

TAMARES VIRTUAL LIMITED

**REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2016**



TAMARES VIRTUAL LIMITED

COMPANY INFORMATION

Director	C Zabludowicz
Secretary	R M Lloyd ACA
Company number	06034235
Registered office	41 Dover Street London W1S 4NS

TAMARES VIRTUAL LIMITED**STATEMENT OF FINANCIAL POSITION****AS AT 31 DECEMBER 2016**

	Notes	2016 £	2015 £ (As restated)
Fixed assets			
Intangible fixed assets	7	-	15,771
Current assets			
Debtors	8	-	587,682
Creditors: amounts falling due within one year	9	(1,241,061)	(1,261,809)
Net current liabilities		-	(674,127)
Net liabilities		-	(658,356)
Capital and reserves			
Called up share capital	11	100	100
Profit and loss reserve	12	(1,241,161)	(658,456)
Total equity		(1,241,061)	(658,356)

For the year ended 31 December 2016 the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

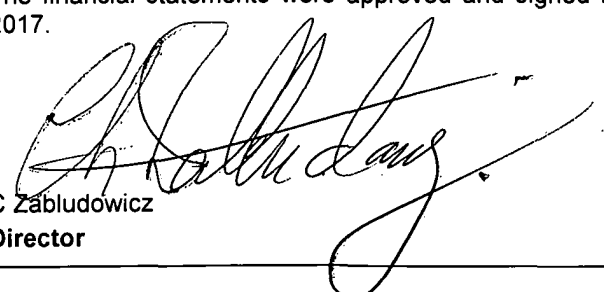
The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476.

The director acknowledges his responsibility for complying with the Act with respect to accounting records and the preparation of accounts.

The company's annual financial statements and reports have been delivered in accordance with the provisions applicable to companies' subject to the small companies' regime. The Director's report and Statement of Comprehensive Income have not therefore been filed.

These 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.

The financial statements were approved and signed by the director and authorised for issue on 28th September 2017.


C Zabłudowicz
Director

TAMARES VIRTUAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

Company information

Tamares Virtual Limited is a company limited by shares domiciled and incorporated in England and Wales. The registered office is 41 Dover Street, London, W1S 4NS.

The company's principal activity is disclosed in the Director's Report. The nature of the company's operations is to invest in virtual world projects but the company ceased operations on 31 December 2016.

Accounting convention

These financial statements have been prepared in accordance with FRS 102, Section 1A "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

Going concern

Although at the year end there was an excess of liabilities over assets, this is due to amounts due the parent company. The parent company have no intent to call in the debt whilst the company is reliant on their funding. As such the preparation of the financial statements under a going concern basis is appropriate.

Turnover

Turnover is recognised at the fair value of the consideration received or receivable for services provided to customers in the ordinary nature of the business.

Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks.

Intangible fixed assets

Intangible fixed assets are measured at cost less accumulated amortisation and any accumulated impairment losses.

Amortisation is charged so as to allocate the cost of intangibles less their residuals values over their estimated useful life, using the straight-line method. The intangible assets of the company are amortised over the following useful life:

Internet domain names - 10 years' straight line

If there is an indication that there has been a significant change in amortisation rate or residual value of an asset, the amortisation of that asset is revised prospectively to reflect the new expectation.

TAMARES VIRTUAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies (Continued)

Impairment of assets

At each reporting date fixed assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in the Statement of Comprehensive Income.

If an impairment loss subsequently reverses, the carry amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Comprehensive Income.

Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Financial assets are classified into specific categories. The classification depends on the nature and purpose of the financial assets and is determined at the time of recognition.

Trade debtors

Trade debtors which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price. Trade debtors are subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

Where the arrangement constitutes a financing transaction, the debtor is initially and subsequently measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument.

Impairment of financial assets

Financial assets, other than those held at fair value through in the Statement of Comprehensive Income, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in the Statement of Comprehensive Income.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

TAMARES VIRTUAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies (Continued)

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including trade and other payables, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Trade creditors

Trade creditors payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

Where the arrangement with a trade creditor constitutes a financing transaction, the creditor is initially and subsequently measured at the present value of future payments discounted at a market rate of interest for a similar instrument.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's contractual obligations are discharged, cancelled, or they expire.

Equity instruments

Equity instruments issued by the company are recorded at the fair value of proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting period.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date. Deferred tax is not discounted.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

TAMARES VIRTUAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

2 Judgements and key sources of estimation uncertainty

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

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

In the director's opinion, there is uncertainty on the useful life of the intangible fixed asset owned by the company and he has adopted the standard amortisation period allowed by the accounting standards when the useful life cannot be estimated reliably. There are no other estimates or judgements which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities.

3 Loss on ordinary activities before taxation

	2016	2015
	£	£
Loss on ordinary activities before taxation for the year is stated after charging:		
Amortisation of intangible fixed assets	1,972	1,972

4 Employees

The average monthly number of persons (including directors) employed by the company during the year was 1 (2015: 1).

5 Director's remuneration

	2016	2015
	£	£
Remuneration for qualifying services	-	-

6 Taxation

	2016	2015
	£	£
Current tax		
UK corporation tax on profits for the current period	-	-

TAMARES VIRTUAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

7 Intangible fixed assets

	Internet Domain Names £
Cost	
At 1 January 2016	30,331
Disposals	(30,331)
At 31 December 2016	-
Depreciation	
At 1 January 2016	14,559
Charge for period	1,972
Eliminated on disposal	(16,531)
At 31 December 2016	-
Net book value at 31 December 2016	-
Net book value at 31 December 2015	15,771

8 Debtors

	2016 £	2015 £
Amounts falling due within one year:		
Prepayments and accrued income	-	587,682

9 Creditors: amounts falling due within one year

	2016 £	2015 £ (As restated)
Trade creditors	-	3,120
Accruals and deferred income	-	10,200
Amounts due to parent undertaking	1,241,061	1,248,489
	<u>1,241,061</u>	<u>1,261,809</u>

10 Financial instruments

	2016 £	2015 £ (As restated)
Carrying amount of financial liabilities		
Measured at amortised cost	1,241,061	1,261,809

TAMARES VIRTUAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

11 Share capital

	2016 £	2016 £
Ordinary share capital		
Issued and fully paid		
100 Ordinary Shares of £1 each	100	100

The company has one class of ordinary shares which carry full voting rights.

12 Profit and loss reserve

The profit and loss reserve represents the cumulative profit and loss net of distributions to owners.

	Profit and loss reserve £
At 1 January 2016 (as previously stated)	(953,938)
Prior year adjustment (as explained in note 14)	295,482
At 1 January 2016 (as restated)	(658,456)
Loss for the financial year	(582,705)
At 31 December 2016	(1,241,161)

13 Related party transactions

There was no remuneration paid to the key management personnel during the current or previous year.

During the year, the company was provided with a working capital loan of £1,241,061 (2015 restated: £1,248,489) by Tamares Media Limited, which was outstanding at the balance sheet date.

14 Prior year adjustment – Interest charged on loan due to parent undertaking

The accounts have been restated to reflect that there should have been no interest charged on the working capital loan from Tamares Media Limited, the parent company since 1 January 2013. This change has resulted in a cumulative increase to the profit and loss reserves of £295,482. There has been a corresponding decrease to amounts due to the parent company.

	£
Summary of the prior year accounting impact	
Reduction in creditors – 2013 interest not chargeable	85,161
Reduction in creditors – 2014 interest not chargeable	99,754
Reduction in creditors – 2015 interest not chargeable	110,567
Prior year adjustment – increase in distributable profits	295,482

TAMARES VIRTUAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

15 Controlling party

The immediate controlling party of the company is Tamares Media Limited, a limited company registered in Gibraltar. No consolidated accounts are prepared for this group.

The ultimate controlling party of the company is the Zabłudowicz Capital Trust, a trust administered in Gibraltar.