

EVOLUTED NEW MEDIA LIMITED

UNAUDITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2021

EVOLUTED NEW MEDIA LIMITED
REGISTERED NUMBER: 05813538

BALANCE SHEET
AS AT 31 MAY 2021

	Note	2021 £	2020 £
Fixed assets			
Intangible assets	4	28,016	33,620
Tangible assets	5	542,857	548,566
		570,873	582,186
Current assets			
Debtors: amounts falling due within one year	6	480,991	290,958
Cash at bank and in hand		1,195,533	1,058,053
		1,676,524	1,349,011
Creditors: amounts falling due within one year	7	(426,872)	(153,085)
Net current assets		1,249,652	1,195,926
Total assets less current liabilities		1,820,525	1,778,112
Creditors: amounts falling due after more than one year	8	-	(230,499)
Provisions for liabilities			
Deferred tax	9	(20,871)	(20,190)
Net assets		1,799,654	1,527,423
Capital and reserves			
Called up share capital		1,000	1,000
Profit and loss account		1,798,654	1,526,423
		1,799,654	1,527,423

EVOLUTED NEW MEDIA LIMITED
REGISTERED NUMBER: 05813538

BALANCE SHEET (CONTINUED)
AS AT 31 MAY 2021

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

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

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

The Company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 9 November 2021.

A J Young
Director

The notes on pages 3 to 9 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2021

1. General information

Evoluted New Media Limited is a private Company limited by shares, incorporated in England and Wales (registered number: 05813538). Its registered office is 35 Lambert Street, Sheffield, S3 7BH. The principal activity of the Company throughout the year continued to be that of web development and digital marketing.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The Company's functional and presentation currency is pounds sterling.

The following principal accounting policies have been applied:

2.2 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company 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. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2021

2. Accounting policies (continued)

2.3 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Statement of Income and Retained Earnings over its useful economic life.

Other intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

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.

2.4 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated 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 charged so as to allocate the cost of assets less their residual value over their estimated useful lives, as follows.

The depreciation rates used are:

Freehold property	-	2%	straight line
Motor vehicles	-	25%	reducing balance
Fixtures and fittings	-	25%	reducing balance
Computer equipment	-	20%	straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted

prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Income and Retained Earnings.

2.5 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of Income and Retained Earnings in the same period as the related expenditure.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2021

2. Accounting policies (continued)

2.6 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of Income and Retained Earnings on a straight line basis over the lease term.

2.7 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities such as bank and cash balances, trade and other accounts receivable and payable, loans from banks and other third parties and loans to and from related parties.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at the transaction price and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.8 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2021

2. Accounting policies (continued)

2.9 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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

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 it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

3. Employees

The average monthly number of employees, including directors, during the year was 33 (2020 - 30).

4. Intangible assets

	Goodwill £
Cost	
At 1 June 2020	56,035
At 31 May 2021	56,035
Amortisation	
At 1 June 2020	22,415
Charge for the year on owned assets	5,604
At 31 May 2021	28,019
Net book value	
At 31 May 2021	28,016
At 31 May 2020	33,620

EVOLUTED NEW MEDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2021

4. Intangible assets (continued)

5. Tangible fixed assets

	Freehold property £	Motor vehicles £	Fixtures and Fittings £	Computer equipment £	Total £
Cost or valuation					
At 1 June 2020	472,686	65,034	75,451	113,520	726,691
Additions	-	-	5,567	24,612	30,179
At 31 May 2021	472,686	65,034	81,018	138,132	756,870
Depreciation					
At 1 June 2020	32,406	12,447	56,404	76,868	178,125
Charge for the year on owned assets	9,454	11,865	5,258	9,311	35,888
At 31 May 2021	41,860	24,312	61,662	86,179	214,013
Net book value					
At 31 May 2021	430,826	40,722	19,356	51,953	542,857
At 31 May 2020	440,280	52,587	19,047	36,652	548,566

6. Debtors

	2021 £	2020 £
Trade debtors	439,236	280,347
Amounts owed by joint ventures and associated undertakings	184	-
Other debtors	11,133	83
Prepayments and accrued income	30,438	10,528
	<u>480,991</u>	<u>290,958</u>

EVOLUTED NEW MEDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2021

7. Creditors: Amounts falling due within one year

	2021 £	2020 £
Bank loans	230,537	18,500
Trade creditors	23,799	5,001
Corporation tax	58,406	28,575
Other taxation and social security	91,297	67,577
Other creditors	8,876	17,117
Accruals and deferred income	13,957	16,315
	<u>426,872</u>	<u>153,085</u>

The bank loans of £230,537 (2020: £18,500) are secured by fixed charges over the freehold property.

8. Creditors: Amounts falling due after more than one year

	2021 £	2020 £
Bank loans	-	230,499
	<u>-</u>	<u>230,499</u>

EVOLUTED NEW MEDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2021

9. Deferred taxation

	2021 £	2020 £
At beginning of year	20,190	9,677
Charged to profit or loss	681	10,513
At end of year	20,871	20,190

The provision for deferred taxation is made up as follows:

	2021 £	2020 £
Accelerated capital allowances	21,286	20,574
Pension surplus	(415)	(384)
	20,871	20,190

10. Pension commitments

The Company operates a defined contributions 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 the fund and amounted to £37,202 (2020 - £35,866). Contributions totalling £2,183 (2020 - £2,022) were payable to the fund at the Balance Sheet date and are included in creditors.

11. Commitments under operating leases

At 31 May 2021 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2021 £	2020 £
Not later than 1 year	4,210	-
	4,210	-

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.