

Company Registration No. 02553993 (England and Wales)

INFOMEDIA SERVICES LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 DECEMBER 2021
PAGES FOR FILING WITH REGISTRAR

INFOMEDIA SERVICES LIMITED

CONTENTS

	Page
Balance sheet	1
Statement of changes in equity	2
Notes to the financial statements	3 - 12

INFOMEDIA SERVICES LIMITED

BALANCE SHEET

AS AT 30 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Intangible assets	6		-		105,498
Tangible assets	7		5,996		8,965
			<u>5,996</u>		<u>114,463</u>
Current assets					
Debtors	8	3,413,268		2,482,792	
Cash at bank and in hand		749,989		859,366	
		<u>4,163,257</u>		<u>3,342,158</u>	
Creditors: amounts falling due within one year	9	<u>(4,390,211)</u>		<u>(3,925,402)</u>	
Net current liabilities			<u>(226,954)</u>		<u>(583,244)</u>
Total assets less current liabilities			<u>(220,958)</u>		<u>(468,781)</u>
Capital and reserves					
Called up share capital			2		2
Share premium account	11	378,000		378,000	
Profit and loss reserves		<u>(598,960)</u>		<u>(846,783)</u>	
Total equity			<u>(220,958)</u>		<u>(468,781)</u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

These financial statements have been prepared and delivered 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 20 September 2022 and are signed on its behalf by:

Mr J Dowdall
Director for and on behalf of IMSH Limited

Mr M Robinson
Director

Company Registration No. 02553993

The notes on pages 12 to 23 form part of these financial statements.

INFOMEDIA SERVICES LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 DECEMBER 2021

	Share capital	Share premium account	Profit and loss reserves	Total
	£	£	£	£
Year ended 31 December 2017	2	378,000	(264,750)	113,252
Year ended 30 December 2020:				
Loss and total comprehensive income for the year	-	-	(582,033)	(582,033)
Balance at 30 December 2020	2	378,000	(846,783)	(468,781)
Year ended 30 December 2021:				
Profit and total comprehensive income for the year	-	-	247,823	247,823
Balance at 30 December 2021	2	378,000	(598,960)	(220,958)

The notes on pages 12 to 23 form part of these financial statements.

INFOMEDIA SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 DECEMBER 2021

1 Accounting policies

Company information

Infomedia Services Limited is a private company limited by shares incorporated in England and Wales. The registered office is 7 Premier Court, Moulton Park, Northampton, Northamptonshire, United Kingdom, NN3 6LF.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared to the 30 December 2021, but the accounting reference period is until the 31 December 2021. This is allowable per Section 390 of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 3 'Financial statement Presentation' Paragraph 3.17(d).
- Section 4 'Statement of Financial Position': Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues': Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of IMSH Limited. These consolidated financial statements are available from its registered office, 7 Premier Court, Moulton Park, Northampton, Northamptonshire, NN3 6LF.

INFOMEDIA SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 DECEMBER 2021

1 Accounting policies

(Continued)

1.2 Going concern

On 11 January 2021 the Group undertook a refinancing exercise with its current finance providers to support the expected future growth of the business. The directors have prepared forecast profit and loss, balance sheet and cash flows for the period to December 2023 which demonstrate that with the refinancing of the business it is able to meet its projected obligations for a period of at least 12 months from the date these financial statements have been authorised. The forecasts are based upon projected End User Spend predominantly in consumer markets through both existing and future acquisition of carrier channels against known historic activity levels.

Taking the above into consideration, the Directors have concluded that it is appropriate to prepare the financial statements on the going concern basis.

1.3 Turnover

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the group and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Revenue linked to end user activity is recognised based on the revenue share payment payable from the carrier to the company in the period in which the associated end user transaction occurs.

The proportion of the revenue share payment which is payable to the merchant providing the content to the end user is recognised as an expense in cost of sales in the period in which the associated end user transactions occurs.

1.4 Intangible fixed assets

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is recognized so as to write off the cost or valuation of assets less their residual values over their useful lives. All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

Computer software	20% straight line
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1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Office equipment	25% on straight line
Fixtures and fittings	25% on straight line
Computer equipment	25% on straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

INFOMEDIA SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 DECEMBER 2021

1 Accounting policies

(Continued)

1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.7 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.9 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

INFOMEDIA SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 DECEMBER 2021

1 Accounting policies

(Continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

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

INFOMEDIA SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 DECEMBER 2021

1 Accounting policies

(Continued)

1.12 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1.13 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.14 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount 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 period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Revenue Recognition

Determine whether the risks and rewards of ownership have transferred from the company to the customer for direct carrier billing services, at which point revenue is recognised.

INFOMEDIA SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 DECEMBER 2021

3 Employees

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

	2021 Number	2020 Number
Sales and admin	14	21
Directors	1	1
Total	15	22

4 Auditor's remuneration

	2021 £	2020 £
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the company	17,000	15,750
For other services		
All other non-audit services	2,500	2,500

5 Directors' remuneration

	2021 £	2020 £
Remuneration for qualifying services	134,400	119,400
Company pension contributions to defined contribution schemes	6,375	6,000
	140,775	125,400

INFOMEDIA SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 DECEMBER 2021

6 Intangible fixed assets

	Computer software	Patents	Total
	£	£	£
Cost			
At 31 December 2020	192,862	218,743	411,605
Disposals	(192,862)	-	(192,862)
At 30 December 2021	-	218,743	218,743
Amortisation and impairment			
At 31 December 2020	87,364	218,743	306,107
Amortisation charged for the year	32,143	-	32,143
Disposals	(119,507)	-	(119,507)
At 30 December 2021	-	218,743	218,743
Carrying amount			
At 30 December 2021	-	-	-
At 30 December 2020	105,498	-	105,498

7 Tangible fixed assets

	Office equipment	Fixtures and fittings	Computer equipment	Total
	£	£	£	£
Cost				
At 31 December 2020	4,065	22,570	28,888	55,523
Additions	-	-	3,250	3,250
Disposals	-	-	(15,792)	(15,792)
At 30 December 2021	4,065	22,570	16,346	42,981
Depreciation and impairment				
At 31 December 2020	3,822	20,008	22,728	46,558
Depreciation charged in the year	101	2,113	3,516	5,730
Eliminated in respect of disposals	-	-	(15,303)	(15,303)
At 30 December 2021	3,923	22,121	10,941	36,985
Carrying amount				
At 30 December 2021	142	449	5,405	5,996
At 30 December 2020	243	2,562	6,160	8,965

INFOMEDIA SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 DECEMBER 2021

8 Debtors

	2021	2020
	£	£
Amounts falling due within one year:		
Trade debtors	995,379	776,298
Corporation tax recoverable	-	140,962
Amounts owed by group undertakings	1,115,848	514,181
Amounts owed by related parties	44,765	29,263
Other debtors	137,805	140,057
Prepayments and accrued income	1,052,034	824,461
	<u>3,345,831</u>	<u>2,425,222</u>
Deferred tax asset (note)	67,437	57,570
	<u>3,413,268</u>	<u>2,482,792</u>

9 Creditors: amounts falling due within one year

	Notes	2021	2020
		£	£
Bank loans and overdrafts	10	-	5
Trade creditors		2,223,564	2,759,983
Amounts owed to related parties		971,118	255,947
Taxation and social security		20,563	68,501
Other creditors		5,312	6,020
Accruals and deferred income		1,169,654	834,849
		<u>4,390,211</u>	<u>3,925,305</u>

10 Loans and overdrafts

	2021	2020
	£	£
Bank overdrafts	-	5
	<u>-</u>	<u>5</u>
Payable within one year	-	5
	<u>-</u>	<u>5</u>

INFOMEDIA SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 DECEMBER 2021

11 Share premium account

The company's Capital and reserves are as follows:

Called up share capital

Called up share capital represents the nominal value of the shares issued.

Share Premium

The share premium account includes the premium on issue of equity shares, net of any issue costs.

Profit and loss account

The profit and loss account represents cumulative profits or losses, net of dividends paid and other adjustments.

12 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Mr Mitesh Thakrar and the auditor was Azets Audit Services.

13 Pension commitments

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to fund and amounted to £37,754 (2020 - £47,333). Contributions totalling £5,312 (2020 - £8,302) were payable to the fund at the balance sheet date.

14 Related party transactions

Transactions with related parties

Rent of £41,250 (2020 - £36,667) was charged by Infomedia Services Directors' Retirement Scheme, a Pension Fund Trust with one director also being the trustee. At the year end £33,000 (2020 - £49,500) was outstanding and included within creditors.

Recharges of rent and other costs of £25,200 (2020 - £25,200) were charged during the year to Humley Limited, a company related through common ownership. At the year end £26,880 (2020 - £3,360) was outstanding and included within debtors.

Apaya Services Limited, a company owned by Michael Tomlins had transactions with Infomedia Services Limited for mobile payment transactions as well as recharges of costs, up to the point of his resignation. Infomedia Services Ltd had sales transactions with Apaya Services Ltd totalling £120,637 (2020 - £21,586) and purchase transactions totalling £2,971,900 (2020 - £284,269). Balances at the year end were debtor balance of £17,885 (2020 - £25,903) and creditor of £938,117 (2020 - £206,447).

Franella Associates Limited, a company owned by James Dowdall had transactions with Infomedia Services Limited for consultancy costs totalling £3,972. (2020 - £nil)

In the prior period within other debtors due within one year a balance of £40,700 was owed to M Tomlins. This balance was repaid within the year and the balance at the year end is £nil.

INFOMEDIA SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 DECEMBER 2021

15 Ultimate controlling party

The company's parent undertaking is Companionem Limited. The company's ultimate parent company is IMSH Limited. The registered address of the parent and ultimate undertaking is 7 Premier Court, Moulton Park, Northampton, Northamptonshire, NN3 6LF. IMSH Limited is the parent undertaking of the largest and smallest group for which consolidated financial statements are prepared. Consolidated accounts are available from Companies House, Cardiff, CF14 3UZ.

The ultimate controlling party as at the 7th January 2021 was Beechbrook UK SME Credit I Holdings PLC and then upon refinancing taking place within IMSH Limited on the 8th January 2021, in accordance with internal structural requirements at Beechbrook, was immediately transferred to Beechbrook UK SME Credit I GP LP. The controlling party held a 66% share holding at the year end date.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.