

AYIMA LIMITED
Report of the Directors and
Financial Statements
For The Year Ended 31 December 2016

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AYIMA LIMITED (REGISTERED NUMBER: 04886539)

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For The Year Ended 31 December 2016**

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AYIMA LIMITED

**Company Information
For The Year Ended 31 December 2016**

DIRECTORS:

M Nott
T Webb
M Jacobson
M K Segal

SECRETARY:

M Nott

REGISTERED OFFICE:

Suite 1A
1 Lindsey Street
London
EC1A 9HP

REGISTERED NUMBER:

04886539 (England and Wales)

AUDITORS:

Wilkins Kennedy LLP
Chartered Accountants
& Registered Auditors
1 - 5 Nelson Street
Southend on Sea
Essex
SS1 1EG

BANKERS:

The Royal Bank of Scotland
PO Box 412
62-63 Threadneedle Street
London
EC2R 8LA

**Report of the Directors
For The Year Ended 31 December 2016**

The directors present their report with the financial statements of the company for the year ended 31 December 2016.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2016 to the date of this report.

M Nott
T Webb
M Jacobson

Other changes in directors' holding office are as follows:

M K Segal - appointed 6 June 2016

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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 International Financial Reporting Standards as adopted by the European Union. 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;
- 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

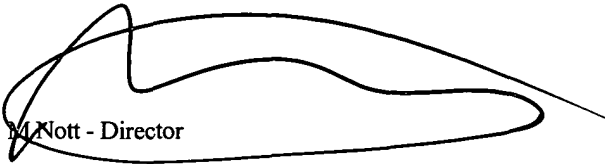
The auditors, Wilkins Kennedy LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

AYIMA LIMITED (REGISTERED NUMBER: 04886539)

**Report of the Directors
For The Year Ended 31 December 2016**

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:



M. Kott - Director

28 September 2017

**Report of the Independent Auditors to the Members of
Ayima Limited**

We have audited the financial statements of Ayima Limited for the year ended 31 December 2016 on pages six to twenty two. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

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 a Report of the Auditors 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 auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page two, 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

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

Opinion on 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 IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit, the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements, and has been prepared in accordance with applicable legal requirements. In the light of the knowledge and understanding of the company and its environment, we have not identified any material misstatements in the Report of the Directors.

**Report of the Independent Auditors to the Members of
Ayima 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; or
- the directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.

Julian Golding
Julian Golding (Senior Statutory Auditor)
for and on behalf of Wilkins Kennedy LLP
Chartered Accountants
& Registered Auditors
1 - 5 Nelson Street
Southend on Sea
Essex
SS1 1EG

28 September 2017

AYIMA LIMITED (REGISTERED NUMBER: 04886539)

**Statement of Profit or Loss
For The Year Ended 31 December 2016**

	Notes	2016 £	2015 £
CONTINUING OPERATIONS			
Revenue		7,944,333	4,280,176
Cost of sales		(3,524,763)	(1,113,295)
GROSS PROFIT		4,419,570	3,166,881
Administrative expenses		(3,939,532)	(3,153,850)
OPERATING PROFIT		480,038	13,031
Finance income	5	18	17
PROFIT BEFORE INCOME TAX	6	480,056	13,048
Income tax	7	134,211	-
PROFIT FOR THE YEAR		614,267	13,048

The notes form part of these financial statements

AYIMA LIMITED (REGISTERED NUMBER: 04886539)

**Statement of Profit or Loss and Other Comprehensive Income
For The Year Ended 31 December 2016**

	2016	2015
	£	£
PROFIT FOR THE YEAR	614,267	13,048
OTHER COMPREHENSIVE INCOME	-	-
	<hr/>	<hr/>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>614,267</u>	<u>13,048</u>

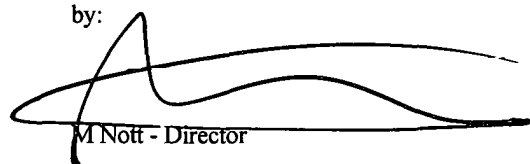
The notes form part of these financial statements

AYIMA LIMITED (REGISTERED NUMBER: 04886539)

**Statement of Financial Position
31 December 2016**

	Notes	2016 £	2015 £
ASSETS			
NON-CURRENT ASSETS			
Goodwill	8	540,000	-
Intangible assets	9	392,348	10,952
Property, plant and equipment	10	252,909	100,702
Investments	11	250,000	114,350
		<u>1,435,257</u>	<u>226,004</u>
CURRENT ASSETS			
Trade and other receivables	12	2,014,478	1,419,772
Cash and cash equivalents	13	15,642	5,562
		<u>2,030,120</u>	<u>1,425,334</u>
TOTAL ASSETS		<u><u>3,465,377</u></u>	<u><u>1,651,338</u></u>
EQUITY			
SHAREHOLDERS' EQUITY			
Called up share capital	14	104	94
Share premium	15	539,990	-
Capital redemption reserve	15	15	15
Retained earnings	15	1,630,431	1,016,164
TOTAL EQUITY		<u>2,170,540</u>	<u>1,016,273</u>
LIABILITIES			
NON-CURRENT LIABILITIES			
Trade and other payables	16	-	64,458
CURRENT LIABILITIES			
Trade and other payables	16	1,009,873	478,244
Financial liabilities - borrowings			
Interest bearing loans and borrowings	17	284,964	92,363
		<u>1,294,837</u>	<u>570,607</u>
TOTAL LIABILITIES		<u>1,294,837</u>	<u>635,065</u>
TOTAL EQUITY AND LIABILITIES		<u><u>3,465,377</u></u>	<u><u>1,651,338</u></u>

The financial statements were approved by the Board of Directors on 28 September 2017 and were signed on its behalf by:


M Nott - Director

The notes form part of these financial statements

AYIMA LIMITED (REGISTERED NUMBER: 04886539)

**Statement of Changes in Equity
For The Year Ended 31 December 2016**

	Called up share capital £	Retained earnings £	Share premium £	Capital redemption reserve £	Total equity £
Balance at 1 January 2015	94	1,003,116	-	15	1,003,225
Changes in equity					
Total comprehensive income	-	13,048	-	-	13,048
Balance at 31 December 2015	94	1,016,164	-	15	1,016,273
Changes in equity					
Issue of share capital	10	-	539,990	-	540,000
Total comprehensive income	-	614,267	-	-	614,267
Balance at 31 December 2016	104	1,630,431	539,990	15	2,170,540

The notes form part of these financial statements

AYIMA LIMITED (REGISTERED NUMBER: 04886539)

**Statement of Cash Flows
For The Year Ended 31 December 2016**

		2016 £	2015 £
Cash flows from operating activities			
Cash generated from operations	1	524,433	(36,091)
Tax paid		134,211	-
		<u>658,644</u>	<u>(36,091)</u>
Net cash from operating activities			
Cash flows from investing activities			
Purchase of intangible fixed assets		(385,071)	(2,866)
Purchase of tangible fixed assets		(220,283)	(83,265)
Purchase of fixed asset investments		(250,000)	-
Sale of tangible fixed assets		-	1
Sale of fixed asset investments		114,350	-
Interest received		18	17
		<u>(740,986)</u>	<u>(86,113)</u>
Net cash from investing activities			
Cash flows from financing activities			
Invoice discounting movements		192,601	92,363
Amount withdrawn by directors		(100,179)	-
		<u>92,422</u>	<u>92,363</u>
Net cash from financing activities			
Increase/(decrease) in cash and cash equivalents		<u>10,080</u>	<u>(29,841)</u>
Cash and cash equivalents at beginning of year	2	5,562	35,403
		<u>15,642</u>	<u>5,562</u>
Cash and cash equivalents at end of year	2		

The notes form part of these financial statements

Notes to the Statement of Cash Flows
For The Year Ended 31 December 2016

1. RECONCILIATION OF PROFIT BEFORE INCOME TAX TO CASH GENERATED FROM OPERATIONS

	2016	2015
	£	£
Profit before income tax	480,056	13,048
Depreciation charges	71,472	25,553
Loss on disposal of fixed assets	279	-
Finance income	(18)	(17)
	<u>551,789</u>	<u>38,584</u>
Increase in trade and other receivables	(490,887)	(401,654)
Increase in trade and other payables	463,531	326,979
	<u>524,433</u>	<u>(36,091)</u>
Cash generated from operations	524,433	(36,091)

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

Year ended 31 December 2016

	31/12/16	1/1/16
	£	£
Cash and cash equivalents	<u>15,642</u>	<u>5,562</u>

Year ended 31 December 2015

	31/12/15	1/1/15
	£	£
Cash and cash equivalents	<u>5,562</u>	<u>35,403</u>

The notes form part of these financial statements

**Notes to the Financial Statements
For The Year Ended 31 December 2016**

1. FIRST TIME ADOPTION OF IFRS

These are the company's first set of financial statements prepared in accordance with International Financial Reporting Standards (IFRS) and International Financial Reporting Interpretation Committee (IFRIC) Interpretations as issued by the International Accounting Standards Board and adopted by the European Union and the Companies Act 2006 applicable to companies reporting under IFRS.

The transition to IFRS has resulted in no changes in the reported financial statements. The comparative information has been restated in accordance with IFRS. The transition date was 1 January 2015.

Judgements made by directors in the application of those accounting policies which have a significant effect on the financial statements and estimates with a substantial risk of material misstatement in the next financial year are disclosed in the final section of Note 3.

2. STATUTORY INFORMATION

Ayima Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

3. ACCOUNTING POLICIES

Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards and IFRIC interpretations and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS. The financial statements have been prepared under the historical cost convention.

The preparation of financial statements in compliance with adopted IFRS requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies. The areas of significant judgements and estimates have been made in preparing the financial statements and their effect are disclosed in the final section of Note 3.

Going concern

The company has a net debt of £269,322 at the year end, reflecting the fact that the company is in a growth phase and is yet to benefit from the technology being developed. Funding during the period has been received from invoice discounting. The directors of the parent company are currently seeking additional sources of funding which should enable the company to launch its developed technology and begin to generate revenues and cash flows.

Notes to the Financial Statements - continued
For The Year Ended 31 December 2016

3. ACCOUNTING POLICIES- continued

Revenue recognition

Revenue represents the fair value of services provided during the period and is stated net of value added tax.

The recognition of revenue depends on the type of services provided:

SEO Consulting:

SEO consulting revenue is recognised on a monthly basis in line with the contractual agreement, contracts are usually for a minimum period of 12 months.

Media Link Development:

Media link development is charged either at a fixed rate per link acquired on behalf of the client or on a monthly basis in line with the contractual agreement with an average number of links acquired over the contract period (12 months).

Paid Media Spend:

Paid media spend is charged to the client on a monthly basis in arrears.

Paid Media Consulting:

Paid media consulting is calculated in one of the following ways

1. A basic contracted retainer in line with the contractual agreement charged on a monthly basis
2. A percentage of the monthly media spend
3. A combination of the above, for example if the client's media spend reaches an agreed threshold within month.

Goodwill

Goodwill has been recognised in relation to a purchase of staff and a client list.

In line with IAS 36 the goodwill will not be amortised but reviewed regularly for impairment.

Property, plant and equipment

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Improvements to property	- 10% on cost
Fixtures and fittings	- 25% on cost
Computer equipment	- 25% on cost

Notes to the Financial Statements - continued
For The Year Ended 31 December 2016

3. ACCOUNTING POLICIES - continued

Financial instruments

Financial assets and liabilities are recognised in the company's statement of financial position when the company becomes a party to the contractual provisions of the instrument. The company's financial instruments comprise trade and other receivables and trade and other payables.

Loans and receivables:

Loans and receivables are initially stated at their fair value plus transactions costs, then subsequently at amortised cost using the effective interest method, if applicable, less impairment losses. Provisions against trade receivables are made when there is objective evidence that the company will not be able to collect all amounts due to it in accordance with the original terms of those receivables. The amount of the write down is determined as the difference between the asset's carrying amount and the present value of the estimated future cash flows.

Trade payables:

Financial liabilities are obligations to pay cash or other financial assets and are recognised when the company becomes a party to the contractual provisions of the instrument. All financial liabilities are recorded at amortised cost using the effective interest method, with interest related charges recognised as an expense in finance cost in the statement of comprehensive income.

A financial liability is derecognised only when the obligation is extinguished, that is, when the obligation is discharged, cancelled or expires.

Taxation

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Research and development

Expenditure on research and development is written off in the year in which it is incurred.

Development costs incurred are capitalised when all of the following conditions are satisfied:

- completion of the intangible asset is technically feasible so that it will be available for use of sale;
- the company intends to complete the intangible asset and use or sell it;
- the company has the ability to use or sell the intangible asset;
- the intangible asset will generate probable future economic benefits. Among other things, this requires that there is a market for the output from the intangible asset or for the intangible asset itself, or, if it is to be used internally, the asset will be used in generating such benefits;
- there are adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the expenditure attributable to the intangible asset during its development can be measured reliably.

Development costs not meeting the criteria for capitalisation are expensed as incurred.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the statement of financial position date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Employee benefit costs

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the income statement in the period to which they relate.

Notes to the Financial Statements - continued
For The Year Ended 31 December 2016

3. ACCOUNTING POLICIES - continued

New standards, amendments and interpretations

At the date of authorisation of these financial statements, certain new standards, amendments and interpretations to existing standards have been published but are not yet effective and have not been adopted early by the Company.

Management anticipates that all of the pronouncements will be adopted in the Company's accounting policies for the first period after the effective date of the pronouncement. Information on new standards, amendments and interpretations that are expected to be relevant to the Company's financial statements is provided below. Certain other new standards and interpretations have been issued but are not expected to have a material impact on the Company's financial statements.

IFRS 15 - Revenue from Contracts with Customers:

The standard sets out at what point and how revenue is recognised and also requires enhanced disclosures. Revenue contracts should be recognised in accordance with a single principles based five-step plan. The standard is effective for accounting periods beginning on or after 1 January 2018, subject to adoption by the European Union.

IFRS 16 - Leases:

IFRS 16 specifies the recognition, measurement, presentation and disclosure requirements for leases. The standard is effective for accounting periods beginning on or after 1 January 2019, subject to adoption by the European Union.

The directors do not expect that the adoption of the Standards and Amendments listed above will have a material impact on the financial statements of the company in future periods, although the detailed impact has not yet been quantified.

Impairment

The carrying amount for the company's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in the statement of comprehensive income.

The recoverable amount of assets is the greater of their net selling price 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.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation and amortisation, if no impairment loss had been recognised.

Notes to the Financial Statements - continued
For The Year Ended 31 December 2016

3. ACCOUNTING POLICIES - continued

Accounting estimates and judgements

The preparation of the company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and any accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of the assets and liabilities within the next financial year are discussed below.

Revenue recognition:

Revenue is recognised according to the accounting policies set out above and is recognised depending upon the type of income. Where contracts include different elements of revenue, these elements are recognised in line with these policies, with fair values being attributed to each component part. Judgement is used in the recognition of project income.

4. EMPLOYEES AND DIRECTORS

	2016 £	2015 £
Wages and salaries	2,346,511	2,093,527
Social security costs	249,742	180,402
Other pension costs	74,482	-
	<u>2,670,735</u>	<u>2,273,929</u>

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

	2016	2015
Directors	4	3
Technical staff	47	29
Administrative staff	7	6
	<u>58</u>	<u>38</u>

	2016 £	2015 £
Directors' remuneration	372,000	393,917
Directors' pension contributions to money purchase schemes	6,555	-
	<u>378,555</u>	<u>393,917</u>

Information regarding the highest paid director is as follows:

	2016 £	2015 £
Emoluments etc	133,000	132,000
	<u>133,000</u>	<u>132,000</u>

5. NET FINANCE INCOME

	2016 £	2015 £
Finance income:		
Deposit account interest	18	17
	<u>18</u>	<u>17</u>

Notes to the Financial Statements - continued
For The Year Ended 31 December 2016

6. **PROFIT BEFORE INCOME TAX**

The profit before income tax is stated after charging/(crediting):

	2016	2015
	£	£
Cost of inventories recognised as expense	3,524,763	1,113,295
Depreciation - owned assets	69,330	22,587
Loss on disposal of fixed assets	279	-
Computer software amortisation	2,142	2,966
Foreign exchange differences	(75,603)	(10,344)
	<u> </u>	<u> </u>

7. **INCOME TAX**

Analysis of tax income

	2016	2015
	£	£
Current tax:		
Tax	(134,211)	-
	<u> </u>	<u> </u>
Total tax income in statement of profit or loss	(134,211)	-
	<u> </u>	<u> </u>

Factors affecting the tax expense

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2016	2015
	£	£
Profit before income tax	480,056	13,048
	<u> </u>	<u> </u>
Profit multiplied by the standard rate of corporation tax in the UK of 20% (2015 - 20%)	96,011	2,610
Effects of:		
Expenses disallowed	15,186	12,326
Capital allowances in excess of depreciation	(15,940)	(15,167)
Research and development enhanced expenditure	(95,257)	(49,806)
Losses to be utilised	-	50,037
R&D tax credit	(134,211)	-
	<u> </u>	<u> </u>
Tax income	(134,211)	-
	<u> </u>	<u> </u>

At the statement of financial position date, the company had an unrecognised deferred tax asset in respect of tax losses carried forward, but this was not recognised on the ground of uncertainty over recoverability. The company has tax losses of £832,747 and, on the basis of a tax rate of 20%, the unrecognised deferred tax asset relating to tax losses carried forward is £166,549.

AYIMA LIMITED (REGISTERED NUMBER: 04886539)

**Notes to the Financial Statements - continued
For The Year Ended 31 December 2016**

8. GOODWILL

	£
COST	
Additions	<u>540,000</u>
At 31 December 2016	<u>540,000</u>
NET BOOK VALUE	
At 31 December 2016	<u><u>540,000</u></u>

The goodwill recognised in the accounts relates to the acquisition of staff and the client list from Quickthink Media Limited. The ultimate parent company of Quickthink Media Limited received 1,040 shares in Ayima Limited which now represents a 10% shareholding in Ayima Holdings Limited.

9. INTANGIBLE ASSETS

	Development costs £	Computer software £	Totals £
COST			
At 1 January 2016	-	58,680	58,680
Additions	385,071	-	385,071
Reclassification	-	(2,458)	(2,458)
At 31 December 2016	<u>385,071</u>	<u>56,222</u>	<u>441,293</u>
AMORTISATION			
At 1 January 2016	-	47,728	47,728
Amortisation for year	-	2,142	2,142
Reclassification	-	(925)	(925)
At 31 December 2016	<u>-</u>	<u>48,945</u>	<u>48,945</u>
NET BOOK VALUE			
At 31 December 2016	<u><u>385,071</u></u>	<u><u>7,277</u></u>	<u><u>392,348</u></u>
At 31 December 2015	<u>-</u>	<u>10,952</u>	<u>10,952</u>

Notes to the Financial Statements - continued
For The Year Ended 31 December 2016

10. PROPERTY, PLANT AND EQUIPMENT

	Improvements to property £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1 January 2016	35,194	284,863	328,022	648,079
Additions	71,254	84,201	64,828	220,283
Disposals	-	(52,470)	(128,283)	(180,753)
Reclassification	-	-	2,458	2,458
At 31 December 2016	106,448	316,594	267,025	690,067
DEPRECIATION				
At 1 January 2016	-	284,464	262,913	547,377
Charge for year	9,924	13,932	45,474	69,330
Eliminated on disposal	-	(52,191)	(128,283)	(180,474)
Reclassification	-	-	925	925
At 31 December 2016	9,924	246,205	181,029	437,158
NET BOOK VALUE				
At 31 December 2016	96,524	70,389	85,996	252,909
At 31 December 2015	35,194	399	65,109	100,702

11. INVESTMENTS

	Shares in group undertakings £	Unlisted investments £	Totals £
COST			
At 1 January 2016	114,350	-	114,350
Additions	-	250,000	250,000
Disposals	(114,350)	-	(114,350)
At 31 December 2016	-	250,000	250,000
NET BOOK VALUE			
At 31 December 2016	-	250,000	250,000
At 31 December 2015	114,350	-	114,350

Unlisted investments represents a 15% shareholding in Tootsa MacGinty Limited, an e-commerce company registered in Scotland.

AYIMA LIMITED (REGISTERED NUMBER: 04886539)

**Notes to the Financial Statements - continued
For The Year Ended 31 December 2016**

12. TRADE AND OTHER RECEIVABLES

	2016 £	2015 £
Current:		
Trade debtors	1,068,613	815,319
Amounts owed by group undertakings	403,259	254,376
Other debtors	345,632	214,133
Directors' current accounts	100,179	-
VAT	-	14,152
Prepayments	96,795	121,792
	<u>2,014,478</u>	<u>1,419,772</u>

13. CASH AND CASH EQUIVALENTS

	2016 £	2015 £
Bank accounts	<u>15,642</u>	<u>5,562</u>

14. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			2016	2015
Number:	Class:	Nominal value:	£	£
10,404	Ordinary	1p	<u>104</u>	<u>94</u>

1,040 Ordinary shares of 1p each were allotted as fully paid at a premium of 519.221 per share during the year.

16. TRADE AND OTHER PAYABLES

	2016 £	2015 £
Current:		
Trade creditors	466,730	235,832
Amounts owed to group undertakings	5,525	1,885
Social security and other taxes	267,306	75,259
Other creditors	170,607	131,763
Accruals and deferred income	99,666	33,505
VAT	39	-
	<u>1,009,873</u>	<u>478,244</u>
Non-current:		
Other creditors	<u>-</u>	<u>64,458</u>
Aggregate amounts	<u>1,009,873</u>	<u>542,702</u>

AYIMA LIMITED (REGISTERED NUMBER: 04886539)

**Notes to the Financial Statements - continued
For The Year Ended 31 December 2016**

17. FINANCIAL LIABILITIES - BORROWINGS

	2016	2015
	£	£
Current:		
Other loans	<u>284,964</u>	<u>92,363</u>
Terms and debt repayment schedule		
		1 year or less
		£
Other loans		<u>284,964</u>

The borrowings of £284,964 (2015: £92,363) represent an invoice discounting agreement with the bank.

A personal guarantee for £170,000 has been agreed by the directors to secure the debt.

18. ULTIMATE PARENT COMPANY

The ultimate parent company is Ayima Holdings Limited.

19. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to directors subsisted during the years ended 31 December 2016 and 31 December 2015:

	2016	2015
	£	£
M Jacobson		
Balance outstanding at start of year	7,000	-
Amounts advanced	-	7,000
Amounts repaid	-	-
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>7,000</u>	<u>7,000</u>
M Nott		
Balance outstanding at start of year	61,000	-
Amounts advanced	32,179	61,000
Amounts repaid	-	-
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>93,179</u>	<u>61,000</u>

These balances are cleared within nine months of the year end.

20. RELATED PARTY DISCLOSURES

There were no related party transactions requiring disclosure other than already disclosed within these accounts.

AYIMA LIMITED (REGISTERED NUMBER: 04886539)

**Notes to the Financial Statements - continued
For The Year Ended 31 December 2016**

21. ULTIMATE CONTROLLING PARTY

In the board's opinion there is no ultimate controlling party.