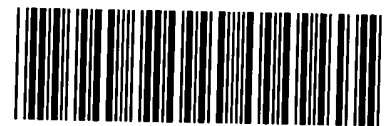


Registration number: 07517889

MOTIVE TELEVISION SERVICES LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

Hazlewoods LLP
Windsor House
Bayshill Road
Cheltenham
GL50 3AT

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COMPANIES HOUSE

MOTIVE TELEVISION SERVICES LIMITED

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MOTIVE TELEVISION SERVICES LIMITED

COMPANY INFORMATION

Directors	M Pilsworth G Flores d'Arcais
Registered office	18 Soho Square London W1D 3QL
Auditors	Hazlewoods LLP Windsor House Bayshill Road Cheltenham GL50 3AT

MOTIVE TELEVISION SERVICES LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2015

The directors present their report and the financial statements for the year ended 31 December 2015.

Directors of the company

The directors who held office during the year were as follows:

L Fertig (resigned 20 September 2016)

M Pilsworth

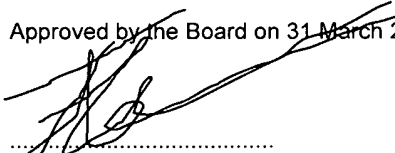
The following director was appointed after the year end:

G Flores d'Arcais (appointed 20 September 2016)

Disclosure of information to the auditors

Each director has taken the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

Approved by the Board on 31 March 2017 and signed on its behalf by:



.....
G Flores d'Arcais
Director

MOTIVE TELEVISION SERVICES LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, Directors' 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 apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards has been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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.

MOTIVE TELEVISION SERVICES LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MOTIVE TELEVISION SERVICES LIMITED

We have audited the financial statements of Motive Television Services Limited for the year ended 31 December 2015, set out on pages 6 to 14. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Statement of Directors' Responsibilities (set out on page 3), the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors to the financial statements.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Director's Report and Strategic Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2015 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

MOTIVE TELEVISION SERVICES LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MOTIVE TELEVISION SERVICES LIMITED

Emphasis of matter

In forming our opinion, we have considered the adequacy of the disclosures made by the directors in note 2 regarding the future trading of the company and the application of the going concern basis. The shares in the company are shortly expected to be transferred from Motive Television Plc (a company in administration) to the private ownership of the directors. Once this occurs, the directors are confident that the company will be able to trade profitably and generate cash, but cash resources are currently limited.

These matters, together with the other matters explained in note 2 to the financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. These financial statements do not include any adjustments that would result if the company was unable to continue as a going concern.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

.....
Martin Howard (Senior Statutory Auditor)
For and on behalf of Hazlewoods LLP, Statutory Auditor

Windsor House
Bayshill Road
Cheltenham
GL50 3AT

31 March 2017

MOTIVE TELEVISION SERVICES LIMITED**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2015**

	Note	2015 £	2014 £
Turnover	3	215,031	344,078
Cost of sales		<u>(132,627)</u>	<u>(255,730)</u>
Gross profit		82,404	88,348
Administrative expenses		<u>(188,621)</u>	<u>(311,073)</u>
Loss before tax		(106,217)	(222,725)
Taxation	6	<u>-</u>	<u>-</u>
Loss for the financial year		<u><u>(106,217)</u></u>	<u><u>(222,725)</u></u>

The above results were derived from continuing operations.

The company has no other comprehensive income for the year.

The notes on pages 9 to 14 form an integral part of these financial statements.

MOTIVE TELEVISION SERVICES LIMITED

(REGISTRATION NUMBER: 07517889)

BALANCE SHEET AS AT 31 DECEMBER 2015

	Note	2015 £	2014 £
Fixed assets			
Tangible assets	7	<u>184</u>	<u>561</u>
Current assets			
Stocks	8	4,653	28,214
Debtors	9	70,362	262,349
Cash at bank and in hand		<u>297</u>	<u>16,112</u>
		75,312	306,675
Creditors: Amounts falling due within one year	10	<u>(984,881)</u>	<u>(1,110,404)</u>
Net current liabilities		<u>(909,569)</u>	<u>(803,729)</u>
Net liabilities		<u>(909,385)</u>	<u>(803,168)</u>
Capital and reserves			
Called up share capital	11	1	1
Profit and loss account		<u>(909,386)</u>	<u>(803,169)</u>
Total equity		<u>(909,385)</u>	<u>(803,168)</u>

Approved and authorised by the Board on 31 March 2017 and signed on its behalf by:



G. Flores d'Arcaïs
Director

The notes on pages 9 to 14 form an integral part of these financial statements.

MOTIVE TELEVISION SERVICES LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2015

	Share capital £	Profit and loss account £	Total £
At 1 January 2015	1	(803,169)	(803,168)
Loss for the year	-	(106,217)	(106,217)
At 31 December 2015	<u>1</u>	<u>(909,386)</u>	<u>(909,385)</u>

	Share capital £	Profit and loss account £	Total £
At 1 January 2014	1	(580,444)	(580,443)
Loss for the year	-	(222,725)	(222,725)
At 31 December 2014	<u>1</u>	<u>(803,169)</u>	<u>(803,168)</u>

The notes on pages 9 to 14 form an integral part of these financial statements.

MOTIVE TELEVISION SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

1 General information

The company is a private company limited by share capital incorporated in England and Wales.

The address of its registered office is:

18 Soho Square

London

W1D 3QL

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Basis of preparation

These financial statements have been prepared using the historical cost convention except for, where disclosed in these accounting policies, certain items that are shown at fair value.

The presentational currency of the financial statements is Pound Sterling, being the functional currency of the primary economic environment in which the company operates. Monetary amounts in these financial statements are rounded to the nearest Pound.

Name of parent of group

These financial statements are consolidated in the financial statements of Motive Television Plc.

The financial statements of Motive Television Plc may be obtained from the company's registered office.

Going concern

During the year ended 31 December 2015, the company was wholly owned by Motive Television Plc, which was placed into administration on 26 August 2016. The directors are currently negotiating with the administrators of Motive Television Plc to purchase the company and run it as a separate, private owned, company going forward. These negotiations are well advanced and the transfer of shareholding is expected to happen shortly.

At present, however, the company is in a transitional phase and cash resources are limited. The company has existing contracts with customers, and has reduced its cost base to a minimal level. The directors are therefore confident that, following the transfer of shares described above, the company will be able to trade profitably and will generate cash. They have therefore prepared the financial statements on the going concern basis.

Judgements

These financial statements do not contain any significant judgements or estimation uncertainty.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts and after eliminating sales within the company. The company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the company's activities.

MOTIVE TELEVISION SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

2 Accounting policies (continued)

Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the initial transaction dates.

Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Furniture, fittings and equipment	33.3% on cost

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. All trade debtors are repayable within one year and hence are included at the undiscounted cost of cash expected to be received. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the debtors.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

MOTIVE TELEVISION SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

2 Accounting policies (continued)

Trade creditors

Trade creditors 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 the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and all are repayable within one year and hence are included at the undiscounted amount of cash expected to be paid.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

3 Revenue

The analysis of the company's revenue for the year from continuing operations is as follows:

	2015 £	2014 £
Rendering of services	<u>215,031</u>	<u>344,078</u>

The analysis of the company's turnover for the year by market is as follows:

	2015 £	2014 £
UK	-	6,262
Europe	215,031	197,685
Rest of world	<u>-</u>	<u>140,131</u>
	<u>215,031</u>	<u>344,078</u>

4 Operating profit

Arrived at after charging/(crediting):

	2015 £	2014 £
Depreciation expense	377	480
Foreign exchange gains	(103,321)	(40,045)
Operating lease expense - property	<u>16,380</u>	<u>16,380</u>

5 Auditors' remuneration

	2015 £	2014 £
Audit of the financial statements	<u>4,500</u>	<u>-</u>

MOTIVE TELEVISION SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

6 Taxation

There is no tax charge to be recognised for the current or prior year.

The tax on profit before tax for the year is higher than the standard rate of corporation tax in the UK (2014 - higher than the standard rate of corporation tax in the UK) of 20% (2014 - 21.5%).

The differences are reconciled below:

	2015 £	2014 £
Loss before tax	<u>(106,217)</u>	<u>(222,725)</u>
Corporation tax at standard rate	(21,243)	(47,886)
Effect of tax losses	<u>21,243</u>	<u>47,886</u>
Total tax charge/(credit)	<u>-</u>	<u>-</u>

The company has tax losses available to carry forward against future profits of approximately £897,000 (2014 : £795,000). Potential deferred tax assets not recognised amount to £170,000 (2014 : £159,000).

MOTIVE TELEVISION SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

7 Tangible assets

	Furniture, fittings and equipment £
Cost	
At 1 January 2015	1,605
Depreciation	
At 1 January 2015	1,044
Charge for the year	377
At 31 December 2015	1,421
Carrying amount	
At 31 December 2015	184
At 31 December 2014	561

8 Stocks

	2015 £	2014 £
Finished goods and goods for resale	4,653	28,214

The cost of stocks recognised as an expense in the year amounted to £18,354 (2014 - £12,817).

Impairment of stocks

The amount of impairment loss included in profit or loss is £80,000 (2014 - £Nil).

9 Debtors

	2015 £	2014 £
Trade debtors	10,720	100,511
Amounts owed by group undertakings	-	100,735
Other debtors	20,348	19,629
Accrued income	39,294	41,474
	70,362	262,349

MOTIVE TELEVISION SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

10 Creditors

	2015 £	2014 £
Due within one year		
Trade creditors	55,029	50,429
Amounts owed to group undertakings	919,056	1,046,362
Social security and other taxes	-	923
Other creditors	954	7,095
Accrued expenses	9,842	5,595
	<u>984,881</u>	<u>1,110,404</u>

11 Share capital

Allotted, called up and fully paid shares

	2015		2014	
	No.	£	No.	£
Ordinary shares of £1 each	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

12 Parent and ultimate parent undertaking

The company's immediate and ultimate parent is Motive Television Plc, incorporated in England and Wales. Motive Television Plc is both the largest and smallest group of which the company is a member and for which consolidated accounts are prepared.

The most senior parent entity producing publicly available financial statements is Motive Television Plc.

13 Transition to FRS 102

These are the first financial statements presented by the company in accordance with FRS 102. The financial statements for the year ended 31 December 2014 were prepared under then extant UK GAAP. No adjustments arose on the transition to FRS 102.