

Company Registration No. 10393204 (England and Wales)

## **OTRO Club Limited**

Unaudited Financial Statements

For The Period Ended 30 November 2018

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ACCOUNTING & TAX SERVICES

## **OTRO Club Limited**

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# OTRO Club Limited

## Balance Sheet

As At 30 November 2018

		2018		2017	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Intangible assets	3		1,063,883		-
Tangible assets	4		110,587		-
Investments	5		300		-
			<u>1,174,770</u>		<u>-</u>
<b>Current assets</b>					
Debtors	7	25,715,086		14,729	
Cash at bank and in hand		3,658,956		23,812	
		<u>29,374,042</u>		<u>38,541</u>	
<b>Creditors: amounts falling due within one year</b>	8	(17,182,809)		(592,403)	
<b>Net current assets/(liabilities)</b>			<u>12,191,233</u>		<u>(553,862)</u>
<b>Total assets less current liabilities</b>			<u>13,366,003</u>		<u>(553,862)</u>
<b>Creditors: amounts falling due after more than one year</b>	9	(21,947,186)			-
<b>Net liabilities</b>			<u>(8,581,183)</u>		<u>(553,862)</u>
<b>Capital and reserves</b>					
Called up share capital	10		487		400
Share premium account			559,267		559,267
Profit and loss reserves			(9,140,937)		(1,113,529)
<b>Total equity</b>			<u>(8,581,183)</u>		<u>(553,862)</u>

## **OTRO Club Limited**

### **Balance Sheet (Continued)**

**As At 30 November 2018**

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The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial period ended 30 November 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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 members have not required the company to obtain an audit of its financial statements for the period in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 20 December 2019 and are signed on its behalf by:

Mr A Poulter  
**Director**

**Company Registration No. 10393204**

# OTRO Club Limited

## Notes To The Financial Statements

For The Period Ended 30 November 2018

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### 1 Accounting policies

#### Company information

OTRO Club Limited is a private company limited by shares incorporated in England and Wales. The registered office is Second Floor, 45 Whitfield Street, London, W1T 4HD.

#### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

The company and its subsidiary companies continue to be supported by XXIII Capital in remaining a going concern.

#### 1.3 Reporting period

The company is reporting a period of longer than one year so that the company and its subsidiary companies report to 30 November each year. The prior period was longer than one year as it was the first period of account.

#### 1.4 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Development costs	Straight line over 3 years
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#### 1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

# OTRO Club Limited

## Notes To The Financial Statements (Continued)

For The Period Ended 30 November 2018

### 1 Accounting policies

(Continued)

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Film production equipment	Straight line over 5 years
Computers	Straight line over 3 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

#### 1.6 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

#### 1.7 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. 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 for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

# OTRO Club Limited

## Notes To The Financial Statements (Continued)

For The Period Ended 30 November 2018

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### 1 Accounting policies

(Continued)

#### 1.8 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.9 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

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

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Classification of financial liabilities**

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

##### **Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### 1.10 Equity instruments

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

# OTRO Club Limited

## Notes To The Financial Statements (Continued)

For The Period Ended 30 November 2018

### 1 Accounting policies

(Continued)

#### 1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.12 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

#### 1.13 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

### 2 Employees

The average monthly number of persons (including directors) employed by the company during the period was 3 (2017 - 2).

### 3 Intangible fixed assets

	Development costs £
<b>Cost</b>	
At 1 October 2017	-
Additions	1,256,113
At 30 November 2018	1,256,113
<b>Amortisation and impairment</b>	
At 1 October 2017	-
Amortisation charged for the period	192,230
At 30 November 2018	192,230
<b>Carrying amount</b>	
At 30 November 2018	1,063,883
At 30 September 2017	-

Following a technology audit which began in May 2019, it is likely the intangible asset will no longer be in use or its value in use will be significantly reduced.



## OTRO Club Limited

### Notes To The Financial Statements (Continued)

For The Period Ended 30 November 2018

#### 4 Tangible fixed assets

	Plant and machinery etc
	£
<b>Cost</b>	
At 1 October 2017	-
Additions	121,230
	<u>121,230</u>
At 30 November 2018	121,230
	<u>121,230</u>
<b>Depreciation and impairment</b>	
At 1 October 2017	-
Depreciation charged in the period	10,643
	<u>10,643</u>
At 30 November 2018	10,643
	<u>10,643</u>
<b>Carrying amount</b>	
At 30 November 2018	110,587
	<u>110,587</u>
At 30 September 2017	-
	<u>-</u>

#### 5 Fixed asset investments

	2018	2017
	£	£
Investments	300	-
	<u>300</u>	<u>-</u>

#### Movements in fixed asset investments

	Shares in group undertakings
	£
<b>Cost or valuation</b>	
At 1 October 2017	-
Additions	300
	<u>300</u>
At 30 November 2018	300
	<u>300</u>
<b>Carrying amount</b>	
At 30 November 2018	300
	<u>300</u>
At 30 September 2017	-
	<u>-</u>

## OTRO Club Limited

### Notes To The Financial Statements (Continued)

For The Period Ended 30 November 2018

#### 6 Subsidiaries

Details of the company's subsidiaries at 30 November 2018 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
OTRO Technology Limited	Second Floor, 45 Whitfield Street, London, W1T 4HD	Dormant company	Ordinary	100.00	0
OTRO Media Limited	Second Floor, 45 Whitfield Street, London, W1T 4HD	Dormant company	Ordinary	100.00	0
OTRO Global Limited	Second Floor, 45 Whitfield Street, London, W1T 4HD	Application development	Ordinary	100.00	0

During the period, the company set up three subsidiary companies which are all owned 100% by the company.

#### 7 Debtors

	2018 £	2017 £
<b>Amounts falling due within one year:</b>		
Amounts owed by group undertakings	4,775,503	-
Other debtors	848,052	14,729
Prepayments and accrued income	20,091,531	-
	<u>25,715,086</u>	<u>14,729</u>

#### 8 Creditors: amounts falling due within one year

	2018 £	2017 £
Other borrowings	7,071,675	-
Trade creditors	2,880,871	35,201
Amounts owed to group undertakings	200	-
Other creditors	16,777	63,977
Accruals and deferred income	7,213,286	493,225
	<u>17,182,809</u>	<u>592,403</u>

## OTRO Club Limited

### Notes To The Financial Statements (Continued)

For The Period Ended 30 November 2018

#### 9 Creditors: amounts falling due after more than one year

	Notes	2018 £	2017 £
Other borrowings		21,947,186	-

The loans made to the company are secured against the company's assets, intellectual property and the assets and intellectual property of the subsidiary companies.

The loans bear interest at a rate of 14.816 percent.

There are two charges registered at Companies House over the assets and intellectual property of the company and of its subsidiary companies. These charges contain both fixed and floating charges and are registered to XXIII Capital C Limited.

#### 10 Called up share capital

	2018 £	2017 £
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
487,240 Ordinary shares of 0.1p each (2017: 400 Ordinary shares £1 each)	487	400

During the period, the company subdivided all of the 400 Ordinary £1 shares in issue into 400,000 Ordinary £0.001 shares.

During the period, the company issued a further 87,240 Ordinary £0.001 shares at par.

#### 11 Related party transactions

The following amounts were outstanding at the reporting end date:

	2018 £	2017 £
<b>Amounts due to related parties</b>		
Entities over which the entity has control, joint control or significant influence	200	-

The following amounts were outstanding at the reporting end date:

	2018 £	2017 £
<b>Amounts due from related parties</b>		
Entities over which the entity has control, joint control or significant influence	4,775,503	-

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.