

Company Registration No. 01953112

Taylor Nelson Sofres International Limited

Annual Report and Financial Statements

For the year ended 31 December 2016



Taylor Nelson Sofres International Limited

Annual Report and financial statements For the year ended 31 December 2016

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Taylor Nelson Sofres International Limited

Officers and professional advisers For the year ended 31 December 2016

Directors

R Bowtell
D G Errington
M L Gettle (resigned 31 March 2016)
A G B Scott
C Van der Welle

Company Secretary

WPP Group (Nominees) Limited

Registered Office

27 Farm Street
London
England
W1J 5RJ
United Kingdom

Bankers

National Westminster Bank
The Royal Bank of Scotland

Solicitor

WPP In House Legal Team

Auditor

Deloitte LLP
Statutory Auditor
London
United Kingdom

Taylor Nelson Sofres International Limited

Strategic report For the year ended 31 December 2016

The directors, in preparing this strategic report, have complied with s414C of the Companies Act 2006.

Principal activities

The company continues to act as an investment holding company, and in that role borrows investment funds from its bankers and other group companies.

Review of business

The company's ultimate parent undertaking and controlling entity is WPP plc, which together with the company and WPP plc's other subsidiary and associated undertakings, form the WPP plc group.

Results

The company's profit after tax for the financial year is disclosed on page 7. Both the level of business and the year-end financial position were satisfactory, and the directors expect that the present level of activity will be sustained for the foreseeable future.

Key performance indicators

As the company is a wholly-owned subsidiary of WPP plc, the company's directors believe that analysis using key performance indicators for the company is not necessary or appropriate for an understanding of the development, performance or position of the business. The development, performance and position of WPP plc, which includes the company, is discussed in the group's annual report, which does not form part of this report.

Principal risks and uncertainties


The company's role as an investment holding company exposes the company to a range of financial risks. These risks are largely managed within the context of the WPP plc group's business activities. The group seeks to identify, assess, monitor and manage each of the various risks involved in its activities on a global basis, in accordance with defined policies and procedures and in consideration of the individual legal entities.

The company is exposed to currency exchange risk arising mainly from the central corporate cost recoveries from other group companies and from the amounts it owes to or is owed by fellow subsidiary undertakings. The main foreign currency risk to which the company is exposed arises from US Dollar and Euro transactions and balances. The risk arising from central cost recoveries is largely mitigated by recharging these costs to other group companies.

In addition, the company is exposed to interest rate risk as a result of intercompany loans, with the interest rates fluctuating over the year.

As a collection agent within the WPP plc group, the company is exposed to limited liquidity and credit risks.

Approved by the Board of Directors
and signed on behalf of the Board



R Bowtell
Director
29th September, 2017

Taylor Nelson Sofres International Limited

Directors' report For the year ended 31 December 2016

The directors present their annual report and the audited financial statements for the year ended 31 December 2016.

Dividends

Dividends paid during the year were £nil (2015: £nil).

Directors

The directors who held office during the year and up to the date of signing the financial statements are listed below:

R Bowtell
D G Errington
M L Gettle (resigned 31 March 2016)
A G B Scott
C Van der Welle

Going concern

Both the level of business and the financial position were satisfactory, and the directors expect that the present level of activity will be sustained for the foreseeable future. The going concern assumption is discussed in note 1.

Directors' indemnity

The Group to which the company belongs maintained directors and officers liability insurance on behalf of its directors and officers against liabilities relating to the company throughout the financial year. The Group to which the company belongs has made qualifying third party indemnity provisions for the benefit of its directors which were made during the year and remain in force at the date of this report.

Financial risk management objectives and policies

The company's role as a holding company for the Group exposes the company to some financial risks. These risks are managed within the context of the broader Group's business activities. The Group seeks to identify, assess, monitor and manage each of the various risks involved in its activities on a global basis, in accordance with defined policies and procedures and in consideration of the individual legal entities. Given that TNS International Limited is a holding company, the company is exposed to limited currency exchange, liquidity and credit risks.

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

Deloitte LLP have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditor in the absence of the Annual General Meeting.

Approved by the Board of Directors
and signed on behalf of the Board



R Bowtell
Director
29th September, 2017

Taylor Nelson Sofres International Limited

Directors' responsibilities statement For the year ended 31 December 2016

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), including FRS 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 year. 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; 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.

Taylor Nelson Sofres International Limited

Independent auditor's report to the members of Taylor Nelson Sofres International Limited

We have audited the financial statements of Taylor Nelson Sofres International Limited for the year ended 31 December 2016 which comprise the Profit and Loss account, the Balance Sheet, the Statement of Changes in Equity and the related notes 1 to 19. 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), including FRS 101 "Reduced Disclosure Framework".

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 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. 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 Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 2016 and of its 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.

Opinion on other matter 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 Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Strategic Report and Directors' Report.

Taylor Nelson Sofres International Limited

Independent auditor's report to the members of Taylor Nelson Sofres International Limited (continued)

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.



Jeremy Black (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom

29 September 2017

Taylor Nelson Sofres International Limited

Profit and loss account For the year ended 31 December 2016

	Notes	2016 £'000	2015 £'000
Administrative expense		(70)	(319)
Operating loss	3	(70)	(319)
Income from fixed asset investments	4	68,081	21,969
Profit before finance charges		68,011	21,650
Interest receivable and similar income	5	1,716	1,598
Interest payable and similar charges	6	(2,462)	(3,388)
Profit before taxation		67,265	19,860
Taxation on profit	9	(49)	(61)
Profit for the financial year	16	67,216	19,799

The profit before taxation derives entirely from continuing activities.

The company has no other income/losses and therefore no separate statement of comprehensive income has been presented.

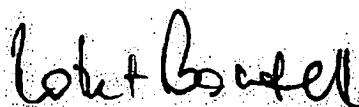
Taylor Nelson Sofres International Limited

Balance sheet As at 31 December 2016

	Notes	2016 £'000	2015 £'000
Fixed assets			
Investments	10	776,728	776,604
Current assets			
Debtors	11	5,036	4,769
Cash at bank and in hand		3,717	1,930
Derivative financial instruments	14	1,424	2,592
Creditors: amounts falling due within one year	12	(56,433)	(123,184)
Net current liabilities		(46,256)	(113,893)
Total assets less current liabilities		730,472	662,711
Creditors: amounts falling due after more than one year	13	(2,705)	(2,160)
Net assets		727,767	660,551
Capital and reserves			
Called up share capital	15	29,815	29,815
Share premium account	16	421,218	421,218
Exchange reserve	16	90,417	90,417
Profit and loss account	16	186,317	119,101
Total shareholders' funds		727,767	660,551

The financial statements of Taylor Nelson Sofres International Limited, company registration number 01953112, were approved by the Board of Directors on 29th September, 2017.

Signed on behalf of the Board of Directors



R Bowtell
Director

Taylor Nelson Sofres International Limited

Statement of changes in equity For the year ended 31 December 2016

	Share capital £'000	Share premium account £'000	Exchange reserves £'000	Profit and loss account £'000	Total £'000
Balance at 1 January 2015	29,815	421,218	90,417	99,302	640,752
Profit for the year	-	-	-	19,799	19,799
Balance at 31 December 2015	29,815	421,218	90,417	119,101	660,551
Profit for the year	-	-	-	67,216	67,216
Balance at 31 December 2016	29,815	421,218	90,417	186,317	727,767

Taylor Nelson Sofres International Limited

Notes to the financial statements For the year ended 31 December 2016

1. Principal accounting policies

Adoption of new and revised Standards

Amendments to IFRSs and the new Interpretation that are mandatorily effective for the current year

In the current year, the Company has considered the potential amendments to IFRSs and it was confirmed that the amendments have no material impact on the financial statements.

General Information

Taylor Nelson Sofres International Limited (the company) is a private company limited by shares incorporated in the United Kingdom, registered in England and Wales under the Companies Act. The address of the registered office is given on page 1. The nature of the company's operations and its principal activities are set out in the strategic report on page 2.

These financial statements are presented in pounds sterling because that is the currency of the primary economic environment in which the company operates (its functional currency).

The financial statements are prepared on the historical cost basis, except for the revaluation of certain financial instruments, in accordance with applicable United Kingdom law and accounting standards. The principal accounting policies adopted are described below. They have all been applied consistently throughout the year and the preceding year.

These financial statements are separate financial statements. The Company is exempt from the preparation and delivery of consolidated financial statements, because it is included in the group accounts of WPP Plc. The group accounts of WPP Plc are available to the public and can be obtained as set out in note 12.

Basis of accounting

The Company meets the definition of a qualifying entity under FRS 100 'Application of Financial Reporting Requirements' issued by the FRC. Accordingly, these financial statements were prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework'

The company has taken advantage of the exemption from preparing consolidated financial statements afforded by s400 of the Companies Act 2006 because it is a wholly owned subsidiary of WPP Jubilee Limited which prepares consolidated financial statements which are publicly available.

As permitted by FRS 101, the company has taken advantage of certain disclosure exemptions available under that standard and in relation to financial instruments, capital management, and presentation of comparative information in respect of certain assets, presentation of a cashflow statement, standards not yet effective and related party transactions.

Where required, equivalent disclosures are given in the Group Financial Statements of WPP plc. The Group Financial Statements are available to the public and can be obtained as set out in note 19.

Going concern

The company's business activities, together with the factors likely to affect its future development, performance and position are set out in the business review on page 2. The company is a subsidiary of WPP plc and is therefore subject to the overall WPP plc financing arrangements. Accordingly, they continue to adopt the going-concern basis in preparing the financial statements.

Fixed asset investments

Fixed asset investments are stated at cost less provision for any impairment in the value of investments.

Taylor Nelson Sofres International Limited

Notes to the financial statements (continued) For the year ended 31 December 2016

1. Principal accounting policies (continued)

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 balance sheet date.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

Deferred tax is calculated at the tax rates that are expected to apply in the year when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the balance sheet date. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited in other comprehensive income, in which case the deferred tax is also dealt with in other comprehensive income.

Dividends

Final dividends are recognised as a liability in the year in which they are approved by the company's shareholders in general meeting. Interim dividends are recognised when paid. Dividend income is recognised when the company's right to receive payment is established.

Translation of foreign currencies

The financial statements are presented in pounds sterling, which is the currency of the primary economic environment in which the company operates (its functional currency).

Monetary assets and liabilities in currencies other than the functional currency are translated into sterling at the rates of exchange ruling at the balance sheet date, or if appropriate, at the forward contract rates. Transactions in currencies other than the functional currency are converted at rates of exchange prevailing at the dates the transactions were made, or if hedged, at the forward contract rates. Foreign exchange differences are dealt with through the Profit and Loss account.

Derivative financial instrument accounting

The company enters into swap contracts in order to hedge its exposure to interest rate risk. The company's use of financial derivatives is governed by WPP Group's policies approved by WPP Group's Board of Directors, which provide written principles on the use of financial derivatives. The company does not use derivative financial instruments for speculative purposes.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and subsequently held at fair value in the balance sheet within 'derivative financial instruments'.

Changes in the fair value of derivative instruments that are not formally designated in hedge relationships are recognised immediately in profit and loss and are classified within operating profit/loss or profit/loss before tax, depending on the type of risk that the derivative relates to and these classifications are consistently applied from year to year.

Taylor Nelson Sofres International Limited

Notes to the financial statements (continued) For the year ended 31 December 2016

2. Critical accounting judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts 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 year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future years if the revision affects both current and future years.

The critical accounting judgement and key source of estimation uncertainty relate to the assessment of whether there are indicators of impairment of the fixed asset investments. This is determined with reference to the financial performance of the underlying business in which the investment is held. In the current year there is no indication of impairment of the fixed asset investments.

3. Operating loss

Fees payable to the company's auditor for the audit of the company's financial statements were £16,000 for the year ended 31 December 2016 (2015: £16,000) and have been borne by TNS UK Limited, a fellow group undertaking. No non-audit fees were payable for the year ended 31 December 2016 (2015: \$nil). Operating loss is stated after a foreign exchange loss of £54,159 (2015: £303,340 loss).

4. Income from fixed asset investments

	2016 £'000	2015 £'000
Dividends received from subsidiary undertakings	<u>68,081</u>	<u>21,969</u>

5. Interest receivable and similar income

	2016 £'000	2015 £'000
Bank interest	1,628	1,517
Inter-company loan interest	88	81
	<u>1,716</u>	<u>1,598</u>

6. Interest payable and other similar charges

	2016 £'000	2015 £'000
Bank and other interest	1,215	2,172
Intercompany loan interest	79	46
Fair value loss on interest-rate derivatives	1,168	1,170
	<u>2,468</u>	<u>3,388</u>

Taylor Nelson Sofres International Limited

Notes to the financial statements (continued) For the year ended 31 December 2016

7. Employee information

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

	2016 No.	2015 No.
Administration	4	5

All employees in the year acted as Directors of the Company in the current and previous year.

8. Directors' remuneration

The emoluments received by the directors in the current and prior years are paid by other group companies. Their services to this company are of a non-executive nature and their emoluments are deemed to be wholly attributable to their services to other group companies.

No advances or credits were granted by the company to its directors and no guarantees were entered into by the company on behalf of its directors (2015: none).

9. Taxation on profit

	2016 £'000	2015 £'000
Taxation Comprises;		
<i>Current Tax</i>	-	-
Foreign tax	49	61
Tax on profit	49	61

The difference between the total tax shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax is as follows:

	2016 £'000	2015 £'000
Profit before tax	67,265	19,860
Profit before tax multiplied by the standard rate of corporation tax 20.00% (2015: 20.25%)	13,453	4,022
Effects of:		
Non taxable dividends received	(13,616)	(4,449)
Withholding tax suffered	49	61
Group relief for nil consideration	163	413
Expenses not deductible for tax purposes	-	14
Total tax charge	49	61

Taylor Nelson Sofres International Limited

Notes to the financial statements (continued) For the year ended 31 December 2016

9. Taxation on profit (continued)

Corporation tax payable is provided on taxable profits at the current rate, except to the extent that the losses are transferred from another Group company under the Group relief provisions, without corresponding payment by the claimant company.

The company has no deferred tax asset (either recognised or unrecognised) as at 31 December 2016 (2015: £nil).

Finance Act 2014 included legislation to reduce the main rate of corporation tax from 21% to 20% from 1 April 2015. Finance Act 2015 included legislation to reduce the main rate of corporation tax to 19% from 1 April 2017 and 18% from 1 April 2020. These rates had been substantively enacted at the balance sheet date. It has since been announced that the main rate of UK corporation tax will reduce to 17% from 1 April 2020.

10. Fixed asset investments

	Long-term loans to group undertakings	Interest in associated undertakings	Interests in subsidiary undertakings	Total
	£'000	£'000	£'000	£'000
Cost and net book value				
At 1 January 2016	3,265	267	773,072	776,604
Additions/(disposals)	139	(15)	-	124
Foreign exchange adjustment	-	-	-	-
At 31 December 2016	<u>3,404</u>	<u>252</u>	<u>773,072</u>	<u>776,728</u>

In the opinion of the directors the value of the interests in subsidiary undertakings is not less than that stated in the balance sheet. Loans to other group undertakings are unsecured, repayable on demand and attract interest ranging from 3% to 8%.

Details of the investments in which the company holds more than 20% of the nominal value of any class of share capital, all of which is represented by ordinary shares, are set out below. All the below investments are direct holdings.

Investments	Country of incorporation	Activities	Ownership % 2016
MediaWatch Limited	Ireland	Market information	100
Kantar Media sp. z o.o (previously) TNS Expert Monitor Sp.z.o.o.	Poland	Market information	100
Taylor Nelson Sofres BV	Netherlands	Holding	100
TNS NFO UK Limited	UK	Holding	100
TNS Asia Holdings Limited	UK	Holding	100
Kantar Media Audiences SRL (previously SC TNS Media Research Romania SRL)	Romania	Market information	100
TNS Chile SpA.	Chile	Holding	53
Taylor Nelson Sofres S.a.r.l.	Algeria	Market information	99
TNS Rcsrch Surveys (Pty) Limited	South Africa	Market information	56
TNS Maroc S.a.r.l.	Morocco	Market information	95
Schemetype Limited	UK	Market information	50

Taylor Nelson Sofres International Limited

Notes to the financial statements (continued)

For the year ended 31 December 2016

10. Fixed asset investments (continued)

The registered office addresses of the subsidiaries above that are located in the UK are the same as the registered office of TNS international, while the remaining subsidiaries are as follows:

MediaWatch Limited: 7 Granard Business Centre, Bunns Lane, Mill Hill, London, NW7 2DQ.

Kantar Media sp. z o.o : Bogedaina 3, 50-514 Wrocław, Poland

Taylor Nelson Sofres BV : Laan op Zuid 167, 3072 DB Rotterdam, Netherlands

Kantar Media Audiences SRL: 35 Baratiei Street, 2nd Floor, District 3, Bucharest, Romania

TNS Chile SpA: Almirante Pastene 244, Piso 2 Santiago, Chile

Taylor Nelson Sofres S.a.r.l.: Lots Addla, Villa, 122 Saied Hamddin, Algiers, Algeria

TNS Research Surveys (Pty) Limite: Stonemill Office Park, Greenstone House, 300 Acacia Road, Darrenwood, Johannesburg, South Africa

TNS Maroc S.a.r.l.: 219, Angle Bd. Zerktouni & Bd. Roudani Appt. 11, 1er étage Maârif, Casablanca, Morocco

11. Debtors

	2016 £'000	2015 £'000
Amounts owed by other group undertakings	4,220	3,954
Other debtors	816	815
	<u>5,036</u>	<u>4,769</u>

Amounts owed by other group undertakings are unsecured, interest free and repayable on demand.

12. Creditors: amounts falling due within one year

	2016 £'000	2015 £'000
Bank overdrafts	50,827	119,978
Accruals	5,606	3,206
	<u>56,433</u>	<u>123,184</u>

Bank overdrafts are unsecured, accrue interest at Bank of England Base Rate plus 1% and repayable on demand.

Taylor Nelson Sofres International Limited

Notes to the financial statements (continued) For the year ended 31 December 2016

13. Creditors: amounts falling due after more than one year

	2016 £'000	2015 £'000
Amounts owed to other group undertakings	2,705	2,160

Amounts owed to other group undertakings are unsecured, interest free and repayable on demand.

Maturity of debt

	2016 £'000	2015 £'000
In more than one year, but not more than two years	2,705	2,160
	<u>2,705</u>	<u>2,160</u>

14. Derivative financial instruments

The company enters into derivative financial instruments to manage its exposure to interest rate risk, including interest rate swaps. They are not used for speculative purposes.

Interest rate risk

When deemed necessary, the company uses interest rate swap contracts to manage its exposure to interest rate fluctuations on a portion of its existing debt.

Non-hedge transactions

Where the company has chosen not to designate derivatives as hedges, fair value changes are recognised through the profit and loss account and are classified within Fair value loss on interest-rate derivatives in note 6.

Valuation techniques and assumptions applied for the purposes of measuring fair value

The fair values of derivative instruments are calculated using quoted prices. Where such prices are not available, a discounted cash flow analysis is performed using the applicable yield curve for the duration of the instruments for non-optional derivatives, and option pricing models for optional derivatives. Interest rate swaps are measured at the present value of future cash flows estimated and discounted based on the applicable yield curves derived from quoted interest rates.

All derivatives are held at fair value. The fair value of derivative financial instruments is as follows:

	2016		2015	
	Asset £'000	Liability £'000	Asset £'000	Liability £'000
Derivatives carried at fair value through profit or loss (FVTPL)				
Held for trading derivatives that are not designated in hedge accounting relationships:				
Interest rate swaps	1,424	-	2,592	-
	<u>1,424</u>	<u>-</u>	<u>2,592</u>	<u>-</u>

Taylor Nelson Sofres International Limited

Notes to the financial statements (continued) For the year ended 31 December 2016

15. Called up share capital

	2016 £'000	2015 £'000
Allotted, called up and fully paid		
29,815,301 (2015: 29,815,301) ordinary shares of £1 each	<u>29,815</u>	<u>29,815</u>

16. Reserves

	Share premium account £'000	Profit and loss account £'000	Exchange reserve £'000
At 1 January 2016	421,218	119,101	90,417
Profit for the financial year		67,216	
At 31 December 2016	<u>421,218</u>	<u>186,317</u>	<u>90,417</u>

17. Guarantees and contingencies

The company participates in group banking arrangements with its parent, WPP plc, and has access to a group cash management facility. The company guarantees the facility to the extent of its cash deposited in the United Kingdom with a clearing bank. The company, together with its parent, WPP plc, and certain other subsidiary undertakings, are parties to the group's syndicated banking arrangements. The company has jointly and severally guaranteed the borrowings under these arrangements, details of which are included in the financial statements of WPP plc.

18. Related party transactions

The company is an indirect wholly-owned subsidiary of WPP plc, the consolidated financial statements of which are publicly available. Consequently, the company is exempt under the terms of IFRS 101 paragraph 8(k) from disclosing transactions with companies that are wholly owned by the Group or investors of the Group that qualify as related parties.

19. Ultimate parent undertaking

The directors regard TNS Group Holdings Limited (formerly Taylor Nelson Sofres plc), a company incorporated in the United Kingdom and registered in England and Wales, as the immediate parent company and WPP plc, a company incorporated in Jersey, as the ultimate parent company and the ultimate controlling party.

At the year end the parent undertaking of the largest group of undertakings for which group financial statements are drawn up and of which the company is a member is WPP plc, registered in Jersey with the office located in 27 Farm St, Mayfair, London W1J. The parent undertaking of the smallest such group is WPP Jubilee Limited, registered in England and Wales and located in 27 Farm St, Mayfair, London W1J.

Copies of the financial statements of WPP plc are available at www.wppinvestor.com.

Copies of the financial statements of WPP Jubilee Limited can be obtained from 27 Farm Street, London, W1J 5RJ, UK.