REGISTRAR

Kingston Smith

Veoo Limited

Annual Report and Unaudited Financial Statements

For the year ended 31 December 2016

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Company Registration No. 07446970 (England and Wales)

Veoo Limited

Company Information

Directors	M Winters R Danova A Scott
Company number	07446970
Registered office	4 Victoria Square St Albans Hertfordshire AL1 3TF
Accountants	Kingston Smith LLP 4 Victoria Square St Albans Hertfordshire AL1 3TF

Veoo Limited

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Veoo Limited

Balance Sheet
As at 31 December 2016

	Notes	2016 £	2016 £	2015 £	2015 £
Fixed assets					
Intangible assets	4		34,040		87,603
Tangible assets	5		7,065		6,289
Investments	6		3,152		3,152
			44,257		97,044
Current assets					
Debtors	7	3,788,947		2,947,117	
Cash at bank and in hand		1,891,048		1,212,724	
		5,679,995		4,159,841	
Creditors: amounts falling due within one year	8	(5,055,176)		(3,731,015)	
Net current assets			624,819		428,826
Total assets less current liabilities			669,076		525,870
Creditors: amounts falling due after more than one year	9		(1,357,296)		(1,407,296)
Net liabilities			(688,220)		(881,426)
Capital and reserves					
Called up share capital	10		936		936
Profit and loss reserves			(689,156)		(882,362)
Total equity			(688,220)		(881,426)

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

Veoo Limited

Balance Sheet (Continued)

As at 31 December 2016

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 8 June 2017 and are signed on its behalf by:

M Winters
Director

A Scott
Director

Company Registration No. 07446970

1 Accounting policies

Company information

Veoo Limited is a private company limited by shares incorporated in England and Wales. The registered office is 4 Victoria Square, St Albans, Hertfordshire, AL1 3TF.

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") section 1A 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.

1.2 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.

1.3 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.

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

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:

Development costs	25% straight line

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:

Land and buildings Leasehold	20% straight line
Plant and machinery	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 Accounting policies **(Continued)**

1.5 Fixed asset investments

Interests in subsidiaries 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.

1.6 Impairment of fixed assets

At each reporting 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).

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 is estimated to be less than its carrying amount, the carrying amount of the asset 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 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 prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried in 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 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.

1.8 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.

1 Accounting policies (Continued)

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.

Derecognition of financial assets
Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

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.

Basic financial liabilities
Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies 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.

Derecognition of financial liabilities
Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.9 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.

1.10 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.

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.

1.11 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.

1.12 Retirement benefits

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

1.13 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.

1.14 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 are included in the profit and loss account for the period.

1.15 Going concern

The accounts have been prepared on the going concern basis notwithstanding net liabilities position. The directors believe the going concern basis to be appropriate. The shareholders will support the company for the period of at least 12 months from approval of the financial statements.

1.16 Group accounts

Small groups of companies are eligible for an exemption from preparing consolidated financial statements.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 16 (2015: 12)

3 Taxation

	2016	2015
	£	£
Current tax		
UK corporation tax on profits for the current period	(171,276)	-
Adjustments in respect of prior periods	16	(185,156)
Total current tax	(171,260)	(185,156)

At 31 December 2016 the company carried forward £750,696 of trade losses (2015: £750,696).

At 31 December 2016 there was an unrecognised deferred tax asset of £126,702 (2015: £149,212). This has not been recognised on the basis that there is insufficient evidence of taxable profits arising in the future.

4 Intangible fixed assets

	Development costs
	£
Cost	
At 1 January 2016 and 31 December 2016	396,775
Amortisation	
At 1 January 2016	309,172
Amortisation charged for the year	53,563
At 31 December 2016	362,735
Carrying amount	
At 31 December 2016	34,040
At 31 December 2015	87,603

5 *Tangible fixed assets*

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 January 2016	389	23,192	23,581
Additions	-	6,472	6,472
At 31 December 2016	389	29,664	30,053
Depreciation			
At 1 January 2016	156	17,136	17,292
Depreciation charged in the year	78	5,618	5,696
At 31 December 2016	234	22,754	22,988
Carrying amount			
At 31 December 2016	155	6,910	7,065
At 31 December 2015	233	6,056	6,289

6 Fixed asset investments

	2016	2015
	£	£
Investments	3,152	3,152

Movements in fixed asset investments

	Shares in group undertakings
	£
Cost	
At 1 January 2016 & 31 December 2016	3,152
Carrying amount	
At 31 December 2016	3,152
At 31 December 2015	3,152

7 Debtors

Amounts falling due within one year:	2016 £	2015 £
Trade debtors	1,895,986	1,103,378
Corporation tax recoverable	171,276	185,204
Amounts due from group undertakings	677,090	95,211
Other debtors	1,044,595	1,563,324
	3,788,947	2,947,117

8 Creditors: amounts falling due within one year

	2016 £	2015 £
Trade creditors	2,641,551	1,682,780
Amounts due to group undertakings	798	2,306
Other taxation and social security	956,506	157,690
Other creditors	1,456,321	1,888,239
	5,055,176	3,731,015

9 Creditors: amounts falling due after more than one year

	2016 £	2015 £
Other creditors	1,357,296	1,407,296

Other creditors represent a long term loan. The loan is unsecured and has no fixed repayment date.

10 Called up share capital

	2016 £	2015 £
Ordinary share capital		
Issued and fully paid		
93,600 ordinary of 1p each	936	936

11 Operating lease commitments

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	51,933	51,933
Between two and five years	77,993	129,926
	129,926	181,859

12 Control

The Company is under control of Alan Scott by virtue of his shareholding.

13 Post balance sheet events

Subsequent to the year end, following a group reorganisation and a share for share exchange, Veoo Limited became a wholly owned subsidiary of Veoo Group Limited.

14 Related party transactions

During the year, the company paid invoices on behalf of and received repayments totalling £141,476 (2015: £163,068) from Veoo Solutions Limited, a wholly owned subsidiary in Cyprus. As at the balance sheet date the company was owed £169,580 (2015: £28,104) by Veoo Solutions Limited.

During the year, the company advanced £68 (2015: £1,292) to Veoo Creative PTY Limited, a wholly owned subsidiary in South Africa. As at the balance sheet date the company was owed £18,814 (2015: £18,746) by Veoo Creative PTY Limited.

As at the balance sheet date the company owed £1 (2015: £1) to Veoo EOOD Limited, a wholly owned subsidiary in Bulgaria.

As at the balance sheet date the company owed £92 (2015: £92) to Veoo LLC, a wholly owned subsidiary in Russia.

As at the balance sheet date the company owed £705 (2015: £705) to Veoo Limited Magyarorszagi Fioktelepe, a wholly owned subsidiary in Hungary.

During the year, the company paid invoices on behalf of and received repayments totalling £21,342 (2015: £40,852) from Veoo Ukraine LLC, a wholly owned subsidiary in Ukraine. As at the balance sheet date the company was owed £60,686 (2015: £39,344) by Veoo Ukraine LLC.

During the year, the company made purchases totalling £12,685 (2015: £9,744) from Ibiza Digital Media Limited, a company which has Alan Scott as a director. At the balance sheet date, the company owed £8,304 (2015: £144) to Ibiza Digital Media Limited.

During the year the company made payments on behalf of companies under the ultimate control of M Winters. At the year the company was owed the following balances:

	£
InternetQ Argentina S.R. L.	38,089
Jijya Mobile Media LLC	20,827
IneternetQ Costa Rica S.A	17,473
Mobile Corp De Responsabilidad Limitada	26,194
Up-Mobile Corp	35,809
Nina Karenina Indonesia	5,393
InternetQ SEA	19,293
InternetQ Honduras S.A.	3,825
Veoo Holdings Ltd	221,068