

**Company Registration No. 02556531 (England and Wales)**

**RUDER FINN UK LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2021**



# **RUDER FINN UK LIMITED**

## **COMPANY INFORMATION**

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<b>Directors</b>	N J Leonard K Bloomgarden
<b>Secretary</b>	A F Denham
<b>Company number</b>	02556531
<b>Registered office</b>	The Salisbury 29 Finsbury Circus London EC2M 7AQ
<b>Auditor</b>	UHY Hacker Young Quadrant House 4 Thomas More Square London E1W 1YW

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# **RUDER FINN UK LIMITED**

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# **RUDER FINN UK LIMITED**

## **DIRECTORS' REPORT**

### **FOR THE YEAR ENDED 31 DECEMBER 2021**

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The directors present their annual report and financial statements for the year ended 31 December 2021.

#### **Principal activities**

The principal activity of the company and group continued to be that of public relations consultancy.

On 1 October 2021, the group acquired 100% of the issued capital of Mantis Public Relations Limited. See note 16 for details of the acquisition.

#### **Results and dividends**

The results for the year are set out on page 8.

No ordinary dividends were paid. The directors do not recommend payment of a further dividend.

#### **Directors**

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

N J Leonard  
K Bloomgarden

#### **Auditor**

The auditor, UHY Hacker Young LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

#### **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 group and company, and of the profit or loss of the group 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 group and company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **RUDER FINN UK LIMITED**

### **DIRECTORS' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

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#### **Statement of disclosure to auditor**

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the company is aware of that information.

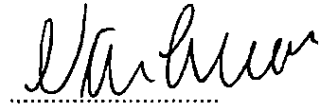
#### **Impact of Covid-19**

The impacts of Covid have been more on how we work and operate rather than in any direct commercial way. We have not seen negative repercussions on revenue – our fees have actually been trending upwards. But we are working more flexibly and therefore able to economise in areas such as travel, social and entertainment, office costs and rent and telecoms. We won't go back to the office-based culture we had before so these costs should remain lower and we will see other significant benefits in areas such as work life balance and the ability to recruit from anywhere. We also bought a Bristol-based virtual agency this year which has cemented our commitment to flexible working.

#### **Small companies exemption**

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board



N J Leonard

**Director**

Date: 21/04/22

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RUDER FINN UK LIMITED**

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### **Opinion**

We have audited the financial statements of Ruder Finn UK Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2021 which comprise the group profit and loss account, the group balance sheet, the company balance sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 December 2021 and of the group's profit 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.

### **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 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 group's and parent 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.

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**INDEPENDENT AUDITOR'S REPORT (CONTINUED)**  
**TO THE MEMBERS OF RUDER FINN UK LIMITED**

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**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.

**Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of our audit:

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

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

In the light of the knowledge and understanding of the group and parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

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**INDEPENDENT AUDITOR'S REPORT (CONTINUED)**  
**TO THE MEMBERS OF RUDER FINN UK LIMITED**

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**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 parent 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.

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.

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the sector; and
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation and data protection, anti-bribery, employment, environmental and health and safety legislation.



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**INDEPENDENT AUDITOR'S REPORT (CONTINUED)**  
**TO THE MEMBERS OF RUDER FINN UK LIMITED**

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We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in the audit procedures described above; any instance of non-compliance with laws and regulations and fraud which is far removed from transactions reflected in the financial statements would diminish the likelihood of detection. Furthermore, the risk of not detecting a material misstatement due to fraud is greater than the risk of not detecting one resulting from error. Fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentation, or through an act of collusion that would mitigate internal controls.

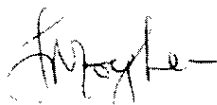
A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

**INDEPENDENT AUDITOR'S REPORT (CONTINUED)**  
**TO THE MEMBERS OF RUDER FINN UK LIMITED**

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**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.



**Jessica Moorghen (Senior Statutory Auditor)**  
**For and on behalf of UHY Hacker Young**

Date: 29/04/22.....

**Chartered Accountants**  
**Statutory Auditor**

**RUDER FINN UK LIMITED****GROUP PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 31 DECEMBER 2021**

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	<b>Notes</b>	<b>2021</b> <b>£</b>	<b>2020</b> <b>£</b>
<b>Turnover</b>		5,347,008	4,630,886
Cost of sales		(3,819,123)	(3,223,699)
<b>Gross profit</b>		<u>1,527,885</u>	<u>1,407,187</u>
Administrative expenses		(1,212,889)	(1,031,568)
<b>Operating profit</b>		<u>314,996</u>	<u>375,619</u>
Interest payable and similar expenses		(8,973)	(5,273)
<b>Profit before taxation</b>		<u>306,023</u>	<u>370,346</u>
Tax on profit		(75,846)	(22,920)
<b>Profit for the financial year</b>		<u><u>230,177</u></u>	<u><u>347,426</u></u>

Profit for the financial year is all attributable to the owners of the parent company.

**RUDER FINN UK LIMITED**

**GROUP BALANCE SHEET**

**AS AT 31 DECEMBER 2021**

	Notes	2021 £	£	2020 £	£
<b>Fixed assets</b>					
Intangible assets	5	1,087,281		-	
Tangible assets	6	192,889		205,123	
			<u>1,280,170</u>		<u>205,123</u>
<b>Current assets</b>					
Debtors	9	4,133,303		3,789,396	
Cash at bank and in hand		325,693		135,649	
			<u>4,458,996</u>		<u>3,925,045</u>
<b>Creditors: amounts falling due within one year</b>	10	(2,687,266)		(1,515,720)	
<b>Net current assets</b>			<u>1,771,730</u>		<u>2,409,325</u>
<b>Total assets less current liabilities</b>			<u>3,051,900</u>		<u>2,614,448</u>
<b>Creditors: amounts falling due after more than one year</b>	11	(186,363)		-	
<b>Provisions for liabilities</b>	13	(95,351)		(74,439)	
<b>Net assets</b>			<u><u>2,770,186</u></u>		<u><u>2,540,009</u></u>
<b>Capital and reserves</b>					
Called up share capital	15	100		100	
Profit and loss reserves		2,770,086		2,539,909	
<b>Total equity</b>			<u><u>2,770,186</u></u>		<u><u>2,540,009</u></u>

These financial statements have been prepared in accordance with the provisions applicable to groups and companies subject to the small companies regime.

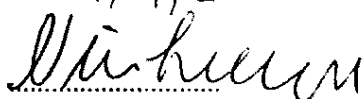
**RUDER FINN UK LIMITED**

**GROUP BALANCE SHEET (CONTINUED)**

**AS AT 31 DECEMBER 2021**

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The financial statements were approved by the board of directors and authorised for issue on 21/04/22 and are signed on its behalf by:



N J Leonard

Director

**RUDER FINN UK LIMITED**

**COMPANY BALANCE SHEET**

**AS AT 31 DECEMBER 2021**

	Notes	2021 £	£	2020 £	£
<b>Fixed assets</b>					
Tangible assets	6	191,377		205,123	
Investments	7	1,130,044		-	
		<u>1,321,421</u>		<u>205,123</u>	
<b>Current assets</b>					
Debtors	9	4,042,830	3,789,396		
Cash at bank and in hand		255,882	135,649		
		<u>4,298,712</u>	<u>3,925,045</u>		
<b>Creditors: amounts falling due within one year</b>	10	(2,561,713)	(1,515,720)		
<b>Net current assets</b>		<u>1,736,999</u>		<u>2,409,325</u>	
<b>Total assets less current liabilities</b>		<u>3,058,420</u>		<u>2,614,448</u>	
<b>Creditors: amounts falling due after more than one year</b>	11	(186,363)		-	
<b>Provisions for liabilities</b>	13	(94,852)		(74,439)	
<b>Net assets</b>		<u>2,777,205</u>		<u>2,540,009</u>	
<b>Capital and reserves</b>					
Called up share capital	15	100		100	
Profit and loss reserves		2,777,105		2,539,909	
<b>Total equity</b>		<u>2,777,205</u>		<u>2,540,009</u>	

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £237,196 (2020 - £347,426 profit).

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

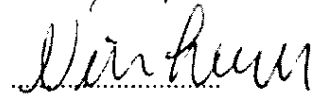
**RUDER FINN UK LIMITED**

**COMPANY BALANCE SHEET (CONTINUED)**

**AS AT 31 DECEMBER 2021**

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The financial statements were approved by the board of directors and authorised for issue on 21/04/22 and are signed on its behalf by:



N J Leonard

Director

**Company Registration No. 02556531**

# **RUDER FINN UK LIMITED**

## **NOTES TO THE GROUP FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED 31 DECEMBER 2021**

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#### **1 Accounting policies**

##### **Company information**

Ruder Finn UK Limited (company number: 02556531) is a private company limited by shares domiciled and incorporated in England and Wales. The registered office is The Salisbury, 29 Finsbury Circus, London, EC2M 7AQ.

On 1 October 2021, the group acquired 100% of the capital of Mantis Public Relations, a private limited company domiciled and incorporated in England and Wales. The registered office is the same as the parent company.

The group consists of Ruder Finn UK Limited and its subsidiary.

##### **1.1 Accounting convention**

These financial statements have been prepared in accordance with FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland” (“FRS 102”) and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

##### **1.2 Business combinations**

In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date. Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date. Investments in subsidiaries, joint ventures and associates are accounted for at cost less impairment.

Deferred tax is recognised on differences between the value of assets (other than goodwill) and liabilities recognised in a business combination accounted for using the purchase method and the amounts that can be deducted or assessed for tax, considering the manner in which the carrying amount of the asset or liability is expected to be recovered or settled. The deferred tax recognised is adjusted against goodwill or negative goodwill.



# **RUDER FINN UK LIMITED**

## **NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)**

### **FOR THE YEAR ENDED 31 DECEMBER 2021**

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#### **1 Accounting policies**

**(Continued)**

##### **1.3 Basis of consolidation**

The consolidated group financial statements consist of the financial statements of the parent company Ruder Finn UK Limited together with all entities controlled by the parent company (its subsidiaries) and the group's share of its interests in joint ventures and associates.

All financial statements are made up to 31 December 2021. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Subsidiaries are consolidated in the group's financial statements from the date that control commences until the date that control ceases.

##### **1.4 Going concern**

At the time of approving the financial statements, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements. Please see the Directors' report for detail regarding the effects of Covid-19 on the group.

##### **1.5 Turnover**

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes.

The Group provides public relations consultancy services. Turnover is recognised when the performance obligation, the consultancy service, is provided.

##### **1.6 Intangible fixed assets - goodwill**

Goodwill represents the excess of the cost of acquisition of a business over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 10 years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

# RUDER FINN UK LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

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#### 1 Accounting policies

(Continued)

##### 1.7 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	10% straight line
Fixtures fittings & equipment	20% / 25% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the profit and loss account.

##### 1.8 Fixed asset investments

In the parent company financial statements, investments in subsidiaries are initially measured at cost, including directly attributable acquisition costs, and subsequently measured at cost less any accumulated impairment losses.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

##### 1.9 Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

## RUDER FINN UK LIMITED

### NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED 31 DECEMBER 2021

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#### 1 Accounting policies

(Continued)

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

##### 1.10 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

##### 1.11 Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### *Basic financial assets*

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### *Other financial assets*

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

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1 Accounting policies

(Continued)

***Impairment of financial assets***

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

***Derecognition of financial assets***

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

***Classification of financial liabilities***

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

***Basic financial liabilities***

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

# RUDER FINN UK LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

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#### 1 Accounting policies

(Continued)

##### *Other financial liabilities*

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

##### *Derecognition of financial liabilities*

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

#### 1.12 Equity instruments

Equity instruments issued by the group are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

#### 1.13 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

##### *Current tax*

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

# RUDER FINN UK LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

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#### 1 Accounting policies

(Continued)

##### *Deferred tax*

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset if, and only if, there is a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

#### 1.14 Provisions

Provisions are recognised when the group has a legal or constructive present obligation as a result of a past event, it is probable that the group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

#### 1.15 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.16 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

# **RUDER FINN UK LIMITED**

## **NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)**

### **FOR THE YEAR ENDED 31 DECEMBER 2021**

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#### **1 Accounting policies**

**(Continued)**

##### **1.17 Leases**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

##### **1.18 Foreign exchange**

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

#### **2 Judgements and key sources of estimation uncertainty**

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount 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 estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

## RUDER FINN UK LIMITED

### NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED 31 DECEMBER 2021

## 2 Judgements and key sources of estimation uncertainty

(Continued)

### Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

### *Valuation of investment*

Management evaluate the company's investment carrying value against future discounted cash flows to ensure that there are no impairment indicators. Future cash flows are estimated based on historic trading activity and the assumption of 10% annual growth.

### *Valuation of goodwill*

Management evaluate the group's goodwill carrying value against future discounted cash flows to ensure that there are no impairment indicators. Future cash flows are estimated based on historic trading activity and the assumption of 10% annual growth.

## 3 Auditor's remuneration

	2021	2020
	£	£
Fees payable to the company's auditor and associates:		
<b>For audit services</b>		
Audit of the financial statements of the group and company	21,000	15,000
	<u>          </u>	<u>          </u>

## 4 Employees

The average monthly number of persons (including directors) employed by the group and company during the year was:

	Group 2021 Number	2020 Number	Company 2021 Number	2020 Number
Total	45	28	31	28
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>



**RUDER FINN UK LIMITED****NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2021****5 Intangible fixed assets**

<b>Group</b>	<b>Goodwill £</b>
<b>Cost</b>	
At 1 January 2021	-
Additions	1,115,160
At 31 December 2021	1,115,160
<b>Amortisation and impairment</b>	
At 1 January 2021	-
Amortisation charged for the year	27,879
At 31 December 2021	27,879
<b>Carrying amount</b>	
At 31 December 2021	1,087,281
At 31 December 2020	-

**RUDER FINN UK LIMITED**

**NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

**6 Tangible fixed assets**

<b>Group</b>	<b>Land and buildings</b>	<b>Plant and machinery etc</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>			
At 1 January 2021	350,813	239,415	590,228
Additions	-	40,246	40,246
At 31 December 2021	350,813	279,661	630,474
<b>Depreciation and impairment</b>			
At 1 January 2021	179,639	205,466	385,105
Depreciation charged in the year	32,596	19,884	52,480
At 31 December 2021	212,235	225,350	437,585
<b>Carrying amount</b>			
At 31 December 2021	138,578	54,311	192,889
At 31 December 2020	171,174	33,949	205,123
<b>Company</b>	<b>Land and buildings</b>	<b>Plant and machinery etc</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>			
At 1 January 2021	350,813	239,415	590,228
Additions	-	38,734	38,734
At 31 December 2021	350,813	278,149	628,962
<b>Depreciation and impairment</b>			
At 1 January 2021	179,639	205,466	385,105
Depreciation charged in the year	32,596	19,884	52,480
At 31 December 2021	212,235	225,350	437,585
<b>Carrying amount</b>			
At 31 December 2021	138,578	52,799	191,377
At 31 December 2020	171,174	33,949	205,123

# RUDER FINN UK LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

#### 7 Fixed asset investments

	Group 2021 £	2020 £	Company 2021 £	2020 £
Investments in subsidiaries	-	-	1,130,044	-

#### Movements in fixed asset investments

Company	Shares in subsidiaries £
<b>Cost or valuation</b>	
At 1 January 2021	-
Additions	1,130,044
At 31 December 2021	1,130,044
<b>Carrying amount</b>	
At 31 December 2021	1,130,044
At 31 December 2020	-

#### 8 Subsidiaries

Details of the company's subsidiaries at 31 December 2021 are as follows:

Name of undertaking	Registered office	Class of shares held	% Held Direct
Mantis Public Relations Limited	The Salisbury, 29 Finsbury Circus, London, England, EC2M 7AQ	Ordinary shares	100.00

#### 9 Debtors

	Group 2021 £	2020 £	Company 2021 £	2020 £
<b>Amounts falling due within one year:</b>				
Trade debtors	1,400,337	1,255,071	1,301,361	1,255,071
Amounts owed by group	2,272,201	2,142,858	2,285,786	2,142,858
Other debtors	460,765	391,467	455,683	391,467
	4,133,303	3,789,396	4,042,830	3,789,396

# RUDER FINN UK LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

#### 10 Creditors: amounts falling due within one year

	Group 2021 £	2020 £	Company 2021 £	2020 £
Trade creditors	335,352	222,360	327,911	222,360
Corporation tax payable	64,657	6,481	59,713	6,481
Other taxation and social security	315,943	194,948	252,771	194,948
Other creditors	1,971,314	1,091,931	1,921,318	1,091,931
	<u>2,687,266</u>	<u>1,515,720</u>	<u>2,561,713</u>	<u>1,515,720</u>

#### 11 Creditors: amounts falling due after more than one year

	Notes	Group 2021 £	2020 £	Company 2021 £	2020 £
Other creditors		<u>186,363</u>	<u>-</u>	<u>186,363</u>	<u>-</u>

#### 12 Finance lease obligations

	Group 2021 £	2020 £	Company 2021 £	2020 £
Future minimum lease payments due under finance leases:				
Within one year	-	22,105	-	22,105
Less: future finance charges	-	(324)	-	(324)
	<u>-</u>	<u>21,781</u>	<u>-</u>	<u>21,781</u>

Finance lease payments represent rentals payable by the company or group for certain items of plant and machinery. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

# RUDER FINN UK LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

#### 13 Provisions for liabilities

	Notes	Group 2021 £	2020 £	Company 2021 £	2020 £
Dilapidations		70,000	58,000	70,000	58,000
Deferred tax liabilities		25,351	16,439	24,852	16,439
		<u>95,351</u>	<u>74,439</u>	<u>94,852</u>	<u>74,439</u>

#### 14 Retirement benefit schemes

	2021 £	2020 £
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	124,174	77,342

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

Contributions totalling £22,229 (2020: £14,010) were payable to the fund at the Balance Sheet date.

#### 15 Share capital

Group and company	2021	2020	2021	2020
Ordinary share capital	Number	Number	£	£
Issued and fully paid				
Ordinary of £1 each	100	100	100	100

**RUDER FINN UK LIMITED****NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2021****16 Acquisition of a business**

On 1 October 2021 the group acquired 100 percent of the issued capital of Mantis Public Relations Limited.

<b>Net assets acquired</b>	<b>Book Value</b>	<b>Adjustments</b>	<b>Fair Value</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Tangible fixed assets	1,644	-	1,644
Trade and other debtors	143,841	-	143,841
Cash and cash equivalents	(24,716)	-	(24,716)
Trade and other creditors	(105,481)	-	(105,481)
Deferred tax	(404)	-	(404)
Total identifiable net assets	<u>14,884</u>	<u>-</u>	<u>14,884</u>
Goodwill			<u>1,115,160</u>
Total consideration			<u>1,130,044</u>
The consideration was satisfied by:			<b>£</b>
Cash			660,000
Deferred consideration			381,818
Acquisition costs			88,226
			<u>1,130,044</u>
Contribution by the acquired business for the reporting period included in the group statement of comprehensive income since acquisition:			<b>£</b>
Turnover			192,418
Profit after tax			<u>25,893</u>

## RUDER FINN UK LIMITED

### NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED 31 DECEMBER 2021

#### 17 Operating lease commitments

##### Lessee

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Within one year	321,184	169,944	321,184	169,944
Between two and five years	1,033,834	1,300,675	1,033,834	1,300,675
In over five years	-	54,343	-	54,343
	<u>1,355,018</u>	<u>1,524,962</u>	<u>1,355,018</u>	<u>1,524,962</u>

#### 18 Related party transactions

For the period ending 31 December 2021, Mantis Public Relations Limited (company number: 05955314) is exempt from the requirements of the Companies Act 2006 relating to the audit of its individual accounts by virtue of section 479A. Ruder Finn UK Limited has provided a guarantee under s479C.

The group is exempt from the requirement, under Section 33 of FRS 102, to disclose transaction with entities that are wholly owned by its group. The group has taken advantage of this exemption.

#### 19 Controlling party

The immediate parent company is Ruder Finn Inc., a company incorporated in the United States of America. The ultimate parent company is Ruder Finn Group Inc., a company incorporated in the United States of America. The registered address of the ultimate parent is 425 East 53rd Street, New York, NY 10022, United States.