

THE MOMENT CONTENT GROUP LIMITED

**UNAUDITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2018**

THURSDAY



L11 *L8EUF3BE* #258
26/09/2019
COMPANIES HOUSE

THE MOMENT CONTENT GROUP LIMITED

COMPANY INFORMATION

Directors	M Morrow NG Jones RJ Lidstone DM Sharrock
Registered number	09209488
Registered office	8th Floor Holborn Gate 26 Southampton Buildings London WC2A 1AN

THE MOMENT CONTENT GROUP LIMITED

CONTENTS

	Page
Strategic report	3
Directors' report	4
Directors' responsibilities statement	5
Statement of comprehensive income	6
Balance sheet	7
Statement of changes in equity	8
Notes to the financial statements	9 - 16

THE MOMENT CONTENT GROUP LIMITED

**STRATEGIC REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2018**

Introduction

The Directors present their strategic report on the Company for the period ended 31 December 2018.

Business review

The Company is an intermediary holding company. The Directors expect that the Company will continue with its existing operations for the foreseeable future.

The accounting period has been extended to end on 31 December 2018

The Company is a subsidiary of Huntsworth plc, for which the key performance indicators have been identified as revenue and profit before tax growth.

Principal risks and uncertainties

The ultimate parent of the Company reviews the principal risks and uncertainties facing the Group and individual companies. The Company's key risks and uncertainties are identified as: economic downturn; political instability; currency risk; service offering fails to evolve to meet changing market needs; client dissatisfaction and loss of key clients; loss of key talent; poor profitability; information systems access and security; unethical business practices and legal and regulatory compliance.

This report was approved by the board on 19 September 2019 and signed on its behalf.



DM Sharrock
Director

THE MOMENT CONTENT GROUP LIMITED

DIRECTORS' REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2018

The Directors present their report and the financial statements for the period ended 31 December 2018.

Results and dividends

The profit for the period, after taxation, amounted to £6 thousand (2017 - loss £1,068 thousand).

The Directors did not recommend the payment of a dividend in the year (2017: £NIL).

Directors

The Directors who served during the period were:

M Morrow
NG Jones
RJ Lidstone
DM Sharrock

Future developments

The Directors expect that the Company will continue with its existing operations for the foreseeable future.

This report was approved by the board on 19 September 2019 and signed on its behalf.



DM Sharrock
Director

THE MOMENT CONTENT GROUP LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE PERIOD ENDED 31 DECEMBER 2018

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;
- 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 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.

THE MOMENT CONTENT GROUP LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 DECEMBER 2018**

	Note	14 months ended 31 December 2018 £	12 months year ended 31 October 2017 £000
Exceptional credit	7	-	65
Other operating income		-	2
Operating profit		<u>-</u>	<u>67</u>
Interest payable and expenses	5	-	(1,129)
Profit/(loss) before tax		<u>-</u>	<u>(1,062)</u>
Tax on profit/(loss)	6	6	(6)
Profit/(loss) for the financial period		<u><u>6</u></u>	<u><u>(1,068)</u></u>

There were no recognised gains and losses for 2018 or 2017 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2018 (2017:£NIL).

The notes on pages 9 to 16 form part of these financial statements.

THE MOMENT CONTENT GROUP LIMITED
REGISTERED NUMBER: 09209488

BALANCE SHEET
AS AT 31 DECEMBER 2018


	Note	31 December 2018 £000	31 October 2017 £000
Investments	8	3,795	3,795
		<u>3,795</u>	<u>3,795</u>
Creditors: amounts falling due within one year	9	(8,531)	(8,537)
Net current liabilities		<u>(8,531)</u>	<u>(8,537)</u>
Total assets less current liabilities		<u>(4,736)</u>	<u>(4,742)</u>
Net assets		<u>(4,736)</u>	<u>(4,742)</u>
Capital and reserves			
Called up share capital	10	9,917	9,917
Share premium account	11	5	5
Profit and loss account	11	(14,658)	(14,664)
		<u>(4,736)</u>	<u>(4,742)</u>

The Directors considers that the Company is entitled to exemption from the requirement to have an audit under the provisions of section 479A of the Companies Act 2006.

The members have not required the Company to obtain an audit for the period 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 were approved and authorised for issue by the board and were signed on its behalf on

19 September 2019


DM Sharrock
Director

The notes on pages 9 to 16 form part of these financial statements.

THE MOMENT CONTENT GROUP LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 DECEMBER 2018**

	Called up share capital £000	Share premium account £000	Profit and loss account £000	Total equity £000
At 1 November 2016	4	5	(13,596)	(13,587)
Loss for the year	-	-	(1,068)	(1,068)
Shares issued during the year	9,913	-	-	9,913
	<hr/>	<hr/>	<hr/>	<hr/>
At 1 November 2017	9,917	5	(14,664)	(4,742)
Comprehensive income for the period				
Profit for the period	-	-	6	6
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2018	9,917	5	(14,658)	(4,736)
	<hr/>	<hr/>	<hr/>	<hr/>

The notes on pages 9 to 16 form part of these financial statements.

THE MOMENT CONTENT GROUP LIMITED

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

1. Accounting policies

1.1 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 2).

The following principal accounting policies have been applied:

1.2 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 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 Huntsworth plc as at 31 December 2018 and these financial statements may be obtained from Huntsworth plc's registered office at 8th Floor, Holborn Gate, 26 Southampton Buildings, London, WC2A 1AN.

1.3 Going concern

The Directors have considered whether the Company is a going concern and in light of the letter of support from the ultimate parent company, Huntsworth plc, the Directors have concluded that it is appropriate to prepare the accounts on the going concern basis.

1.4 Finance costs

Finance costs are charged to the Statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument

1.5 Taxation

Tax is recognised in the Statement of comprehensive income, 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.

THE MOMENT CONTENT GROUP LIMITED

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

1. Accounting policies (continued)

1.6 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.

1.7 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

The carrying values of fixed asset investments are reviewed for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable

1.8 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.

1.9 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.

Investments in non-convertible preference shares and in non-puttable ordinary and preference shares are measured:

- at fair value with changes recognised in the Statement of comprehensive income if the shares are publicly traded or their fair value can otherwise be measured reliably;
- at cost less impairment for all other investments.

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 comprehensive income

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.

THE MOMENT CONTENT GROUP LIMITED

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

1. Accounting policies (continued)

1.9 Financial instruments (continued)

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. Judgments in applying accounting policies and key sources of estimation uncertainty

In the application of the Company's accounting policies, the Directors are required to make judgements and assumptions about the future, based on historical experience and other factors which are considered to be relevant. The resulting accounting estimate will, by definition, seldom equal the related actual results:

Carrying value of investments

The Company tests annually whether investments have suffered any impairment. The recoverable amounts of investments have been determined based on value in use calculations. The value in use calculation requires the Directors to estimate the future cash flows expected to arise from each investment and a suitable discount rate in order to calculate present value. Central costs are not allocated to individual investments.

3. Other operating income

	14 months ended 31 December 2018 £000	12 months year ended 31 October 2017 £000
Sundry income	-	2
	<u>-</u>	<u>2</u>

4. Employees

The Company has no employees other than the Directors, who did not receive any remuneration (2017 - £NIL).

THE MOMENT CONTENT GROUP LIMITED

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

5. Interest payable and similar expenses

	14 months ended 31 December 2018 £000	<i>12 months year ended 31 October 2017 £000</i>
Other loan interest payable	-	1,129
	<u>-</u>	<u>1,129</u>

6. Taxation

	14 months ended 31 December 2018 £000	<i>12 months year ended 31 October 2017 £000</i>
Current tax on profits for the year	-	6
Adjustments in respect of previous periods	(6)	-
	<u>(6)</u>	<u>6</u>
Total current tax	<u>(6)</u>	<u>6</u>
Deferred tax		
Total deferred tax	<u>-</u>	<u>-</u>
Taxation on (loss)/profit on ordinary activities	<u>(6)</u>	<u>6</u>

THE MOMENT CONTENT GROUP LIMITED

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

6. Taxation (continued)

Factors affecting tax charge for the period/year

The tax assessed for the period/year is the same as *(2017 - higher than)* the standard rate of corporation tax in the UK of 19% *(2017 - 19.4%)*. The differences are explained below:

	14 months ended 31 December 2018 £000	<i>12 months year ended 31 October 2017 £000</i>
Profit/(loss) on ordinary activities before tax	-	(1,062)
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2017 - 19.4%)	-	(206)
Effects of:		
Expenses not deductible for tax purposes	-	212
Adjustments to tax charge in respect of prior periods	(6)	-
Total tax charge for the period/year	(6)	6

THE MOMENT CONTENT GROUP LIMITED

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

6. Taxation (continued)

Factors that may affect future tax charges

The UK Government has enacted a reduction in the main rate of corporation tax to 17% with effect from 1 April 2020. The impact of this change is incorporated in the deferred tax numbers reported.

7. Exceptional items

	14 months ended 31 December 2018 £000	<i>12 months year ended 31 October 2017 £000</i>
Exceptional items - other	-	(65)
	<hr/> -	<hr/> (65)

Exceptional credit in 2017 relates to the settlement of the loan notes in the current year and included the following amounts: Expenses of £5,000 for consultant fees and £9,000 of national insurance and apprenticeship levy on the settlement of loan notes offset by prior period accruals for loan fees and interest compounded written off of £79,000.

8. Fixed asset investments

	Investments in subsidiary companies £000
Cost or valuation	
At 1 November 2017	3,795
At 31 December 2018	<hr/> 3,795 <hr/>

THE MOMENT CONTENT GROUP LIMITED

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

8. Fixed asset investments (continued)

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Registered office	Class of shares	Holding
The Moment Content Company Limited	8th Floor Holborn Gate, 26 Southampton Buildings, London, WC2A 1AN	Ordinary	100%
The Rocket Science Group Holdings Limited	8th Floor Holborn Gate, 26 Southampton Buildings, London, WC2A 1AN	Ordinary	100%
The Moment Productions Limited	8th Floor Holborn Gate, 26 Southampton Buildings, London, WC2A 1AN	Ordinary	100%
The Moment Content Company LLC	2711 Centreville Road, Suite 400, City of Wilmington 19808, County of New Castle, United States	Ordinary	100%

9. Creditors: Amounts falling due within one year

	31 December 2018 £000	<i>31 October 2017 £000</i>
Amounts owed to group undertakings	8,531	8,531
Corporation tax	-	6
	8,531	8,537

10. Share capital

	31 December 2018 £000	<i>31 October 2017 £000</i>
Allotted, called up and fully paid		
49,567,944 (2017 - 49,567,944) Ordinary A shares shares of £0.200 each	9,914	9,914
1,392 (2017 - 1,392) Ordinary B shares shares of £1.000 each	1	1
1,600 (2017 - 1,600) Ordinary C shares shares of £1.000 each	2	2
	9,917	9,917

THE MOMENT CONTENT GROUP LIMITED

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

11. Reserves

Share premium account

The share premium account is used to record the premium on shares issued. It is calculated as the amount paid over the par value of shares issued.

Profit & loss account

Includes all current and prior period retained profits and losses.

12. Contingent liabilities

The Company is registered with HM Revenue & Customs as a member of a group for VAT purposes and as a result is jointly and severally liable on a continuing basis for amounts owing by any other members of that group in respect of unpaid VAT. At the balance sheet date the outstanding VAT group liability was £1.1 million (2017: £0.9 million).

13. Controlling party

The Company's immediate parent undertaking is The Creative Engagement Group (Holding Co) Limited and ultimate parent undertaking and controlling party is Huntsworth plc. Huntsworth plc is the parent undertaking for the smallest and largest group to consolidate these financial statements. Copies of Huntsworth plc's consolidated financial statements, which include the Company, are available from its registered office at 8th Floor, Holborn Gate, 26 Southampton Buildings, London, WC2A 1AN.