

**Company's Registered Number: 03507060**

**OIL PRODUCTIONS LIMITED**  
**trading as Relative**

**Report and financial statements**  
**for the year ended**

**30 September 2015**



**OIL PRODUCTIONS LIMITED T/A RELATIVE**

**CONTENTS**

**PAGE**

Director and advisers

2

Director's report

3 – 4

Statement of director's responsibilities in respect of the financial statements

5

Auditors' report

6 – 7

Profit and loss account

8

Balance sheet

9

Notes to the financial statements

10 – 15

**OIL PRODUCTIONS LIMITED T/A RELATIVE**

**DIRECTOR AND ADVISERS**

<b>Director:</b>	<b>Deborah White, Director</b> appointed 29 March 2013
<b>Registered office:</b>	<b>Oil Productions Ltd T/A Relative</b> 1 <sup>st</sup> Floor, 2-8 Scrutton Street, London EC2A 4RT
<b>Auditors:</b>	<b>Nexia Smith &amp; Williamson</b> Portwall Place, Portwall Lane, Bristol BS1 6NA
<b>Solicitors:</b>	<b>Stephenson Harwood LLP</b> 1 Finsbury Circus, London EC2M 7SH
<b>Company's registered number:</b>	<b>03507060</b>

## **OIL PRODUCTIONS LIMITED T/A RELATIVE**

### **DIRECTOR'S REPORT**

The director presents her report and the financial statements for the year ended 30 September 2015. In preparing this report, the director has taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

#### **Activity**

The principal activity of the company continues to be the provision of multimedia and technology solutions.

#### **Review of Business**

Oil Productions, trading as Relative, has continued to produce work as a digital creative and production agency, specialising in audience activation and content creation. During the year, Relative worked with a number of external clients, including various projects for Sudler and Hennessey (a division of the Young and Rubicam Group). In addition to this self-generated work, Relative has also been developing the digital presence for the Group including a new website for Milestone Group and Milestone Foundation, developing the Passion Project and digitising Disorder Magazine.

Going forwards the team will continue to support the Group whilst focusing its efforts on winning new business with the Milestone Foundation and the Passion Project network already actively promoting the in house team's services. By engaging with new members as they join the Passion Project, Relative has a natural growing business development opportunity with its services already expanding into social media optimisation and industry related training.

#### **Results for the year and dividends**

The loss for the period after taxation was £171,850 (2014: £209,621 loss). The director does not recommend the payment of a dividend (2014: £nil).

#### **Directors**

The director of the company who served during the period is Deborah White (appointed 29 March 2013).

#### **Going concern**

Whilst the Company has made a loss in the year and had net liabilities of £1,048,527 (2014 net liabilities: £876,677) at the year-end, the Board feel it is appropriate to adopt the going concern basis in preparing the annual report and financial statements. There are significant risks and uncertainties surrounding the going concern assumption and these are fully discussed and disclosed in note 1 to the annual report and accounts.

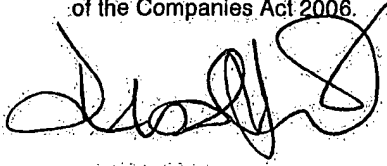
#### **Disclosure of information to the auditors**

In the case of each person who was a director at the time this report was approved:

- so far as that the director was aware there was no relevant available information of which the company's auditors were unaware; and
- that the director had taken all steps that the director ought to have taken as a director to make himself or herself aware of any relevant audit information and to establish that the company's auditors were aware of that information.

**OIL PRODUCTIONS LIMITED T/A RELATIVE**

This confirmation is given and should be interpreted in accordance with the provision of s418 of the Companies Act 2006.

A handwritten signature in black ink, appearing to be 'Deborah White', written over a horizontal line.

Deborah White  
Director

Approved by the Board on 25 February 2016

## **OIL PRODUCTIONS LIMITED T/A RELATIVE**

### **DIRECTOR'S RESPONSIBILITIES STATEMENT**

The director is responsible for preparing the Director's Report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is 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 director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments 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 director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF OIL PRODUCTIONS LTD  
TRADING AS RELATIVE**

We have audited the financial statements of Oil Productions Limited T/A Relative for the year ended 30 September 2015, which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 16. 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 Directors' Responsibilities Statement set out on page 4, 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 Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

**Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the FRC's website at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm).

**Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 September 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.

**Emphasis of matter – Going concern**

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1 to the financial statements concerning the company's ability to continue as a going concern. The company incurred a net loss of £171,850 during the year ended 30 September 2015 and, at that date, the company's liabilities exceeded its total assets by £1,048,527 and it had net current liabilities of £1,048,527. These conditions, along with the other matters explained in note 1 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. The financial statements do not include the 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 the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Nexia Smith & Williamson**

**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; or
- the directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a strategic report.



Jonathan Talbot  
Senior Statutory Auditor, for and on behalf of  
**Nexia Smith & Williamson**  
Statutory Auditor  
Chartered Accountants  
Portwall Place  
Portwall Lane  
Bristol  
BS1 6NA  
25 February 2016



**OIL PRODUCTIONS LIMITED T/A RELATIVE**

**PROFIT AND LOSS ACCOUNT for the year ended 30 September 2015**

	Notes	Year ended 30 Sept 2015 £	Year ended 30 Sept 2014 £
Turnover	2	237,995	249,331
Cost of sales		<u>(114,092)</u>	<u>(189,252)</u>
<b>Gross profit</b>		123,903	60,079
Administrative expenses	4	<u>(295,751)</u>	<u>(268,627)</u>
<b>Operating loss</b>		(171,848)	(208,548)
Interest payable and similar charges	6	<u>(2)</u>	<u>(1,073)</u>
<b>Loss on ordinary activities before taxation</b>	7	(171,850)	(209,621)
Tax on loss on ordinary activities	8	<u>-</u>	<u>-</u>
<b>Loss for financial period after taxation</b>	12	<u>(171,850)</u>	<u>(209,621)</u>

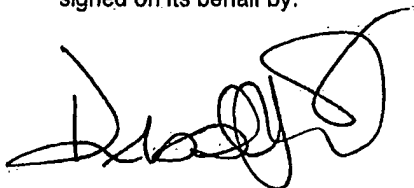
All of the company's operations are classed as continuing. There are no realised gains or losses other than the result for the period in either the current period or the comparative period.

**OIL PRODUCTIONS LIMITED T/A RELATIVE**

**BALANCE SHEET as at 30 SEPTEMBER 2015**

	Notes	30 Sept 2015 £	30 Sept 2014 £
<b>Current assets</b>			
Debtors	9	20,790	36,306
Cash at bank and in hand		58	3,360
		<u>20,848</u>	<u>39,666</u>
<b>Current liabilities</b>			
Trade and other creditors: amounts falling due within 1 year	10	(1,069,375)	(916,343)
<b>Net current liabilities</b>		<u>(1,048,527)</u>	<u>(876,677)</u>
<b>Total assets less current liabilities</b>		<u>(1,048,527)</u>	<u>(876,677)</u>
<b>Net liabilities</b>		<u>(1,048,527)</u>	<u>(876,677)</u>
<b>Capital and reserves</b>			
Called up share capital	11	232	232
Share premium account	12	74,936	74,936
Profit and loss account	12	(1,123,695)	(951,845)
		<u>(1,048,527)</u>	<u>(876,677)</u>

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



Deborah White  
Director

Approved by the Board on 25 February 2016

Company Registered Number: 03507060

## **OIL PRODUCTIONS LIMITED T/A RELATIVE**

### **NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 SEPTEMBER 2015**

#### **1 Accounting policies**

The financial statements have been prepared in accordance with United Kingdom Generally Accepted Accounting Practices. A summary of the more important accounting policies adopted are described below.

##### **Basis of accounting**

The financial statements have been prepared under the historical cost convention.

##### **Cash flow**

The company is exempt from preparing a cash flow statement as it is a wholly owned subsidiary and a consolidated cash flow statement is produced in the parent company's consolidated accounts.

##### **Going concern**

The net liability balance sheet position as at 30 September 2015, being the company's financial period-end, was £1,048,527 (2014: £876,677).

The company is dependent on the continuing financial support of its parent company, Milestone Group Plc, to meet its obligations as they fall due. In the Group accounts, the directors of the parent company noted that the Group continue to be reliant upon its continuing ability to manage the timing of settlement both of its current and future liabilities as they arise. Future fundraising for the parent company will be required in the immediate to short term thereafter, however developing revenue lines through its various projects, including its other subsidiary, Nexstar, and the expansion of the Passion Project, are expected to ease the reliance on fundraising in the coming months.

The focus is on generation of revenues from across each of its business units, including Relative. The Group is already at contract stage with a number of new customers and, as a result, the Board has prepared forecasts to reflect these new revenues, which show the business becoming self-sustaining in the near future. Should any of these factors not deliver the funding envisaged by the Directors, then alternative sources of funds would continue to be required.

The Group Directors have concluded that the need to generate future funds from further fundraising and from trading activities to satisfy the settlement of its on-going and future liabilities represents a material uncertainty, which may cast significant doubt upon the Group's and the Company's ability to continue as a going concern. Nevertheless after making enquiries and considering this uncertainty and the measures that the directors of the Group can undertake to mitigate the uncertainty, the Director has a reasonable expectation that the Group and therefore the Company will have adequate resources to continue in existence for the foreseeable future. For these reasons the going concern basis in preparing the annual report and accounts continues to be adopted. The financial statements do not include any adjustments that would result if the Group and Company was unable to continue as a going concern.

##### **Deferred taxation**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

## **OIL PRODUCTIONS LIMITED T/A RELATIVE**

### **NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 SEPTEMBER 2015 (continued)**

A net deferred tax asset is regarded as recoverable and therefore recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the reversal of the underlying timing differences can be deducted.

Any assets and liabilities recognised have not been discounted.

#### **Foreign currencies**

Transactions denominated in a foreign currency are translated into sterling at the rate of exchange ruling at the date of the transaction. At the balance sheet date, monetary assets and liabilities denominated in foreign currency are translated at the rate ruling at that date. All exchange differences are dealt with in the profit and loss account.

#### **1 Accounting policies (continued)**

##### **Operating leases**

Rental costs under operating leases are charged to the profit and loss account on a straight-line basis over the lease term.

##### **Revenue**

Revenue is measured at the fair value of the right to consideration and represents amounts receivable for goods and services provided in the normal course of business, net of discounts and VAT.

Revenue is recognised as the contract activity progresses. Revenue and associated costs are recognised in proportion to the work completed. Where, however, the outcome cannot be assessed with reasonable certainty before the contract's conclusion, revenue is recognised only to the extent that the expenses recognised are recoverable. Full provisions are made for any contracts that are forecast to be loss making as soon as it is identified.

#### **2 Turnover**

	<b>Year ended 30 Sept 2015</b>	<b>Year ended 30 Sept 2014</b>
	<b>£</b>	<b>£</b>
Revenue	<u>237,995</u>	<u>249,331</u>
	<b>237,995</b>	<b>249,331</b>
	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
UK	237,995	246,353
Europe	-	-
Rest of World	-	2,978
	<u>237,995</u>	<u>249,331</u>

All turnover is derived from the company's principal activity.

#### **3 Directors' emoluments**

The director received no remuneration during the current or prior year.

# **OIL PRODUCTIONS LIMITED T/A RELATIVE**

## **NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 SEPTEMBER 2015 (continued)**

### **4. Employee Information**

The average number of persons, including directors, employed by the company during the year was:

	Year ended 30 Sept 2015 No.	Year ended 30 Sept 2014 No.
Design and production	4	5
Directors and Administration	1	1
	<u>5</u>	<u>6</u>

	Year ended 30 Sept 2015 £	Year ended 30 Sept 2016 £
Staff costs for the above persons were:		
Wages and salaries	157,170	160,914
Social security costs	17,255	17,710
	<u>174,425</u>	<u>178,623</u>

### **5 Retirement benefit schemes**

No payments were made on behalf of the director or staff to any retirement benefit schemes in the year (2014: nil).

### **6 Interest payable and similar charges**

	Year ended 30 Sept 2015 £	Year ended 30 Sept 2014 £
Other interest	2	1,073
	<u>2</u>	<u>1,073</u>

### **7 Loss on ordinary activities before taxation**

	Year ended 30 Sept 2015 £	Year ended 30 Sept 2014 £
Is stated after charging:		
Depreciation - owned assets	-	-

Auditor's remuneration is borne by the parent company and non-audit fee disclosure is made in the parent company accounts.

# **OIL PRODUCTIONS LIMITED T/A RELATIVE**

## **NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 SEPTEMBER 2015 (continued)**

### **8 Tax on loss on ordinary activities**

(a) There was no tax charge for the current and previous period

(b) Factors affecting tax charge for period	Year ended 30 Sept 2015 £	Year ended 30 Sept 2014 £
Loss on ordinary activities before tax	<u>(171,850)</u>	<u>(209,621)</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK 20% (2014: 20%)	(34,370)	(41,924)
Effects of:		
Expenses not deductible for tax purposes	406	653
Unrecognised tax losses carried forward	33,964	41,271
Current tax charge for period	<u>-</u>	<u>-</u>

At 30 September 2015, the Company had tax losses available to set off against future taxable profits of £1.1m (2014 - £910k). The Company has not recognised a deferred tax asset in respect of these losses as a result of uncertainty over the timing and extent of future profits against which they may be relieved.

### **9 Debtors**

	30 Sept 2015 £	30 Sept 2014 £
Trade debtors	9,990	25,506
Other debtors	10,800	10,800
	<u>20,790</u>	<u>36,306</u>

### **10 Creditors: amounts falling due within one year**

	30 Sept 2015 £	30 Sept 2014 £
Trade creditors	52,800	54,146
Other taxes and social security costs	78,078	82,155
VAT Liability	16,736	7,217
Accruals and other creditors	4,699	43,802
Amounts owing to group undertakings	917,062	729,023
	<u>1,069,375</u>	<u>916,343</u>

**OIL PRODUCTIONS LIMITED T/A RELATIVE**

**NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 SEPTEMBER 2015**  
(continued)

<b>11</b>	<b>Share capital</b>	<b>30 Sept 2015 £</b>	<b>30 Sept 2014 £</b>
	<b>Allotted, called up and fully paid</b>		
	2,325 ordinary shares of £0.10 each	232	232
		<u>232</u>	<u>232</u>
<b>12</b>	<b>Reserves</b>		<b>£</b>
	<b>Profit and loss</b>		
	At 1 October 2014		(876,677)
	Loss for the financial period		(171,850)
	At 30 September 2015		<u>(1,048,527)</u>
	<b>Share premium account</b>		
	At 1 October 2014 and at 30 September 2015		<u>74,936</u>
<b>13</b>	<b>Reconciliation of movements in shareholders' funds</b>	<b>Year ended 30 Sept 2015 £</b>	<b>Year ended 30 Sept 2014 £</b>
	Loss for the financial period	(171,850)	(209,621)
	Opening shareholders' funds	(876,677)	(667,056)
	Closing shareholders' funds	<u>(1,048,527)</u>	<u>(876,677)</u>
<b>14</b>	<b>Operating lease commitments</b>		
	At 30 September 2015, the company had commitments under operating leases as follows:		
		<b>30 Sept 2015 Land and buildings £</b>	<b>30 Sept 2014 Land and buildings £</b>
	For leases expired:		
	Within one year	6,637	6,637
	Within two to five years	-	-
		<u>6,637</u>	<u>6,637</u>

**OIL PRODUCTIONS LIMITED T/A RELATIVE**

**NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 SEPTEMBER 2015  
(continued)**

**15 Capital commitments**

There were no capital commitments at 30 September 2015 or 30 September 2014.

**16 Related Party Transactions**

The company has taken the exemption under Financial Reporting Standard 8 not to disclose transactions with group companies.

**17 Ultimate parent party**

At 30 September 2015, the ultimate controlling party was Milestone Group PLC, which owns 100% of the issued shares of the company.