

REGISTRAR

Veoo Limited

Unaudited Financial Statements

For Filing with Registrar

For the year ended 31 December 2017

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COMPANIES HOUSE

Company Registration No. 07446970 (England and Wales)

Veoo Limited

Company Information

Directors	M Winters 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 2017

	Notes	2017 £	£	2016 £	£
Fixed assets					
Intangible assets	3		-		34,040
Tangible assets	4		5,786		7,065
Investments	5		63,152		3,152
			<u>68,938</u>		<u>44,257</u>
Current assets					
Debtors	6	2,797,711		3,788,947	
Cash at bank and in hand		49,584		1,891,048	
		<u>2,847,295</u>		<u>5,679,995</u>	
Creditors: amounts falling due within one year	7	(3,038,467)		(5,055,176)	
Net current (liabilities)/assets			<u>(191,172)</u>		<u>624,819</u>
Total assets less current liabilities			<u>(122,234)</u>		<u>669,076</u>
Creditors: amounts falling due after more than one year	8	(1,713,611)		(1,357,296)	
Net liabilities			<u>(1,835,845)</u>		<u>(688,220)</u>
Capital and reserves					
Called up share capital	9		936		936
Profit and loss reserves			(1,836,781)		(689,156)
Total equity			<u>(1,835,845)</u>		<u>(688,220)</u>

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

For the financial year ended 31 December 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006.

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.

Veoo Limited

Balance Sheet (Continued)

As at 31 December 2017

The financial statements were approved by the board of directors and authorised for issue on 13/04/18
and are signed on its behalf by:


.....
M Winters
Director


.....
A Scott
Director

Company Registration No. 07446970

Veoo Limited

Notes to the Financial Statements

For the year ended 31 December 2017

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
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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.

Veoo Limited

Notes to the Financial Statements (Continued)

For the year ended 31 December 2017

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 at bank and in hand 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.

1.8 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 balance sheet 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.

Veoo Limited

Notes to the Financial Statements (Continued)

For the year ended 31 December 2017

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors 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. Financial assets classified as receivable within one year are not amortised.

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.

Veoo Limited

Notes to the Financial Statements (Continued)

For the year ended 31 December 2017

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

Notwithstanding the net liability position at the balance sheet date, the accounts have been prepared on the going concern basis. Subsequent to the year end a loan facility of £600,000 was agreed by the group with a new shareholder. Based on this and a review of projections the directors believe that the company will be able to continue to trade for a period of at least a year after the signature of these financial statements. The directors therefore believe the going concern basis is appropriate.

Veoo Limited

Notes to the Financial Statements (Continued)

For the year ended 31 December 2017

1 Accounting policies

(Continued)

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 15 (2016: 16)

3 Intangible fixed assets

	Development costs £
Cost	
At 1 January 2017 and 31 December 2017	396,775
Amortisation	
At 1 January 2017	362,735
Amortisation charged for the year	34,040
At 31 December 2017	396,775
Carrying amount	
At 31 December 2017	-
At 31 December 2016	34,040

Veoo Limited

Notes to the Financial Statements (Continued)

For the year ended 31 December 2017

4 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 January 2017	389	29,664	30,053
Additions	-	1,967	1,967
At 31 December 2017	389	31,631	32,020
Depreciation			
At 1 January 2017	234	22,754	22,988
Depreciation charged in the year	78	3,168	3,246
At 31 December 2017	312	25,922	26,234
Carrying amount			
At 31 December 2017	77	5,709	5,786
At 31 December 2016	155	6,910	7,065

5 Fixed asset investments

	2017 £	2016 £
Investments	63,152	3,152

Movements in fixed asset investments

	Shares in group undertakings	Other investments other than loans	Total
	£	£	£
Cost			
At 1 January 2017	3,152	-	3,152
Additions	-	60,000	60,000
At 31 December 2017	3,152	60,000	63,152
Carrying amount			
At 31 December 2017	3,152	60,000	63,152
At 31 December 2016	3,152	-	3,152

Veoo Limited

Notes to the Financial Statements (Continued)

For the year ended 31 December 2017

6 Debtors

	2017 £	2016 £
Amounts falling due within one year:		
Trade debtors	484,490	1,895,986
Corporation tax recoverable	262,117	171,276
Amounts due from group undertakings	1,582,692	677,090
Other debtors	468,412	1,044,595
	<u>2,797,711</u>	<u>3,788,947</u>

7 Creditors: amounts falling due within one year

	2017 £	2016 £
Trade creditors	2,508,975	2,641,551
Amounts due to group undertakings	175,076	798
Other taxation and social security	59,528	956,506
Other creditors	294,888	1,456,321
	<u>3,038,467</u>	<u>5,055,176</u>

Included within other creditors above is an unsecured interest free loan that is repayable within 1 year amounting to £47,350 (2016: £nil). Also included within other creditors above is the current portion of a loan with a fixed interest rate of 13.5% that is repayable over 5 years, and has been secured by a personal guarantee from the directors, amounting to £41,104 (2016: £nil).

8 Creditors: amounts falling due after more than one year

	2017 £	2016 £
Other creditors	<u>1,713,611</u>	<u>1,357,296</u>

Included within other creditors above are unsecured interest free loans with no fixed repayment date amounting to £1,507,296 (2016: £1,357,296) and the non-current portion of a loan with a fixed interest rate of 13.5% that is repayable over 5 years and has been secured by a personal guarantee from the directors, amounting to £206,315 (2016: £nil).

Veoo Limited

Notes to the Financial Statements (Continued)

For the year ended 31 December 2017

(Continued)

9 Called up share capital

	2017 £	2016 £
Ordinary share capital		
Issued and fully paid		
93,600 ordinary of 1p each	936	936

10 Operating lease commitments

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

	2017 £	2016 £
Within one year	51,933	51,933
Between two and five years	26,153	77,993
	<u>78,086</u>	<u>129,926</u>

11 Transactions with directors

During the year payments of £50,000 were made by M Winters. At as 31 December 2017 M Winters owed the company £nil (2016: £50,000).

12 Related party transactions

As at 31 December 2017 the company had the following outstanding balances with subsidiary companies.

	2017 Debtors £	2017 Creditors £	2016 Debtors £	2016 Creditors £
Veoo Solutions Limited	-	158,380	169,580	-
Veoo Creative PTY Limited	23,099	-	18,814	-
Veoo LLC	-	92	-	92
Veoo Limited Magyarorszagi Fioktelepe	-	705	-	705
Veoo Ukraine LLC	65,315	-	60,686	-
Veoo EOOD	-	1	-	1
	<u>88,414</u>	<u>159,178</u>	<u>249,080</u>	<u>798</u>

Veoo Limited

Notes to the Financial Statements (Continued)

For the year ended 31 December 2017

12 Related party transactions

(Continued)

During the year the company had the following transactions with subsidiary companies.

	2017 Sales £	2017 Purchases £	2016 Sales £	2016 Purchases £
Veoo Solutions Limited	3,025	197,526	-	141,476
Veoo Creative PTY Limited	-	4,353	-	68
Veoo LLC	-	-	-	-
Veoo Limited Magyarorszag Fioktelepe	-	-	-	-
Veoo Ukraine LLC	67,958	196,198	-	21,342
Veoo EOOD	-	-	-	-
	<u>70,983</u>	<u>398,077</u>	<u>-</u>	<u>162,886</u>

All the subsidiaries are wholly owned. Veoo Solutions Limited is incorporated in Cyprus, Veoo Creative PTY Limited is incorporated in South Africa, Veoo LLC is incorporated in Russia, Veoo Limited Magyarorszag Fioktelepe is incorporated in Hungary, Veoo Ukraine LLC is incorporated in Ukraine and Veoo EOOD is incorporated in Bulgaria.

As at 31 December 2017 the company had the following outstanding balances with companies in which A Scott is a director.

	2017 Debtors £	2017 Creditors £	2016 Debtors £	2016 Creditors £
Ibiza Digital Media Limited	30	-	-	8,304
Delamar Limited	-	47,350	-	-
	<u>30</u>	<u>47,350</u>	<u>-</u>	<u>8,304</u>

During the year the company made purchases of £350 (2016: £12,685) from Ibiza Digital Media Limited and received a loan of £94,700 (2016: £nil) against which payments of £47,352 (2016: £nil) have been made from Delamar Limited. There is no interest charged on the loan and no fixed repayment date.

Veoo Limited

Notes to the Financial Statements (Continued)

For the year ended 31 December 2017

12 Related party transactions

(Continued)

As at 31 December 2017 the company had the following outstanding balances with companies which are fellow subsidiaries of Veoo Group Limited.

	2017	2017	2016	2016
	Debtors	Creditors	Debtors	Creditors
	£	£	£	£
InternetQ A.E.	7,509	-	7,509	-
InternetQ Argentina S.R.L.	153,120	-	38,089	-
Jijya Mobile Media LLC	30,809	-	20,827	-
InternetQ Chile Limitada	12,196	-	-	-
InternetQ Costa Rica S.A.	37,183	-	17,473	-
Mobile Corp De Responsabilidad Limitada	81,549	-	26,194	-
Interacel Ecuador S.A.	5,392	-	-	-
InternetQ S.R.L.	1,301	-	-	-
Up-Mobile Corp	158,128	-	35,809	-
Nina Karenine Indonesia	55,444	-	5,393	-
InternetQ SEA	168,396	-	19,293	-
InternetQ Honduras S.A.	9,748	-	3,825	-
Veoo Holdings Limited	709,234	-	221,068	-
InternetQ S.R.L (Dominica)	12,030	-	-	-
Minh Phat Telecom Service Limited	2,052	-	-	-
Solution System Touchmedia SDN. BHD.	17,538	-	-	-
InternetQ Nicaragua, S.A.	18,332	-	-	-
InternetQ Thailand	14,317	-	-	-
InternetQ Paraguay, S.R.L.	-	15,898	-	-
	<u>1,494,278</u>	<u>15,898</u>	<u>395,480</u>	<u>-</u>

13 Control

The company is wholly owned by Veoo Group Limited, a company incorporated in the United Kingdom. The ultimate controlling party was Mr A Scott.

14 Post balance sheet events

Following share transfers on 21 March 2018 the directors believe that there is no one ultimate controlling party.