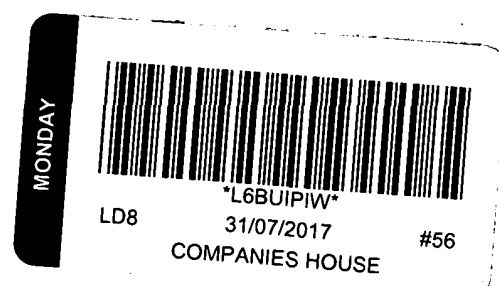


Company Registration No. 07466477 (England and Wales)

**MADHEN MEDIA LIMITED**  
**DIRECTORS' REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**



# MADHEN MEDIA LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	H J Wickham M S Wickham
<b>Company number</b>	07466477
<b>Registered office</b>	25 Westminster Mansions Great Smith Street London SW1P 3BP
<b>Accountants</b>	Wilson Wright LLP Chartered Accountants Thavies Inn House 3-4 Holborn Circus London EC1N 2HA

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# **MADHEN MEDIA LIMITED**

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# MADHEN MEDIA LIMITED

## DIRECTORS' REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2016

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The directors present their annual report and financial statements for the year ended 31 December 2016.

#### Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

H J Wickham

M S Wickham

#### Statement of directors' responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

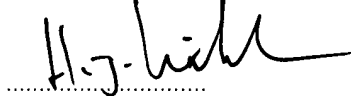
- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### Small company exemption

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board



H J Wickham

Director

22/6/17

# **MADHEN MEDIA LIMITED**

## **CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF MADHEN MEDIA LIMITED FOR THE YEAR ENDED 31 DECEMBER 2016**

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In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Madhen Media Limited for the year ended 31 December 2016 set out on pages 3 to 10 from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance/>.

This report is made solely to the Board of Directors of Madhen Media Limited, as a body, in accordance with the terms of our current engagement letter. Our work has been undertaken solely to prepare for your approval the financial statements of Madhen Media Limited and state those matters that we have agreed to state to the Board of Directors of Madhen Media Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Madhen Media Limited and its Board of Directors as a body, for our work or for this report.

It is your duty to ensure that Madhen Media Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Madhen Media Limited. You consider that Madhen Media Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Madhen Media Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

**Wilson Wright LLP**  
Chartered Accountants  
Thavies Inn House  
3-4 Holborn Circus  
London  
EC1N 2HA

3 July 2017

# MADHEN MEDIA LIMITED

## STATEMENT OF INCOME AND RETAINED EARNINGS FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	2016 £	2015 £
<b>Revenue</b>		2,009,145	3,052,897
Cost of sales		(351,203)	(520,662)
<b>Gross profit</b>		1,657,942	2,532,235
Administrative expenses		(123,740)	(337,261)
Other operating income		77,946	2,813
<b>Operating profit</b>		1,612,148	2,197,787
Investment income		18,889	93,951
Finance costs		(5,955)	(2,124)
Other gains and losses		80,531	-
<b>Profit before taxation</b>		1,705,613	2,289,614
Taxation		(336,667)	(462,924)
<b>Profit for the financial year</b>		1,368,946	1,826,690
Retained earnings at 1 January 2016		8,374,771	6,838,081
Dividends		(3,090,000)	(290,000)
<b>Retained earnings at 31 December 2016</b>		<u>6,653,717</u>	<u>8,374,771</u>

# MADHEN MEDIA LIMITED

## STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2016

	Notes	2016 £	£	2015 £	£
<b>Fixed assets</b>					
Property, plant and equipment	3		8,482		9,398
Investments	4		3		3
			<u>8,485</u>		<u>9,401</u>
<b>Current assets</b>					
Trade and other receivables	6	4,103,389		5,240,217	
Investments	7	1,189,135		-	
Cash and cash equivalents		1,726,639		3,382,101	
		<u>7,019,163</u>		<u>8,622,318</u>	
<b>Current liabilities</b>	8	(361,329)		(256,846)	
		<u>7,019,163</u>		<u>8,622,318</u>	
<b>Net current assets</b>			6,657,834		8,365,472
<b>Total assets less current liabilities</b>			6,666,319		8,374,873
<b>Provisions for liabilities</b>			(12,500)		-
<b>Net assets</b>			<u>6,653,819</u>		<u>8,374,873</u>
<b>Equity</b>					
Called up share capital	9		102		102
Retained earnings			6,653,717		8,374,771
<b>Total equity</b>			<u>6,653,819</u>		<u>8,374,873</u>

For the financial year ended 31 December 2016 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.

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.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

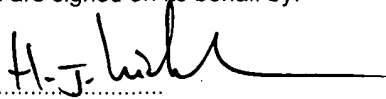
# **MADHEN MEDIA LIMITED**

## **STATEMENT OF FINANCIAL POSITION (CONTINUED)**

**AS AT 31 DECEMBER 2016**

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The financial statements were approved by the board of directors and authorised for issue on 22/6/17  
and are signed on its behalf by:

  
.....  
H J Wickham  
Director

**Company Registration No. 07466477**



# MADHEN MEDIA LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

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### 1 Accounting policies

#### Company information

Madhen Media Limited is a private company limited by shares incorporated in England and Wales. The registered office is 25 Westminster Mansions, Great Smith Street, London, SW1P 3BP.

#### 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 disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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, modified to include certain financial instruments at fair value. 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 Madhen Media 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.

The company has taken advantage of the exemption under section 399 of the Companies Act 2006 not to prepare consolidated accounts, on the basis that the group of which this is the parent qualifies as a small group. The financial statements present information about the company as an individual entity and not about its group.

#### 1.2 Revenue

Revenue represents fees and royalties receivable and is recognised when the service is performed to the extent that it is probable that economic benefits will flow into the Company and excludes value added tax.

#### 1.3 Property, plant and equipment

Property, plant and equipment 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, fittings & equipment	20% straight line basis
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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 the income statement.

#### 1.4 Non-current 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 the income statement.

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.

# MADHEN MEDIA LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

---

### 1 Accounting policies

(Continued)

#### 1.5 Impairment of non-current 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.

#### 1.6 Cash and cash equivalents

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.

#### 1.7 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. Financial assets classified as receivable within one year are not amortised.

##### **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 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 receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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. Amounts 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.

# MADHEN MEDIA LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

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### 1 Accounting policies

(Continued)

#### 1.8 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.

#### 1.9 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 income statement 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.

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 income statement, 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.

#### 1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

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.

#### 1.11 Retirement benefits

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

#### 1.12 Group accounts exemption

The company has taken advantage of the exemption under section 399 of the Companies Act 2006 not to prepare consolidated accounts, on the basis that the group of which this is the parent qualifies as a small group. The financial statements present information about the company as an individual entity and not about its group.

### 2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 2 (2015 - 2).

# MADHEN MEDIA LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

<b>3 Property, plant and equipment</b>	<b>Fixtures, fittings &amp; equipment £</b>	
<b>Cost</b>		
At 1 January 2016		13,098
Additions		1,867
At 31 December 2016		14,965
<b>Depreciation</b>		
At 1 January 2016		3,700
Depreciation charged in the year		2,783
At 31 December 2016		6,483
<b>Carrying amount</b>		
At 31 December 2016		8,482
At 31 December 2015		9,398
<b>4 Fixed asset investments</b>	<b>2016 £</b>	
Investments	3	3
<b>Movements in non-current investments</b>		
<b>Cost or valuation</b>		
At 1 January 2016 & 31 December 2016	3	
<b>Carrying amount</b>		
At 31 December 2016	3	
At 31 December 2015	3	
<b>5 Financial instruments</b>	<b>2016 £</b>	
<b>Carrying amount of financial assets</b>		
Instruments measured at fair value through the income statement	1,189,135	-

# MADHEN MEDIA LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

### 6 Trade and other receivables

	2016 £	2015 £
Amounts falling due within one year:		
Amounts due from group undertakings	3,793,337	3,792,352
Other receivables	310,052	1,177,823
	<u>4,103,389</u>	<u>4,970,175</u>
Amounts falling due after more than one year:		
Other receivables	-	270,042
	<u>-</u>	<u>270,042</u>
<b>Total debtors</b>	<u><b>4,103,389</b></u>	<u><b>5,240,217</b></u>

### 7 Current asset investments

	2016 £	2015 £
Other investments	<u>1,189,135</u>	<u>-</u>

### 8 Current liabilities

	2016 £	2015 £
Corporation tax	148,247	194,661
Other taxation and social security	2,561	44,633
Other payables	210,521	17,552
	<u>361,329</u>	<u>256,846</u>

### 9 Called up share capital

	2016 £	2015 £
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
102 ordinary shares of £1 each	<u>102</u>	<u>102</u>

### 10 Related party disclosures

Debtors include £3,793,337 (2015 - £3,792,352) due from the company's wholly owned subsidiary Bloomwood Educational Limited.

Creditors include £201,521 (2015 - debtor £1,129,364) due to M S Wickham.