

Twist MKTG Limited

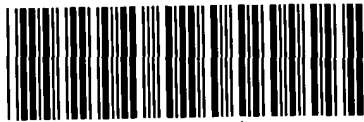
Report and Financial Statements

Year ended

31 December 2018

Company Number 9017475

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Twist MKTG Limited

Report and financial statements for the year ended 31 December 2018

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Directors

J Weiss
M Holt
B Murphy

Secretary and registered office

R Neave and B Ostrom, 3rd Floor, Alphabeta, 2 Worship Street, London, England, EC2A 2AH

Company number

9017475

Auditors

BDO LLP, 55 Baker Street, London, W1U 7EU

Twist MKTG Limited

Directors' report for the year ended 31 December 2018

The directors present their report together with the audited financial statements for the year ended 31 December 2018.

Principal activities

The company's principal activity during the year continued to be public relations and promotions.

Directors

The directors of the company during the year and up to the date of signing the financial statements were:

J Weiss
B Rogers (Resigned 12 May 2019)
S Cho (Resigned 13 December 2018)
J Richardson (Resigned 12 May 2019)
M Holt (Appointed 12 June 2019)
B Murphy (Appointed 12 June 2019)

Auditors

The current directors have taken all the steps that they ought to have taken to make them 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.

BDO LLP have expressed their willingness to continue in office and a resolution to re-appoint them as auditors will be proposed at the next annual general meeting.

In preparing this report, the directors have taken advantage of the small companies exemption.

Approved by the Board and signed on its behalf by:

J. Weiss

J Weiss

Director

Date: *30 September 2019*

Twist MKTG Limited

Directors' responsibilities statement for the year 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 of the profit or loss of the company for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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.

Twist MKTG Limited

Independent auditor's report

Opinion

We have audited the financial statements of Twist MKTG Limited ("the Company") for the year ended 31 December 2018 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 Company's affairs as at 31 December 2018 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.

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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Report and financial statements, other than the financial statements and our auditor's report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Twist MKTG Limited

Independent auditor's report (*continued*)

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the 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 Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Director's report.

We have nothing to report in respect of the following matters in relation to which 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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a Strategic report.

Responsibilities of Directors

As explained more fully in the Directors responsibility 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 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.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Twist MKTG Limited

Independent auditor's report (*continued*)

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.

BDO LLP

David Butcher (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
London, UK

30 September 2019

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Twist MKTG Limited

Statement of Comprehensive Income for the year ended 31 December 2018

	Note	2018 £	As restated 2017 £
Turnover		5,039,566	5,767,504
Cost of sales		(3,347,583)	(2,441,621)
Gross profit		1,691,983	3,325,883
Administrative expenses		(2,043,172)	(1,664,449)
Operating (loss)/profit and (loss)/profit before taxation	4	(351,189)	1,661,434
Taxation on (loss)/profit from ordinary activities		76,995	(147,017)
(Loss)/profit and total comprehensive (loss)/income for the financial year		(274,194)	1,514,417

The results stated above are derived from continuing activities.

There was no other comprehensive income in the current or prior year.

The notes on pages 9 to 12 form part of these financial statements.

Twist MKTG Limited

Statement of financial position at 31 December 2018

<i>Company number 9017475</i>	Note	2018 £	2018 £	As restated 2017 £	As restated 2017 £
Current assets					
Work in progress		73,514		681,017	
Debtors	5	4,302,395		3,552,172	
		<u>4,375,909</u>		<u>4,233,189</u>	
Cash at bank and in hand		15,767		-	
		<u>4,391,676</u>		<u>4,233,189</u>	
Creditors: amounts falling due within one year					
	6	(2,306,914)		(1,874,233)	
Net current assets			<u>2,084,762</u>		<u>2,358,956</u>
Net assets			<u>2,084,762</u>		<u>2,358,956</u>
Capital and reserves					
Called up share capital			100		100
Profit and loss account			2,084,662		2,358,856
Shareholders' funds			<u>2,084,762</u>		<u>2,358,956</u>

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

The financial statements were approved by the Board of Directors and authorised for issue on *30 September 2019*

J. Weiss

J Weiss
Director

The notes on pages 9 to 12 form part of these financial statements.

Twist MKTG Limited

Statement of changes in equity for the year ended 31 December 2018

	Called up share capital £	As restated Profit and loss account £	As restated Total equity £
Balance as at 1 January 2017	100	844,439	844,539
Profit and total comprehensive income for the year	-	1,514,417	1,514,417
	<hr/>	<hr/>	<hr/>
Balance as at 31 December 2017 (As restated)	100	2,358,856	2,358,956
	<hr/>	<hr/>	<hr/>
Balance as at 1 January 2018 (As restated)	100	2,358,856	2,358,956
Loss and total comprehensive loss for the year	-	(274,194)	(274,194)
	<hr/>	<hr/>	<hr/>
Balance as at 31 December 2018	100	2,084,662	2,084,762
	<hr/>	<hr/>	<hr/>

The notes on pages 9 to 12 form part of these financial statements.

Twist MKTG Limited

Notes forming part of the financial statements for the year ended 31 December 2018

1 Accounting policies

Twist MKTG Limited is a private company, limited by shares and domiciled in England and Wales. The registered office is set out on the contents page. The nature of the company's operations and its principal activities is set out in the report of the directors.

The financial statements have been prepared in accordance with the provisions of FRS 102 Section 1A Small Entities, and the Companies Act 2006. The financial statements are prepared on a historical cost basis. There were no material departures from the standard. The preparation of financial statements in compliance with FRS 102 Section 1A Small Entities requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the accounting policies (see note 2).

The principal accounting policies adopted in the preparation of the financial statements are set below:

Going concern

The directors consider that the company has access to sufficient funding to meet its financial obligations as they fall due. In forming their decision the directors have taken into accounts the fact that the parent company has provided a letter confirming that it will provide financial support as required for at least one year from the date of signing of these financial statements. As a result the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

Prior year restatement

During the year it was noted that there were two errors within the financial statements. The first error was the inclusion of the incorrect tax charge within the statement of comprehensive income, this was disclosed as £157,009 as opposed to the £147,017 that should have been disclosed. This did not have an impact on net assets of the company as the correct charge had been included with the profit and loss account within the statement of financial position.

The second error relates to an intercompany charge, and corresponding creditor of £83,072 that had been included in the 2016 financial statements. However this was not accounted for in the brought statement of financial position as at 1 January 2017. This restatement has reduced net assets by this amount as at 31 December 2017.

Both of these errors have been corrected in the current financial statements, with a statement of changes in equity included to illustrate the restated movements in reserves.

The movement in the profit and loss account can be reconciled as follows:

	£
Profit and loss account as previously disclosed as at 31 December 2017	2,441,928
Impact of prior year restatement	(83,072)
Restated profit and loss account as at 31 December 2017	2,358,856
Intercompany debtor as previously disclosed as at 31 December 2017	29,931
Impact of prior year restatement	(83,072)
Restated intercompany creditor as at 31 December 2017	(53,141)

Turnover

Turnover represents the value, net of value added tax and discounts, of goods provided to customers and work carried out in respect of services provided to customers.

In respect of contracts spanning the year end and contracts for on-going services, turnover represents the value of work performed in the year, including estimates of amounts not invoiced. Turnover in respect of these contracts is recognised by reference to the stage of completion. Turnover in respect of conditional or contingent fee arrangements, which is over and above any agreed minimum fee, is recognised when the conditions or contingency have been met.

Twist MKTG Limited

Notes forming part of the financial statements for the year ended 31 December 2018

Work in progress

Work in progress is recognised when no right to consideration has yet been achieved and is stated at the lower of cost and net realisable value. Work in progress is valued on the basis of direct costs. Provision is

Taxation

Current tax is measured at amounts expected to be paid using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Full provision is made for deferred taxation resulting from timing differences between the recognition of gains and losses in the accounts and their recognition for tax purposes. Deferred taxation is calculated on an undiscounted basis at the tax rates which are expected to apply in the periods when the timing differences will reverse.

Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which has accrued at the balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the balance sheet date.

Financial assets

Financial assets are initially measured at transaction price (including transaction costs) and subsequently held at cost, less any impairment.

Financial liabilities and equity

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form. Financial liabilities, excluding convertible debt and derivatives, are initially measured at transaction price (including transaction costs) and subsequently held at amortised cost.

Functional and presentation currency

(a) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates being 'sterling' ('the functional currency'). The financial statements are presented in 'sterling', which is the company's presentation currency. The reason for using 'sterling' as the presentational currency is to make the financial statements comparable to other companies in the UK.

(b) Transactions and balances

Foreign currency transactions are translated into the company's functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

Twist MKTG Limited

Notes forming part of the financial statements for the year ended 31 December 2018 (continued)

2 Judgements in applying accounting policies and key sources of estimation uncertainty

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

- Turnover is recognised as services are delivered. The level of turnover recognised in the period is based on the staff time and related reimbursable expenses recorded in light of the overall project scope. The stage of each contract is considered at each balance sheet date, resulting in both accrued and deferred turnover being recognised at the balance sheet date for specific projects. Should the estimated amount of staff time and reimbursable expenses vary as the contracts progress, there could be an adjustment required to the level of turnover recognised in a particular period and the related accrued or deferred turnover balances.

3 Employees

	2018	2017
	Number	Number
The average number of employees, including directors, during the year were as follows:		
Staff	24	21
Directors	3	3
	<u>27</u>	<u>24</u>

4 Operating profit

	2018	2017
	£	£
This has been arrived at after charging/(crediting):		
Auditors' remuneration	24,308	21,998
Foreign exchange (gains)/ losses	(53,732)	101,693
	<u>24,308</u>	<u>101,693</u>

The Directors did not receive any emoluments for their services to the Company during the year (2017 - £Nil).

5 Debtors

	2018	As restated 2017
	£	£
Trade debtors	3,134,791	3,209,273
Prepayment and accrued income	240,696	342,235
Amounts due from group undertakings	780,636	-
Corporation tax debtor	145,508	-
Other debtors	664	664
	<u>4,302,395</u>	<u>3,552,172</u>

Twist MKTG Limited

Notes forming part of the financial statements
for the year ended 31 December 2018 (continued)

6 Creditors: amounts falling due within one year

	2018	As restated 2017
	£	£
Trade creditors	125,795	66,479
Amount due to group undertakings	-	53,141
Corporation tax	-	147,017
Accruals and deferred income	1,501,731	1,404,760
Other creditors	679,388	202,836
	<u>2,306,914</u>	<u>1,874,233</u>

There are no amounts included under 'creditors' in respect of which any security has been given by the company.

7 Immediate parent and ultimate controlling party

The company considers its immediate parent company to be AJW Communications LLC, a company registered in United States of America. The ultimate parent company is W2O Holdings, LP, a company registered in the United States of America.

8 Related party transactions

The company has taken advantage of the exemption conferred by FRS 102 Section 33 "Related Party Disclosures" paragraph 33.1A not to disclose transactions with group companies on the grounds that 100% of the voting rights in the company are controlled by the group headed by W2O Holdings, LP.