

Wooshii Limited

Financial Statements

For the year ended 31 March 2023

Pages for Filing with Registrar

Company Registration No. 06862860 (England and Wales)

Wooshii Limited

Company Information

Directors	M Carton F Dyer-Smith I Jacob D Newton P Valia A Robertson N Holt
Company number	06862860
Registered office	Fifth Floor 55 King Street Manchester England M2 4LQ
Auditor	Moore Kingston Smith LLP Charlotte Building 17 Gresse Street London W1T 1QL

Wooshii Limited

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Wooshii Limited

Balance Sheet

As at 31 March 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Intangible assets	3	866,852		504,766	
Tangible assets	4	14,656		17,723	
Investments	5	2,306		2,306	
			883,814		524,795
Current assets					
Debtors	7	3,360,239		2,613,779	
Cash at bank and in hand		334,932		1,133,320	
			3,695,171		3,747,099
Creditors: amounts falling due within one year	8	(1,865,339)		(2,065,138)	
Net current assets			1,829,832		1,681,961
Total assets less current liabilities			2,713,646		2,206,756
Creditors: amounts falling due after more than one year	9		(8,113,479)		(6,045,104)
Net liabilities			(5,399,833)		(3,838,348)
Capital and reserves					
Called up share capital	10	65,831		65,831	
Share premium account		1,819,955		1,819,955	
Capital redemption reserve		10,088		10,088	
Other reserves		7,238		7,238	
Profit and loss reserves		(7,302,945)		(5,741,460)	
Total equity			(5,399,833)		(3,838,348)

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.

Wooshii Limited

Balance Sheet (Continued)

As at 31 March 2023

The financial statements were approved by the board of directors and authorised for issue on 15 November 2023 and are signed on its behalf by:

F Dyer-Smith
Director

Company Registration No. 06862860

Wooshii Limited

Statement of Changes in Equity

For the year ended 31 March 2023

	Share capital	Share premium account	Capital redemption reserve	Profit and loss reserves	Total
	Notes	£	£	£	£
Balance at 1 April 2021		46,104	1,504,787	2,704	7,238 (4,513,708) (2,952,875)
Year ended 31 March 2022:					
Loss and total comprehensive income for the year	10	-	-	-	(1,227,752) (1,227,752)
Issue of share capital	10	27,111	315,168	-	- 342,279
Redemption of shares	10	(7,384)	-	7,384	- -
Balance at 31 March 2022		65,831	1,819,955	10,088	7,238 (5,741,460) (3,838,348)
Year ended 31 March 2023:					
Loss and total comprehensive income for the year		-	-	-	(1,561,485) (1,561,485)
Balance at 31 March 2023		65,831	1,819,955	10,088	7,238 (7,302,945) (5,399,833)

Wooshii Limited

Notes to the Financial Statements

For the year ended 31 March 2023

1 Accounting policies

Company information

Wooshii Limited is a private company limited by shares incorporated in England and Wales. The registered office is Fifth Floor, 55 King Street, Manchester, England, M2 4LQ.

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 £.

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

1.2 Going concern

These financial statements are prepared on the going concern basis. During the year the company made losses of £1,561,485, and at the year-end had net liabilities of £5,399,833. The company has secured further funding post year end to support the growth opportunity of the video production operations and investment in software development. The company undertook a strategic restructure in September, resulting in annual YOY savings of £700k in FY24 to drive profitability of the video production operations and service cashflow requirements as software sales grow. The company will therefore be able to operate within its existing capital and financial structures in FY24 and does not anticipate additional funding requirements. The company has prepared profit & loss and cash flow forecasts which confirm that the company will have sufficient funds to settle all of its liabilities as they fall due for at least 12 months from signing the financial statements.

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 it is probable will be recovered.

1.4 Intangible fixed assets other than goodwill

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

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Wooshii Limited

Notes to the Financial Statements (Continued)

For the year ended 31 March 2023

1 Accounting policies

(Continued)

Amortisation 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:

Patents, trademarks and licenses	33% straight line
Development costs	33% straight line

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.

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:

Fixtures and fittings	33% straight line
Computers	33% 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.

1.6 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.7 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.

Wooshii Limited

Notes to the Financial Statements (Continued)

For the year ended 31 March 2023

1 Accounting policies

(Continued)

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.

1.8 Cash at bank and in hand

Cash and cash equivalents are basic financial assets and 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.

1.9 Financial instruments

The company only has basic financial instruments measured at amortised cost with no financial instruments classified as other or basic instruments measured at fair value.

1.10 Compound instruments

The component parts of compound instruments issued by the company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangement. At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for a similar non-convertible instrument. This amount is recorded as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date. The equity component is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognised and included in equity net of income tax effects and is not subsequently remeasured.

1.11 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.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

1.12 Taxation

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

Wooshii Limited

Notes to the Financial Statements (Continued)

For the year ended 31 March 2023

1 Accounting policies

(Continued)

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.

1.13 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.

1.14 Retirement benefits

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

1.15 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.

1.16 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.

Wooshii Limited

Notes to the Financial Statements (Continued)

For the year ended 31 March 2023

1 Accounting policies

(Continued)

1.17 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 Employees

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

	2023 Number	2022 Number
Total	51	43

3 Intangible fixed assets

	Intangibles £
Cost	
At 1 April 2022	526,313
Additions	366,556
At 31 March 2023	892,869
Amortisation and impairment	
At 1 April 2022	21,547
Amortisation charged for the year	4,470
At 31 March 2023	26,017
Carrying amount	
At 31 March 2023	866,852
At 31 March 2022	504,766

Wooshii Limited

Notes to the Financial Statements (Continued)

For the year ended 31 March 2023

4 Tangible fixed assets

	Plant and machinery etc £
Cost	
At 1 April 2022	35,291
Additions	6,362
At 31 March 2023	41,653
Depreciation and impairment	
At 1 April 2022	17,568
Depreciation charged in the year	9,429
At 31 March 2023	26,997
Carrying amount	
At 31 March 2023	14,656
At 31 March 2022	17,723

5 Fixed asset investments

	2023 £	2022 £
Shares in group undertakings and participating interests	2,306	2,306

6 Subsidiaries

Details of the company's subsidiaries at 31 March 2023 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct
Wooshii Studios Limited	Lithuania	Post-production	Ordinary	100.00
Wooshi Inc	USA	Video production	Ordinary	100.00

Wooshii Limited

Notes to the Financial Statements (Continued)

For the year ended 31 March 2023

7 Debtors

	2023	2022
	£	£
Amounts falling due within one year:		
Trade debtors	1,022,015	665,748
Corporation tax recoverable	488,048	338,466
Amounts owed by group undertakings	1,303,627	1,120,546
Other debtors	35,997	30,098
Prepayments and accrued income	510,552	458,921
	<u>3,360,239</u>	<u>2,613,779</u>

8 Creditors: amounts falling due within one year

	2023	2022
	£	£
Bank loans	9,596	10,648
Trade creditors	499,469	464,980
Taxation and social security	95,794	76,792
Other creditors	49,081	47,881
Accruals and deferred income	1,211,399	1,464,837
	<u>1,865,339</u>	<u>2,065,138</u>

9 Creditors: amounts falling due after more than one year

	2023	2022
	£	£
Bank loans and overdrafts	25,319	34,915
Convertible loans	1,774,410	-
Other creditors	6,313,750	6,010,189
	<u>8,113,479</u>	<u>6,045,104</u>

On 17 May 2019 the company issued 3,240,000 5% Redeemable Preference Shares of £1 per share. The shares will mature on 09 June 2026.

On 09 June 2021, the company issued 2,250,000 5% Redeemable Preference Shares of £1 per share. The shares will mature after 5 years from the date of issue.

Wooshii Limited

Notes to the Financial Statements (Continued)

For the year ended 31 March 2023

10 Called up share capital

	2023 Number	2022 Number	2023 £	2022 £
Ordinary share capital				
Issued and fully paid				
Ordinary shares of 1p each	2,602,223	2,602,223	26,023	26,023
Ordinary A shares of 1p each	1,237,701	1,237,701	12,377	12,377
Ordinary B shares of 1p each	2,430,517	2,430,517	24,306	24,306
Ordinary C shares of 1p each	312,549	312,549	3,125	3,125
	<u>6,582,990</u>	<u>6,582,990</u>	<u>65,831</u>	<u>65,831</u>

Return of assets

On a return of assets, the Preference Shares have preference for the distribution of assets for the original subscription price paid and the unpaid and accrued preference up to the date of return of capital. This is followed by the distribution of assets to the Ordinary, 'A' Ordinary, 'B' Ordinary & 'C' Ordinary (ranking pari passu) to cover their initial return. Any surplus assets still available for distribution are applied as follows:

Amounts will be paid, in proportion to number of shares held, up to a level where the 'B' Ordinary, 'C' Ordinary and Preference Shares have received in aggregate three times the total amounts invested.

Amounts will be paid to the holders of the equity shares, as if such holders of equity shares were treated as one class, and where the holders of the 'B' Ordinary & 'C' Ordinary Shares shall receive 75% of their respective pro rata shareholding.

Voting

The Ordinary, 'A' Ordinary, 'B' Ordinary and 'C' Ordinary Shares all rank pari passu in terms of voting rights. The Preference Shares have no voting rights.

11 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.

Senior Statutory Auditor:

Joanna Cosgrove

Statutory Auditor:

Moore Kingston Smith LLP

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, as follows:

2023 £	2022 £
<u>296,377</u>	<u>348,384</u>

Wooshii Limited

Notes to the Financial Statements (Continued)

For the year ended 31 March 2023

13 Events after the reporting date

On 25 July 2023 the Memorandum and Articles of Association of the company were updated to reflect a change in the rights attached to certain preference shares. As a result of this, £5,490,000 of preference shares have been reclassified as equity post year end.

14 Related party transactions

Wooshii Limited has taken the exemption to disclose related party transactions under the same 100% control in accordance with FRS102 - Section 33 "Related Party Disclosures" paragraph 33.7.

During the year the company made sales of £nil (2022: £42,870) to YFM Equity Partners LLP, and £nil (2022: £16,800) to Cogora Group Limited, related parties by virtue of common directorship.

During the year the company incurred costs of £34,470 (2022: £112,026) from YFM Equity Partners LLP, a related party by virtue of their common directorship.

15 Parent company

There is no ultimate controlling party.

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