09482119

JOE Media Limited

Information for filing with the Registrar

For the Year Ended 31 December 2018

JOE Media Limited

Contents

Directors' Responsibilities Statement
For the Year Ended 31 December 2018

The directors are responsible for preparing the 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', applying Section 1A of that standard. 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 for the company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 to 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

JOE Media Limited
Registered number:09482119

Statement of Financial Position
As at 31 December 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	5	896,992	657,324
		896,992	657,324
Current assets			
Debtors: amounts falling due within one year	6	906,472	476,351
Cash at bank and in hand	7	34,201	18,130
		940,673	494,481
Creditors: amounts falling due within one year	8	(7,334,009)	(4,892,137)
Net current liabilities		(6,393,336)	(4,397,656)
Total assets less current liabilities		(5,496,344)	(3,740,332)
Creditors: amounts falling due after more than one year	9	(24,461)	(38,989)
Net liabilities		(5,520,805)	(3,779,321)
Capital and reserves			
Called up share capital	11	401	401
Profit and loss account	12	(5,521,206)	(3,779,722)
		(5,520,805)	(3,779,321)

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by

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Niall McGarry
Director

Date: 28 January 2020

1. General information

Joe Media Limited is a private company incorporated in the United Kingdom. The Registered Office is 3 Hardwick Street, London, EC1R 4RB.

The nature of the company's business and its principal activity are set out in the Directors' Report.

2. Statement of compliance

The financial statements have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard Applicable in the UK and Republic of Ireland" ("FRS 102"), applying Section 1A of that standard and the Companies Act 2006.

3. Accounting policies

3.1 Basis of preparation

In the year ended 31 December 2018, the company made a loss of £1,741,485. Net liabilities at 31 December 2018 amounted to £5,520,805, including £6,456,819 owed to its parent company, Maximum Media Network Limited. The company incurred losses in 2019 and is budgeted to become profitable in 2020. The company has the support of the group and its external funders to meet its short-term obligations as part of the 2020 business plan.

The directors consider that it is appropriate for the financial statements to be prepared on a going concern basis as they are confident that the measures being taken to improve working capital management and operating performance, in addition to support from the parent company and its group's external funders will ensure the continued operation of the company for the foreseeable future.

3.2 Revenue recognition

Revenue is recognised to the extent that the company obtains the right to consideration in exchange for its performance. Revenue is measured at the fair value of the consideration received, excluding discounts (except any early payment discounts offered to certain customers), rebates, VAT and other sales taxes or duty. The following criteria must also be met before revenue is recognised:

Rendering of services
Revenue from the rendering of services is recognised by reference to the stage of completion of the transaction at the end of the reporting period when the outcome of a transaction can be estimated reliably.

3. Accounting policies (continued)

3.3 Foreign Currencies

Functional currency and presentation currency
The financial statements are measured and presented in the currency of the primary economic environment in which the entity operates (its functional currency). The financial statements are presented in Pounds ("£") which is also the functional currency of the company.

Transactions and balances
Transactions in foreign currencies are initially recorded in the entity's functional currency by applying the spot exchange rate ruling at the date of the transaction or an average rate where this rate approximates the actual rate at the date of transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account.

3.4 Employee benefits

The company provides a range of benefits to employees, including paid holiday arrangements.

Short term benefits
Short term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received.

3.5 Taxation

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively. Current or deferred taxation assets and liabilities are not discounted.

Current tax
Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax
Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements.

3. Accounting policies (continued)

3.6 Borrowing costs

All borrowing costs are recognised as an expense in profit or loss in the period in which they are incurred.

3.7 Leases

At inception the company assesses agreements that transfer the right to use assets. The assessment considers whether the arrangement is, or contains, a lease based on the substance of the arrangement.

Finance lease
Leases of assets that transfer substantially all the risks and rewards incidental to ownership are classified as finance leases.

Finance leases are capitalised at commencement of the lease as assets at the fair value of the leased asset or, if lower, the present value of the minimum lease payments calculated using the interest rate implicit in the lease. Where the implicit rate cannot be determined the company's incremental borrowing rate is used. Incremental direct costs, incurred in negotiating and arranging the lease, are included in the cost of the asset.

Assets are depreciated over the shorter of the lease term and the estimated useful life of the asset. Assets are assessed for impairment at each reporting date.

The capital element of lease obligations is recorded as a liability on inception of the arrangement. Lease payments are apportioned between capital repayment and finance charge, using the effective interest rate method, to produce a constant rate of charge on the balance of the capital repayments outstanding.

Operating lease
Leases that do not transfer all the risks and rewards of ownership are classified as operating leases. Payments under operating leases are charged to the profit and loss account on a straight-line basis over the period of the lease.

3. Accounting policies (continued)

3.8 Website development costs

Website development costs represent the design and content cost associated with the development of the company's websites. They are capitalised only to the extent that they lead to the creation of an enduring asset delivering benefits at least equal to the amount capitalised. They are recorded in the statement of financial position in the year which they are incurred. FRS 102 does not address the classification of software and website costs and therefore the company has classified such costs as tangible fixed assets which are depreciated over eight years in line with the company's normal depreciation policy.

3.9 Tangible fixed assets

Tangible assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price, costs directly attributable to bringing the asset to its working condition for its intended use, dismantling and restoration costs and borrowing costs capitalised.

Depreciation and residual values

Depreciation is provided on a straight-line basis at rates, which are estimated to reduce the assets to realisable values by the end of their expected useful lives as follows:-

Motor vehicles	12.5% straight line
Furniture, fittings and equipment	12.5% straight line
Website development costs	12.5% straight line

Depreciation is charged when the asset is substantially ready for use.

The assets' residual values and useful lives are reviewed, and adjusted, if appropriate, at the end of each reporting period. The effect of any change is accounted for prospectively.

Repairs, maintenance and minor inspection costs are expensed as incurred.

Derecognition

Tangible assets are derecognised on disposal or when no future economic benefits are expected. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in profit or loss and included in 'Other operating (losses)/gains'.

3. **Accounting policies (continued)**

3.10 Impairment of non-financial assets

At each balance sheet date non-financial assets not carried at fair value are assessed to determine whether there is an indication that the asset (or asset's cash generating unit) may be impaired. If there is such an indication the recoverable amount of the asset (or asset's cash generating unit) is compared to the carrying amount of the asset (or asset's cash generating unit).

The recoverable amount of the asset (or asset's cash generating unit) is the higher of the fair value less costs to sell and value in use. Value in use is defined as the present value of the future pre-tax and interest cash flows obtainable as a result of the asset's (or asset's cash generating unit) continued use. The pre-tax and interest cash flows are discounted using a pre-tax discount rate that represents the current market risk free rate and the risks inherent in the asset.

If the recoverable amount of the asset (or asset's cash generating unit) is estimated to be lower than the carrying amount, the carrying amount is reduced to its recoverable amount. An impairment loss is recognised in the profit and loss account, with the exception of losses on previously revalued assets which are recognised in other comprehensive income to the extent of any previously recognised revaluation increases accumulated in equity in respect of that asset.

If an impairment loss is subsequently reversed, the carrying amount of the asset (or asset's cash generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the revised carrying amount does not exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognised in prior periods. A reversal of an impairment loss is recognised in the profit and loss account except to the extent a previous impairment loss was recognised in equity.

3. Accounting policies (continued)

3.11 Financial instruments

The company has chosen to adopt Section 11 and 12 of FRS 102 in respect of financial instruments.

Financial assets

Basic financial assets, including trade and other receivables, cash and bank balances and amounts due from related companies, are initially recognised at transaction price, 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.
Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss. If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised the impairment loss is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Financial assets are derecognised when the contractual rights to the cash flows from the asset expire or are settled; or substantially all the risks and rewards of the ownership of the asset are transferred to another party; or control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions on transfer.

Financial liabilities

Basic financial liabilities, including trade and other payables, bank loans and amounts due to related 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 receipts discounted at a market rate of interest.

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.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Offsetting

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is an 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 to the liability simultaneously.

3. **Accounting policies (continued)**

3.12 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and in hand and short term deposits with an original maturity date of three months or less. For the purpose of the cash flow statement, cash and cash equivalents consist of cash and cash equivalents, as defined above net of outstanding bank overdrafts, if any.

3.13 Trade and other debtors

Trade debtors, which generally range from on demand to 60 days, are recognised and carried at the lower of their original invoiced value and recoverable amount. Where the time value of money is material, receivables are carried at amortised cost. Provision is made when there is objective evidence that the company will not be able to recover balances in full. Balances are written off when the probability of recovery is assessed as being remote.

3.14 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

3.15 Provisions and contingencies

Provisions
Provisions are recognised when the company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount of the obligation can be estimated reliably.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Contingencies
Contingent liabilities, arising as a result of past events, are recognised when it is probable that there will be an outflow of resources and the amount can be reliably measured at the reporting date. Contingent liabilities are disclosed in the financial statements unless the probability of an outflow of resources is remote.

Contingent assets are not recognised. Contingent assets are disclosed in the financial statements when an inflow of economic benefits is probable.

3.16 Related parties

The company avails of the exemption contained in Financial Reporting Standard 102 Section 33 and does not disclose transactions entered into between wholly owned members of the group, transactions with entities not wholly group owned are disclosed in accordance with the accounting standards and Companies Act 2014.

3. Accounting policies (continued)

3.17 Taxation

Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates income.

4. Staff costs

The average monthly number of employees, including the directors, during the year was as follows:

	2018 No.	2017 No.
Sales and Marketing	15	8
Administration	2	2
Journalist/ Content Creator	32	17
	49	27

5. **Tangible fixed assets**

	Plant and machinery £	Fixtures, Fittings and Equipment £	Website Development Costs £	Total £
Cost or valuation				
At 1 January 2018	-	189,286	707,499	896,785
Additions	136,950	119,706	145,843	402,499
At 31 December 2018	136,950	308,992	853,342	1,299,284
Depreciation				
At 1 January 2018	-	28,582	210,879	239,461
Charge for the year on owned assets	17,119	39,078	106,634	162,831
At 31 December 2018	17,119	67,660	317,513	402,292
Net book value				
At 31 December 2018	119,831	241,332	535,829	896,992
At 31 December 2017	-	160,704	496,620	657,324

6. Debtors

	2018 £	2017 £
Trade debtors	621,856	365,273
Prepayments and accrued income	98,965	111,078
Directors' loan	185,651	-
	906,472	476,351

7. Cash and cash equivalents

	2018 £	2017 £
Cash at bank and in hand	34,201	18,130
	34,201	18,130

8. Creditors: Amounts falling due within one year

	2018 £	2017 £
Trade creditors	310,370	145,761
Amounts owed to group companies (Note 15)	6,456,819	4,356,286
Other taxation and social security	457,254	263,578
Obligations under finance lease and hire purchase contracts	59,439	44,909
Accruals and other creditors	50,127	81,603
	7,334,009	4,892,137

	2018 £	2017 £
Other taxation and social security		
PAYE/NI control	193,016	151,192
VAT	264,238	112,386
	457,254	263,578

9. Creditors: Amounts falling due after more than one year

	2018 £	2017 £
Net obligations under finance leases and hire purchase contracts	24,461	38,989
	24,461	38,989

10. *Hire purchase and finance leases*

Minimum lease payments under hire purchase fall due as follows:

	2018 £	2017 £
Within one year	59,439	44,909
Between 1-5 years	24,461	38,989
	83,900	83,898

The lease is repayable to the ultimate parent company, Maximum Media Network Limited. The lease carries an interest rate of 8.25%.

11. Share capital

	2018 £	2017 £
Allotted, called up and fully paid		
396 (2017 - 396) Ordinary Shares shares of £1.00 each	396	396
4 (2017 - 4) B Ordinary Shares shares of £1.00 each	4	4
1 (2017 - 1) A Ordinary Shares share of £1.00	1	1
	401	401

12. Reserves

Profit and Loss account
The profit and loss account represents cumulative gains and losses recognised in the profit and loss account.

13. Commitments and guarantees

At 31 December 2018 the company had future minimum lease payments under non-cancellable operating leases as follows:

	2018 £	2017 £
Not later than one year	25,000	48,819
Later than five years	-	-
	25,000	48,819

14. Related party transactions

Ultimate controlling party
Niall McGarry, majority shareholder, is deemed to be the ultimate controlling party.

Directors' loan account
Niall McGarry had a closing balance of £185,651 on the directors' loan account. The balance is unsecured, interest free and repayable on demand.

Related party transactions
Maximum Media Network Limited (registered in the Republic of Ireland) re-charged expenses, incuding salaries, of £3,426,629 (2017: £1,689,915) during the year.

The balance due to Maximum Media Network Limited (registered in the Republic of Ireland) at the year end is £4,456,819 (2017: £4,356,286)

15. Financial instruments

The analysis of the carrying amounts of the financial instruments of the group required under FRS 102 Section 11 *Basic and Other Financial Instruments* is as follows:

	2018 £	2017 £
Financial assets measured at amortised cost		
Trade debtors	621,857	365,273
Directors' loan	185,651	-
Cash and cash equivalents	34,201	18,130
	841,709	383,403

	2018	2017
	£	£
Financial liabilities measured at amortised cost		
Trade creditors	310,370	145,761
Amounts due to group companies	6,456,819	4,356,286
	6,767,189	4,502,047

16. Parent Company

The company regards Maximum Media Network Limited (registered in the Republic of Ireland) as its parent company. It is a member of a company and has the right to appoint or remove a majority of its board of directors.

17. Registered charge

Beachpoint Capital have a fixed and floating charge over the undertakings of group companies.

18. Prior year comparatives

In order to improve the presentation and disclosure in these financial statements, certain prior year figures and disclosures have been restated or have been reclassified under different headings.

19. Approval of financial statements

The financial statements were approved by the board on 28 January 2020.

20. Auditors' information

The auditors' report on the financial statements for the year ended 31 December 2018 was unqualified.

In their report, the auditors emphasised that following matter without qualifying their report:
The financial statements have been prepared on the going concern basis, the validity of which depends on continued support of its parent company as outlined in Note 3.1 to the financial statements. Our opinion is not qualified in this respect.

The audit report was signed on 28 January 2020 by Lorcan Colclough (Senior Statutory Auditor) on behalf of Mazars.