

Registered number: 06830225

Cloudbass Multimedia Limited

Directors' Report and Financial Statements

For the Year Ended 31 March 2019



DAINS
ACCOUNTANTS

Cloudbass Multimedia Limited

Company Information

Directors	Mr M J Beaumont Mr A C Clark Mr S R Knee Mr J P Lacey Mr A C Underhill (resigned 12 September 2019) Mr J E F Wilson
Company secretary	Mr S R Knee
Registered number	06830225
Registered office	Unit 1, Bradley Park High Holborn Road Ripley Derbyshire DE5 3NW
Independent auditors	Dains LLP Statutory Auditors & Chartered Accountants Charlotte House Stanier Way The Wvyern Business Park Derby DE21 6BF

Cloudbass Multimedia Limited

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Introduction

Cloudbass was formed in 2002 out of a strong desire to do things a little bit differently. Starting with crewing, the company quickly gained a solid reputation for providing people across the range of disciplines within Outside Broadcast. This experience provided the company directors with a unique opportunity to see a wide range of different productions for a vast number of clients with a number of specialist suppliers.

This experience then got put to use as Cloudbass invested in its own facilities.

Cloudbass' facilities provision was extended in 2012 when it acquired significant assets of Arqiva Outside Broadcast, enhancing the fleet which was then combined with a move to its current 27,000 sqft. head office premises in Ripley, Derbyshire in January 2013. During the summer of 2014 Cloudbass again added a number of large Articulated HD OB trucks amongst other assets to the fleet.

Not only a facilities provider, Cloudbass also specialises in other broadcast 'solutions' including temporary power and its broadcast graphics department which is based at Pinewood Studios.

Business review

During the year Cloudbass Multimedia Limited achieved a turnover of £7.6 million and this success is due to continuing to invest in the latest technology aiding them to deliver the highest standards of service to their clients.

The directors are pleased with the results and believe due to the strong management team in place, the Company will continue to grow in line with expectations.

Employees

Our employees are key to achieving our business objectives. Cloudbass has established policies for recruiting, training and development and is committed to achieving excellent health and safety, welfare and protection standards for employees and contractors in their working environment.

Health and Safety

Cloudbass consider the importance of Health and Safety in the work place and its management is designed to improve business performance. Practical measures such as risk assessment are undertaken to ensure that the Company's activities do not put at risk customers, employees, contractors or equipment.

Environment

The business believes it has a responsibility to achieve good practice and will continue to strive for improvement in its environmental impact. Efficient and effective use of the resources makes sound commercial sense. The Company has the appropriate environmental policies.

Principal risks and uncertainties

Economic Risks

The key risks facing our business include ;

- The risk of increased interest rates / or inflation having an adverse impact in our market.
- The risk of increased wages or infrastructure costs impacting adversely on the competitiveness of the company, its suppliers and customers.

These risks are managed through the use of alternative competitive sourcing of services and strict financial controls, together with preventative maintenance and the availability of other press capacity to meet expected demand.

Competition risk

The directors of the company manage competition risk through close attention to customer service levels and strategic alliances.

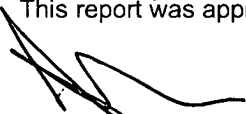
Financial Risk Management

The company has budgetary and financial reporting procedures, supported by appropriate key performance indicators, to manage credit, liquidity and other financial risk.

Financial key performance indicators

We consider that our key financial performance indicators are those that communicate the financial performance and strength of the company as a whole, these being turnover and gross profit.

This report was approved by the board on 18 December 2019 and signed on its behalf.



Mr A C Clark
Director

**Directors' Report
For the Year Ended 31 March 2019**

The Directors present their report and the financial statements for the year ended 31 March 2019.

Directors' responsibilities statement

The Directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with 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 of the profit or loss of the Company for that period.

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

- select suitable accounting policies for the Company'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 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 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Results and dividends

The profit for the year, after taxation, amounted to £285,721 (2018 - £1,068,408).

The Company paid dividends of £386,212 during the year. (2018 - £379,279)

Directors

The Directors who served during the year were:

Mr M J Beaumont
Mr A C Clark
Mr S R Knee
Mr J P Lacey
Mr A C Underhill (resigned 12 September 2019)
Mr J E F Wilson

**Directors' Report (continued)
For the Year Ended 31 March 2019**

Future developments

Market Outlook

Looking ahead, we aim to strengthen our business and develop further customer value propositions.

We now have the benefit of a proven track record with our management team having consistently delivered on its strategy.

We have built good relationships right across our customer base, providing in depth expertise and experience. With our existing customers, we have an excellent platform for extending the scope of our services.

We are a well-established business, which is well regarded, and have built a strong platform for growth in our core market sector.

Disclosure of information to auditors

Each of the persons who are Directors at the time when this Directors' Report is approved has confirmed that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Post balance sheet events

There have been no significant events affecting the Company since the year end.

Auditors

The auditors, Dains LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 18 December 2019 and signed on its behalf.



Mr A C Clark
Director

Independent Auditors' Report to the Members of Cloudbass Multimedia Limited

Opinion

We have audited the financial statements of Cloudbass Multimedia Limited (the 'Company') for the year ended 31 March 2019, which comprise the Statement of Income and Retained Earnings, the Balance Sheet and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2019 and of its profit for the year 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are

Independent Auditors' Report to the Members of Cloudbass Multimedia Limited (continued)

required to report that fact.

We have nothing to report in this regard.

Opinion on other matters 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 the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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 material misstatements in the Strategic Report or the Directors' Report.

We have nothing to report in respect of the following matters in relation to which 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.

Responsibilities of Directors

As explained more fully in the Directors' Responsibilities Statement on page 3, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Independent Auditors' Report to the Members of Cloudbass Multimedia Limited (continued)

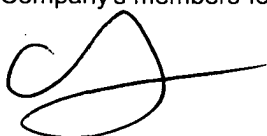
Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

Use of our report

This report is made solely to the Company's members 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 Auditors' 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 for our audit work, for this report, or for the opinions we have formed.



Lisa Richards FCCA (Senior Statutory Auditor)

for and on behalf of

Dains LLP

Statutory Auditors

Chartered Accountants

Charlotte House

Stanier Way

The Wvyern Business Park

Derby

DE21 6BF

18 December 2019

Cloudbass Multimedia Limited

**Statement of Income and Retained Earnings
For the Year Ended 31 March 2019**

	Note	2019 £	2018 £
Turnover	4	7,607,228	8,516,794
Cost of sales		(5,586,030)	(5,790,741)
Gross profit		2,021,198	2,726,053
Administrative expenses		(1,729,419)	(1,343,919)
Other operating income	5	92,178	92,223
Operating profit	6	383,957	1,474,357
Income from participating interests		-	-
Interest receivable and similar income	10	43	4
Interest payable and expenses	11	(133,042)	(152,036)
Profit before tax		250,958	1,322,325
Tax on profit	12	34,763	(253,917)
Profit after tax		285,721	1,068,408
Retained earnings at the beginning of the year		2,190,750	1,501,621
Profit for the year		285,721	1,068,408
Dividends declared and paid		(386,212)	(379,279)
Retained earnings at the end of the year		2,090,259	2,190,750

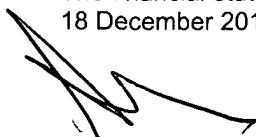
The notes on pages 10 to 25 form part of these financial statements.

Cloudbass Multimedia Limited
Registered number:06830225

Balance Sheet
As at 31 March 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	14	5,965,286	6,094,200
		<u>5,965,286</u>	<u>6,094,200</u>
Current assets			
Debtors: amounts falling due within one year	15	1,259,370	1,127,209
Cash at bank and in hand	16	138,161	9
		<u>1,397,531</u>	<u>1,127,218</u>
Creditors: amounts falling due within one year	17	(3,968,015)	(3,759,961)
Net current liabilities		<u>(2,570,484)</u>	<u>(2,632,743)</u>
Total assets less current liabilities		<u>3,394,802</u>	<u>3,461,457</u>
Creditors: amounts falling due after more than one year	18	(996,975)	(946,732)
Provisions for liabilities			
Deferred tax	21	(307,368)	(323,775)
		<u>(307,368)</u>	<u>(323,775)</u>
Net assets		<u><u>2,090,459</u></u>	<u><u>2,190,950</u></u>
Capital and reserves			
Called up share capital	22	200	200
Profit and loss account	23	2,090,259	2,190,750
		<u><u>2,090,459</u></u>	<u><u>2,190,950</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 18 December 2019.



Mr A C Clark
Director

The notes on pages 10 to 25 form part of these financial statements.

1. General information

Cloudbass Multimedia Limited is a private Company limited by shares, incorporated in England and Wales.

The Company's registered office is Unit 1, Bradley Park, High Holborn Road, Ripley, Derbyshire, DE5 3NW.

The principal activity of the Company continues to be that of the provision of multimedia facilities to the entertainment industry.

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

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Cloudbass Holdings Limited as at 31 March 2019 and these financial statements may be obtained from Unit 1, Bradley Park, High Holborn Road, Ripley, Derbyshire, DE5 3NW.

**Notes to the Financial Statements
For the Year Ended 31 March 2019**

2. Accounting policies (continued)

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company 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 Company 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.

2.4 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.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

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 and reducing balance basis.

Depreciation is provided on the following basis:

Freehold property	- 2% and 10% straight line
Motor vehicles	- 20% reducing balance
Fixtures and fittings	- 25% reducing balance
Plant and machinery	- 15% reducing balance

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.

2.5 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. Accounting policies (continued)

2.6 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.

2.7 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.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

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 Statement of Income and Retained Earnings.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an 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.

2.8 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to the Statement of Income and Retained Earnings at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of Income and Retained Earnings in the same period as the related expenditure.

2. Accounting policies (continued)

2.9 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

2.10 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of Income and Retained Earnings on a straight line basis over the lease term.

2.11 Pensions

Defined contribution pension plan

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

The contributions are recognised as an expense in the Statement of Income and Retained Earnings 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 Company in independently administered funds.

2.12 Borrowing costs

All borrowing costs are recognised in the Statement of Income and Retained Earnings in the year in which they are incurred.

2.13 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company 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 Statement of Income and Retained Earnings in the year that the Company 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.

**Notes to the Financial Statements
For the Year Ended 31 March 2019**

2. Accounting policies (continued)

2.14 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Income and Retained Earnings, 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 operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

In application of the Company's accounting policies, which are described in note 2, the Directors are required to make judgements, estimates and assumptions about the carrying amounts 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 if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

Critical areas of judgement:

Tangible fixed assets

Tangible fixed assets are depreciated over their useful life taking into account, where appropriate, residual values. Assessment of useful lives and residual values are performed annually, taking into account factors such as technological innovation, maintenance programmes, market information and management considerations. In assessing the residual values, the remaining life of the asset, its projected disposal value and future market conditions are taken into account. Detail on tangible fixed assets can be found in note 14.

**Notes to the Financial Statements
For the Year Ended 31 March 2019**

4. Turnover

The whole of the turnover is attributable to the principal activity of the business.

All turnover arose within the United Kingdom.

5. Other operating income

	2019 £	2018 £
Government grants receivable	92,178	92,178
Insurance claims receivable	-	45
	<u>92,178</u>	<u>92,223</u>

6. Operating profit

The operating profit is stated after charging:

	2019 £	2018 £
Other operating lease rentals	65,449	59,469
	<u>65,449</u>	<u>59,469</u>

7. Auditors' remuneration

	2019 £	2018 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	10,585	10,585
	<u>10,585</u>	<u>10,585</u>

The Company has taken advantage of the exemption not to disclose amounts paid for non audit services as these are disclosed in the group accounts of the parent Company.

**Notes to the Financial Statements
For the Year Ended 31 March 2019**

8. Employees

Staff costs, including Directors' remuneration, were as follows:

	2019 £	2018 £
Wages and salaries	2,056,755	1,910,119
Social security costs	200,354	181,772
Cost of defined contribution scheme	57,909	13,838
	<u>2,315,018</u>	<u>2,105,729</u>

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

	2019 No.	2018 No.
Administration	10	11
Cameras	8	7
Sound	7	7
Graphics	5	6
Vision	9	7
Engineering	4	4
Rigging / Power	8	7
Management	11	11
Warehouse	3	3
Directors	6	6
	<u>71</u>	<u>69</u>

9. Directors' remuneration

	2019 £	2018 £
Directors' emoluments	77,011	67,882
	<u>77,011</u>	<u>67,882</u>

**Notes to the Financial Statements
For the Year Ended 31 March 2019**

10. Interest receivable

	2019 £	2018 £
Other interest receivable	43	4
	<u>43</u>	<u>4</u>

11. Interest payable and similar expenses

	2019 £	2018 £
Bank interest payable	24,086	24,570
Finance leases and hire purchase contracts	89,713	116,153
Other interest payable	19,243	11,313
	<u>133,042</u>	<u>152,036</u>

12. Taxation

	2019 £	2018 £
Corporation tax		
Current tax on profits for the year	54,901	230,010
Adjustments in respect of previous periods	(73,257)	-
Total current tax	<u>(18,356)</u>	<u>230,010</u>
Deferred tax		
Origination and reversal of timing differences	(16,407)	23,907
Total deferred tax	<u>(16,407)</u>	<u>23,907</u>
Taxation on (loss)/profit on ordinary activities	<u>(34,763)</u>	<u>253,917</u>

**Notes to the Financial Statements
For the Year Ended 31 March 2019**

12. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2018 - lower than) the standard rate of corporation tax in the UK of 19% (2018 - 19%). The differences are explained below:

	2019 £	2018 £
Profit on ordinary activities before tax	<u>250,958</u>	<u>1,322,325</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018 - 19%)	47,682	251,242
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	11,656	1,745
Capital allowances for year in excess of depreciation	3,776	3,742
Adjustments to tax charge in respect of prior periods	(73,276)	-
Short term timing difference leading to an increase (decrease) in taxation	(23,256)	-
Adjust deferred tax to average rate of 19%	(1,345)	(2,812)
Total tax charge for the year	<u>(34,763)</u>	<u>253,917</u>

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

13. Dividends

	2019 £	2018 £
Dividends paid	386,212	379,279
	<u>386,212</u>	<u>379,279</u>

Notes to the Financial Statements
For the Year Ended 31 March 2019

14. Tangible fixed assets

	Freehold property £	Motor vehicles £	Fixtures and fittings £	Plant and machinery £	Total £
Cost or valuation					
At 1 April 2018	749,457	604,531	89,953	9,982,848	11,426,789
Additions	-	34,033	8,978	889,833	932,844
Disposals	-	(119,571)	-	(309,000)	(428,571)
At 31 March 2019	749,457	518,993	98,931	10,563,681	11,931,062
Depreciation					
At 1 April 2018	76,837	326,026	52,437	4,877,289	5,332,589
Charge for the year on owned assets	19,874	48,005	10,672	206,087	284,638
Charge for the year on financed assets	-	8,314	-	595,190	603,504
Disposals	-	(46,499)	-	(208,456)	(254,955)
At 31 March 2019	96,711	335,846	63,109	5,470,110	5,965,776
Net book value					
At 31 March 2019	652,746	183,147	35,822	5,093,571	5,965,286
At 31 March 2018	672,620	278,505	37,516	5,105,559	6,094,200

The net book value of land and buildings may be further analysed as follows:

	2019 £	2018 £
Freehold	652,746	672,620
	652,746	672,620

**Notes to the Financial Statements
For the Year Ended 31 March 2019**

14. Tangible fixed assets (continued)

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2019 £	2018 £
Plant and machinery	3,747,751	4,047,584
Motor vehicles	33,255	43,913
	<u>3,781,006</u>	<u>4,091,497</u>

15. Debtors

	2019 £	2018 £
Trade debtors	842,754	447,707
Amounts owed by group undertakings	12,100	12,100
Other debtors	91,343	21,744
Prepayments and accrued income	313,173	645,658
	<u>1,259,370</u>	<u>1,127,209</u>

16. Cash and cash equivalents

	2019 £	2018 £
Cash at bank and in hand	138,161	9
Less: bank overdrafts	-	(40,394)
	<u>138,161</u>	<u>(40,385)</u>

Notes to the Financial Statements
For the Year Ended 31 March 2019

17. Creditors: Amounts falling due within one year

	2019 £	2018 £
Bank overdrafts	-	40,394
Bank loans	18,794	32,116
Trade creditors	1,538,414	721,472
Amounts owed to group undertakings	189,627	198,456
Corporation tax	216,223	358,222
Other taxation and social security	408,704	422,380
Obligations under finance lease and hire purchase contracts	358,462	955,816
Proceeds of factored debts	941,987	846,843
Other creditors	173,570	12,682
Accruals and deferred income	122,234	171,580
	<u>3,968,015</u>	<u>3,759,961</u>

Notes to the Financial Statements
For the Year Ended 31 March 2019

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

	2019 £	2018 £
Bank loans	394,603	411,666
Net obligations under finance leases and hire purchase contracts	470,792	382,181
Government grants received	131,580	152,885
	<u>996,975</u>	<u>946,732</u>

The following liabilities were secured:

Details of security provided:

In 2013, a 20 year loan was first drawn down with interest charged at 4.97% per annum over the Bank's Sterling Base Rate.

The bank has a floating charge over the Company's assets to secure the bank loan and overdraft.

The net obligations under finance leases and hire purchase contracts are secured over the assets to which they relate.

The proceeds of factored debts are secured over the customer ledger balances.

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

	2019 £	2018 £
Repayable by instalments	308,140	329,418
	<u>308,140</u>	<u>329,418</u>

In 2013, a 20 year loan was first drawn down with interest charged at 4.97% per annum over the Bank's Sterling Base Rate. The bank has a floating charge over the Company's assets to secure the bank loan and overdraft.

**Notes to the Financial Statements
For the Year Ended 31 March 2019**

19. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	2019 £	2018 £
Within one year	354,862	1,063,736
Between 1-5 years	470,792	344,194
	<u>825,654</u>	<u>1,407,930</u>

20. Financial instruments

	2019 £	2018 £
Financial assets		
Financial assets measured at fair value through profit or loss	138,161	9
Financial assets that are debt instruments measured at amortised cost	946,197	481,551
	<u>1,084,358</u>	<u>481,560</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>(2,304,070)</u>	<u>(1,583,948)</u>

Financial assets measured at fair value through profit or loss comprise Cash at bank and in hand

Financial assets that are debt instruments measured at amortised cost comprise trade debtors, amounts owed by group undertakings, other debtors and accrued income.

Financial liabilities measured at amortised cost comprise bank loans, trade creditors, amounts owed to group undertakings and other creditors and accruals.

21. Deferred taxation

	2019 £
At beginning of year	323,775
Charged to profit or loss	16,407
At end of year	<u>307,368</u>

**Notes to the Financial Statements
For the Year Ended 31 March 2019**

21. Deferred taxation (continued)

The provision for deferred taxation is made up as follows:

	2019 £	2018 £
Accelerated capital allowances	307,368	323,775
	<u>307,368</u>	<u>323,775</u>

22. Share capital

	2019 £	2018 £
Allotted, called up and fully paid		
200 (2018 - 200) Ordinary shares of £1.00 each	200	200
	<u>200</u>	<u>200</u>

23. Reserves

Profit and loss account

The profit and loss account represents cumulative profit or losses, net of dividends paid and other adjustments.

24. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £57,909 (2018 - £13,838). Contributions totalling £40,398 (2018 - £8,263) were payable to the fund at the balance sheet date

25. Commitments under operating leases

At 31 March 2019 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2019 £	2018 £
Not later than 1 year	80,284	81,339
Later than 1 year and not later than 5 years	221,437	301,321
	<u>301,721</u>	<u>382,660</u>

26. Related party transactions

The Group has taken advantage of the exemption under Financial Reporting Standard 102 (section 33), not to disclose transactions between entities which form part of the Group headed by Cloudbass Holdings Limited.

S Knee, a director of the Company, has a loan balance of £45,000 (2018 - £8,206) due to the Company at the year end, included within other debtors.

J Lacey, a director of the Company, has a loan balance of £Nil (2018 - £1,651) due to the Company at the year end, included within other debtors.

A Underhill, a former director of the Company, has a loan balance of £43,676 (2018 - £5,692) due to the Company at the year end, included within other debtors.

M Beaumont, a director of the Company, has a loan balance of £Nil (2018 - £1,536) due to the Company at the year end, included within other debtors.

J Wilson, a director of the Company, has a loan balance of £Nil (2018 - £1,991) due to the Company at the year end, included within other debtors.