividends

During 2021, the Company paid an interim dividend of £1.48 per share totalling £4,305,384,000 to ordinary shareholders (2020: £nil). No final dividend has been declared since the balance sheet date.

Going concern and liquidity risk

During 2021 and 2022, the Company's assets and liabilities were transferred to fellow group companies. The Directors have assessed that post transfer the Company will be maintained as a dormant entity.

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 2021 and up to date of this report. As the Company is primarily an investment holding 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 %
Loss before taxation	(122,225)	(1)	N/A
Net assets	-	4,427,609	(100.0)%

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.

THISTLECLUB LIMITED

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

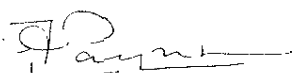
Directors' statement of compliance with duty to promote the success of the Company

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.

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 29 November 2022 and signed on its behalf.



A Payne
Director

THISTLECLUB 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 of the financial statements, unless otherwise stated, were:

R Payne (appointed 1 July 2022)
N Douglas (appointed 30 September 2022)
A Payne
C van der Welle (resigned 30 September 2022)
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 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.

THISTLECLUB LIMITED

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

Matters covered in the strategic report

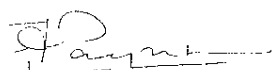
The following items have been included in the strategic report on pages 1 - 2:

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

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 29 November 2022 and signed on its behalf.



A Payne
Director

THISTLECLUB LIMITED

INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021 £'000	2020 £'000
Income from investments	6	4,324,438	-
Impairment of investments in subsidiaries	10	(4,446,663)	-
Operating (loss)/profit		(122,225)	-
Interest payable and similar expenses	7	-	(1)
Loss before taxation		(122,225)	(1)
Taxation	8	-	-
Loss for the year		(122,225)	(1)

The notes on pages 8 to 15 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.

THISTLECLUB LIMITED
REGISTERED NUMBER: 02298386

BALANCE SHEET
AS AT 31 DECEMBER 2021

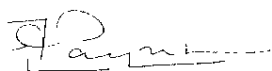
	Notes	2021 £'000	2020 £'000
Non-current assets			
Investments	10	-	4,429,236
Current assets			
Cash at bank and in hand	11	76	-
Current liabilities			
Trade and other payables	12	(76)	(1,552)
Bank overdraft	11	-	(75)
Net current assets/(liabilities)		-	(1,627)
Total assets less current liabilities		-	4,427,609
Net assets		-	4,427,609
Capital and reserves			
Called up share capital	13	-	2,914,124
Share premium account		-	2,671,861
Capital reserves		12,593	12,593
Profit and loss account		(12,593)	(1,170,969)
		-	4,427,609

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 29 November 2022.



A Payne
Director

The notes on pages 8 to 15 form an integral part of these financial statements.

THISTLECLUB LIMITED

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

	Called up share capital £'000	Share premium account £'000	Capital reserves £'000	Profit and loss account £'000	Total equity £'000
At 1 January 2020	1,529,676	2,671,861	12,593	(1,170,968)	3,043,162
Loss and total comprehensive expense for the year	-	-	-	(1)	(1)
Shares issued during the year	1,384,448	-	-	-	1,384,448
At 31 December 2020	2,914,124	2,671,861	12,593	(1,170,969)	4,427,609
Loss and total comprehensive expense for the year	-	-	-	(122,225)	(122,225)
Dividends: Equity capital	-	-	-	(4,305,384)	(4,305,384)
Share capital reduction	(2,914,124)	(2,671,861)	-	5,585,985	-
At 31 December 2021	-	-	12,593	(12,593)	-

THISTLECLUB 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.

THISTLECLUB 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 Line Exchange Limited. These financial statements are separate financial statements.

2.4 Going concern

During 2021 and 2022, the Company's assets and liabilities were transferred to fellow group companies. The Directors have assessed that post transfer the Company will be maintained as a dormant entity.

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 2021.

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.

THISTLECLUB LIMITED

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

2. Accounting policies (continued)

2.7 Interest expense

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.

2.8 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.

2.9 Investments in subsidiaries

Investments in subsidiaries are measured at cost less accumulated impairment.

2.10 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.

2.11 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.

2.12 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.

2.13 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.

THISTLECLUB LIMITED

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

3. Critical accounting judgements 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.

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.

4. Employees

The Company has no employees (2020: nil).

5. Directors' remuneration

During the year all 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 (2020: £nil).

6. Income from investments

	2021 £'000	2020 £'000
Dividend from subsidiaries	<u>4,324,438</u>	<u>-</u>

The Company received dividend income of £4,322,886,000 from Readysquare Limited and £1,552,000 from Colloquial UK Limited during 2021.

THISTLECLUB LIMITED

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

7. Interest payable and similar expenses

	2021 £'000	2020 £'000
Bank interest payable	-	1

8. Taxation

	2021 £'000	2020 £'000
Current tax on loss for the year	-	-

Factors affecting tax charge for the year

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

	2021 £'000	2020 £'000
Loss before taxation	(122,225)	(1)
Loss multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	(23,223)	-
Effects of:		
Expenses not deductible for tax purposes	844,866	-
Non-taxable income	(821,643)	-
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%).

9. Dividends

	2021 £'000	2020 £'000
Dividends paid (£1.48 per share)	4,305,384	-

THISTLECLUB LIMITED

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

10. Investments

	Investments in subsidiaries £'000
Cost	
At 1 January 2021	4,998,669
Additions	99,841
Disposals	(82,414)
At 31 December 2021	<u>5,016,096</u>
Accumulated impairment	
At 1 January 2020	569,433
Charge for the year	4,446,663
At 31 December 2021	<u>5,016,096</u>
Net book value	
At 31 December 2021	<u>-</u>
At 31 December 2020	<u>4,429,236</u>

On 29 July 2021, the Company transferred its investment in Prophaven Limited to WPP Group UK Limited at book value of £82,414,422 resulting in £nil profit or loss.

On the same date, the Company acquired 99,841,138 ordinary shares with nominal value of £1 each in the share capital of Readysquare Two Limited for a subscription price of £99,841,138.

The current year impairment charge of £4,446,662,500 relates to write downs in the carrying value of the Company's investments in Readysquare Limited by £4,346,821,362 and Readysquare Two Limited by £99,841,138.

Details of the subsidiary undertakings of the Company as at are given in Note 16.

THISTLECLUB LIMITED

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

11. Cash and cash equivalents

	2021 £'000	2020 £'000
Cash at bank and in hand	76	-
Bank overdrafts	-	(75)
	<u>76</u>	<u>(75)</u>

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.

12. Trade and other payables falling due within one year

	2021 £'000	2020 £'000
Amounts owed to group undertakings	<u>76</u>	<u>1,552</u>

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

13. Share capital

	2021 £'000	2020 £'000
Allotted, called up and fully paid		
2,914,123,893 (2020 - 2,914,123,893) Ordinary shares of £0.00000001 each (2020: £1 each)	-	2,914,124

On 10 May 2021, the Company undertook a share capital reduction by reducing the nominal value of shares from £1 to £0.00000001 per share. The Company also undertook a share premium reduction by reducing share premium from £2,671,861,456 to £nil. These actions generated distributable reserves of £5,585,985,320.

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.

THISTLECLUB LIMITED

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

15. Post balance sheet events

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

16. Subsidiary undertakings

The following were the subsidiary undertakings of the Company:

Name	Registered office	Class of shares	Holding
ReadySquare Limited	(a)	Ordinary	100%
Readysquare Two Limited	(a)	Ordinary	100%

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