

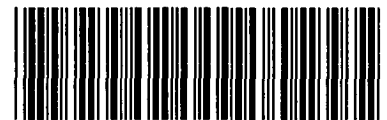
Z/YEN CONTENTS LIMITED AND ITS SUBSIDIARIES

UNAUDITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

WEDNESDAY



A8DR9EV8

A25

11/09/2019

#345

COMPANIES.HOUSE

Z/YEN CONTENTS LIMITED AND ITS SUBSIDIARIES

COMPANY INFORMATION

Directors	I L Harris Professor M R Mainelli E Mainelli
Company secretary	I L Harris
Registered number	06047006
Registered office	12 Clanricarde Gardens London W2 4NA
Accountants	Simmons Gainsford LLP Chartered Accountants 7-10 Chandos Street London W1G 9DQ

Z/YEN CONTENTS LIMITED AND ITS SUBSIDIARIES

CONTENTS

	Page
Directors' Report	1 - 2
Accountants' Report	3
Consolidated Profit and Loss Account	4
Consolidated Balance Sheet	5
Company Balance Sheet	6
Notes to the Financial Statements	7 - 16

Z/YEN CONTENTS LIMITED AND ITS SUBSIDIARIES

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2018

The directors present their report and the financial statements for the year ended 31 December 2018.

Principal activity

The principal activity of the company continued to be that of risk/reward managers.

Z/Yen helps organisations make better choices. Our name combines Zen and Yen - "a philosophical desire to succeed" - in a ratio, recognising that all decisions are trade-offs. Z/Yen's mission is to be the foremost risk/reward management firm. Risk/reward management underpins Z/Yen's belief that good decisions must:

- * enhance reward - decisions on opportunities and new strategies;
- * control risk - decisions about eliminating, avoiding, mitigating or pooling risks;
- * reduce volatility - decisions that increase certainty or consistency of performance.

Z/Yen applies risk/reward management in the public, private and not-for-profit sectors in areas as diverse as finance, information technology, human resources, research and development, environment, quality, sales and marketing.

Results and dividends

The profit for the year, after taxation, amounted to £39,495 (2017 - £103,427).

The profit for the year, after taxation, amounted to £39,495 (2017: £103,427). The group's operating profit for the year amounted to £36,525 (2017: £102,351). The group's profit for the year before taxation amounted to £47,049 (2017: £103,684). The profit after taxation of £39,495 (2017: £103,427) was transferred to reserves. No dividend was paid.

The operating value added per pound of indirect costs was approximately £1.76 (2017: £2.26) and the average operating value added per member of professional staff was £118,000 (2017: £120,700).

The average operating value added on trading activities per pound of capital investment was £1.22 (2017: £1.00).

Post balance sheet events

In April 2019, a major research sponsor defaulted on its due payments, in breach of the contract's termination clause. Z/Yen's advisors are clear that the amount, £416,666, should be recoverable in full and the Directors are confident that the steps Z/Yen is taking, through its advisors, should lead to that full recovery. None of the amount is accounted for as income in these 2018 accounts.

In January 2019, Z/Yen Group Limited acquired The Financial Services Club; a unique service for financial services professionals dedicated to understanding the future. This acquisition is dovetailing well with Z/Yen's Long Finance initiative. Z/Yen expects integration to be completed during 2019. The combined initiative looks set to become a strong, growing membership and events venture in the coming years.

Z/YEN CONTENTS LIMITED AND ITS SUBSIDIARIES

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

Directors' responsibilities statement

The directors are responsible for preparing the Directors' Report and the consolidated 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the 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 the Group and of the profit or loss of the Group for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Group's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group 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 the Group and to 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Directors

The directors who served during the year were:

I L Harris
Professor M R Mainelli
E Mainelli

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

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


.....
I L Harris
Director

Date:

4 September 2019

Z/YEN CONTENTS LIMITED AND ITS SUBSIDIARIES

CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF Z/YEN CONTENTS LIMITED AND ITS SUBSIDIARIES FOR THE YEAR ENDED 31 DECEMBER 2018

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Z/Yen Contents Limited and its Subsidiaries for the year ended 31 December 2018 which comprise the Group Statement of Comprehensive Income, the Group and Company Balance Sheets and the related notes from the Group's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance/>.

This report is made solely to the Board of Directors of Z/Yen Contents Limited and its Subsidiaries, as a body, in accordance with the terms of our engagement letter dated 25 July 2017. Our work has been undertaken solely to prepare for your approval the financial statements of Z/Yen Contents Limited and its Subsidiaries and state those matters that we have agreed to state to the Board of Directors of Z/Yen Contents Limited and its Subsidiaries, as a body, in this report in accordance with ICAEW Technical Release TECH07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Z/Yen Contents Limited and its Subsidiaries and its Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that Z/Yen Contents Limited and its Subsidiaries has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Z/Yen Contents Limited and its Subsidiaries. You consider that Z/Yen Contents Limited and its Subsidiaries is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or review of the financial statements of Z/Yen Contents Limited and its Subsidiaries. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.



Simmons Gainsford LLP

Chartered Accountants

7-10 Chandos Street

London

W1G 9DQ

Date: 9 September 2019

Z/YEN CONTENTS LIMITED AND ITS SUBSIDIARIES

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2018

	Note	2018 £	2017 £
Turnover		1,809,278	1,170,838
Cost of sales		(423,166)	(300,617)
Gross profit		<u>1,386,112</u>	<u>870,221</u>
Administrative expenses		(1,349,587)	(767,870)
Operating profit		<u>36,525</u>	<u>102,351</u>
Interest receivable and similar income		10,524	1,333
Profit before tax		<u>47,049</u>	<u>103,684</u>
Tax on profit	4	(7,554)	(257)
Profit for the financial year		<u><u>39,495</u></u>	<u><u>103,427</u></u>
Profit for the year attributable to:			
Owners of the parent		<u>39,495</u>	<u>103,427</u>
		<u><u>39,495</u></u>	<u><u>103,427</u></u>

There were no recognised gains and losses for 2018 or 2017 other than those included in the consolidated profit and loss account.

The notes on pages 7 to 16 form part of these financial statements.

Z/YEN CONTENTS LIMITED AND ITS SUBSIDIARIES
REGISTERED NUMBER: 06047006

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2018

	Note	2018 £	2018 £	2017 £	2017 £
Fixed assets					
Tangible assets	6		3,239		701
Current assets					
Debtors	8	337,629		210,470	
Cash at bank and in hand	9	1,422,196		1,117,165	
		<u>1,759,825</u>		<u>1,327,635</u>	
Creditors: amounts falling due within one year	10	(990,161)		(594,928)	
Net current assets			<u>769,664</u>		<u>732,707</u>
Total assets less current liabilities			<u>772,903</u>		<u>733,408</u>
Provisions for liabilities					
Other provisions	11	(28,044)		(28,044)	
			<u>(28,044)</u>		<u>(28,044)</u>
Net assets			<u><u>744,859</u></u>		<u><u>705,364</u></u>
Capital and reserves					
Called up share capital	12		5,100		5,100
Other reserves	13		3,998,170		3,998,170
Profit and loss account	13		(3,258,411)		(3,297,906)
Equity attributable to owners of the parent Company			<u><u>744,859</u></u>		<u><u>705,364</u></u>

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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



I L Harris

Director

Date: 4 September 2019



Professor M R Mainelli

Director

The notes on pages 7 to 16 form part of these financial statements.

Z/YEN CONTENTS LIMITED AND ITS SUBSIDIARIES
REGISTERED NUMBER: 06047006

COMPANY BALANCE SHEET
AS AT 31 DECEMBER 2018

	Note	2018 £	2017 £
Fixed assets			
Investments	7	805,100	805,100
Net assets		<u>805,100</u>	<u>805,100</u>
Capital and reserves			
Called up share capital	12	5,100	5,100
Profit and loss account		<u>800,000</u>	<u>800,000</u>
		<u>805,100</u>	<u>805,100</u>


The directors consider that the Company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The Company's financial statements have been prepared in accordance with the 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:


.....
I L Harris
Director


.....
Professor M R Mainelli
Director

Date: 4 September 2019

The notes on pages 7 to 16 form part of these financial statements.

Z/YEN CONTENTS LIMITED AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

1. General information

Z/Yen Contents Limited is a private limited company incorporated in the UK and registered in England and Wales, registration number 06047006. The registered office is 12 Clanricarde Gardens, London, W2 4NA.

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 Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Profit and Loss Account in these financial statements.

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Balance Sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated Profit and Loss Account from the date on which control is obtained. They are deconsolidated from the date control ceases.

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

Z/YEN CONTENTS LIMITED AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

2. Accounting policies (continued)

2.4 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

Goodwill	-	10	years
----------	---	----	-------

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.

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

Depreciation is provided on the following basis:

Fixtures and fittings	-	25% straight line
Computer equipment	-	33% 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 Consolidated Profit and Loss Account.

2.6 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.7 Debtors

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

2.8 Cash and cash equivalents

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

2. Accounting policies (continued)

2.9 Financial instruments

The Group 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.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Consolidated Profit and Loss Account.

2.10 Creditors

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

2.11 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.

2.12 Operating leases: the Group as lessee

Rentals paid under operating leases are charged to the Consolidated Profit and Loss Account on a straight line basis over the lease term.

2.13 Pensions

Defined contribution pension plan

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

The contributions are recognised as an expense in the Consolidated Profit and Loss Account when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Group in independently administered funds.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

2. Accounting policies (continued)

2.14 Interest income

Interest income is recognised in the Consolidated Profit and Loss Account using the effective interest method.

2.15 Provisions for liabilities

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

Provisions are charged as an expense to the Consolidated Profit and Loss Account in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

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

2.16 Taxation

Tax is recognised in the Consolidated Profit and Loss Account, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company and the Group operate and generate income.

2.17 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives, which range from 3 to 6 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

3. Employees

The average monthly number of employees, including directors, during the year was 14 (2017 - 13).

Z/YEN CONTENTS LIMITED AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

4. Taxation

	2018 £	2017 £
Corporation tax		
Current tax on profits for the year	7,554	257
Total current tax	<u>7,554</u>	<u>257</u>

5. Intangible assets

Group

	Goodwill £
Cost	
At 1 January 2018	2,708,403
At 31 December 2018	<u>2,708,403</u>
Amortisation	
At 1 January 2018	2,708,403
At 31 December 2018	<u>2,708,403</u>
Net book value	
At 31 December 2018	<u>-</u>
At 31 December 2017	<u>-</u>

Z/YEN CONTENTS LIMITED AND ITS SUBSIDIARIES

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

6. Tangible fixed assets

Group

	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation			
At 1 January 2018	52,913	45,576	98,489
Additions	-	4,666	4,666
Disposals	-	(43,863)	(43,863)
At 31 December 2018	<u>52,913</u>	<u>6,379</u>	<u>59,292</u>
Depreciation			
At 1 January 2018	52,913	44,875	97,788
Charge for the year on owned assets	-	2,128	2,128
Disposals	-	(43,863)	(43,863)
At 31 December 2018	<u>52,913</u>	<u>3,140</u>	<u>56,053</u>
Net book value			
At 31 December 2018	<u>-</u>	<u>3,239</u>	<u>3,239</u>
At 31 December 2017	<u>-</u>	<u>701</u>	<u>701</u>

7. Fixed asset investments

Company

	Investments in subsidiary companies £
Cost or valuation	
At 1 January 2018	805,100
At 31 December 2018	<u>805,100</u>

Z/YEN CONTENTS LIMITED AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

7. Fixed asset investments (continued)

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Class of shares	Holding
Z/Yen Holdings Ltd	Ordinary	100%
Z/Yen Partners Ltd (subsidiary of Z/Yen Holdings Ltd)	Ordinary	100%
Z/Yen Ventures Ltd (subsidiary of Z/Yen Holdings Ltd)	Ordinary	100%
Z/Yen Risk/Reward Ltd (subsidiary of Z/Yen Holdings Ltd)	Ordinary	100%
Z/Yen Adventures Ltd (subsidiary of Z/Yen Holdings Ltd)	Ordinary	100%
Extzy Ltd (subsidiary of Z/Yen Holdings Ltd)	Ordinary	100%
XUMK Ltd (subsidiary of Z/Yen Holdings Ltd)	Ordinary	100%
Z/Yen Group Ltd (subsidiary of Z/Yen Holdings Ltd)	Ordinary	100%
Indezy Ltd (subsidiary of Z/Yen Group Ltd)	Ordinary	100%

The aggregate of the share capital and reserves as at 31 December 2018 and the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

Name	Aggregate of share capital and reserves £	Profit/(Loss) £
Z/Yen Holdings Ltd	35,387	-
Z/Yen Partners Ltd (subsidiary of Z/Yen Holdings Ltd)	5,500	-
Z/Yen Ventures Ltd (subsidiary of Z/Yen Holdings Ltd)	100	-
Z/Yen Risk/Reward Ltd (subsidiary of Z/Yen Holdings Ltd)	100	-
Z/Yen Adventures Ltd (subsidiary of Z/Yen Holdings Ltd)	100	-
Extzy Ltd (subsidiary of Z/Yen Holdings Ltd)	100	-
XUMK Ltd (subsidiary of Z/Yen Holdings Ltd)	100	-
Z/Yen Group Ltd (subsidiary of Z/Yen Holdings Ltd)	704,172	39,495
Indezy Ltd (subsidiary of Z/Yen Group Ltd)	100	-

Z/YEN CONTENTS LIMITED AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

8. Debtors

	Group 2018 £	Group 2017 £
Trade debtors	225,095	99,706
Other debtors	46,923	64,414
Prepayments and accrued income	42,311	30,350
Amounts recoverable on long term contracts	23,300	16,000
	<u>337,629</u>	<u>210,470</u>

9. Cash and cash equivalents

	Group 2018 £	Group 2017 £
Cash at bank and in hand	1,422,196	1,117,165
	<u>1,422,196</u>	<u>1,117,165</u>

10. Creditors: Amounts falling due within one year

	Group 2018 £	Group 2017 £
Trade creditors	51,353	23,234
Corporation tax	7,554	257
Other creditors	18,739	13,737
Accruals and deferred income	912,515	557,700
	<u>990,161</u>	<u>594,928</u>

Z/YEN CONTENTS LIMITED AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

11. Provisions

Group

	Provisions £
At 1 January 2018	28,044
At 31 December 2018	<u>28,044</u>

The above provision relates to an ongoing HMRC enquiry regarding interest due on payments made to employment benefit trust in 1999. The company has no other provisions.

12. Share capital

	2018 £	2017 £
Allotted, called up and fully paid		
3,886 (2017 - 3,886) Ordinary shares of £1.00 each	3,886	3,886
1,214 (2017 - 1,214) Ordinary B shares of £1.00 each	1,214	1,214
	<u>5,100</u>	<u>5,100</u>

13. Reserves

Other reserves

The other reserves comprise of a merger reserve on consolidation in it's first year in Z/Yen Contents Limited on acquisition of Z/Yen Group Limited and it's subsidiaries. The other reserves are undistributable reserves.

Profit and loss account

The profit and loss account comprises the balance of profits accumulated over the life of the Group.

14. Contingent liabilities

At the balance sheet date the group was in negotiation with H M Revenue & Customs over the tax treatment of contributions into the Employment Benefit Trust and a provision of £28,044 has been made (Note11). H M Revenue & Customs are claiming further amounts of £174,564 which the group does not consider due and accordingly no provision is made in the accounts.

Z/YEN CONTENTS LIMITED AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

15. Pension commitments

The Group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund and amounted to £7,624 (2017 - £2,034).

16. Commitments under operating leases

Operating lease commitments total £128,480 (2017: £8,000), leases expire by 31 December 2019.

17. Related party transactions

Included in creditors is an amount of £164 (2017: £164) due to Z/Yen Communications Limited a company controlled by M R Mainelli and I L Harris.

Included in creditors is an amount of £588 (2017: £240) owed to the director, M Mainelli.

Included in creditors is an amount of £726 (2017: £303) owed to the director, Ian Harris.

During the year the company received services for the value of £41,667 (2017: £13,500) from Nymph Limited, a company in which M R Mainelli, a director, has a material interest.

Z/YEN CONTENTS LIMITED AND ITS SUBSIDIARIES

DETAILED ACCOUNTS - UNAUDITED

FOR THE YEAR ENDED 31 DECEMBER 2018

Z/YEN CONTENTS LIMITED AND ITS SUBSIDIARIES

CONSOLIDATED DETAILED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2018

	2018 £	2017 £
Turnover	1,809,278	1,170,838
Cost Of Sales	(423,166)	(300,617)
Gross profit	1,386,112	870,221
Less: overheads		
Administration expenses	(1,349,587)	(767,870)
Operating profit	36,525	102,351
Interest receivable	10,524	1,333
Tax on profit on ordinary activities	(7,554)	(257)
Profit for the year	39,495	103,427

Z/YEN CONTENTS LIMITED AND ITS SUBSIDIARIES

**SCHEDULE TO THE DETAILED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

	2018 £	2017 £
Turnover		
Sales	1,809,278	1,170,838
	<u>1,809,278</u>	<u>1,170,838</u>
	2018 £	2017 £
Cost of sales		
Direct manufacturing costs	423,166	300,617
	<u>423,166</u>	<u>300,617</u>
	2018 £	2017 £
Administration expenses		
Directors salaries	141,200	141,200
Staff salaries	493,551	289,103
Staff national insurance	66,484	45,893
Staff pension payment	7,624	2,034
Entertainment	12,491	6,593
Hotels, travel and subsistence	2,752	4,475
Consultancy	2,600	5,400
Printing and stationery	22,819	7,494
Telephone and fax	8,340	9,824
Trade subscriptions	3,126	3,215
Legal and professional	4,470	4,477
Accountancy fees	8,850	11,700
Bank charges	1,650	1,822
Bad debts	139,903	900
Difference on foreign exchange	(34,501)	(4,712)
Sundry expenses	24,541	11,570
Rent - operating leases	194,640	105,840
Rates	18,995	15,426
Insurances	74,140	66,190
Repairs and maintenance	16,076	15,939
Depreciation - computer equipment	2,128	570
Employment benefit trust payment	137,708	22,917
	<u>1,349,587</u>	<u>767,870</u>

Z/YEN CONTENTS LIMITED AND ITS SUBSIDIARIES

**SCHEDULE TO THE DETAILED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

	2018	2017
	£	£
Interest receivable		
Bank interest receivable	10,524	1,333