

Company registration number: 06816179

Cord Worldwide Ltd

Directors Report and Financial Statements

**For the period ended
31 December 2018**

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Cord Worldwide Ltd

Directors and other information

Directors	Mr David Joseph Broderick	(Appointed 7 April 2018)
		(Resigned 14 October 2019)
	Mr Andrew John Day	(Appointed 7 April 2018)
	Mr Daniel Mark Jackson	
	Mr Richard Bonner-Davies	(Resigned 7 April 2018)
	Mr Philip Moross	(Resigned 7 April 2018)
	Mr Jonathan Ellis Hauck	(Appointed 14 October 2019)
Company number	06816179	
Registered office	201 Temple Chambers 3-7 Temple Avenue London England EC4Y 0DT	
Auditor	BDO Ireland Beaux Lane House Mercer Street Lower Dublin 2 Ireland	

Cord Worldwide Ltd

**Directors responsibilities statement
Period ended 31 December 2018**

The directors are responsible for preparing the directors report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial period. 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 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 judgments and accounting estimates that are reasonable and prudent; and
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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.

Cord Worldwide Ltd

**Statement of financial position
31 December 2018**

	Note	31/12/18		30/06/17	
		£	£	£	£
Fixed assets					
Tangible assets	8	33,953		58,144	
Investments	9	<u>77,646</u>		<u>78,297</u>	
			111,599		136,441
Current assets					
Accrued income		258,250		-	
Debtors	10	1,858,736		2,158,285	
Investments	11	<u>1,144</u>		<u>-</u>	
Cash at bank and in hand		990,162		662,519	
		<u>3,108,292</u>		<u>2,820,804</u>	
Creditors: amounts falling due within one year	12	<u>(1,955,851)</u>		<u>(2,269,075)</u>	
Net current assets			1,152,441		551,729
Total assets less current liabilities			<u>1,264,040</u>		<u>688,170</u>
Net assets			<u>1,264,040</u>		<u>688,170</u>
Capital and reserves					
Called up share capital	13		89		89
Profit and loss account			<u>1,263,951</u>		<u>688,081</u>
Shareholders funds			<u>1,264,040</u>		<u>688,170</u>

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of comprehensive income has not been delivered.

The notes on pages 5 to 12 form part of these financial statements.

Cord Worldwide Ltd

Statement of financial position (continued)
31 December 2018

These financial statements were approved by the board of directors and authorised for issue on 15 November 2019, and are signed on behalf of the board by:



Mr Daniel Mark Jackson
Director

Company registration number: 06816179

The notes on pages 5 to 12 form part of these financial statements.

Cord Worldwide Ltd

Notes to the financial statements Period ended 31 December 2018

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is 201 Temple Chambers, 3-7 Temple Avenue, London, England, EC4Y 0DT.

2. Statement of compliance

These financial statements have been prepared in accordance with FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS102") 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 FRS102 have been applied other than where additional disclosure is required to show a true and fair view.

3. Accounting policies

Basis of preparation

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

The financial statements have been prepared in Pound Sterling (£), which is also the functional currency of the company. Please note that the parent company, Keywords Studios PLC, report in Euro (€)

The company was acquired on 7 April 2018 by Keywords UK Holdings Limited and the decision was taken to align the company's year-end with the rest of the group. Therefore the period was lengthened to cover the period 1 July 2017 – 31 December 2018. The prior period covered 1 July 2016 – 30 June 2017.

No material uncertainties that may cast doubt about the ability of the company to continue as a going concern have been identified by the directors.

Turnover

Fee income represents revenue earned under a wide variety of contracts to provide professional services. Revenue is recognised as earned when, as to that, the firm obtains the right to consideration in exchange for its performance under these contracts. It is measured at the fair value of the right to consideration, which represents amounts chargeable to clients, including expenses and disbursements but excluding value added tax.

Revenue is generally recognised as contract activity progresses so that for incomplete contracts it reflects the partial performance of the contractual obligations. For such contracts, the amount of revenue reflects the accrual of the right to consideration by reference to the value of work performed. Revenue not billed to clients is included in debtors and payments on account in excess of the relevant amount of revenue are included within creditors.

Fee income that is contingent on events outside the control of the firm is recognised when the contingent event occurs.

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Notes to the financial statements (continued) **Period ended 31 December 2018**

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 company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred taxation 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. The carrying amount of deferred tax assets is reviewed at the end of each reporting period 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. Timing differences arise 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.

Research and development

Expenditure on research activities is recognised in profit or loss as incurred. Development expenditure is capitalised only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the Group intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognised in profit or loss as incurred. Subsequent to initial recognition development expenditure is measured at cost less accumulated amortisation from the date it is available for use and any accumulated impairment losses.

Research and development tax credits are recognised when the credit is received in cash.

Tangible assets

Tangible fixed assets held for the company's own use are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives, as follows:

Short leasehold property	- Over the life of the lease
Fittings fixtures and equipment	- 33.33% straight line

Assets held under finance leases are depreciated in the same way as owned assets.

At each balance sheet date, the company reviews the carrying amount of its tangible fixed assets to determine whether there is any indication that any items have suffered an impairment loss. If any such indication exists, the recoverable amount of an 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 the asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

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Notes to the financial statements (continued)
Period ended 31 December 2018

Fixed asset investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses. Listed investments are measured at fair value with changes in fair value being recognised in profit or loss.

Cash and cash equivalents

Cash at bank and in hand 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.

Financial instruments

The company 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 company's balance sheet when the company becomes party to the contractual provisions of the instrument.

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. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans and loans from fellow group companies, are initially recognised at transaction price. Financial liabilities classified as payable within one year are not amortised.

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.

Retirement benefits

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

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Notes to the financial statements (continued) Period ended 31 December 2018

Share-based payments

Equity-settled share-based payment transactions are measured at fair value at the date of grant. The fair value is expensed on a straight-line basis over the vesting period, with a corresponding increase in equity. This is based upon the company's estimate of the shares or share options that will eventually vest which takes into account all vesting conditions and non-market performance conditions, with adjustments being made where new information indicates the number of shares or share options expected to vest differs from previous estimates.

Fair value is determined using an appropriate pricing model. All market conditions and non-vesting conditions are taken into account when estimating the fair value of the shares or share options. As long as all other vesting conditions are satisfied, no adjustment is made irrespective of whether market or non-vesting conditions are met.

Where the terms of an equity-settled transaction are modified, an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any increase in the fair value of the transaction, as measured at the date of modification.

Where an equity-settled transaction is cancelled or settled, it is treated as if it had vested on the date of cancellation or settlement, and any expense not yet recognised in profit or loss is expensed immediately.

Cash-settled share-based payment transactions are measured at the fair value of the liability. Until the liability is settled, the fair value of the liability is re-measured at each reporting date and at the date of settlement, with any changes in fair value recognised in profit or loss for the period.

Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income 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 lease asset are consumed.

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 are included in the profit and loss account for the period.

Judgement in applying accounting policies

In preparing these financial statements, the directors have made the following judgements:

Determine whether there are indicators of impairment of the company's tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected financial performance of the asset.

Determine whether leases entered into by the company either as a lessor or a lessee are operating or finance leases. These decisions depend on an assessment of whether the risk and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.

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Notes to the financial statements (continued)
Period ended 31 December 2018

Other key sources of estimation uncertainty

Tangible fixed assets, other than investment properties, are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

4. Auditors remuneration

	Period ended 31/12/18 £	Year ended 30/06/17 £
Fees payable to BDO Ireland		
Fees payable for the audit of the financial statements	<u>10,000</u>	<u>10,000</u>

5. Employee numbers

The average number of persons employed by the company during the period amounted to 15 (2017: 15).

6. Income from shares in group undertakings

	Period ended 31/12/18 £	Year ended 30/06/17 £
Dividends from shares in group undertakings	<u>-</u>	<u>800,000</u>

7. Tax on profit

Major components of tax expense/income

	Period ended 31/12/18 £	Year ended 30/06/17 £
Current tax:		
UK current tax expense/income	<u>62,024</u>	<u>(30,346)</u>
Tax on profit	<u>62,024</u>	<u>(30,346)</u>

Cord Worldwide Ltd

Notes to the financial statements (continued)
Period ended 31 December 2018

8. Tangible assets

	Short leasehold property £	Fixtures, fittings and equipment £	Total £
Cost			
At 1 July 2017	64,815	74,904	139,719
Additions	18,629	43,045	61,674
Disposals	(64,815)	(72,461)	(137,276)
At 31 December 2018	<u>18,629</u>	<u>45,488</u>	<u>64,117</u>
Depreciation			
At 1 July 2017	38,174	43,401	81,575
Charge for the year	9,314	20,119	29,433
Disposals	(38,174)	(42,670)	(80,844)
At 31 December 2018	<u>9,314</u>	<u>20,850</u>	<u>30,164</u>
Carrying amount			
At 31 December 2018	<u>9,315</u>	<u>24,638</u>	<u>33,953</u>
At 30 June 2017	<u>26,641</u>	<u>31,503</u>	<u>58,144</u>

9. Investments

	Shares in group undertakings and participating interests £	Other investments other than loans £	Total £
Cost			
At 1 July 2017	26,292	52,004	78,296
Disposals	(650)	-	(650)
At 31 December 2018	<u>25,642</u>	<u>52,004</u>	<u>77,646</u>
Impairment			
At 1 July 2017 and 31 December 2018	<u>-</u>	<u>-</u>	<u>-</u>
Carrying amount			
At 31 December 2018	<u>25,642</u>	<u>52,004</u>	<u>77,646</u>
At 30 June 2017	<u>26,292</u>	<u>52,004</u>	<u>78,296</u>

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Notes to the financial statements (continued)
Period ended 31 December 2018

10. Debtors

	31/12/18	30/06/17
	£	£
Trade debtors	708,168	1,750,987
Amounts owed by group undertakings and undertakings in which the company has a participating interest	961,886	247,190
Other debtors	188,682	160,108
	<u>1,858,736</u>	<u>2,158,285</u>

11. Investments

	31/12/18	30/06/17
	£	£
Other investments	1,144	-
	<u>1,144</u>	<u>-</u>

12. Creditors: amounts falling due within one year

	31/12/18	30/06/17
	£	£
Trade creditors	553,958	517,134
Amounts owed to group undertakings and undertakings in which the company has a participating interest	677,653	704,575
Corporation tax	38,737	-
Social security and other taxes	40,278	72,565
Other creditors	367,951	738,714
Deferred income	277,274	236,087
	<u>1,955,851</u>	<u>2,269,075</u>

13. Called up share capital

Issued, called up and fully paid

	31/12/18		30/06/17	
	No	£	No	£
Ordinary A shares of £ 0.01 each	4,000	40	4,000	40
Ordinary B shares of £ 0.01 each	4,925	49	4,925	49
	<u>8,925</u>	<u>89</u>	<u>8,925</u>	<u>89</u>

Each share is entitled to one vote in any circumstances. Each class of share has a separate entitlement to dividends as determined by the board of directors.

14. Summary audit opinion

The auditor's report for the period dated 31 December 2018 was unqualified.

The senior statutory auditor was Stephen McCallion, for and on behalf of BDO Ireland.

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Notes to the financial statements (continued)
Period ended 31 December 2018

15. Related party transactions

As a wholly owned subsidiary undertaking of Keywords Studios PLC, the company has taken advantage of the exemption under Financial Reporting Standards 102, Paragraph 33.1A not to disclose transactions with other group companies.

16. Ultimate Parent and Controlling Party

The parent company of Cord Worldwide Ltd is Keywords UK Holdings Limited. The ultimate parent undertaking is Keywords Studios PLC and its registered office is 201 Temple Chambers, 3-7 Temple Avenue, London, England, EC4Y 0DT. Keywords Studios PLC heads the group for which consolidated financial statements are prepared, that include the results of the company. Copies can be obtained from the Companies House website.