COMPANIES HOUSE

Bloom Media (UK) Limited

Financial statements

For the 13 month period ended 31 March 2017

Company no 05695068

Company information

Company registration number:	05695068
Registered office:	Albert Works 71 Sidney Street SHEFFIELD S1 4RG
Directors:	A J Craven A Lingard R B Shaw M Sprot
Bankers:	Bank of Scotland 33 Old Broad Street LONDON EC2N 1HZ
Auditor:	Grant Thornton UK LLP Statutory Auditor Chartered Accountants 2 Broadfield Court SHEFFIELD S8 0XF

Index to the financial statements

Report of the directors

The directors present their report and the financial statements of the company for the 13 month period ended 31 March 2017.

Principal activity

The company is principally engaged in provision of data, creative and digital marketing services.

Results and dividends

There was a profit for the period after taxation amounting to £548,548 (2016: £232,488).

The company has paid dividends during the period amounting to £114,745 (2016: £229,490).

Directors

The directors who served the company during the period are as follows:

A J Craven (appointed 1 September 2016)
A Lingard (appointed 1 September 2016)
R B Shaw (appointed 1 September 2016)
M Sprot (appointed 1 September 2016)
P Grindrod (appointed 4 November 2013, resigned 1 September 2016)
N Lockwood (appointed 1 July 2011, resigned 1 September 2016)
G Singh (appointed 1 April 2014, resigned 1 September 2016)
B Wadsworth (appointed 2 February 2006, resigned 1 September 2016)
D Wood (appointed 19 May 2014, resigned 1 September 2016)

Statement of directors' responsibilities

The directors are responsible for preparing the Report of the directors, Strategic report and the financial statements in accordance with applicable laws 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 laws, including FRS 101 "Reduced Disclosure Framework"). 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 and 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.

Report of the directors

The directors confirm that:

- so far as each director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditor
The auditor, Grant Thornton UK LLP, was appointed 1 September 2016 and have expressed a willingness to continue in office. In accordance with s485(4) of the Companies Act 2006 a resolution to reappoint Grant Thornton UK LLP as auditors will be proposed at the Annual General Meeting.

ON BEHALF OF THE BOARD

M Sprot

M Sprot
Director
7 July 2017

Strategic report

Key Performance Indicators

Key performance indicators of the company include gross profit margin (2017: 70.09%, 2016: 68.11%) and operating profit margin (2017: 15.19%, 2016: 9.91%) which is defined as Operating Profit before Share Based Payment Transactions.

These are monitored and reviewed on a regular basis by the directors and the company has performed to expected levels during the year.

Business review

Bloom Media (UK) Ltd has continued to grow its client base with expansion in Australia as well as the UK. During the year Bloom Media (UK) Ltd was acquired by Jaywing Plc. This acquisition will reinforce Bloom Media (UK) Ltd in continuing to deliver data led, integrated marketing solutions.

Principal risks and uncertainties

The management of the business and the nature of the company's strategy are subject to a number of risks. The directors have set out below the principal risks facing the business. The directors are of the opinion that a risk management process is adopted which includes the formal review of all the risks identified below. Where possible, processes are in place to monitor and mitigate such risks.

Financial risk management objectives and policies

The company uses financial instruments, other than derivatives, cash and other liquid resources and various other items such as trade debtors and creditors that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the company's operations. The main risks arising from the company financial instruments are liquidity risk and currency risk. The directors review and agree policies for managing these risks and they are summarised below.

Liquidity risk
The company seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably. Primarily this is achieved through maintaining control over debtors and creditors.

Currency risk
The company is exposed to transaction and translation foreign exchange risk. This is not significant and not considered a major risk. Exchange rate movements are monitored on a regular basis.

M Sprot

M Sprot
Director
7 July 2017

Grant Thornton

Independent auditor's report to the members of Bloom Media (UK) Limited

We have audited the financial statements of Bloom Media (UK) Limited for the year ended 31 March 2017 which comprise the profit and loss account, the balance sheet, the statement of changes in equity and the related notes. 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 101 Reduced Disclosure Framework.

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 auditors

As explained more fully in the Statement of Directors' Responsibilities (set out on page 2), 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 Financial Reporting Council'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 March 2017 and of its profit for the period 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 matter 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 Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Strategic Report and Report of the Directors has been prepared in accordance with applicable legal requirements

Matters on which we are required to report under the Companies Act 2006

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 any material misstatements in the Strategic Report and Report of the Directors.

Grant Thornton

Independent auditor's report to the members of Bloom 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.

Grant Thornton UK LLP.

Paul Houghton
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Sheffield
7 July 2017

Profit and loss account

	Note	2017 £	2016 £
Turnover		**3,719,041**	2,851,951
Cost of sales		**(1,080,566)**	(909,368)
Gross profit		**2,638,475**	1,942,583
Administrative expenses		**(1,994,350)**	(1,665,553)
Other operating income	2	**11,288**	5,538
Operating profit	3	**655,413**	282,568
Interest payable and similar charges		**(599)**	(4,032)
Profit on ordinary activities before taxation		**654,814**	278,536
Tax on profit on ordinary activities	5	**(106,266)**	(46,048)
Profit for the financial year		**548,548**	232,488

All of the activities of the company are classed as continuing.

The accompanying accounting policies and notes form an integral part of these financial statements.

Balance sheet

	Note		2017		2016
		£	£	£	£
Fixed assets					
Intangible fixed assets	6		31,680		60,106
Tangible assets	7		23,932		9,679
			55,612		69,785
Current assets					
Debtors	8	1,273,281		589,681	
Cash at bank and in hand		294,572		100,196	
		1,567,853		689,877	
Creditors: amounts falling due within one year	9	(791,044)		(511,044)	
Net current assets			776,809		178,833
Total assets less current liabilities			832,421		248,618
Creditors: amounts falling due after more than one year			-		-
Net assets			832,421		248,618
Capital and reserves					
Called up share capital	10	1,042		1,042	
Share premium account		116,813		116,813	
Capital redemption reserve		276		276	
Profit and loss account		714,290		130,487	
Shareholders' funds			832,421		248,618

The financial statements were approved by the Board of Directors and authorised for issue on 7 July 2017.

Signed on behalf of the board of directors:

M Sprot

M Sprot
Director

Company number: 05695068

Statement of changes in equity

	Called-up share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Profit and loss account £'000	**Total £'000**
At 1 March 2015	1,042	116,813	276	127,489	**245,620**
Profit for the financial period	-	-	-	232,488	**232,488**
Dividends paid	-	-	-	(229,490)	**(229,490)**
At 28 February 2016	1,042	116,813	276	130,487	**248,618**
At 29 February 2016	1,042	116,813	276	130,487	**248,618**
Profit for the financial period	-	-	-	548,548	**548,548**
Dividends paid	-	-	-	(114,745)	**(114,745)**
Share based payment charge	-	-	-	150,000	**150,000**
At 31 March 2017	1,042	116,813	276	714,290	**832,421**

Notes to the financial statements

1 Accounting policies

1.1 Statement of compliance

These financial statements have been prepared in accordance with applicable accounting standards and in accordance with Financial Reporting Standard 101 – 'The Reduced Disclosure Framework' (FRS 101). The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have all been applied consistently throughout the year unless otherwise stated.

The financial statements have been prepared on a historical cost basis except for the revaluation of certain properties and financial instruments.

The financial statements are presented in Sterling (£).

Bloom Media (UK) Limited is incorporated in England and Wales. The registered office is Albert Works, 71 Sidney Street, Sheffield, S1 4RG. The company is principally engaged in media representation services.

1.2 Changes in accounting policies

This is the first year in which the financial statements have been prepared in accordance with FRS 101. The date of transition to FRS 101 is 1 April 2014. An explanation of the transition is included in note 15 to the financial statements. In applying FRS 101 for the first time the Company has applied early the amendment to FRS 101 which permits a first time adopter not to present an opening statement of financial position at the beginning of the earliest comparative period presented.

1.3 Going concern

After reviewing the Company's forecasts and projections, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing its financial statements.

1.4 Parent Company

The Company is a wholly owned subsidiary of Jaywing plc which prepares publicly available consolidated financial statements in accordance with IFRS. This Company is included in the consolidated financial statements of Jaywing plc for the year ended 31 March 2017. These accounts are available from Albert Works, 71 Sidney Street, Sheffield, S1 4RG.

1.5 Disclosure exemptions adopted

In preparing these financial statements the Company has taken advantage of all disclosure exemptions conferred by FRS 101. Therefore these financial statements do not include:

1. A statement of cash flows and related notes
2. the requirement to produce a balance sheet at the beginning of the earliest comparative period
3. the requirements of IAS 24 related party disclosures to disclose related party transactions entered in to between two or more members of the group as they are wholly owned within the group
4. Presentation of comparative reconciliations for property, plant and equipment, intangible assets, investment properties and agriculture
5. Capital management disclosures
6. Presentation of comparative reconciliation of the number of shares outstanding at the beginning and at the end of the period
7. The effect of future accounting standards not adopted
8. Certain share based payment disclosures
9. Disclosures in relation to impairment of assets
10. Disclosures in respect of financial instruments (other than disclosures required as a result of recording financial instruments at fair value)

Notes to the financial statements

1 Accounting policies (continued)

1.6 Tangible assets

Property plant and equipment (PPE) is initially recognised at acquisition cost or manufacturing cost, including any costs directly attributable to bringing the assets to the location and condition necessary for them to be capable of operating in the manner intended by the Company's management.

Other PPE

PPE is subsequently measured at cost less accumulated depreciation and impairment losses.

Depreciation is recognised on a straight-line basis (unless otherwise stated) to write down the cost less estimated residual value of PPE. The following useful lives are applied:

- Fixtures, fittings and equipment: 2-5 years

Gains or losses arising on the disposal of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognised in profit or loss within other income or other expenses.

1.7 Financial instruments - Recognition, initial measurement and derecognition

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities is described below.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

1.8 Financial instruments - Classification and subsequent measurement of financial assets

For the purpose of subsequent measurement financial assets, other than those designated and effective as hedging instruments, are classified into the following categories upon initial recognition:

- loans and receivables

There are no financial assets that have been designated as held to maturity, fair value through profit or loss or available-for-sale.

All financial assets are reviewed for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described below.

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.

Notes to the financial statements

1 Accounting policies (continued)

1.9 Financial instruments – loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition, these are measured at amortised cost using the effective interest method, less provision for impairment. Discounting is omitted where the effect of discounting is immaterial. The Company's cash and cash equivalents, trade debtors and other debtors fall into this category of financial instrument.

Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default. Receivables that are not considered to be individually impaired are reviewed for impairment in groups, which are determined by reference to the industry and region of the counterparty and other shared credit risk characteristics. The impairment loss estimate is then based on recent historical counterparty default rates for each identified group.

1.10 Financial instruments – Classification and subsequent measurement of financial liabilities
The Company's financial liabilities include borrowings, trade creditors and other creditors and derivative financial instruments.

Financial liabilities are measured subsequently at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVTPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss (other than derivative financial instruments that are designated and effective as hedging instruments).

1.11 Cash and cash equivalents
Cash comprise cash on hand and demand deposits which is presented as cash at bank and in hand in the balance sheet.

Cash equivalents comprise short-term, highly liquid investments with maturities of three months or less from inception that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value. Cash equivalents are presented as part of current asset investments in the balance sheet.

1.12 Operating leases
Where the Company is a lessee, payments made under an operating lease agreement are recognised as an expense on a straight-line basis over the lease term.

Incentives received to enter into an operating lease are credited to the profit and loss account, to reduce the lease expense, on a straight-line basis over the period of the lease. Associated costs, such as maintenance and insurance, are expensed as incurred.

1.13 Financial guarantees
Financial guarantees in respect of the borrowings of fellow group companies are not regarded as insurance contracts. They are recognised at fair value and are subsequently measured at the higher of:

- the amount that would be required to be provided under IAS 37 (see policy on provisions below); and
- the amount of any proceeds received net of amortisation recognised as income.

Notes to the financial statements

1 Accounting policies (continued)

1.14 Holiday pay

A provision for annual leave accrued by employees as a result of services rendered, and which employees are entitled to carry forward and use within the next 12 months is recognised in the current period. The provision is measured at the salary cost payable for the period of absence.

1.15 Equity, reserves and dividend payments

Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset.

The Company's ordinary shares are classified as equity. Transaction costs on the issue of shares are deducted from the share premium account arising on that issue. Dividends on the Company's ordinary shares are recognised directly in equity.

Interim dividends are recognised when they are paid. A liability for unpaid dividends is recognised when the dividends have been approved in a general meeting prior to the reporting date.

1.16 Revenue recognition

The turnover shown in the profit and loss account represents amounts invoiced in relation to work undertaken during the year.

Turnover is the revenue arising from the sale of services. It is stated at the fair value of the consideration receivable, net of value added tax, rebates and discounts.

Revenue is recognised in accordance with the stage of completion of contractual obligations to the customer. The stage of completion is ascertained by assessing the fair value of the services provided to the balance sheet date as a proportion of the total fair value of the contract. Losses on contracts are recognised in the period in which the loss first becomes foreseeable.

1.17 Revenue – other revenue streams

Interest receivable

Interest receivable is reported on an accrual basis using the effective interest method.

1.18 Operating expenses

Operating expenses are recognised in profit or loss upon utilisation of the service or as incurred.

1.19 Foreign currency translation

Foreign currency transactions are translated into the Company's functional currency using the exchange rates prevailing at the dates of the transactions (spot exchange rate).

Foreign exchange gains and losses resulting from the re-measurement of monetary items denominated in foreign currency at year-end exchange rates are recognised in profit or loss.

1.20 Income taxes

Tax expense recognised in profit or loss comprises the sum of deferred tax and current tax not recognised in other comprehensive income or directly in equity.

Calculation of current tax is based on tax rates and laws that have been enacted or substantively enacted by the end of the reporting period. Deferred income taxes are calculated using the liability method.

Calculation of deferred tax is based on tax rates and laws that have been enacted or substantively enacted by the end of the reporting period that are expected to apply when the asset is realised or the liability is settled.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the entity expects to recover the related asset or settle the related obligation.

Notes to the financial statements

1 Accounting policies (continued)

Deferred tax assets are recognised to the extent that it is probable that the underlying tax loss or deductible temporary difference will be utilised against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit. Deferred tax assets are not discounted.

Deferred tax liabilities are generally recognised in full with the exception of the following:

- on the initial recognition of goodwill on investments in subsidiaries and joint ventures where the Company is able to control the timing of the reversal of the difference and it is probable that the difference will not reverse in the foreseeable future on the initial recognition of a transaction that is not a business combination and at the time of the transaction affects neither accounting or taxable profit.

Deferred tax liabilities are not discounted.

1.21 Post-employment benefits and short-term employee benefits

Short-term employee benefits

Short term employee benefits including holiday entitlement, are current liabilities included in pension and other employee obligations, measured at undiscounted amount that the Company expects to pay as a result of unused entitlement. See holiday pay policy in 1.14 above.

Post-employment benefit plans

Contributions to defined contribution pension schemes are charged to profit or loss in the year to which they relate. Prepaid contributions are recognised as an asset. Unpaid contributions are reflected as a liability.

1.22 Share based payments

Where equity settled share options are awarded by the parent company to employees of this Company the fair value of the options at the date of grant is charged to profit or loss over the vesting period with a corresponding entry in retained earnings.

Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each reporting date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest.

Non-vesting conditions and market vesting conditions are factored into the fair value of the options granted. As long as all other vesting conditions are satisfied, a charge is made irrespective of whether the market vesting conditions are satisfied. The cumulative expense is not adjusted for failure to achieve a market vesting condition or where a non-vesting condition is not satisfied.

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to the statement of comprehensive income over the remaining vesting period.

Recharges from the parent company for the use of options over the parent company shares are deducted from equity.

1.23 Profit from operations

Profit from operations comprises the results of the Company before interest receivable and similar income, interest payable and similar charges, corporation tax and deferred tax.

1.24 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

Notes to the financial statements

1 Accounting policies (continued)

1.25 **Significant judgement in applying accounting policies and key estimation uncertainty**
When preparing the financial statements, management makes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

Significant management judgement
The following are significant management judgements in applying the accounting policies of the Company that have the most significant effect on the financial statements.

Capitalisation of internally developed software
Distinguishing the research and development phases of a new customised software project and determining whether the recognition requirements for the capitalisation of development costs are met requires judgement. After capitalisation, management monitors whether the recognition requirements continue to be met and whether there are any indicators that capitalised costs may be impaired.

Useful lives of depreciable assets
Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technological obsolescence that may change the utility of certain software and IT equipment.

Share-based payments
The company has entered into share option plans for eligible employees. These are accounted for under IFRS 2 Share-based payments. The fair value at the date of grant of share based remuneration is calculated and charged to the income statement on a straight line basis over the vesting period of the award. The charge to the income statement takes account of the estimated number of shares that will vest. All share based remuneration is equity settled.

2 Other operating income

	2017	2016
	£	£
Grants receivable	11,288	5,538

Notes to the financial statements

3 Operating profit

Operating profit is stated after charging:

	2017	2016
	£	£
Depreciation of owned assets	9,183	28,053
Amortisation of intangible fixed assets	28,426	30,364
Operating lease charges – land and buildings	93,785	69,799
Operating lease charges – other assets	42,435	69,054
Auditor's remuneration	-	5,500

The audit fee for the company is being met by Jaywing Plc.

4 Staff costs

Employee costs, including directors, during the year:

	2017	2016
	£	£
Wages and salaries	1,077,365	887,927
Social security costs	119,039	94,488
Other pension costs	19,923	8,986
Share charge	150,000	-
	1,216,327	991,401

Remuneration in respect of directors was as follows:

	2017	2016
	£	£
Salaries	103,156	109,250
Benefits in kind	22,583	63,418
Aggregate remuneration	125,739	172,668
Pension contributions	1,500	1,200
	127,239	173,868

	2017 Number	2016 Number
Number of directors who are accruing benefits under money purchase pension schemes	1	1

During the period, one director was issued 32 D shares for nil consideration as part of their remuneration for the period from the date of grant, to the date of the purchase of the company by Jaywing plc, 1 September 2016. The fair value of this consideration was calculated to be £150,000.

Notes to the financial statements

5 Tax on profit on ordinary activities

(a) The tax charge is based on the profit for the period and represents:

	2017	2016
	£	£
Current tax		
UK corporation tax	**116,241**	65,971
Adjustment in respect of previous periods	**(9,975)**	(19,923)
Total current tax	**106,266**	46,048

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the period is lower (2016: lower) than the standard rate of corporation tax in the UK of 20% (2016: 20%).

	2017	2016
	£	£
Profit on ordinary activities before taxation	**548,548**	232,488
Profit on ordinary activities by rate of tax	**109,710**	46,498
Expenses not deductible for tax purposes	**6,531**	(19,473)
Adjustments to tax change in respect of previous periods	**(9,975)**	(19,923)
Total tax (note 7(a))	**106,266**	46,048

6 Intangible fixed assets

	Development costs	Total
	£	£
Cost		
At 29 February 2016	104,957	104,957
Additions	-	-
At 31 March 2017	104,957	104,957
Amortisation		
At 29 February 2016	44,851	44,851
Charge for the period	28,426	28,426
At 31 March 2017	-	-
	73,277	73,277
Net book amount		
At 31 March 2017	**31,680**	**31,680**
At 29 February 2016	60,106	60,106

Notes to the financial statements

7 Tangible fixed assets

	Computer equipment £	Office equipment £	Total £
Cost			
At 29 February 2016	153,334	51,338	204,672
Additions	21,546	1,890	23,436
At 31 March 2017	174,880	53,228	228,108
Depreciation			
At 29 February 2016	145,138	49,855	194,993
Charge for the period	7,539	1,644	9,183
At 31 March 2017	152,677	51,499	204,176
Net book amount			
At 31 March 2017	**22,203**	**1,729**	**23,932**
At 29 February 2016	8,196	1,483	9,679

8 Debtors

	2017 £	2016 £
Trade debtors	**803,668**	502,029
Other debtors	**202,712**	1,171
Prepayments and accrued income	**266,901**	86,481
	1,273,281	589,681

Trade debtors are subject to financing arrangements under an invoice discounting agreement with recourse.

9 Creditors: amounts falling due within one year

	2017 £	2016 £
Trade creditors	**388,144**	190,821
Loan payable	**-**	22,347
Corporation tax	**116,340**	46,048
Social security and other taxes	**135,994**	111,385
Other creditors	**28,154**	1,754
Directors' loan accounts	**-**	9,772
Accruals and deferred income	**122,412**	128,917
	791,044	511,044

Security has been given by the company in respect of the bank overdraft.

Notes to the financial statements

10 Share capital

	2017		2016	
	No	£	No	£
Allotted, called up and fully paid shares				
'A' Ordinary shares of £1 each	**200**	**200**	200	200
'B' Ordinary shares of £1 each	**200**	**200**	200	200
'C' Ordinary shares of £1 each	**57**	**57**	57	57
'D' Ordinary shares of £1 each	**541**	**541**	509	509
'E' Ordinary shares of £1 each	**76**	**76**	76	76
	1,074	**1,074**	1,042	1,042

The 'A', 'B', 'C', 'D', 'E' Ordinary shares of £1 each rank pari passu in all respects, save that the 'E' Ordinary shares are non-voting and the company may declare dividends at variable rates on the different classes of shares.

11 Reserves

Called-up share capital – represents the nominal value of shares that have been issued.

Profit and loss account – includes all current and prior period retained profits and losses.

12 Commitments under operating leases

At 31 March 2017 the company had aggregate annual commitments under non-cancellable operating leases as set out below:

	2017	2016
	£	£
Land and buildings		
Within one year	**106,523**	45,315
Within two and five years	**60,025**	13,527
	166,548	58,842
Other		
Within one year	**53,264**	38,923
Within two and five years	**43,352**	12,268
After five years	**4,201**	2,940
	100,817	54,131

Notes to the financial statements

13 Transactions with directors

Performance Management Limited, a company of which B Wadsworth is a shareholder and director, was paid an aggregate sum of £22,885 (2016: £45,000) for services provided to the company during the year.

GDS Insight Limited, a company of which G Singh is a shareholder and director, was paid an aggregate sum of £13,009 (2016: £35,000) for services provided to the company during the year.

Professor Peter Grindrod, was paid an aggregate sum of £6,000 (2016: £12,000) for services provided to the company during the year. In addition he was issued 32 D shares as part of his remuneration for the period. The fair value of this consideration was calculated to be £150,000.

Certain directors have guaranteed jointly and severally a loan payable by the company up to a limit of £50,000 and also invoice discounting finance up to a limit of £35,000. At 31 March 2017 the amount of the loan outstanding was £Nil (2016: £22,347) and the amount owed to the finance company was £Nil (2016: £Nil).

During the year the company paid dividends of £114,745 (2016: £229,490) which included dividends paid to directors, in their capacity as shareholders in the company, totalling £90,723 (2016: £181,446).

14 Controlling party

The ultimate parent undertaking and controlling related party of this company is its parent company, Jaywing plc, by virtue of its 100% shareholding in the company.

The largest and smallest group of undertakings for which group accounts have been drawn up is that headed by Jaywing plc. Copies of the group accounts can be obtained at Albert Works, 71 Sidney Street, Sheffield, South Yorkshire, S1 4RG.

15 Transition to FRS 101

The Company has adopted FRS 101 for the first time having previously applied UK GAAP that was effective before periods commencing on or after 1 March 2016. The date of transition to FRS 101 was 1 March 2015. There were no transitional adjustments identified.