

FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2017

MUZICALL LIMITED

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MUZICALL LIMITED

COMPANY INFORMATION

Director	M Parham
Company secretary	Abogado Nominees Limited
Registered number	04964271
Registered office	100 New Bridge Street London EC4V 6JA
Independent auditors	Menzies LLP Chartered Accountants & Statutory Auditor Lynton House 7-12 Tavistock Square London WC1H 9LT

MUZICALL LIMITED

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MUZICALL LIMITED
REGISTERED NUMBER:04964271

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	4	-	1,511
Investments	5	184	184
		<u>184</u>	<u>1,695</u>
Current assets			
Debtors: amounts falling due within one year	6	1,166,690	480,240
Cash at bank and in hand		593,342	1,251,772
		<u>1,760,032</u>	<u>1,732,012</u>
Creditors: amounts falling due within one year	7	(82,374)	(86,883)
Net current assets		<u>1,677,658</u>	<u>1,645,129</u>
Total assets less current liabilities		<u>1,677,842</u>	<u>1,646,824</u>
Creditors: amounts falling due after more than one year	8	(3,371,434)	(3,041,849)
Net liabilities		<u>(1,693,592)</u>	<u>(1,395,025)</u>
Capital and reserves			
Called up share capital		306,881	306,881
Other reserves		4,346,871	4,346,871
Profit and loss account		(6,347,344)	(6,048,777)
		<u>(1,693,592)</u>	<u>(1,395,025)</u>

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

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

The Company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

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



 M Parham
 Director

Date: 20 October 2018

The notes on pages 2 to 5 form part of these financial statements.

MUZICALL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

1. General information

Muzicall Limited is private company limited by shares, registered in England and Wales. The address of its registered office is disclosed on the company information page.

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

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 Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Going concern

The financial statements have been prepared using the going concern basis of accounting. In determining whether the company's financial statements can be prepared on the going concern basis the Director has considered all factors likely to affect its future development, performance and its financial position.

The company incurred a net loss of £298,567 during the year ended 31 December 2017 and, at that date, the company's total liabilities exceeded its total assets by £1,693,592. The company owes £3,380,790 to fellow group company, RealNetworks GmbH (Austria), which is not due for repayment until 2024.

RealNetworks GmbH (Austria) has also committed to providing financial support to the company as is necessary to enable it to meet its liabilities as they fall due for a period of not less than 12 months from the date of approval of these financial statements.

Following consideration of the above factors the Director has considered that it is appropriate to apply the going concern basis.

2.3 Revenue

Revenue represents amounts receivable for good and services net of VAT and is recognised in the month in which the company supplies the related ring back tone or support services.

2.4 Exemption from preparing consolidated financial statements

The entity is exempt by Section 399 of the Companies Act 2006 from preparing consolidated financial statements on the basis that the entity and its subsidiary undertakings comprise a small group.

2.5 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.

MUZICALL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

2. Accounting policies (continued)

2.5 Tangible fixed assets (continued)

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.

The estimated useful lives range as follows:

Fixtures and fittings	- 3 years straight line
Ringback Tone Equipment	- 3 years straight line

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 the Statement of Income and Retained Earnings.

2.6 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 non-puttable ordinary shares.

2.7 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Income and Retained Earnings except when deferred in other comprehensive income as qualifying cash flow hedges.

3. Employees

The average monthly number of employees, including directors, during the year was 1 (2016 - 1).

MUZICALL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

4. Tangible fixed assets

	Plant and machinery £
Cost or valuation	
At 1 January 2017	226,364
At 31 December 2017	226,364
Depreciation	
At 1 January 2017	224,853
Charge for the year on owned assets	1,511
At 31 December 2017	226,364
Net book value	
At 31 December 2017	-
At 31 December 2016	1,511

5. Fixed asset investments

	Total £
Cost or valuation	
At 1 January 2017	184
At 31 December 2017	184
Net book value	
At 31 December 2017	184
At 31 December 2016	184

6. Debtors

	2017 £	2016 £
Trade debtors	87,208	119,670
Amounts owed by group undertakings	1,039,127	292,142

MUZICALL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

6. Debtors (continued)

Other debtors	6,328	12,085
Prepayments and accrued income	34,027	56,343
	<u>1,166,690</u>	<u>480,240</u>

7. Creditors: Amounts falling due within one year

	2017 £	2016 £
Amounts owed to group undertakings	70,431	66,634
Other taxation and social security	-	2,170
Accruals and deferred income	11,943	18,079
	<u>82,374</u>	<u>86,883</u>

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

	2017 £	2016 £
Amounts owed to group undertakings	<u>3,371,434</u>	<u>3,041,849</u>

The aggregate amount of liabilities repayable wholly or in part more than five years after the balance sheet date is:

	2017 £	2016 £
Repayable other than by instalments	<u>3,371,434</u>	<u>3,041,849</u>
	<u>3,371,434</u>	<u>3,041,849</u>

9. Parent company

The parent of the smallest group for which consolidated financial statements are drawn up is RealNetworks Inc. The address of their registered office is: PO Box 91123, Seattle, WA 98111-9223, USA

10. Auditors' information

The audit report accompanying the full version of these accounts is unqualified.

The audit report was signed by Philip King FCA (Senior Statutory Auditor) for and on behalf of Menzies LLP, Chartered Accountants & Statutory Auditor.