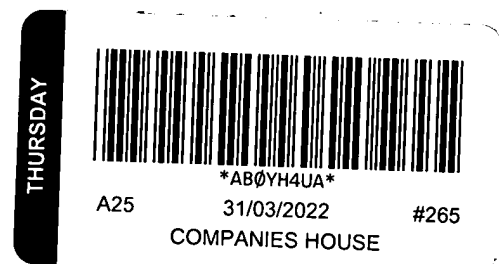


MEDIA ZOO LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021



TWP Accounting LLP
Chartered Accountants & Statutory Auditors
The Old Rectory
Church Street
Weybridge
Surrey
KT13 8DE

MEDIA ZOO LIMITED

COMPANY INFORMATION

Director	Rachel Pendered
Company secretary	Mark Killick
Registered number	04655948
Registered office	8 The Boulevard Imperial Wharf London SW6 2UB
Independent auditor	TWP Accounting LLP Chartered Accountants & Statutory Auditors The Old Rectory Church Street Weybridge Surrey KT13 8DE

MEDIA ZOO LIMITED

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MEDIA ZOO LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2021

Introduction

The directors present their strategic report for the trading year ending 31 March 2021.

Business review

The financial year was disrupted by the pandemic which resulted in a series of lockdowns, office closures and clients cutting back on spending. Despite this, Media Zoo's three core divisions of Film, PR and Learning all performed well and continued to deliver excellent content in extremely challenging conditions.

Over the year, management focussed principally on reducing costs, delivering an EBITDA of £1.1 million on turnover of £9.5 million. The Sunday Times named the Media Zoo group as one of the UK's 100 fastest growing businesses and morale has held up well across all divisions.

Principal risks and uncertainties

Looking forward, the company is determined to get back to growth and has set out ambitious plans for the new financial year whilst managing risk wherever possible. These risks include the possibility of further pandemic challenges, Brexit related slowdowns and other geopolitical issues.

Financial key performance indicators

The company's balance sheet now exceeds £1.3 million, and the company has over £1.6 million of cash at bank, putting it in a strong position to manage any further turbulence.

Other key performance indicators

The company continues to retain its blue-chip client base, has strengthened its sales team and is reshaping its property portfolio to better align with its long-term needs.

This report was approved by the board on 29 Mar 2022

and signed on its behalf.

Mark Killick

Mark Killick (Mar 29, 2022, 3:05pm)

Mark Killick
Secretary

MEDIA ZOO LIMITED

DIRECTOR'S REPORT FOR THE YEAR ENDED 31 MARCH 2021

The director presents his report and the financial statements for the year ended 31 March 2021.

Principal activity

The principal activity of the company is the production of film projects, PR consultancy and Learning & Development projects.

Results and dividends

The profit for the year, after taxation, amounted to £900,195 (2020 - £1,366,610).

The total distribution of dividends to the owners of the company for the period are £1,650,000 (2020 - £100,000).

Director

The director who served during the year was:

Rachel Pendered

Director's responsibilities statement

The director is responsible for preparing the Strategic Report, 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 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'. 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 for the Company's financial statements 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 to 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.

Disclosure of information to auditor

The director at the time when this Director's Report is approved has confirmed that:

- so far as is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

MEDIA ZOO LIMITED

**DIRECTOR'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021**

Post balance sheet events

There have been no significant events affecting the company since the balance sheet date.

Auditor

The auditor, TWP Accounting LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 29 Mar 2022 and signed on its behalf.

Rachel Pendered

Rachel Pendered (Mar 29, 2022, 3:49pm)

Rachel Pendered
Director

MEDIA ZOO LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MEDIA ZOO LIMITED

Opinion

We have audited the financial statements of Media Zoo Limited (the 'Company') for the year ended 31 March 2021, which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2021 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the director with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditor's Report thereon. The director is responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

MEDIA ZOO LIMITED

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

Opinion on other matters 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 Strategic Report and the Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Director's Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Director's Report.

We have nothing to report in respect of the following matters in relation to which 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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Director's Responsibilities Statement set out on page 2, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the director determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the director is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the director either intends to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

MEDIA ZOO LIMITED

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Obtain an understanding of the policies and procedures management has in place to detect and prevent fraud and non-compliance with laws and regulations.
- Enquire of management any cases of actual or suspected fraud and non-compliance with laws and regulations.
- Enquire of management and those charged with governance around actual and potential litigation and claims.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Assess the key risk areas within the financial statements which are susceptible to fraud or error and design our audit approach thereon.
- Perform substantive tests on a sample of transactions throughout the financial statements to ensure that no material errors have been identified.
- Perform cut off tests on a sample of transactions to ensure income has been accounted for in the correct period.
- Review of after year end information to ensure expenditure have been accounted for in the correct period.
- Perform analytical review procedures to identify any irregularities and investigation thereon.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's Report.

Other matters

For the financial year ended 31 March 2020 the company was entitled to exemption from audit under section 479A of the companies Act 2006 relating to subsidiary companies. The financial statements of Media Zoo Limited for the year ended 31 March 2020, were not audited at the request of the Company's members, as a body, and instead audited as part of the group audit of Media Zoo Holdings Limited (parent company) which expressed an unmodified opinion for the year ended 31 March 2021. The comparatives to the financial statements of Media Zoo Limited for the year ended 31 March 2021 have been audited as a result.

MEDIA ZOO LIMITED

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

Use of our report

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.

Philip Munk

Phil Munk (Mar 29, 2022, 4:09pm)

Philip Munk FCA FCCA (Senior Statutory Auditor)

for and on behalf of
TWP Accounting LLP

Chartered Accountants & Statutory Auditors

The Old Rectory
Church Street
Weybridge
Surrey
KT13 8DE
Date: 29 Mar 2022

MEDIA ZOO LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2021**

	Note	2021 £	2020 £
Turnover	3	9,516,123	11,699,896
Cost of sales		(1,934,710)	(3,245,467)
Gross profit		7,581,413	8,454,429
Administrative expenses		(6,768,787)	(6,790,843)
Other operating income	4	161,546	3,500
Operating profit	5	974,172	1,667,086
Interest payable and similar expenses		(12,126)	(8,800)
Profit before tax		962,046	1,658,286
Tax on profit	10	(61,851)	(291,676)
Profit for the financial year		900,195	1,366,610

There was no other comprehensive income for 2021 (2020:£NIL).

The notes on pages 11 to 22 form part of these financial statements.

MEDIA ZOO LIMITED
REGISTERED NUMBER: 04655948

BALANCE SHEET
AS AT 31 MARCH 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	12	351,559	268,102
		<u>351,559</u>	<u>268,102</u>
Current assets			
Debtors: amounts falling due within one year	13	3,621,473	3,289,422
Cash at bank and in hand	14	1,674,363	934,771
		<u>5,295,836</u>	<u>4,224,193</u>
Creditors: amounts falling due within one year	15	(2,889,341)	(2,242,377)
Net current assets		<u>2,406,495</u>	<u>1,981,816</u>
Total assets less current liabilities		<u>2,758,054</u>	<u>2,249,918</u>
Creditors: amounts falling due after more than one year	16	(1,366,785)	(125,414)
Provisions for liabilities			
Deferred tax	19	(63,548)	(46,978)
		<u>(63,548)</u>	<u>(46,978)</u>
Net assets		<u><u>1,327,721</u></u>	<u><u>2,077,526</u></u>
Capital and reserves			
Called up share capital	20	100	100
Profit and loss account	21	1,327,621	2,077,426
		<u><u>1,327,721</u></u>	<u><u>2,077,526</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 29 Mar 2022

Rachel Pendered

Rachel Pendered (Mar 29, 2022,
3:49pm)

Rachel Pendered
Director

The notes on pages 11 to 22 form part of these financial statements.

MEDIA ZOO LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2021**

	Called up share capital £	Profit and loss account £	Total equity £
At 1 April 2019	100	810,816	810,916
Comprehensive income for the year			
Profit for the year	-	1,366,610	1,366,610
	-	(100,000)	(100,000)
At 1 April 2020	100	2,077,426	2,077,526
Comprehensive income for the year			
Profit for the year	-	900,195	900,195
	-	(1,650,000)	(1,650,000)
At 31 March 2021	100	1,327,621	1,327,721

The notes on pages 11 to 22 form part of these financial statements.

MEDIA ZOO LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1. General information

Media Zoo Limited is a private company limited by shares, registered in England and Wales. The principal activity of the company is the production of film projects, PR consultancy and Learning & Development projects.

The address of the registered office is given on the Company Information page of these financial statements.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

The following principal accounting policies have been applied:

2.2 Financial Reporting Standard 102 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d).

This information is included in the consolidated financial statements of Media Zoo Holdings Limited as at 31 March 2021 and these financial statements may be obtained from 8 The Boulevard, Imperial Wharf, London, SW6 2UB.

2.3 Turnover

Turnover comprises revenue recognised in respect of media services during the year, exclusive of value added tax and trade discounts.

Turnover is recognised in the profit and loss account over the period to which it relates. Where invoiced in advance, the turnover is included at the stage of completion in deferred income in the balance sheet.

2.4 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

MEDIA ZOO LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

2.5 Sale and leaseback

Where a sale and leaseback transaction results in a finance lease, no gain is immediately recognised for any excess of sales proceeds over the carrying amount of the asset. Instead, the proceeds are presented as a liability and subsequently measured at amortised cost using the effective interest method.

When a sale and leaseback transaction results in an operating lease, and it is clear that the transition is established at fair value any profit or loss is recognised immediately. If the sale price is below fair value, any profit or loss is recognised immediately unless the loss is compensated for by the future lease payments at below market price. In that case any such loss is amortised in proportion to the lease payments over the period for which the asset is expected to be used. If the sale price is above fair value, the excess over fair value is amortised over the period for which the asset is expected to be used.

2.6 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.7 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

MEDIA ZOO LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

2.8 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss 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 balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.9 Government grants

Grants are accounted under the accruals model as permitted by FRS 102.

Grants of a revenue nature are recognised in the Statement of Comprehensive Income in the same period as the related expenditure.

2.10 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Plant and machinery	-	25% straight line basis
Motor vehicles	-	25% straight line basis
Fixtures and fittings	-	25% straight line basis

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

MEDIA ZOO LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

2.11 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.12 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.13 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.14 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

2.15 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

2.16 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3. Turnover

An analysis of turnover by class of business is as follows:

	2021 £	2020 £
Media services	9,516,123	11,699,896
	<u>9,516,123</u>	<u>11,699,896</u>

MEDIA ZOO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

4. Other operating income

	2021 £	2020 £
Government grants receivable	140,184	3,500
Sundry income	21,362	-
	<u>161,546</u>	<u>3,500</u>

5. Operating profit

The operating profit is stated after charging:

	2021 £	2020 £
Other operating lease rentals	<u>360,000</u>	<u>572,360</u>

6. Auditor's remuneration

	2021 £	2020 £
Auditor's remuneration	<u>8,000</u>	<u>-</u>

7. Employees

Staff costs, including director's remuneration, were as follows:

	2021 £	2020 £
Wages and salaries	4,959,617	4,589,340
Social security costs	571,869	517,994
Cost of defined contribution scheme	76,136	90,275
	<u>5,607,622</u>	<u>5,197,609</u>

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

	2021 No.	2020 No.
Admin and production team	<u>100</u>	<u>100</u>

MEDIA ZOO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

8. Director's remuneration

	2021 £	2020 £
Director's emoluments	159,600	168,000
Company contributions to defined contribution pension schemes	1,313	-
	<u>160,913</u>	<u>168,000</u>

During the year retirement benefits were accruing to 1 director (2020 - 1) in respect of defined contribution pension schemes.

9. Interest payable and similar expenses

	2021 £	2020 £
Other loan interest payable	12,126	8,800
	<u>12,126</u>	<u>8,800</u>

10. Taxation

	2021 £	2020 £
Corporation tax		
Current tax on profits for the year	167,556	312,123
Adjustments in respect of previous periods	(122,275)	(34,535)
	<u>45,281</u>	<u>277,588</u>
Total current tax	<u>45,281</u>	<u>277,588</u>
Deferred tax		
Origination and reversal of timing differences	16,570	14,088
Total deferred tax	<u>16,570</u>	<u>14,088</u>
Taxation on profit on ordinary activities	<u>61,851</u>	<u>291,676</u>

MEDIA ZOO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

10. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2020 - *higher than*) the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

	2021 £	2020 £
Profit on ordinary activities before tax	<u>962,046</u>	<u>1,658,286</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	182,789	315,074
Effects of:		
Capital allowances for year in excess of depreciation	(16,592)	(2,974)
Adjustments to tax charge in respect of prior periods	(11,113)	-
Non-taxable income less expenses not deductible for tax purposes, other than goodwill and impairment	1,359	24
Adjustment in research and development tax credit leading to an increase (decrease) in the tax charge	(42,997)	(34,536)
Other differences leading to an increase (decrease) in the tax charge	16,570	14,088
Group relief	(68,165)	-
Total tax charge for the year	<u><u>61,851</u></u>	<u><u>291,676</u></u>

11. Dividends

	2021 £	2020 £
Dividends paid to owners	1,650,000	100,000
	<u><u>1,650,000</u></u>	<u><u>100,000</u></u>

MEDIA ZOO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

12. Tangible fixed assets

	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
Cost or valuation				
At 1 April 2020	692,894	58,490	315,192	1,066,576
Additions	148,633	52,440	7,012	208,085
Disposals	(266)	-	-	(266)
At 31 March 2021	<u>841,261</u>	<u>110,930</u>	<u>322,204</u>	<u>1,274,395</u>
Depreciation				
At 1 April 2020	522,746	2,828	272,900	798,474
Charge for the year on owned assets	24,941	-	4,116	29,057
Charge for the year on financed assets	68,534	16,396	10,525	95,455
Disposals	(150)	-	-	(150)
At 31 March 2021	<u>616,071</u>	<u>19,224</u>	<u>287,541</u>	<u>922,836</u>
Net book value				
At 31 March 2021	<u>225,190</u>	<u>91,706</u>	<u>34,663</u>	<u>351,559</u>
At 31 March 2020	<u>170,148</u>	<u>55,662</u>	<u>42,292</u>	<u>268,102</u>

The net book value of land and buildings may be further analysed as follows:

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2021 £	2020 £
Plant and machinery	225,190	154,611
Motor vehicles	91,707	55,662
Furniture, fittings and equipment	31,576	42,101
	<u>348,473</u>	<u>252,374</u>

MEDIA ZOO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

13. Debtors

	2021 £	2020 £
Trade debtors	2,534,239	2,454,390
Amounts owed by group undertakings	1,019,673	810,963
Other debtors	23,116	1,791
Prepayments and accrued income	44,445	22,278
	<u>3,621,473</u>	<u>3,289,422</u>

14. Cash and cash equivalents

	2021 £	2020 £
Cash at bank and in hand	1,674,363	934,771
	<u>1,674,363</u>	<u>934,771</u>

15. Creditors: Amounts falling due within one year

	2021 £	2020 £
Bank loans	245,078	-
Trade creditors	304,570	412,549
Amounts owed to group undertakings	155,855	216,877
Corporation tax	357,404	312,123
Other taxation and social security	635,130	809,578
Obligations under finance lease and hire purchase contracts	104,387	85,486
Other creditors	392,117	371,134
Accruals and deferred income	694,800	34,630
	<u>2,889,341</u>	<u>2,242,377</u>

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

	2021 £	2020 £
Bank loans	1,254,922	-
Net obligations under finance leases and hire purchase contracts	111,863	125,414
	<u>1,366,785</u>	<u>125,414</u>

MEDIA ZOO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

17. Loans

Analysis of the maturity of loans is given below:

	2021 £	2020 £
Amounts falling due within one year		
Bank loans	245,078	-
	<u>245,078</u>	<u>-</u>
Amounts falling due 2-5 years		
Bank loans	1,133,362	-
	<u>1,133,362</u>	<u>-</u>
Amounts falling due after more than 5 years		
Bank loans	121,560	-
	<u>121,560</u>	<u>-</u>
	<u><u>1,500,000</u></u>	<u><u>-</u></u>

18. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	2021 £	2020 £
Within one year	104,387	85,486
Between 1-5 years	111,863	125,413
	<u>216,250</u>	<u>210,899</u>

19. Deferred taxation

	2021 £
At beginning of year	(46,978)
Charged to profit or loss	(16,570)
At end of year	<u><u>(63,548)</u></u>

MEDIA ZOO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

19. Deferred taxation (continued)

The provision for deferred taxation is made up as follows:

	2021 £	2020 £
Accelerated capital allowances	(63,548)	(46,978)
	<u>(63,548)</u>	<u>(46,978)</u>

20. Share capital

	2021 £	2020 £
Allotted, called up and fully paid		
100 (2020 - 100) Ordinary shares shares of £1.00 each	<u>100</u>	<u>100</u>

21. Reserves

Profit and loss account

The profit and loss account represents cumulative profits and losses net of adjustments.

22. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £76,136 (2020 - £90,275). Contributions totalling £16,237 (2020 - £17,772) were payable to the fund at the balance sheet date and are included in creditors.

23. Related party transactions

Foxboro Properties Limited

During the year, Foxboro Properties Limited (a company in which M Killick is a director) charged fees for the provision of a variety of services of £nil (2020 - £60,000) to Media Zoo Limited. At the balance sheet date, Foxboro Properties Limited owed £nil (2020 - £nil) to Media Zoo Limited.

Solana Systems Limited

During the year, Solana Systems Limited charged fees for the provision of a variety of services of £158,112 (2020 - £335,209) to Media Zoo Limited. At the balance sheet date, Media Zoo Limited owed £16,560 (2020 - £16,560) to Solana Systems Limited.

Mark Killick Limited

During the year, Mark Killick Limited (a company in which Mark Killick is a director) charged fees for the provision of a variety of services of £188,976 (2020: £289,884) to Media Zoo Limited. At the balance sheet date, Media Zoo Limited owed £16,560 (2020: £16,752) to Mark Killick Limited.

MEDIA ZOO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

24. Controlling party

The whole of the issued share capital of the company is owned by Media Zoo (Holdings) Limited, a company incorporated in England and Wales. The registered office of Media Zoo Holdings Limited is 15b The Boulevard, Imperial Wharf, London SW6 2UB.