

Company Registration No. 3935480 (England and Wales)

STATUTORY COPY

BLOWUP MEDIA UK LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

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BLOWUP MEDIA UK LIMITED

COMPANY INFORMATION

Directors	Ms K Robertson Mr S Russell Mr S J Tokaya
Company number	3935480
Registered office	The Media Centre 6th Floor 3-8 Carburton Street London W1W 5AJ
Auditor	UHY Hacker Young Quadrant House 4 Thomas More Square London E1W 1YW
Bankers	HSBC 92 Kensington High Street London W8 4SH

BLOWUP MEDIA UK LIMITED

CONTENTS

	Page
Strategic report	1
Directors' report	2 - 3
Independent auditor's report	4 - 5
Statement of comprehensive income	6
Balance sheet	7
Statement of changes in equity	8
Statement of cash flows	9
Notes to the financial statements	10 - 25

BLOWUP MEDIA UK LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2016

The directors present the strategic report for the year ended 31 December 2016.

Fair review of the business

2016 has delivered a profit before tax of £2,289,204, an increase of £1,266,629 over 2015. Sales turnover for the year was £9,604,157, an increase of 15% over 2015. The company delivered a gross profit of £3,816,447 at a margin of 40%, compared to 34% in 2015. The overheads remain under tight control and decreased by 19% against 2015 results the company has achieved a 32% saving against the 2016 budget.

All overheads continue to be analysed in detail on a monthly management accounts basis and cost control is integral throughout the company. Costs are reviewed periodically and the market is researched for the best suppliers that can offer high quality and cost effective solutions.

Management closely monitor the key performance indicators which include sales, gross margins, operational costs and detailed overhead analysis. Market share remains strong.

Principal risks and uncertainties


The giant poster market is now established in the UK outdoor advertising industry as a very credible and reliable form of outdoor advertising which can be turned around quickly in a short term market. It is able to deliver high impact adverts at locations that achieve the maximum target audiences, whether that is to shoppers in a High Street or to drivers on a motorway. The company is committed to maintaining its high standards of customer delivery and achieves this by generating and maintaining good relations with the local planning authorities and by ensuring that strict health and safety measures are adhered to.

The directors expect that the company will remain profitable in the future and that the company's market share of giant poster market will continue to increase. This will be achieved through a rigorous site development programme, bringing the latest technology to the advertising medium, helping brands to stand out and leave a lasting impression, and by continuing to monitor the key performance indicators.

Development and performance

The forecast for 2017 is excellent and the directors expect that the company will deliver strong profits again for the year. This will be achieved through the continued strength and growth of the outdoor advertising market, successful planning consents in key locations, continued cost control and excellent team work.

On behalf of the board



Ms K Robertson

Director

01.10.1.2017

BLOWUP MEDIA UK LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2016

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

Principal activities

The principal activity of the company is that of the provision of giant outdoor advertising sites and consultancy relating to the outdoor market.

Directors

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

Ms K Robertson

Mr S Russell

Mr S J Tokaya

Results and dividends

The results for the year are set out on page 6.

Ordinary dividends were paid amounting to £2,900,000. The directors do not recommend payment of a further dividend.

Auditor

The auditor, UHY Hacker Young, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

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;
- 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 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.

BLOWUP MEDIA UK LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board



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Ms K Robertson

Director

..01.06.2017

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BLOWUP MEDIA UK LIMITED

We have audited the financial statements of BlowUp Media UK Limited for the year ended 31 December 2016 set out on pages 6 to 25. 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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 pages 2 - 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 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/auditscopeukprivate.

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 31 December 2016 and of its profit 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.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF BLOWUP MEDIA UK LIMITED

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.



Matthew Anderson (Senior Statutory Auditor)
for and on behalf of UHY Hacker Young

2 June 2017
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Chartered Accountants
Statutory Auditor

BLOWUP MEDIA UK LIMITED**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2016**

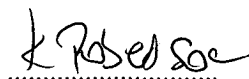
		2016	2015
	Notes	£	£
Turnover	3	9,604,157	8,344,945
Cost of sales		(5,787,710)	(5,471,407)
Gross profit		<u>3,816,447</u>	<u>2,873,538</u>
Administrative expenses		(1,641,496)	(1,951,899)
Other operating income		86,209	81,830
Operating profit	4	<u>2,261,160</u>	<u>1,003,469</u>
Interest receivable and similar income	7	28,044	19,106
Profit before taxation		<u>2,289,204</u>	<u>1,022,575</u>
Taxation	8	(470,730)	(225,423)
Profit for the financial year		<u>1,818,474</u>	<u>797,152</u>
Other comprehensive income		-	-
Total comprehensive income for the year		<u><u>1,818,474</u></u>	<u><u>797,152</u></u>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

BLOWUP MEDIA UK LIMITED**BALANCE SHEET****AS AT 31 DECEMBER 2016**

	Notes	2016 £	£	2015 £	£
Fixed assets					
Tangible assets	10		281,909		380,871
Current assets					
Stocks	12	19,022		59,865	
Debtors	13	4,511,470		5,196,288	
Cash at bank and in hand		2,245,564		1,231,323	
		<u>6,776,056</u>		<u>6,487,476</u>	
Creditors: amounts falling due within one year	14	<u>(4,774,664)</u>		<u>(3,791,889)</u>	
Net current assets			2,001,392		2,695,587
Total assets less current liabilities			<u>2,283,301</u>		<u>3,076,458</u>
Provisions for liabilities	15		(392,053)		(103,684)
Net assets			<u>1,891,248</u>		<u>2,972,774</u>
Capital and reserves					
Called up share capital	18		10,000		10,000
Profit and loss reserves			1,881,248		2,962,774
Total equity			<u>1,891,248</u>		<u>2,972,774</u>

The financial statements were approved by the board of directors and authorised for issue on ~~21.06.2017~~ and are signed on its behalf by:



Ms K Robertson
Director

Company Registration No. 3935480

BLOWUP MEDIA UK LIMITED**STATEMENT OF CHANGES IN EQUITY****FOR THE YEAR ENDED 31 DECEMBER 2016**

	Notes	Share capital £	Profit and loss reserves £	Total £
Balance at 1 January 2015		10,000	2,165,622	2,175,622
Year ended 31 December 2015:				
Profit and total comprehensive income for the year		-	797,152	797,152
		<hr/>	<hr/>	<hr/>
Balance at 31 December 2015		10,000	2,962,774	2,972,774
Year ended 31 December 2016:				
Profit and total comprehensive income for the year		-	1,818,474	1,818,474
Dividends	9	-	(2,900,000)	(2,900,000)
		<hr/>	<hr/>	<hr/>
Balance at 31 December 2016		<hr/> 10,000 <hr/>	<hr/> 1,881,248 <hr/>	<hr/> 1,891,248 <hr/>

BLOWUP MEDIA UK LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	2016 £	£	2015 £	£
Cash flows from operating activities					
Cash generated from operations	22	4,129,960		327,997	
Income taxes paid		(226,688)		(319,611)	
Net cash inflow from operating activities		3,903,272		8,386	
Investing activities					
Purchase of tangible fixed assets		(50,654)		(284,422)	
Proceeds on disposal of tangible fixed assets		33,579		4,499	
Interest received		28,044		19,106	
Net cash generated from/(used in) investing activities		10,969		(260,817)	
Financing activities					
Dividends paid		(2,900,000)		-	
Net cash used in financing activities		(2,900,000)		-	
Net increase/(decrease) in cash and cash equivalents		1,014,241		(252,431)	
Cash and cash equivalents at beginning of year		1,231,323		1,483,754	
Cash and cash equivalents at end of year		2,245,564		1,231,323	

BLOWUP MEDIA UK LIMITED

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

1 Accounting policies

Company information

BlowUp Media UK Limited is a private company limited by shares incorporated in England and Wales. The registered office is The Media Centre, 6th Floor, 3-8 Carburton Street, London, W1W 5AJ.

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.

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 on the historical cost convention.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover represents amounts (excluding VAT) derived from the provision of advertising services during the year. Income is recognised on a time basis, and is shown net of turnover rebates.

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.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings Leasehold	Over life of lease
Plant and machinery	from 3 to 15 years on a straight line basis
Fixtures, fittings & equipment	5 years on a straight line basis

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.

BLOWUP MEDIA UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

(Continued)

1.5 Impairment of fixed assets

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 (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) 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 (or cash-generating unit) 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 (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.7 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.

1.8 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.

BLOWUP MEDIA UK LIMITED

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

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.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. 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 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.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

BLOWUP MEDIA UK LIMITED

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

1 Accounting policies

(Continued)

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 creditors, 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 creditors 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 creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

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.

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.

BLOWUP MEDIA UK LIMITED

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

1 Accounting policies

(Continued)

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.

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 Provisions

Provisions are recognised when the company has a legal or constructive present obligation as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation.

Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

BLOWUP MEDIA UK LIMITED

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

1 Accounting policies

(Continued)

1.12 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.

1.13 Retirement benefits

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

1.14 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.

1.15 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.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

BLOWUP MEDIA UK LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
FOR THE YEAR ENDED 31 DECEMBER 2016**3 Turnover and other revenue**

An analysis of the company's turnover is as follows:

	2016 £	2015 £
Turnover		
Advertising	9,604,157	8,344,945
	<u> </u>	<u> </u>
Other significant revenue		
Interest income	28,044	19,106
	<u> </u>	<u> </u>

Turnover analysed by geographical market

	2016 £	2015 £
United Kingdom	9,604,157	8,344,945
	<u> </u>	<u> </u>

4 Operating profit

	2016 £	2015 £
Operating profit for the year is stated after charging/(crediting):		
Exchange (gains)/losses	(368,230)	94,299
Fee payable to the company's auditor for non audit services	13,508	11,648
Fees payable to the company's auditor for the audit of the company's financial statements	13,000	13,000
Depreciation of owned tangible fixed assets	119,616	370,629
Profit on disposal of tangible fixed assets	(3,579)	(105)
Operating lease charges	96,291	93,392
	<u> </u>	<u> </u>

BLOWUP MEDIA UK LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
FOR THE YEAR ENDED 31 DECEMBER 2016**5 Employees**

The average monthly number of persons (including directors) employed by the company during the year was:

	2016	2015
	Number	Number
Development	4	4
Sales	9	7
Administration	4	4
Operations	2	2
	<u>19</u>	<u>17</u>

Their aggregate remuneration comprised:

	2016	2015
	£	£
Wages and salaries	1,154,811	1,121,919
Social security costs	106,215	106,186
Pension costs	18,009	24,036
	<u>1,279,035</u>	<u>1,252,141</u>

6 Directors' remuneration

	2016	2015
	£	£
Remuneration for qualifying services	490,600	506,774
Company pension contributions to defined contribution schemes	4,562	4,562
	<u>495,162</u>	<u>511,336</u>

Remuneration disclosed above include the following amounts paid to the highest paid director:

Remuneration for qualifying services	<u>207,905</u>	<u>262,840</u>
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BLOWUP MEDIA UK LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
FOR THE YEAR ENDED 31 DECEMBER 2016**7 Interest receivable and similar income**

	2016	2015
	£	£
Interest income		
Interest on bank deposits	801	649
Other interest income	27,243	18,457
	<u>28,044</u>	<u>19,106</u>

Investment income includes the following:

Interest on financial assets not measured at fair value through profit or loss	801	649
	<u>801</u>	<u>649</u>

8 Taxation

	2016	2015
	£	£
Current tax		
UK corporation tax on profits for the current period	500,000	233,000
Adjustments in respect of prior periods	(5,888)	2,765
	<u>494,112</u>	<u>235,765</u>
Deferred tax		
Origination and reversal of timing differences	(23,382)	(10,342)
	<u>(23,382)</u>	<u>(10,342)</u>
Total tax charge	<u>470,730</u>	<u>225,423</u>

BLOWUP MEDIA UK LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
FOR THE YEAR ENDED 31 DECEMBER 2016**8 Taxation****(Continued)**

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2016	2015
	£	£
Profit before taxation	<u>2,289,204</u>	<u>1,022,575</u>
Expected tax charge based on the standard rate of corporation tax in the UK of 20.00% (2015: 20.25%)	457,841	207,071
Tax effect of expenses that are not deductible in determining taxable profit	12,956	11,342
Permanent capital allowances in excess of depreciation	-	(62,454)
Depreciation on assets not qualifying for tax allowances	-	74,834
Under/(over) provided in prior years	(5,888)	2,765
Other tax adjustments	1,396	2,207
Deferred tax charge	<u>4,425</u>	<u>(10,342)</u>
Taxation for the year	<u>470,730</u>	<u>225,423</u>

9 Dividends

	2016	2015
	£	£
Interim paid	<u>2,900,000</u>	-
	<u>2,900,000</u>	-

BLOWUP MEDIA UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

10 Tangible fixed assets

	Land and buildings Leasehold	Plant and Fixtures, fittings machinery & equipment	Total
	£	£	£
Cost			
At 1 January 2016	56,514	1,202,592	1,326,691
Additions	-	35,000	50,654
Disposals	-	(251,888)	(251,888)
At 31 December 2016	56,514	985,704	1,125,457
Depreciation and impairment			
At 1 January 2016	25,337	876,610	945,820
Depreciation charged in the year	11,303	98,175	119,616
Eliminated in respect of disposals	-	(221,888)	(221,888)
At 31 December 2016	36,640	752,897	843,548
Carrying amount			
At 31 December 2016	19,874	232,807	281,909
At 31 December 2015	31,176	325,982	380,871

11 Financial instruments

	2016 £	2015 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	6,588,197	6,200,745
Carrying amount of financial liabilities		
Measured at amortised cost	4,142,723	3,458,535

12 Stocks

	2016 £	2015 £
Work in progress	19,022	59,865

BLOWUP MEDIA UK LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2016****13 Debtors**

	2016	2015
	£	£
Amounts falling due within one year:		
Trade debtors	2,510,752	2,209,498
Amount due from parent undertaking	1,802,487	2,736,639
Other debtors	29,393	23,285
Prepayments and accrued income	140,882	216,208
	<u>4,483,514</u>	<u>5,185,630</u>
Amounts falling due after more than one year:		
	£	£
Deferred tax asset (note 16)	<u>27,956</u>	<u>10,658</u>
Total debtors	<u><u>4,511,470</u></u>	<u><u>5,196,288</u></u>

Amounts owed by parent and fellow subsidiaries include a €330k loan (2015: €3m) and £1.3m loan (2015: £500k) by BlowUp Media GmbH in accordance with a loan agreement dated 10 May 2012. The loan is interest bearing on the basis of Euribor +1%. The loan is repayable on demand.

14 Creditors: amounts falling due within one year

	2016	2015
	£	£
Trade creditors	1,239,375	404,932
Amounts due to group undertakings	345,662	157,649
Corporation tax	350,423	82,999
Other taxation and social security	281,518	250,355
Other creditors	15,222	16,304
Accruals and deferred income	2,542,464	2,879,650
	<u>4,774,664</u>	<u>3,791,889</u>

BLOWUP MEDIA UK LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2016****15 Provision for Liabilities**

	Contractual Provisions £	Hackney Court Case £	Dismantling Provision £	Total £
At 1 January 2016	-	-	97,600	97,600
Additional provisions in the year	179,978	10,000	104,475	294,453
At 31 December 2016	<u>179,978</u>	<u>10,000</u>	<u>202,075</u>	<u>392,053</u>

Contractual provisions

Provisions related to legal costs and associated settlement costs in respect of contract terminations, which are anticipated to be settled within the current year.

Hackney Court Case

Claim made by Hackney Council for alleged improper placement of advertising onto the scaffolding. The court case was settled in BlowUP Media's favour in March 2017.

Dismantling Provision

The dismantling provision relates to the removal of a specific banner in Manchester in 2018 and a general provision of £69.5k for the removal of banners at other sites. BlowUp is obliged to pay for the removal of banners that are in place at the end of 2016, therefore there is a present obligation and a probable outflow justifying the need for this provision.

BLOWUP MEDIA UK LIMITED

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

16 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities 2016 £	Liabilities 2015 £	Assets 2016 £	Assets 2015 £
Balances:				
ACAs	-	6,084	3,505	-
Disallowable provisions	-	-	24,451	10,658
	<u>-</u>	<u>6,084</u>	<u>27,956</u>	<u>10,658</u>
	<u>-</u>	<u>6,084</u>	<u>27,956</u>	<u>10,658</u>
Movements in the year:				2016 £
Liability/(Asset) at 1 January 2016				(4,574)
Credit to profit or loss				(23,382)
				<u>(27,956)</u>
Liability/(Asset) at 31 December 2016				<u>(27,956)</u>

The deferred tax asset set out above is expected to reverse within 12 months and relates to the utilisation of tax losses against future expected profits of the same period.

17 Retirement benefit schemes

	2016 £	2015 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	<u>18,009</u>	<u>24,036</u>

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

BLOWUP MEDIA UK LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2016****18 Share capital**

	2016 £	2015 £
Ordinary share capital		
Authorised		
8,750 'A' Ordinary shares of £1 each	8,750	8,750
1,250 'B' Ordinary shares of £1 each	1,250	1,250
	<u>10,000</u>	<u>10,000</u>
Issued and fully paid		
8,750 'A' Ordinary shares of £1 each	8,750	8,750
1,250 'B' Ordinary shares of £1 each	1,250	1,250
	<u>10,000</u>	<u>10,000</u>

The 'A' ordinary shares and 'B' ordinary shares constitute different classes of shares but rank pari passu in all respects.

19 Operating lease commitments**Lessee**

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

	2016 £	2015 £
Within one year	1,289,167	733,000
Between two and five years	217,000	468,000
	<u>1,506,167</u>	<u>1,201,000</u>

20 Related party transactions**Remuneration of key management personnel**

The remuneration of key management personnel, who are also directors, is as follows.

	2016 £	2015 £
Aggregate compensation	<u>490,600</u>	<u>506,774</u>

No guarantees have been given or received.

BLOWUP MEDIA UK LIMITED

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

21 Controlling party

The immediate parent company is BlowUP Media GmbH, a company registered in Germany, and the ultimate parent company is Ströer SE & Co. KGaA, a company also registered in Germany. Ströer SE & Co. KGaA is not under the control of any one party.

Ströer SE & Co. KGaA prepares group financial statements and copies can be obtained from The Media Centre, 6th Floor, 3-8 Carburton Street, London, W1W 5AJ.

22 Cash generated from operations

	2016 £	2015 £
Profit for the year after tax	1,818,474	797,152
Adjustments for:		
Taxation charged	470,730	225,423
Investment income	(28,044)	(19,106)
Gain on disposal of tangible fixed assets	(3,579)	(105)
Depreciation and impairment of tangible fixed assets	119,616	370,629
Increase in provisions	294,453	-
Movements in working capital:		
Decrease in stocks	40,843	6,831
Decrease/(increase) in debtors	702,116	(1,146,602)
Increase in creditors	715,351	93,775
Cash generated from operations	<u>4,129,960</u>	<u>327,997</u>