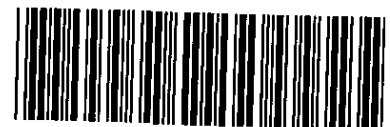

M&C SAATCHI PR LIMITED

UNAUDITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2017

WEDNESDAY



R87GS317
RM 12/06/2019 #20
COMPANIES HOUSE

M&C SAATCHI PR LIMITED

COMPANY INFORMATION

Directors	C Hides S Martin M Aldridge J Hewitt
Company secretary	J Hewitt
Registered number	07280464
Registered office	36 Golden Square London W1F 9EE

M&C SAATCHI PR LIMITED

CONTENTS

	Page
Directors' report	1
Directors' responsibilities statement	2
Profit and loss account	3
Statement of comprehensive income	4
Balance sheet	5 - 6
Statement of changes in equity	7 - 8
Notes to the financial statements	9 - 15

M&C SAATCHI PR LIMITED

**DIRECTORS' REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2017**

The directors present their report and the financial statements for the period ended 31 December 2017.

Principal activity

The principal activity of the company is as an investment holding company, following the transfer of its business to a subsidiary in 2011.

Directors

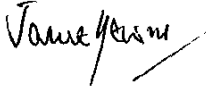
The directors who served during the period were:

C Hides
S Martin
M Aldridge
J Hewitt

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 29 June 2018 and signed on its behalf.



J Hewitt
Director

M&C SAATCHI PR LIMITED

**DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE PERIOD ENDED 31 DECEMBER 2017**

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 year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

M&C SAATCHI PR LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE PERIOD ENDED 31 DECEMBER 2017**

	Note	2017 £000	2016 £000
Administrative expenses		(15)	(15)
Operating loss		<u>(15)</u>	<u>(15)</u>
<i>Income from shares in group undertakings</i>		650	198
Profit before tax		<u>635</u>	<u>183</u>
Tax on profit	5	(47)	(139)
Profit for the financial period		<u><u>588</u></u>	<u><u>44</u></u>

There were no recognised gains and losses for 2017 or 2016 other than those included in the profit and loss account.

The notes on pages 9 to 15 form part of these financial statements.

M&C SAATCHI PR LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 DECEMBER 2017**

	Note	2017 £000	2016 £000
Profit for the financial period		588	44
<hr/>			
Other comprehensive income:			
Items that will not be reclassified to profit or loss:			
<hr/>			
Total comprehensive income for the period/year		588	44
<hr/>			

There were no recognised gains and losses for 2017 or 2016 other than those included in the profit and loss account.

The notes on pages 9 to 15 form part of these financial statements.

M&C SAATCHI PR LIMITED
REGISTERED NUMBER: 07280464

BALANCE SHEET
AS AT 31 DECEMBER 2017

		31 December 2017 £000	31 December 2017 £000	10 December 2016 £000	10 December 2016 £000
	Note				
Fixed assets					
Investments	7		29		29
			<u>29</u>		<u>29</u>
Current assets					
Debtors: amounts falling due within one year	8	175		102	
		<u>175</u>		<u>102</u>	
Creditors: amounts falling due within one year	9	(204)		(175)	
		<u></u>	<u>(29)</u>	<u></u>	<u>(73)</u>
Net current liabilities					
			<u>(29)</u>		<u>(73)</u>
Total assets less current liabilities			<u>-</u>		<u>(44)</u>
Net assets excluding pension asset			<u>-</u>		<u>(44)</u>
Net assets/(liabilities)			<u>-</u>		<u>(44)</u>

M&C SAATCHI PR LIMITED
REGISTERED NUMBER: 07280464

BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2017

	Note	31 December 2017 £000	10 December 2016 £000
Capital and reserves			
Profit and loss account		-	(44)
		<hr/>	<hr/>
		-	(44)
		<hr/>	<hr/>

The members have not required the Company to obtain an audit for the period in question in accordance with section 476 of Companies Act 2006.

The Company was entitled to exemption from audit under section 479A of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The Company's financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 29 June 2018.


J Hewitt
Director

The notes on pages 9 to 15 form part of these financial statements.

M&C SAATCHI PR LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 DECEMBER 2017**

	Profit and loss account	Total equity
	£000	£000
At 11 December 2016	(44)	(44)
Comprehensive income for the period		
Profit for the period	588	588
	<hr/>	<hr/>
Total comprehensive income for the period	588	588
Dividends: Equity capital	(544)	(544)
	<hr/>	<hr/>
Total transactions with owners	(544)	(544)
	<hr/>	<hr/>
At 31 December 2017	-	-
	<hr/>	<hr/>

M&C SAATCHI PR LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 10 DECEMBER 2016**

	Profit and loss account	Total equity
	£000	£000
At 11 December 2015	(88)	(88)
Comprehensive income for the year		
Profit for the year	44	44
	<hr/>	<hr/>
Total comprehensive income for the year	44	44
	<hr/>	<hr/>
Total transactions with owners	-	-
	<hr/>	<hr/>
At 10 December 2016	(44)	(44)
	<hr/>	<hr/>

The notes on pages 9 to 15 form part of these financial statements.

M&C SAATCHI PR LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2017**

1. General information

The principal activity of the company is as an investment holding company, following the transfer of its business to a subsidiary in 2011.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

M&C SAATCHI PR LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2017

2. Accounting policies (continued)

2.2 Financial reporting standard 101 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of paragraphs 45(b) and 46-52 of IFRS 2 Share based payment
- the requirements of paragraphs 62, B64(d), B64(e), B64(g), B64(h), B64(j) to B64(m), B64(n)(ii), B64(o)(ii), B64(p), B64(q)(ii), B66 and B67 of IFRS 3 Business Combinations
- the requirements of paragraph 33(c) of IFRS 5 Non Current Assets Held For Sale and Discontinued Operations
- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present *comparative information in respect of*:
 - paragraph 79(a)(iv) of IAS 1;
 - paragraph 73(e) of IAS 16 Property, Plant and Equipment;
 - paragraph 118(e) of IAS 38 Intangible Assets;
 - paragraphs 76 and 79(d) of IAS 40 Investment Property; and
 - paragraph 50 of IAS 41 Agriculture
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member
- the requirements of paragraphs 134(d)-134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets.

M&C SAATCHI PR LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2017

2. Accounting policies (continued)

2.3 Going concern

During the year the company did not have a bank account. Cash receipts and payments are accounted for on the Company's behalf by fellow subsidiaries and are reflected in the movement in amounts owed to/from group undertakings. The financial statements have been prepared on a going concern basis, notwithstanding net current liabilities of £29,000 (2016 - £73,000) which the directors believe to be appropriate for the following reason. The Company is dependent for its working capital on funds provided to it by M&C Saatchi Worldwide Limited the Company's immediate parent undertaking. M&C Saatchi plc, the Company's ultimate parent undertaking, has provided the Company with an undertaking that for at least 12 months from the date of approval of these financial statements it will continue to make available such funds as are needed by the Company and, in particular, will not seek repayment of the amounts currently made available. This should enable the Company to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for payment. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue, although at the date of approval of these financial statements they have no reason to believe that it will not do so.

On this basis, and on their assessment of the Company's financial position, the Company's directors have a reasonable expectation that the Company will be able to continue in existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

2.4 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted Company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Profit and loss account for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

Investments in listed company shares are remeasured to market value at each Balance sheet date. Gains and losses on remeasurement are recognised in profit or loss for the period.

2.5 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.6 Creditors

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

M&C SAATCHI PR LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2017

2. Accounting policies (continued)

2.7 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

2.8 Taxation

Tax is recognised in the Profit and loss account, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules.

4. Employees

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

The average monthly number of employees, including the directors, during the period was as follows:

2017 No.	2016 No.
2	2

5. Taxation

	2017 £000	2016 £000
Corporation tax		
Current tax on profits for the year	47	139
	<u>47</u>	<u>139</u>
Total current tax	<u>47</u>	<u>139</u>

M&C SAATCHI PR LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2017

5. Taxation (continued)

Factors affecting tax charge for the period/year

The tax assessed for the period/year is lower than (2016 - higher than) the standard rate of corporation tax in the UK of 19.25% (2016 - 20.0%). The differences are explained below:

	2017 £000	2016 £000
Profit on ordinary activities before tax	635	183
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.25% (2016 - 20.0%)	122	37
Effects of:		
Adjustments to tax charge in respect of prior periods	(75)	102
Total tax charge for the period/year	47	139

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

6. Dividends

	31 December 2017 £000	10 December 2016 £000
Interim dividend paid £544,000 (2016 - £nil) per share	544	-
	544	-

M&C SAATCHI PR LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2017**

7. Fixed asset investments

	Investments in subsidiary companies £000
Cost or valuation	
At 11 December 2016	29
At 31 December 2017	<u>29</u>
Net book value	
At 31 December 2017	<u>29</u>
At 10 December 2016	<u>29</u>

8. Debtors

	31 December 2017 £000	10 December 2016 £000
Amounts owed by group undertakings	175	-
Other debtors	-	102
	<u>175</u>	<u>102</u>

9. Creditors: Amounts falling due within one year

	31 December 2017 £000	10 December 2016 £000
Amounts owed to group undertakings	127	175
Corporation tax	77	-
	<u>204</u>	<u>175</u>

M&C SAATCHI PR LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2017**

10. Financial instruments

11. Contingent liabilities

The company is a guarantor of, and its assets are secured by, a bank loan held by M&C Saatchi plc. The loan has a banking facility of up to £40.0m (2016 - £40.0m) plus a one year £0.3m (2016 - £0.3m) overdraft facility. On 29 November 2017, it was agreed that this facility would only reduce to £38.0m on 31 December 2019 and £36.0m on 31 December 2019 (2016: reduces by £2.0m annually). This facility matures on 30 April 2020. The amount of the loan drawn down at 31 December 2017 is £37.7m (2016 - £28.6m). The overdraft facility is undrawn.

12. Controlling party

The immediate parent company is M&C Saatchi Worldwide Limited, which is registered in England and Wales.

The ultimate parent company is M&C Saatchi plc, which is registered in England and Wales.

M&C Saatchi plc is the only Group of which the company is a member and for which the group accounts are prepared. Copies of the accounts are available from M&C Saatchi plc, 36 Golden Square, London W1F 9EE.