

Edge Loyalty Europe Limited

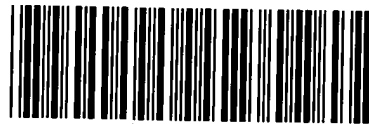
(Formerly Edge Loyalty UK Limited)

Report and Financial Statements

Year ended 30 June 2017

Registration No. 09950616

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Company Information

Directors

C M Aubrey
P F Garner
E C Morley
S T Phillipson
N J Sims

Company number

09950616

Secretaries

S L Driscoll
L Paler (resigned 9 June 2017)

Auditor

Ernst & Young LLP
1 More London Place
London
SE1 2AF

Registered office

Priory House
Pilgrims Court
Sydenham Road
Guildford
Surrey
GU1 3RX

Directors' report

The directors present their report and the audited financial statements for Edge Loyalty Europe Limited (the "Company") for the year ended 30 June 2017.

On 8 May 2017, the Company changed its name from Edge Loyalty UK Limited to Edge Loyalty Europe Limited.

Results and dividends

The Company generated a loss for the year of £446,961 (period from 14 January 2016 to 30 June 2016: £85,450 loss). The directors do not recommend a dividend (2016: £Nil).

Principal activity

The principal activities of the Company during the financial year were the sale of consumer promotions, rewards and loyalty solutions in the United Kingdom.

In the next twelve months, the Company may integrate its business into a fellow related entity. If that occurs, the directors expect the Company to cease operations after the integration.

Directors

The directors who served the Company during the year and up to the date of approval of the financial statements were as follows:

C M Aubrey
P F Garner
E C Morley
S T Phillipson
N J Sims

Going concern

The financial statements have been prepared on a going concern basis on the assumption that other group undertakings will continue to provide adequate financial support to the Company to enable it to meet its liabilities as and when they fall due.

The directors have considered the ability of other group companies to provide such support and have received confirmation that the support will be provided for a period of no less than twelve months from the date of approval of these financial statements. The directors therefore consider it appropriate to adopt a going concern basis. Should support not be made available to the Company, the going concern basis used in preparing the Company's financial statements would be invalid and adjustments would have to be made to reduce the value of assets to their realisable amount, to provide for any further liabilities which might arise and to reclassify fixed assets as current assets.

Disclosure of information to the auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the Company's auditor, each director has taken all the steps that he/she is obliged to take as a director in order to make himself/herself aware of any relevant audit information and to establish that the auditor is aware of that information.

Directors' report (continued)

Small Companies' exemption

In preparing this directors' report, the directors have taken advantage of the small companies exemption under Section 415(A) of the Companies Act 2006.

The directors have taken advantage of the small companies' exemption under section 414B in relation to preparation of a strategic report.

On behalf of the board



P F Garner
Director
25 January 2018

Directors' responsibilities statement

The directors are responsible for preparing 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 profit or loss of the Company for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent auditor's report

to the members of Edge Loyalty Europe Limited

We have audited the financial statements of Edge Loyalty Europe Limited for the year ended 30 June 2017 which comprise the Statement of comprehensive income, the Statement of changes in equity, the Balance sheet and the related notes 1 to 13. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101, 'Reduced Disclosure Framework'.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an 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 as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the directors' responsibilities statement set-out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the report and financial statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently, materially incorrect based on or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2017 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including FRS101 'Reduced Disclosure Framework'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Directors' report have been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have identified no material misstatements in the Directors' report.

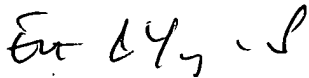
Independent auditor's report

to the members of Edge Loyalty Europe Limited (continued)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic report and take advantage of the small companies exemption in preparing the Directors' report.



Gordon Cullen
for and on behalf of Ernst & Young LLP, Statutory Auditor
London

29 January 2018

Statement of comprehensive income

for the year ended 30 June 2017

		Year Ended 30 June 2017 £	Period ended 30 June 2016 £
	Notes		
Turnover		139,725	-
Cost of sales		(99,903)	-
Gross profit		39,822	-
Administrative expenses		(465,420)	(106,813)
Loss on ordinary activities before taxation	3	(425,598)	(106,813)
Tax (expense) credit on loss on ordinary activities	5	(21,363)	21,363
Loss on ordinary activities after taxation		(446,961)	(85,450)
Other comprehensive income		-	-
Total comprehensive expense for the period		(446,961)	(85,450)

The results of the current and prior periods arise solely from continuing operations.

Statement of changes in equity

for the year ended 30 June 2017

	<i>Share capital</i> £	<i>Retained losses</i> £	<i>Total</i> £
At 1 July 2016	5	(85,450)	(85,445)
Loss for the year	-	(446,961)	(446,961)
At 30 June 2017	5	(532,411)	(532,406)
At 14 January 2016	-	-	-
Shares issued	5	-	5
Loss for the period	-	(85,450)	(85,450)
At 30 June 2016	5	(85,450)	(85,445)

Balance sheet

as at 30 June 2017

	Notes	30 June 2017 £	30 June 2016 £
Non-current assets			
Trade and other receivables	6	58,143	21,368
Tangible fixed assets	7	5,448	-
Intangible assets	8	69,811	-
		<u>133,402</u>	<u>21,368</u>
Current assets			
Cash and cash equivalents		74,370	-
Trade and other receivables	6	101,533	75,000
Work in progress		3,589	-
		<u>179,492</u>	<u>75,000</u>
Creditors: amounts falling due within one year	9	(845,300)	(181,813)
Net current liabilities		<u>(665,808)</u>	<u>(106,813)</u>
Net liabilities		<u>(532,406)</u>	<u>(85,445)</u>
Capital and reserves			
Called up share capital	10	5	5
Retained losses		(532,411)	(85,450)
Shareholders' deficit		<u>(532,406)</u>	<u>(85,445)</u>

These financial statements have been prepared in accordance with the special provisions relating to small companies under section 415(A).

The financial statements were approved by the Board of Directors and were signed on its behalf by:



P F Garner
Director
25 January 2018

Company registration number 09950616

Notes to the financial statements

at 30 June 2017

1. Principal accounting policies

Basis of preparation

The financial statements for Edge Loyalty Europe Limited (the "Company") for the year ended 30 June 2017 were authorised for issue by the board of directors on 25 January 2018 and the balance sheet was signed on the board's behalf by P F Garner. Edge Loyalty Europe Limited is incorporated and domiciled in England and Wales. The Company is a private limited company, limited by shares.

The Company's financial statements are presented in Sterling and all values are rounded to the nearest pound.

These financial statements were prepared in accordance with Financial Reporting Standard 101, *Reduced Disclosure Framework* ("FRS101"). The amendments to FRS101 (2015/2016 Cycle) issued in June 2016 and effective immediately have been applied.

In preparing these financial statements the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards ("IFRS") as adopted by the European Union, but makes amendments where necessary in order to comply with the Companies Act 2006 and has set out below where advantage of the FRS101 disclosure exemptions have been taken.

The Company's parent undertaking of the largest and smallest group of undertakings for which consolidated financial statements are drawn up that includes the Company, is the Village Roadshow Limited group ("VRL group" or "group"). The consolidated financial statements of the VRL group are prepared in accordance with IFRS and are available to the public (refer to note 11).

In these financial statements, the Company has applied the exemptions available under FRS101 in respect of the following disclosures:

- The requirement in paragraph 38 of IAS1, *Presentation of Financial Statements*, to present comparative information in respect of:
 - (a) Paragraph 79(a)(iv) of IAS1;
 - (b) Paragraph 73(e) of IAS16, *Property, Plant and Equipment*;
 - (c) Paragraph 118(e) of IAS38, *Intangible Assets*.
- The requirements of paragraphs 10(d), 10(f), 39(c) and 134-136 of IAS1;
- The requirements of IAS7, *Statement of Cash Flows*;
- The requirements of paragraphs 30 and 31 of IAS8, *Accounting Policies, Changes in Accounting Estimates and Errors*;
- The requirements of paragraph 17 of IAS24, *Related Party Disclosures*; and
- The requirements of paragraphs 130(f)(ii) and 130(f)(iii) of IAS36, *Impairment of Assets*.

As the consolidated financial statements of the VRL group include the equivalent disclosures, the Company has also taken the exemptions under FRS101 available in respect of the following disclosures:

- Certain disclosures required by paragraphs 91-99 of IFRS13, *Fair Value Measurement*; and
- The disclosure requirements required by IFRS7, *Financial Instruments: Disclosures*.

The Company proposes to continue to adopt the reduced disclosure framework of FRS101 in its next financial statements.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Accounting period

The financial statements are for the year ended 30 June 2017. The comparative period is for the period from 14 January 2016 to 30 June 2016.

Notes to the financial statements (continued)

at 30 June 2017

1. Principal accounting policies (continued)

Going concern

The financial statements have been prepared on a going concern basis on the assumption that other group undertakings will continue to provide adequate financial support to the Company to enable it to meet its liabilities as and when they fall due.

The directors have considered the ability of other group companies to provide such support and have received confirmation that the support will be provided for a period of no less than twelve months from the date of approval of these financial statements. The directors therefore consider it appropriate to adopt a going concern basis. Should support not be made available to the Company, the going concern basis used in preparing the Company's financial statements would be invalid and adjustments would have to be made to reduce the value of assets to their realisable amount, to provide for any further liabilities which might arise and to reclassify fixed assets as current assets.

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. The following specific recognition criteria must also be met before revenue is recognised:

Sale of goods

Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer and the costs incurred or to be incurred in respect of the transaction can be measured reliably. Risks and rewards of ownership are considered passed to the buyer at the point of delivery of the goods to the customer.

Rendering of services

Revenue from the rendering of services is recognised when control of a right to be compensated for the services has been attained, which owing to the nature of the service will typically occur on the same day the service is provided. Where services are yet to be rendered, amounts are recorded as unearned revenue.

Income tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Deferred income tax is provided on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account.

Notes to the financial statements (continued)

at 30 June 2017

1. Principal accounting policies (continued)

Operating leases

Leases where the lessor retains a significant portion of the risks and benefits of ownership of the asset are classified as operating leases and rentals payable are charged in the profit and loss account on a straight line basis over the lease term.

Cash and cash equivalents

Cash and short-term deposits in the balance sheet comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less. Cash and cash equivalents include restricted client cash accounts which are used for payment of promotional rebates.

Provisions

A provision is recognised when the Company has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation.

When the Company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the profit and loss account net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a borrowing cost.

Interest

Interest costs are accounted for on an accruals basis in the profit and loss account using the effective interest method.

Interest income is recognised as it accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Trade and other receivables

Trade receivables, which generally have 30-90 day terms, are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method, less an allowance for any uncollectible amounts. Collectability of trade receivables is reviewed on an ongoing basis. An impairment provision is made when there is objective evidence that the Company will not be able to collect the debts. Bad debts are written off when identified. Objective evidence takes into account financial difficulties of the debtor, default payments or if there are debts outstanding longer than agreed terms.

Trade and other payables

Creditors are recognised at amounts to be paid in the future for goods and services already received, whether or not billed to the Company. They are non-interest bearing and are normally settled on 30-90 day terms.

Trade payables and other payables are carried at amortised costs and represent liabilities for goods and services provided to the Company prior to the end of the financial period that are unpaid and arise when the Company becomes obliged to make future payments in respect of the purchase of these goods and services.

Notes to the financial statements (continued)

at 30 June 2017

1. Principal accounting policies (continued)

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment in value.

Depreciation is provided to write off the cost of tangible fixed assets over their estimated useful lives as follows:

Computer equipment	33% straight line
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The assets' residual values, useful lives and amortisation methods are reviewed, and adjusted if appropriate, at each financial year end.

Capital work in progress is not depreciated.

Impairment

The carrying values of tangible fixed assets are reviewed for impairment at each reporting date, with recoverable amount being estimated when events or changes in circumstances indicate that the carrying value may be impaired. The recoverable amount of plant and equipment is the higher of fair value less costs to sell and value in use. In assessing fair value less costs of disposal, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the estimated price at which an orderly transaction to sell the asset or to transfer the liability would take place between market participants at the measurement date under current market conditions. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment exists when the carrying value of an asset or cash-generating units exceeds its estimated recoverable amount. The asset or cash-generating unit is then written down to its recoverable amount.

De-recognition and disposal

An item of fixed assets is de-recognised upon disposal or when no further future economic benefits are expected from its use or disposal.

Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period the asset is de-recognised.

Intangible assets

Intangible assets acquired separately or in a business combination are initially measured at cost. The cost of an intangible asset acquired in a business combination is its fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is charged against profits in the year in which the expenditure is incurred.

The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortised over the useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life is reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortisation period or method, as appropriate, which is a change in accounting estimate. The amortisation expense on intangible assets with finite lives is recognised in the statement of comprehensive income in the expense category consistent with the nature of the intangible asset.

Intangible assets with indefinite useful lives are tested for impairment annually either individually or at the cash-generating unit level. Such intangibles are not amortised. The useful life of an intangible asset with an indefinite life is reviewed each reporting period to determine whether indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is accounted for as a change in an accounting estimate and is thus accounted for on a prospective basis.

Notes to the financial statements (continued)

at 30 June 2017

1. Principal accounting policies (continued)

Intangible assets (continued)

A summary of the policies applied to the Company's intangible assets is as follows:

Software

- Useful lives: Finite
- Amortisation method used: Amortised over estimated useful lives or 3 years
- Internally generated or acquired: Acquired
- Impairment testing: When an indication of impairment exists. The amortisation method is reviewed at each financial year-end.

2. Significant accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

The carrying amounts of certain assets and liabilities are often determined based on estimates and assumptions of future events. The key estimate and assumption that has a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period is:

Impairment of trade and other receivables

The Company determines whether trade and other receivables are impaired. This requires an estimation of the recoverable amount of the trade and other receivables compared to their carrying value.

3. Loss on ordinary activities before taxation

This is stated after charging:

	Year ended 30 June 2017 £	Period ended 30 June 2016 £
Amortisation of intangible assets	9,651	-
Depreciation of tangible fixed assets	1,043	-
Occupancy expenses	25,635	4,728
	<hr/>	<hr/>
And after crediting:		
Gain on foreign exchange transactions	5,640	-
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The audit fees for 30 June 2017 and 30 June 2016 have been borne by a fellow group undertaking.

Refer to Note 4 for staff costs for the periods ended 30 June 2017 and 30 June 2016.

Notes to the financial statements (continued)

at 30 June 2017

4. Directors and employees

The average monthly number of employees (including directors) during the period was:

	Year ended 30 June 2017 Number	Period ended 30 June 2016 Number
Management and directors	8	5
	<u>8</u>	<u>5</u>

Staff costs, including directors, consist of:

	Year ended 30 June 2017 £	Period ended 30 June 2016 £
Wages and salaries	303,568	59,847
	<u>303,568</u>	<u>59,847</u>

The directors received £130,909 (2016: £59,847) for their services to the Company during the year. Amounts paid by group undertakings in relation to qualifying services were immaterial in the current and prior periods.

5. Tax

(a) Factors affecting tax for the period

The tax for the period does not differ from loss before tax multiplied by the standard rate of corporation tax in the UK of 19.75% (2016: 20%). A reconciliation of the current tax for the period to the tax on the loss at the standard rate is set out below:

	Year ended 30 June 2017 £	Period ended 30 June 2016 £
Loss on ordinary activities before tax	(425,598)	(106,813)
Loss on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 19.75% (2016: 20%)	(84,056)	(21,363)
Reversal of prior period group relief	21,363	-
Unrecognised tax losses carried forward / (utilised)	84,056	-
Total tax expense (credit) for the period	<u>21,363</u>	<u>(21,363)</u>
Current tax expense is represented by:		
Current year amounts	-	(21,363)
Prior year adjustments	21,363	-
Total current taxation	<u>21,363</u>	<u>(21,363)</u>

Notes to the financial statements (continued)

at 30 June 2017

5. Tax (continued)

(b) Factors that may affect future tax charges

The Company has incurred taxable losses (excluding capital losses and capital allowances) which are available to offset against future taxable profits of £525,336 (2016: £Nil). A deferred tax asset has not been recognised in respect of these losses as the Company does not anticipate that taxable profits will arise within the immediate future.

(c) Change in corporate tax rate

The Finance Act (No. 2) 2015 was enacted on 18 November 2015 and introduced a reduction in the headline rate of UK corporation tax from the current rate of 20% to reduced rates of 19% and 18% with effect from 1 April 2017 and 1 April 2020 respectively. A further reduction in the headline rate to 17% to apply from 1 April 2020 was enacted in the Finance Act 2016 on 15 September 2016.

6. Trade and other receivables

	30 June 2017 £	30 June 2016 £
Current:		
Trade and other receivables	26,810	-
Prepayments	74,723	75,000
	<u>101,533</u>	<u>75,000</u>
Non-current:		
Security deposit	4,000	-
Amounts owing by group undertakings	54,142	21,367
Amount owing by associated undertakings	1	1
	<u>58,143</u>	<u>21,368</u>

Amounts owing by related undertakings are unsecured, interest free and have no fixed terms of repayment.

7. Tangible fixed assets

	Computer Equipment £	Total £
Cost:		
At 1 July 2016	-	-
Additions	6,491	6,491
At 30 June 2017	<u>6,491</u>	<u>6,491</u>
Depreciation:		
At 1 July 2016	-	-
Charge for the year	1,043	1,043
At 30 June 2017	<u>1,043</u>	<u>1,043</u>
Net book value:		
At 30 June 2017	<u>5,448</u>	<u>5,448</u>
At 30 June 2016	<u>-</u>	<u>-</u>

Notes to the financial statements (continued)

at 30 June 2017

8. Intangible assets

	Software £	Total £
Cost:		
At 1 July 2016	-	-
Additions	79,462	79,462
At 30 June 2017	79,462	79,462
Amortisation:		
At 1 July 2016	-	-
Charge for the year	9,651	9,651
At 30 June 2017	9,651	9,651
Net book value:		
At 30 June 2017	69,811	69,811
At 30 June 2016	-	-

9. Creditors: amounts falling due within one year

	30 June 2017 £	30 June 2016 £
Trade creditors and accruals	273,139	181,813
Amounts owed to group undertakings	572,161	-
	845,300	181,813

Amounts owing to related undertakings are unsecured, interest free and have no fixed terms of repayment.

10. Authorised, issued and called up share capital

	30 June 2017 £	30 June 2016 £
Authorised, called up and fully paid		
5 (2016: 5) Ordinary shares of £1 each	5	5

11. Ultimate parent undertaking and controlling party

The immediate parent undertaking is Edge UK Holdings Limited, a company incorporated in the United Kingdom. The directors consider the ultimate parent undertaking and controlling party to be Positive Investments Pty. Ltd., a company incorporated in Australia.

The parent undertaking of the largest and smallest group of undertakings for which group financial statements are drawn up and of which the Company is a member is Village Roadshow Limited, a company incorporated in Australia. Copies of the group financial statements can be obtained from the Secretary, Village Roadshow Limited, Level 1, 500 Chapel Street, South Yarra, Victoria, 3141, Australia.

Notes to the financial statements (continued)

at 30 June 2017

12. Related party transactions

The Company was charged promotional development costs of £40,837 for the year ended 30 June 2017 (2016: £Nil) by a fellow 80% owned subsidiary of the VRL group, Opia Limited. The Company sold services to Opia Limited of £75,996 (2016: £Nil) and recharged customer promotion costs of £529,435 (2016: £Nil). The total outstanding balance receivable from Opia Limited at 30 June 2017 was £54,142 (2016: £Nil).

During the period ended 30 June 2016, the Company entered into a group tax relief arrangement with its parent, Edge UK Holdings Limited, who owns 80% of the Company, for a total value of £21,363. This was subsequently reversed during the year. The total outstanding balance payable to Edge UK Holdings Limited at 30 June 2017 was £572,161 (2016: £21,367 receivable).

13. Events subsequent to balance date

No matter or circumstance has arisen since the end of the financial year which has significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company.