

**Company Registration No. 2493927**

**Dovetail Contract Furniture Limited**

**Report and Financial Statements**

**31 December 2014**

WEDNESDAY



\*L4BOB27S\*

LD4

15/07/2015

#96

COMPANIES HOUSE

**Dovetail Contract Furniture Limited**  
Company Registration No. 2493927

**Report and financial statements 2014**

<b>Contents</b>	<b>Page</b>
Officers and professional advisers	1
Directors' report	2
Statement of directors' responsibilities	4
<i>Independent auditor's report</i>	5
Profit and loss account	7
Balance sheet	8
Notes to the accounts	9

**Dovetail Contract Furniture Limited**  
Company Registration No. 2493927

**Report and financial statements 2014**

**Officers and professional advisers**

**Directors**

S Fitch (appointed 1<sup>st</sup> May 2014)  
M Haque (resigned 30<sup>th</sup> April 2015)  
S Moore (appointed 1 May 2015)  
G Parker (resigned 1<sup>st</sup> May 2014)

**Secretary**

WPP Nominees Ltd

**Registered Office**

11-33 St John Street  
London  
EC1M 4AA

**Bankers**

HSBC Plc  
62 George White Street  
Cabot Circus  
Bristol  
BS1 3BA

**Solicitors**

Hammonds Suddards Edge  
7 Devonshire Square  
Cutlers Garden  
London  
EC2M 4YH

**Auditor**

Deloitte LLP  
Chartered Accountants and Statutory Auditor  
London

# **Dovetail Contract Furniture Limited**

Company Registration No. 2493927

## **Directors' report**

The directors present their annual report and the audited financial statements for the year ended 31 December 2014.

The Directors' Report has been prepared in accordance with the special provisions relating to small companies under s415(a) of the Companies Act 2006.

### **Principal activity**

The principal activity of the Company continues to be the supply and installation of office furniture.

### **Business review, results and dividends**

During 2014 the Company has improved its position in a deteriorating market place as a premier dealer in quality office furniture; however the downturn in the market in 2011 affected the trading performance of the company.

The audited financial statements for the year ended 31 December 2014 are set out on pages 6 to 15. The Company had turnover of £4,391,879 (2013: £3,150,028) and, before taxation, a loss of £41,973 (2013: loss of £76,915).

The balance sheet on page 7 of the financial statements shows the company's financial position at the year end.

During the year the Company paid dividends of £nil (2013: £nil). There are no proposed dividends at the balance sheet date.

### **Future prospects and going concern**

The directors expect the general level of activity to continue for at least the next 12 months.

The Company is a subsidiary of WPP plc and is therefore subject to the overall WPP plc financing arrangements as described in note 17. 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. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Further details regarding the adoption of the going concern basis can be found in the Statement of accounting policies in the financial statements (Note 1).

### **Directors**

The directors who served during the year and subsequently are listed on page 1.

### **Statement on information given to the auditor**

Each of the persons who is a director at the date of approval of this report confirms 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 he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418(2) of the Companies Act 2006.

**Dovetail Contract Furniture Limited**  
Company Registration No. 2493927

**Director's report (continued)**

**Auditor**

Deloitte LLP have expressed their willingness to continue in office as auditor and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors  
and signed on behalf of the Board

A handwritten signature in black ink, appearing to be 'S Moore', with a stylized, sweeping flourish extending from the end of the signature.

S Moore

Director

25/6/2015

---

**Dovetail Contract Furniture Limited**  
Company Registration No. 2493927

**Statement of directors' responsibilities**

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). 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; and
- 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 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.

## **Independent auditor's report to the members of Dovetail Contract Furniture Limited**

We have audited the financial statements of Dovetail Contract Furniture Limited for the year ended 31 December 2014 which comprise the profit and loss account, the balance sheet 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 (United Kingdom Generally Accepted Accounting Practice).

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.

### **Respective responsibilities of directors and auditor**

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. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2014 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

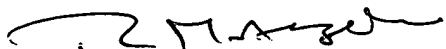
### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies exemption in preparing the Strategic report and Directors' report.



Reza Motazedi (Senior Statutory Auditor)  
for and on behalf of Deloitte LLP  
Chartered Accountants and Statutory Auditor  
London, United Kingdom

25 June 2015



**Dovetail Contract Furniture Limited**  
Company Registration No. 2493927

**Profit and loss account**  
**31 December 2014**

	Notes	2014 £	2013 £
Turnover	1, 2	4,391,879	3,150,028
Cost of sales		<u>(3,801,094)</u>	<u>(2,618,652)</u>
Gross profit		590,785	531,376
Operating expenses	3	<u>(627,658)</u>	<u>(608,102)</u>
Operating loss	4	(36,873)	(76,726)
Interest payable and similar expense	5	<u>(5,100)</u>	<u>(189)</u>
Loss on ordinary activities before taxation		(41,973)	(76,915)
Tax on loss on ordinary activities	7	<u>-</u>	<u>-</u>
Loss on ordinary activities after taxation and for the financial year	14	<u><u>(41,973)</u></u>	<u><u>(76,915)</u></u>

The accompanying notes form an integral part of this profit and loss account.

All results relate to continuing activities.

There are no recognised gains or losses in either year other than the loss for the year. Consequently, no statement of total recognised gains and losses is presented.

**Dovetail Contract Furniture Limited**  
Company Registration No. 2493927

**Balance sheet**  
**31 December 2014**

	Notes	2014 £	2013 £
<b>Current assets</b>			
Work in progress	8	88,907	172,765
Debtors	9	563,665	574,424
Cash at bank and in hand		326,071	215,526
		<u>978,643</u>	<u>962,715</u>
<b>Creditors: amounts falling due within one year</b>	10	<u>(776,286)</u>	<u>(718,385)</u>
<b>Net current assets</b>		<u>202,357</u>	<u>244,330</u>
<b>Total assets less current liabilities</b>		<u>202,357</u>	<u>244,330</u>
<b>Net assets</b>		<u>202,357</u>	<u>244,330</u>
<b>Capital and reserves</b>			
Called up share capital	11	62,200	62,200
Share premium account	13	399,900	399,900
Profit and loss account	12	<u>(259,743)</u>	<u>(217,770)</u>
<b>Shareholders' funds</b>	14	<u>202,357</u>	<u>244,330</u>

The accompanying notes form an integral part of this balance sheet.

The financial statements of Dovetail Contract Furniture Limited, company no. 2493927, have been approved and authorised for issue by the Board of Directors on 25/6/2015.

Signed on behalf of the Board of Directors



S Moore  
Director

## **Dovetail Contract Furniture Limited**

Company Registration No. 2493927

### **Notes to the accounts**

#### **Year ended 31 December 2014**

##### **1. Accounting policies**

The financial statements are prepared in accordance with applicable accounting standards. The particular accounting policies adopted are described below. They have all been applied consistently throughout the current year and the prior year.

##### **Going concern**

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the business review on page 2.

The Company meets its day-to-day working capital requirements through participating in group banking arrangements with its ultimate parent WPP plc, and has access to a group cash management facility.

After making enquiries into the company's budget and forecast, financial position and considering the financial performance, and future intentions of divisional management, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for at least the next 12 months. Accordingly, they continue to adopt the going concern basis in preparing the accounts.

##### **Basis of accounting**

The financial statements have been prepared in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) under the historical cost convention.

##### **Cash flow statement**

Under the provisions of Financial Reporting Standard No. 1 (revised 1996), the Company has not prepared a cash flow statement because its parent undertaking, WPP Plc, which is incorporated in Jersey, has prepared consolidated financial statements which include a consolidated cash flow statement including the cash flows of the Company, which is publicly available.

##### **Tangible fixed assets**

Tangible fixed assets are stated at historical cost less depreciation and any provision for impairment. Tangible fixed assets are depreciated on a straight-line basis over their estimated useful lives. Specific depreciation rates are as follows:

Computer and office equipment	- 3 years
-------------------------------	-----------

##### **Stocks and work in progress**

Stocks are stated at the lower of cost and net realisable value. Work in progress comprises costs incurred on behalf of clients.

##### **Debtors**

Debtors are stated net of provisions for bad and doubtful debts.

**Dovetail Contract Furniture Limited**  
Company Registration No. 2493927

**Notes to the accounts**  
**Year ended 31 December 2014**

**1. Accounting policies (continued)**

**Taxation**

UK corporation tax payable is provided on taxable profits at the current rate except to the extent that the losses are transferred to or from another group Company under the group relief provisions, without corresponding payment by the claimant Company.

Deferred tax is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law that have been enacted or substantively enacted by the balance sheet date. Timing differences arising from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

**Foreign currencies**

Transactions in foreign currencies are recorded at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates prevailing at that date. All exchange differences are included in the profit and loss account.

**Turnover**

Turnover comprises the value of sales (excluding VAT, trade discounts and similar taxes) relating to all products delivered, and where applicable, installed in the year.

**Pension costs**

The Company's contributions to all its defined contribution pension schemes are charged against profits in the year in which the contributions are payable.

Any difference between amounts charged to the profit and loss account and contributions paid is shown as a separately identified liability or asset in the balance sheet.

**Leases**

Rentals paid under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis.

**Dovetail Contract Furniture Limited**  
**Company Registration No. 2493927**

**Notes to the accounts**  
**Year ended 31 December 2014**

**2. Turnover**

Turnover relates to the supply and installation of office furniture and fittings within the United Kingdom.

**3. Operating expenses**

	2014 £	2013 £
Selling expenses	421,308	411,159
Customer services and administration	206,350	196,943
	<u>627,658</u>	<u>608,102</u>

**4. Operating loss**

Operating loss is stated after charging:

	2014 £	2013 £
Fees payable to the company's auditor for the audit of the company's annual accounts	<u>16,300</u>	<u>16,300</u>

There were no fees payable to Deloitte LLP and their associates for non- audit services to the company.

**5. Interest payable**

	2014 £	2013 £
Bank interest payable	<u>5,100</u>	<u>189</u>

**Dovetail Contract Furniture Limited**  
Company Registration No. 2493927

**Notes to the accounts**  
**Year ended 31 December 2014**

**6. Staff costs**

Particulars of staff costs (including executive directors) are shown below:

	2014 £	2013 £
Wages and salaries	317,657	313,645
Social security costs	38,029	38,330
Other pension costs	3,250	3,332
	<u>358,936</u>	<u>355,307</u>

The average monthly number of employees (including executive directors) that worked for the Company during the year was as follows:

	2014 No.	2013 No.
Sales	<u>7</u>	<u>7</u>

The remuneration of the directors was as follows:

**Directors' Remuneration**

The Company was charged £61,007 (2013: £57,365) by a group Company for the services of the directors, M Haque and G Parker.

**Pensions**

The Company has established a Group Personal Pension Scheme which provides participating employees with personal pension plans. All staff are eligible to join this scheme after six months service which requires employee and employer contributions of equal amounts. Contributions to all schemes are charged against the Company's profits in the period for which the contributions are made.

The pension costs for the period were £3,250 (2013: £3,332). There were outstanding contributions at 31 December 2014 of £nil (2013: £896).

**Dovetail Contract Furniture Limited**  
Company Registration No. 2493927

**Notes to the accounts**  
**Year ended 31 December 2014**

**7. Tax on (loss) on ordinary activities**

*Analysis of tax charge on ordinary activities*

	2014 £	2013 £
<i>Current taxation</i>		
UK Corporation tax at 21.5% (2013: 23.25%)	-	-

*Factors affecting the tax charge for the current year*

The standard rate of tax for the year, based on the UK standard rate of corporation tax is 21% (2013: 23%).  
The tax assessed for the current year differs from that resulting from applying the standard rate of corporation tax, for the reasons set out in the following reconciliation.

	2014 £	2013 £
Loss on ordinary activities before tax	(41,973)	(76,915)
Tax at 21.5% (2013: 23.25%)	9,024	17,883
<i>Effects of:</i>		
Expenses not deductible for tax purposes	(3,104)	(3,856)
Depreciation in excess of capital allowances		
Adjustments to tax charge in respect of group relief surrendered for £nil consideration	(5,921)	(14,027)
Current tax for the year	-	-

*Factors that may affect the future tax charge*

A deferred tax asset has not been recognised in respect of timing differences relating to depreciation in excess of capital allowances, as there is insufficient evidence that the asset will be recovered. The amount of the asset not recognised is £18,509 (2013: £18,509). The deferred tax asset has not been recognised as there is considered to be insufficient evidence of its reversal in future periods.

**Dovetail Contract Furniture Limited**  
Company Registration No. 2493927

**Notes to the accounts**  
**Year ended 31 December 2014**

**8. Stocks and work in progress**

	2014 £	2013 £
Work in progress	88,907	172,765

**9. Debtors**

	2014 £	2013 £
Amounts falling due within one year:		
Trade debtors	426,597	155,531
Amounts owed by group undertakings	121,989	410,610
Other debtors including taxation	1,047	3,951
Prepayments and accrued income	14,032	4,332
	<u>563,665</u>	<u>574,424</u>

**10. Creditors: amounts falling due within one year**

	2014 £	2013 £
Trade creditors	494,310	451,537
Amounts owed to group undertakings	20,098	54,890
Other creditors including taxation and social security	46,247	78,660
Accruals and deferred income	215,631	133,298
	<u>776,286</u>	<u>718,385</u>

**11. Called up share capital**

	2014 £	2013 £
Allotted, called up and fully paid:		
62,200 ordinary shares of £1 each	62,200	62,200

**12. Profit and loss account**

	2014 £	2013 £
At the beginning of the year	(217,770)	(140,855)
Retained profit for the financial year	(41,973)	(76,915)
At the end of the year	<u>(259,743)</u>	<u>(217,770)</u>



## Dovetail Contract Furniture Limited

Company Registration No. 2493927

### Notes to the accounts

#### Year ended 31 December 2014

##### 13. Share premium account

	2014 £	2013 £
At the beginning or end of the year	399,900	399,900

##### 14. Reconciliation of movement in shareholders' funds/deficit

	2014 £	2013 £
Opening shareholders' funds	244,330	321,245
Loss for the financial year	(41,973)	(76,915)
Closing shareholders' funds	202,357	244,330

##### 15. Guarantees and other financial commitments

###### Financial guarantees

The Company participates in group banking arrangements with its parent, WPP Group plc, and has access to a group cash management facility. The Company guarantees the facility to the extent of its United Kingdom cash deposits with its clearing bank.

###### Capital commitments

At the end of the year, there were £nil capital commitments (2013: £nil).

###### Operating leases

At 31 December 2014, the Company had no annual commitments under non-cancellable operating leases (2013: £nil).

##### 16. Related party transactions

The Company has taken advantage of the exemption provided by paragraph 3(c) of FRS8 (2008) Related Party Disclosures not to disclose the details of transactions with related parties. The Company and all companies with whom related party transactions took place in the year are ultimately 100% owned by WPP plc, the consolidated accounts of which are publicly available.

##### 17. Ultimate parent Company and controlling party

The directors regard WPP 2005 Limited, a Company incorporated in The United Kingdom, as the immediate parent Company and WPP plc, a Company incorporated in Jersey, as the ultimate parent Company and the ultimate controlling party.

At the year end the parent undertaking of the largest group of undertakings for which group financial statements are drawn up and of which the Company is a member is WPP plc, registered in Jersey.

The parent undertaking of the smallest such group is Lexington International B.V., registered in the Netherlands.

Copies of the financial statements of WPP plc are available at [www.wppinvestor.com](http://www.wppinvestor.com).

Copies of the financial statements of Lexington International B.V. can be obtained from Wilhelminaplein 10, 3072 DE Rotterdam, Netherlands or 27 Farm Street, London, W1J 5RJ, UK.