

COMPANY REGISTRATION NUMBER: 06061415

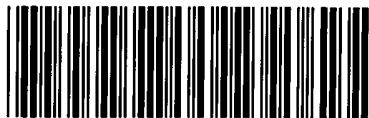
AMAZING MEDIA GROUP LIMITED

Filleted Unaudited Financial Statements

For the year end

31 December 2017

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AMAZING MEDIA GROUP LIMITED

Financial Statements

Year ended 31 December 2017

Contents	Page
Statement of financial position	1
Notes to the financial statements	2

AMAZING MEDIA GROUP LIMITED

Statement of Financial Position

31 December 2017

	Note	2017 £	2016 £
Fixed assets			
Intangible assets	5	1,793,107	1,793,107
Tangible assets	6	721	4,721
		<u>1,793,828</u>	<u>1,797,828</u>
Current assets			
Debtors	7	464,975	692,627
Cash at bank and in hand		793	2,304
		<u>465,768</u>	<u>694,931</u>
Creditors: amounts falling due within one year	8	<u>3,147,346</u>	<u>3,159,754</u>
Net current liabilities		<u>2,681,578</u>	<u>2,464,823</u>
Total assets less current liabilities		<u>(887,750)</u>	<u>(666,995)</u>
Provisions			
Other provisions		-	67,000
Net liabilities		<u>(887,750)</u>	<u>(733,995)</u>
Capital and reserves			
Called up share capital	9	1,558	1,549
Share premium account		10,222,836	9,995,002
Profit and loss account		<u>(11,112,144)</u>	<u>(10,730,546)</u>
Shareholders deficit		<u>(887,750)</u>	<u>(733,995)</u>

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of comprehensive income and the directors' report has not been delivered.

For the year ending 31 December 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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 were approved by the board of directors and authorised for issue on 8 June 2018, and are signed on behalf of the board by:


P A Campbell
Director

Company registration number: 06061415

The notes on pages 2 to 8 form part of these financial statements.

AMAZING MEDIA GROUP LIMITED

Notes to the Financial Statements

Year ended 31 December 2017

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Amazing Towers, Church Street, Gateshead, NE8 2AT.

2. Statement of compliance

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

The company's principal activity is described in the directors report.

The directors have prepared cash flow forecasts for the coming period, taking into account expected trading cash flows and other cash requirements as the business continues to expand. The company continues to meet its day-to-day working capital requirements through financial support from shareholders. The directors expect this to continue for the foreseeable future.

Thus the directors have reasonable expectation at the time of approving the financial statements that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the company continues to adopt the going concern basis in preparing the financial statements.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Revenue recognition

The turnover shown in the profit and loss account represents the value of services delivered during the period, exclusive of Value Added Tax. Amounts invoiced are spread to match the delivery of service, with any timing difference between invoicing and revenue recognition presented as deferred or accrued income.

AMAZING MEDIA GROUP LIMITED

Notes to the Financial Statements *(continued)*

Year ended 31 December 2017

3. Accounting policies *(continued)*

Income tax

Deferred tax is provided on the liability method to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for tax purposes. Deferred tax assets are recognised when it is more likely than not that they will be recovered. The company has not adopted a policy of discounting deferred tax assets and liabilities. Deferred tax is measured using rates of tax that have been enacted or substantively enacted by the balance sheet date.

Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the profit and loss account.

Intangible assets

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses. Any intangible assets carried at revalued amounts, are recorded at the fair value at the date of revaluation, as determined by reference to an active market, less any subsequent accumulated amortisation and subsequent accumulated impairment losses.

Intangible assets acquired as part of a business combination are recorded at the fair value at the acquisition date.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Patents	- 25%-50% straight line
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If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Research and development

Research expenditure is written off as it is incurred and charged to the profit & loss account. Development expenditure is written off, except where there is a separate project that is technically, commercially and financially viable. In these cases, the expenditure is deferred and amortised over the period the company is expected to gain benefit.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

AMAZING MEDIA GROUP LIMITED

Notes to the Financial Statements (continued)

Year ended 31 December 2017

3. Accounting policies (continued)

Tangible assets (continued)

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

- 5 years straight line
- 3-5years straight line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

AMAZING MEDIA GROUP LIMITED

Notes to the Financial Statements (continued)

Year ended 31 December 2017

3. Accounting policies (continued)

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

4. Employee numbers

The average number of persons employed by the company during the year amounted to 21 (2016: 27).

5. Intangible assets

	Goodwill £	Development costs £	Total £
Cost			
At 1 January 2017	1,793,107	7,527	1,800,634
Additions	–	–	–
Disposals	–	(7,527)	(7,527)
At 31 December 2017	<u>1,793,107</u>	<u>–</u>	<u>1,793,107</u>
Amortisation			
At 1 January 2017	–	7,527	7,527
Charge for the year	–	–	–
Disposals	–	(7,527)	(7,527)
At 31 December 2017	<u>–</u>	<u>–</u>	<u>–</u>
Carrying amount			
At 31 December 2017	<u>1,793,107</u>	<u>–</u>	<u>1,793,107</u>
At 31 December 2016	<u>1,793,107</u>	<u>–</u>	<u>1,793,107</u>

Software development costs are deferred to future periods, when they shall be amortised upon the sale or use of the product.

AMAZING MEDIA GROUP LIMITED

Notes to the Financial Statements (continued)

Year ended 31 December 2017

6. Tangible assets

	Fixtures and fittings £	Equipment £	Total £
Cost			
At 1 January 2017	87,773	460,771	548,544
Disposals	(86,566)	(460,771)	(547,337)
At 31 December 2017	<u>1,207</u>	<u>—</u>	<u>1,207</u>
Depreciation			
At 1 January 2017	83,052	460,771	543,823
Charge for the year	389	—	389
Disposals	(82,955)	(460,771)	(543,726)
At 31 December 2017	<u>486</u>	<u>—</u>	<u>486</u>
Carrying amount			
At 31 December 2017	<u>721</u>	<u>—</u>	<u>721</u>
At 31 December 2016	<u>4,721</u>	<u>—</u>	<u>4,721</u>

7. Debtors

	2017 £	2016 £
Trade debtors	80,528	77,775
Amounts owed by group undertakings and undertakings in which the company has a participating interest	75,915	34,905
Other debtors	308,532	579,947
	<u>464,975</u>	<u>692,627</u>

8. Creditors: amounts falling due within one year

	2017 £	2016 £
Bank loans and overdrafts	1,234	1,234
Trade creditors	263,128	314,302
Social security and other taxes	1,612,709	1,323,329
Other creditors	1,270,275	1,520,889
	<u>3,147,346</u>	<u>3,159,754</u>

The loan is secured by the way of a fixed and floating charge against the assets and intellectual property of the charging companies.

AMAZING MEDIA GROUP LIMITED

Notes to the Financial Statements (continued)

Year ended 31 December 2017

9. Called up share capital

Issued, called up and fully paid

	2017		2016	
	No.	£	No.	£
A Ordinary shares of £0.01 each	35,266	353	35,266	353
Ordinary shares of £0.01 each	111,307	1,113	110,451	1,105
A Convertible Preference shares of £0.01 each	9,183	92	9,183	92
	<u>155,756</u>	<u>1,558</u>	<u>154,900</u>	<u>1,549</u>

The number of shares outstanding at the year end date for all other classes of shares is consistent with the prior period.

During the year a further 8.56 Ordinary shares of £0.01 each were issued at premium which totalled £227,883.

10. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2017	2016
	£	£
Later than 1 year and not later than 5 years	<u>-</u>	<u>47,390</u>

11. Directors' advances, credits and guarantees

During the year P A Campbell used a current account with the company to record amounts due to him and drawn by him. The balance which was owed to the company at the end of the year was £127,943 (2016: £11,584 due by the company).

During the year T Maxfield used a current account with the company to record amounts due to him and drawn by him. The balance which was due by the company at the end of the year was £145,000 (2016: £145,000).

During the year I Baker used a current account with the company to record amounts due to him and drawn by him. The balance which was due by the company at the end of the year was £126,104 (2016: £143,584).

During the year G Stafford used a current account with the company to record amounts due to him and drawn by him. The balance which was due by the company at the end of the year was £15,753 (2016: £51,882).

During the year J Cuthbert used a current account with the company to record amounts due to him and drawn by him. The balance which was due by the company at the end of the year was £15,000 (2016: £Nil).

All balances with directors are interest free, repayable on demand and due in one year.

AMAZING MEDIA GROUP LIMITED

Notes to the Financial Statements *(continued)*

Year ended 31 December 2017

12. Related party transactions

During the year there were transactions with related parties listed below. All of these companies are related parties as P A Campbell is also director and shareholder of these companies.

Balances outstanding with these related parties at the year end were:

	2017	2016
	£	£
Amazing Group Limited	<u>3,726</u>	<u>3,726</u>

	2017	2016
	£	£
Amazing Media Holdings Inc	<u>72,189</u>	<u>31,179</u>

During the year Amazing Media Holdings Inc charged the company £41,010 (2016: £Nil) in respect of subcontracted development work. The amount outstanding at the year end was £72,189 (2016: £31,179) due by the company.