

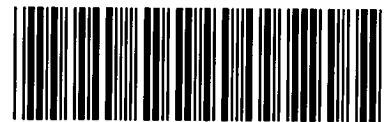
# Independents United Limited

Annual Report and Unaudited Financial Statements

For the year ended 31 December 2016

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# Independents United Limited

## Company Information

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<b>Directors</b>	S R Patel F D Lampen
<b>Company number</b>	05963939
<b>Registered office</b>	Ground Floor 19 Fitzroy Street London W1T 4BP
<b>Accountants</b>	Kingston Smith LLP Charlotte Building 17 Gresse Street London W1T 1QL

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# Independents United Limited

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# Independents United Limited

## Balance Sheet

As at 31 December 2016

		2016		2015 as restated	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	5		41,974		61,073
Investments	6		276,160		216,159
			<u>318,134</u>		<u>277,232</u>
<b>Current assets</b>					
Debtors	7	894,060		780,978	
Cash at bank and in hand		470,212		215,381	
		<u>1,364,272</u>		<u>996,359</u>	
<b>Creditors: amounts falling due within one year</b>	8				
		<u>(869,734)</u>		<u>(784,613)</u>	
Net current assets			494,538		211,746
<b>Total assets less current liabilities</b>			<u>812,672</u>		<u>488,978</u>
<b>Provisions for liabilities</b>	9		(7,555)		(10,993)
<b>Net assets</b>			<u>805,117</u>		<u>477,985</u>
<b>Capital and reserves</b>					
Called up share capital	11		11		11
Share premium account			15,597		15,597
Profit and loss reserves			789,509		462,377
<b>Total equity</b>			<u>805,117</u>		<u>477,985</u>

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

# Independents United Limited

## Balance Sheet (Continued)

As at 31 December 2016

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For the financial year ended 31 December 2016 the company was entitled to exemption from audit under section 477 of the Companies Act 2006.

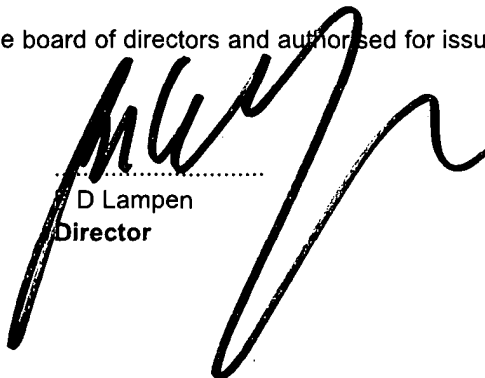
### Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of 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 20/09/17..... and are signed on its behalf by:

  
S R Patel  
Director

  
D Lampen  
Director

Company Registration No. 05963939

# Independents United Limited

## Notes to the Financial Statements

For the year ended 31 December 2016

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### 1 Accounting policies

#### Company information

Independents United Limited is a private company limited by shares incorporated in England and Wales. The registered office is Ground Floor, 19 Fitzroy Street, London, W1T 4BP.

#### 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 as applicable to companies subject to the small companies regime.

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 pound.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

These financial statements for the year ended 31 December 2016 are the first financial statements of Independents United Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 January 2015. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

#### 1.2 Exemptions for qualifying entities under FRS 102

The company has taken the following exemptions under the small companies regime:

- The requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv).
- The requirements of Section 7 Statement of Cash Flows and Section 3 Financial Statement Presentation paragraph 3.17(d).
- The requirements of Section 11 paragraphs 11.39 to 11.48A and Section 12 paragraphs 12.26 to 12.29A.

#### 1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

# Independents United Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 December 2016

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### 1 Accounting policies

(Continued)

#### 1.4 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.

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:

Leasehold improvements	20% straight line
Plant and machinery	20% - 50% 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.

#### 1.5 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.6 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

##### **Basic financial assets**

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

##### **Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

# Independents United Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 December 2016

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### 1 Accounting policies

(Continued)

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### 1.7 Equity instruments

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

#### 1.8 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.

##### **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.

#### 1.9 Share-based payments

The fair value of equity-settled share based payments to employees is determined at the date of grant and is expensed on a straight-line basis over the vesting period based on the company's estimate of shares or options that will eventually vest.



# Independents United Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 December 2016

### 1 Accounting policies

(Continued)

#### 1.10 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income 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 lease asset are consumed.

#### 1.11 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 are included in the profit and loss account for the period.

### 2 Employees

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

	2016 Number	2015 Number
Total	18	16

### 3 Directors' remuneration

	2016 £	2015 £
Remuneration paid to directors	156,000	-
Dividends paid to directors	370,000	400,000

### 4 Dividends

	2016 per share	2015 per share	2016 £	2015 £
Amounts recognised as distributions to equity holders:				
<b>Ordinary A Shares</b>				
Interim paid	462.50	500.00	370,000	400,000

# Independents United Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 December 2016

### 5 Tangible fixed assets

	Leasehold improvements	Plant and machinery etc	Total
	£	£	£
<b>Cost</b>			
At 1 January 2016	96,932	148,720	245,652
Additions	669	11,757	12,426
Disposals	-	(783)	(783)
At 31 December 2016	97,601	159,694	257,295
<b>Depreciation and impairment</b>			
At 1 January 2016	48,884	135,695	184,579
Depreciation charged in the year	21,102	10,205	31,307
Eliminated in respect of disposals	-	(565)	(565)
At 31 December 2016	69,986	145,335	215,321
<b>Carrying amount</b>			
At 31 December 2016	27,615	14,359	41,974
At 31 December 2015	48,048	13,025	61,073

### 6 Fixed asset investments

	2016 £	2015 £
Investments	276,160	216,159

# Independents United Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 December 2016

### 6 Fixed asset investments

(Continued)

#### Movements in fixed asset investments

	Investments other than loans £
<b>Cost or valuation</b>	
At 1 January 2016	218,659
Additions	60,001
	<hr/>
At 31 December 2016	278,660
	<hr/>
<b>Impairment</b>	
At 1 January 2016 & 31 December 2016	2,500
	<hr/>
<b>Carrying amount</b>	
At 31 December 2016	276,160
	<hr/>
At 31 December 2015	216,159
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During the year the company acquired 58,253 shares in Osper Limited for a total consideration of £60,001.

### 7 Debtors

	2016 £	2015 £
<b>Amounts falling due within one year:</b>		
Trade debtors	351,220	361,271
Amounts due from group undertakings	300,089	57,784
Other debtors	242,751	361,923
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	894,060	780,978
	<hr/>	<hr/>

### 8 Creditors: amounts falling due within one year

	2016 £	2015 £
Trade creditors	78,445	118,231
Corporation tax	166,766	89,160
Other taxation and social security	45,391	41,513
Other creditors	579,132	535,709
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	869,734	784,613
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# Independents United Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 December 2016

### 9 Provisions for liabilities

	2016 £	2015 £
Deferred tax liabilities	7,555	10,993
	<u>7,555</u>	<u>10,993</u>

### 10 Share-based payment transactions

The following options were in existence during the year in respect of an EMI scheme.

	Number of share options		Weighted average exercise price	
	2016 Number	2015 Number	2016 £	2015 £
Outstanding at 1 January 2016	107	122	208.50	210.77
Expired	(2)	(15)	227.00	227.00
Outstanding at 31 December 2016	<u>105</u>	<u>107</u>	<u>208.14</u>	<u>208.50</u>
Exercisable at 31 December 2016	<u>105</u>	<u>107</u>	<u>208.14</u>	<u>208.50</u>

The options outstanding at 31 December 2016 had an exercise price ranging from £182 to £227, and a remaining contractual life of 3.5 to 7.2 years.

Total expenses of £- related to equity settled share based payment transactions were recognised in the year. (2015 - £-). All options have already vested and the charge was not considered material to the financial statements to warrant inclusion as an adjustment on transition to FRS 102.

# Independents United Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 December 2016

### 11 Called up share capital

	2016 £	2015 £
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
800 Ordinary A Shares of 1p each	8	8
250 Ordinary B Shares of 1p each	3	3
16 Ordinary C Shares of 1p each	-	-
	<u>11</u>	<u>11</u>

The A Shares entitle the holder to vote, receive dividends, receive capital upon winding up, and appoint directors.

The B Shares entitle the holder to vote for director where agreement is not established by A Shareholders. B Shares rank pari passu with A shares to capital upon winding up. B Shares entitle the holder to appoint directors when ordinary shares represent 15% or greater of the total capital.

The C Shares entitle the holder to vote for director where agreement is not established by A Shareholders and receive dividends at the discretion of the board. C Shares rank pari passu with A and B shares to capital upon winding up. C Shares entitle the holder to appoint directors when ordinary shares represent 15% or greater of the total capital.

### 12 Operating lease commitments

#### Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2016 £	2015 £
Within one year	240,692	240,692
Between two and five years	160,461	401,153
	<u>401,153</u>	<u>641,845</u>

### 13 Related party transactions

No guarantees have been given or received.

At the year end the company owed £183 to (2015 as restated: £61,207 owed by) director F Lampen and £7,699 to (2015: £53,481 owed by) director S Patel in respect of unpaid (2015: advances on) dividends.

At the year end the company was owed £300,089 (2015 as restated: £57,784) by Distill Ventures LLP, a Limited Liability Partnership registered in England and Wales in which the company holds a majority stake.

# Independents United Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 December 2016

### 14 Prior period adjustments

#### Share premium account

On review of the directors' loan accounts it was noted that the share issue in 2010 had never been accounted for correctly, whereby proceeds on the issue had not been credited to share premium. The shares were still being accounted for as unpaid which was incorrect as the directors had made payment to the company. The proceeds of £10,100 have been credited to Share Premium and debited to the Directors' Loan Accounts. The company has also taken this opportunity to correct an historic rounding difference between share capital and share premium.

#### Share of losses of associated LLP

The company is a corporate member of Distill Ventures LLP, a Limited Liability Partnership registered in England & Wales. Under the LLP agreement, the company is entitled to 98% of the LLPs profits, but also bears losses in the same proportion. The losses had not previously been allocated in the LLP, and a prior year adjustment was also processed in those accounts to correct this. A prior year adjustment has therefore been processed in the company to recognise its share of losses to date. This amounts to £274,485 which should have been recognised in 2014, and an additional £73,995 which should have been recognised in 2015, giving a total restatement to retained earnings of £348,480. The corresponding credit entry to these adjustments is made to the intercompany balance with Distill Ventures LLP, held within debtors.

#### Changes to the balance sheet

	At 31 December 2015				
	As previously reported	Adjustment at 1 Jan 2015	Further adjustment at 31 Dec 2015	Total adjustment	As restated
	£	£	£	£	£
<b>Current assets</b>					
Debtors due within one year	1,119,358	(264,385)	(73,995)	(338,380)	780,978
<b>Capital and reserves</b>					
Share capital	12	(1)	-	(1)	11
Share premium	5,496	10,101	-	10,101	15,597
Profit and loss	810,857	(274,485)	(73,995)	(348,480)	462,377
<b>Total equity</b>	<b>816,365</b>	<b>(264,385)</b>	<b>(73,995)</b>	<b>(338,380)</b>	<b>477,985</b>