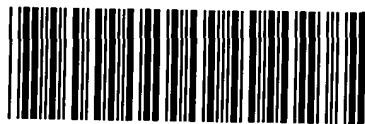


# **SAATCHINVEST LIMITED**

Report and Financial  
Statements

Year Ended  
31 December 2014

MONDAY



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COMPANIES HOUSE

Company number 7498729

# **SAATCHIINVEST LIMITED**

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Year Ended 31 December 2014

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**SAATCHIINVEST LIMITED**  
**Statutory Information and Advisors**  
Year Ended 31 December 2014

**Directors**

J Hewitt  
A Blackstone

**Secretary and registered office**

A Blackstone, 36 Golden Square, London, W1F 9EE

**Company number**

7498729

**Solicitors**

Olswang, 90 High Holborn, London, WC1V 6XX

**Auditors**

KPMG LLP, 15 Canada Square, London, E14 5GL

# **SAATCHIINVEST LIMITED**

## **Directors' Report**

Year Ended 31 December 2014

### **Directors' report**

The Directors present their report together with the audited financial statements for the year ended 31 December 2014.

### **Results and dividends**

The profit and loss account of the Company for the year is set out on page 5.

During the year a dividend of £Nil was paid (2013 - £Nil). The Directors do not recommend the payment of a final dividend (2013 - £Nil).

### **Principal activity, trading review and future developments**

The principal activity of the Company during the year was the engaging in corporate venturing, investing in companies that have technologies that relate to, or could enhance, the services the Group sells, or when mature will be in industries that will be a heavy user of the Group's services.

The key risk in the Company is the value and performance of the investments.

### **Directors**

The Directors during the year were:

J Hewitt  
A Blackstone

### **Auditors**

All of the current directors have taken all steps that they ought to have taken to make themselves aware of any information needed by the Company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the Board



A Blackstone  
36 Golden Square  
London W1F 9EE  
Secretary  
Date 30 June 2015

# **SAATCHI INVEST LIMITED**

## **Statement of Directors' responsibilities**

Year Ended 31 December 2014

### **Directors' responsibilities**

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 UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- make judgments and 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; 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

# Report of the Independent auditor

Year Ended 31 December 2014

## Independent Auditor's Report To The Members of SAATCHINVEST Limited

We have audited the financial statements of SAATCHINVEST Limited for the year ended 31 December 2014 set out on pages 5 to 11. 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 statement of Directors' Responsibilities set out on page 3, 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 (APB's) Ethical Standards for Auditors.

### Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### 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 matters 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 from the requirement to prepare a strategic report.



John Bennett (Senior Statutory Auditor)  
for and on behalf of KPMG LLP, Statutory Auditor  
Chartered Accountants  
15 Canada Square  
London E14 5GL 3 June 2015

**SAATCHINVEST LIMITED**  
**Profit and Loss Account**  
At 31 December 2014

	Note	2014 £'000	2013 £'000
Revenue		13	89
Administration Expenses		(223)	(434)
Operating loss	3	<u>(210)</u>	<u>(345)</u>
Interest receivable		1	-
Interest payable to Group companies		(58)	-
Loss on ordinary activities before taxation		<u>(267)</u>	<u>(345)</u>
Tax benefit on losses on ordinary activities	4	(58)	(80)
Loss for the financial year	9,10	<u>(209)</u>	<u>(265)</u>

The Company's results are derived wholly from continuing operations.

There were no recognised gains and losses in the current year other than those shown above.

**SAATCHINVEST LIMITED****Balance Sheet**

At 31 December 2014

Company Number 7498729	Note	2014 £'000	2014 £'000	2013 £'000	2013 £'000
<b>Fixed assets</b>					
Intangible assets	5		-		51
Investments	6		1,987		800
<b>Current assets</b>					
Debtors -within one year	7	157		344	
		<u>157</u>		<u>344</u>	
Creditors: amounts falling due within one year	8	2,940		1,782	
<b>Net current liabilities</b>			<u>(2,783)</u>		<u>(1,438)</u>
<b>Net Liabilities</b>			<u>(796)</u>		<u>(587)</u>
<b>Capital and reserves</b>					
Called up share capital	9		-		-
Profit and loss account	9		(796)		(587)
<b>Shareholder' deficit</b>	9,10		<u>(796)</u>		<u>(587)</u>

The financial statements were approved by the Board and authorised for issue on



J Hewitt  
Director

30 June 2015

The notes on pages 7 to 11 form part of these financial statements

# SAATCHIINVEST LIMITED

## Notes Forming Part of the Financial Statements

At 31 December 2014

### 1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

#### *Basis of preparation*

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

Under section 400 of the Companies Act the Company claims exemption from the obligation to prepare group financial statements as the results are consolidated into M&C Saatchi Plc group statutory accounts. These financial statements present information from the Company as an individual undertaking and not about its group.

Under FRS 1 the Company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the Company in its published consolidated financial statements.

As the company is a wholly owned subsidiary of M&C Saatchi plc, the company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with wholly owned subsidiaries which form part of the group.

#### *Going Concern*

The Company does 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, 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 immediate parent company. M&C Saatchi plc, the ultimate parent company, 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.

The following principal accounting policy has been applied:

#### (a) Revenue recognition

The company receives royalty income for the use of its purchased customer relationships. This is recognised as earned, and revenue is presented net of VAT.

#### (b) Intangible assets valuation policy

Intangible assets are stated at historical cost less accumulated amortisation and impairment. Intangible assets are amortised to residual values over the useful life of the asset as follows:

Customer relationships – 3 years

The need for any intangible asset impairment write down is assessed by comparison of the carrying value of the asset against the higher of value in use and fair value less cost to sell.

# SAATCHINVEST LIMITED

## Notes Forming Part of the Financial Statements (continued)

At 31 December 2014

(c) *Deferred taxation*

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date except that the recognition of deferred tax assets is limited to the extent that the company anticipates making sufficient taxable profits in the future to absorb the reversal of the underlying timing differences.

Deferred tax balances are not discounted.

(d) *Foreign currency*

Foreign currency transactions arising from normal trading activities are recorded in local currency at current exchange rates.

Monetary assets and liabilities denominated in foreign currencies at year end are translated at the year end exchange rate.

Foreign currency gains and losses are credited or charged to the profit and loss account as they arise.

(e) *Dividends on shares presented within shareholders' deficit*

Dividends are only recognised as a liability at that date to the extent that they are declared prior to the year end. Unpaid dividends that do not meet these criteria are disclosed in the notes to the financial statements.

2 Directors' emoluments and staff costs

No directors received remuneration for qualifying services during the year (2013 £Nil). The Company employed no staff during the year other than the directors (2013 £Nil).

3 Operating Loss

Other income arises through the provision by SAATCHINVEST Limited of management advice, marketing and communication services and the use of Company intangible assets by M&C Saatchi F&Q Brazil Comunicacao LTDA.

Audit fees of £1k for the year ended 31 December 2014 (2013: £Nil) have been borne by another Group company. Amounts paid to the Company's auditor in respect of services to the Company, other than the audit of the Company's financial statements, have not been disclosed as the information is required instead to be disclosed on a consolidated basis in the consolidated financial statements of the Company's ultimate parent M&C Saatchi plc.

4 Taxation on losses from ordinary activities

	2014 £'000	2013 £'000
<i>Current tax</i>		
UK corporation tax credit on losses for the year	(58)	(80)
Taxation on losses on ordinary activities	<u>(58)</u>	<u>(80)</u>

The tax assessed for the year equals that obtained by using the standard rate of corporation tax in the UK.

Reductions in the UK corporation tax rate to 23% (effective 1 April 2013) and 21% (effective 1 April 2014) were substantively enacted on 2 July 2013. This will reduce the company's future current tax charge accordingly.

# SAATCHIINVEST LIMITED

## Notes Forming Part of the Financial Statements (continued)

At 31 December 2014

5	Intangible assets	2014 £'000	2013 £'000
	<i>Cost</i>		
	At 1 January	911	911
	Additions in the year	-	-
	At 31 December	911	911
	<i>Accumulated amortisation</i>		
	At 1 January	860	556
	Amortisation charge	51	304
	At 31 December	911	860
	<i>Net Book Value</i>		
	At 31 December	-	51
	At 1 January	51	355
6	Investment – corporate venturing		2014 £'000
	Costs		
	At 1 January 2014		800
	Additions		1,187
	At 31 December 2014		1,987
	The following were material investment undertakings at the end of the year:	2014 £'000	2013 £'000
	Comparabien	355	300
	Touchcast	303	-
	Evrything	299	250
	TWSU	245	-
	Cyber Clean	237	200
	Yossarian Lives	200	-
	Makeably	139	-
	City Mapper	129	50
	Ometrial	80	-
		1,987	800

# SAATCHI INVEST LIMITED

## Notes Forming Part of the Financial Statements (continued)

At 31 December 2014

7	Due within one year	2014 £'000	2013 £'000
	Amounts due from group undertakings	99	264
	Corporation tax	58	80
		<u>157</u>	<u>344</u>
8	Creditors: amounts falling due within one year	2014 £'000	2013 £'000
	Amounts owed to group undertakings	2,917	1,764
	Accruals and deferred income	23	18
		<u>2,940</u>	<u>1,782</u>

Amounts due to fellow subsidiary companies are repayable on demand and are non-interest bearing.

9	Share capital and reserves		Allotted, called up and fully paid 2014 £
	Two Ordinary shares of £1 each – full voting and dividend rights		2
		Ordinary share capital £'000	Profit and loss account £'000
	At 1 January 2014	-	(587)
	Loss for the year	-	(209)
		<u>-</u>	<u>(796)</u>
	At 31 December 2014	-	(796)

# SAATCHIINVEST LIMITED

## Notes Forming Part of the Financial Statements (continued)

At 31 December 2014

10 Reconciliation of movement in shareholder's deficit

	2014 £'000	2013 £'000
Loss for the year	(209)	(265)
Net increase to shareholder's deficit	(209)	(265)
Opening shareholder's deficit	(587)	(322)
Closing shareholder's deficit	(796)	(587)

11 Immediate and ultimate parent company

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 Group accounts are available from M&C Saatchi plc, 36 Golden Square, London W1F 9EE.

12 Corporate venturing investments

Investments in debt and equity securities held by the Company are stated at cost. Where these investments are interest-bearing, interest calculated using the effective interest method is recognised in profit or loss.