

Registered number: 03271609

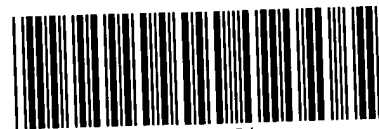
CONCRETE MEDIA LIMITED

UNAUDITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2019

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CONCRETE MEDIA LIMITED
REGISTERED NUMBER: 03271609

STATEMENT OF FINANCIAL POSITION
AS AT 31 OCTOBER 2019

	Note	2019 £	2018 £
Fixed assets			
Intangible assets	4	1,722,583	1,196,658
Tangible assets	5	100,097	148,701
Investments	6	59,235	59,235
		<u>1,881,915</u>	<u>1,404,594</u>
Current assets			
Debtors: amounts falling due within one year	7	1,576,480	1,115,032
Cash at bank and in hand	8	652,364	1,024,673
		<u>2,228,844</u>	<u>2,139,705</u>
Creditors: amounts falling due within one year	9	(1,944,155)	(1,728,544)
Net current assets		<u>284,689</u>	<u>411,161</u>
Total assets less current liabilities		<u>2,166,604</u>	<u>1,815,755</u>
Provisions for liabilities			
Deferred tax	11	(303,113)	(220,577)
		<u>(303,113)</u>	<u>(220,577)</u>
Net assets		<u><u>1,863,491</u></u>	<u><u>1,595,178</u></u>
Capital and reserves			
Called up share capital	12	19,449	19,249
Share premium account		4,140	4,140
Capital redemption reserve		19	19
Other reserves		(479,403)	(324,623)
Profit and loss account		2,319,286	1,896,393
		<u>1,863,491</u>	<u>1,595,178</u>

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

CONCRETE MEDIA LIMITED
REGISTERED NUMBER: 03271609

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 OCTOBER 2019

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

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 18 May 2020.



Bryan Guy Wilsher
Director

The notes on pages 3 to 11 form part of these financial statements.

CONCRETE MEDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2019

1. General information

Concrete Media Limited is a private company, limited by shares, registered in England and Wales, registration number 03271609. The registered office is The Poppy Building 8 Brewhouse Yard, 156-176 St John Street, London, ME7 3TJ.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The members have agreed to the preparation of abridged accounts for this accounting period in accordance with Section 444(2A) of the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

2.3 Revenue

The Company invoices its clients in advance when granting a licence for the use of the Company's software products. Revenue is recognised evenly over the term of the licence, excluding value added tax.

2.4 Research and development

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2019

2. Accounting policies (continued)

2.5 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 Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

2.6 Current and deferred taxation

The tax credit for the year comprises current and deferred tax. 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 credit is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting 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 Statement of Financial Position 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 reporting date.

2.7 Intangible assets and amortisation

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

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.

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

CONCRETE MEDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2019

2. Accounting policies (continued)

2.8 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

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

Depreciation is provided on the following basis:

Motor vehicles	- 25% per annum straight line basis
Fixtures and fittings	- 25% - 50% per annum straight line basis
Other fixed assets	- 20% - 25% per annum straight line basis

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 Comprehensive Income.

2.9 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.10 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.

2.11 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.

2.12 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.

CONCRETE MEDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2019

2. Accounting policies (continued)

2.13 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Profit and Loss Account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.14 Employee benefit trust

In accordance with FRS 102 the investment in the shares of Concrete Media Limited, held through the employee benefit trust, is shown as a deduction to shareholders funds.

2.15 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.

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 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 reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position 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.

3. Employees

The average monthly number of employees, including directors, during the year was 28 (2018 - 26).

CONCRETE MEDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2019

4. Intangible assets

	Development expenditure £
Cost	
At 1 November 2018	3,738,357
Additions - internal	1,762,643
At 31 October 2019	<u>5,501,000</u>
Amortisation	
At 1 November 2018	2,541,699
Impairment charge	1,236,718
At 31 October 2019	<u>3,778,417</u>
Net book value	
At 31 October 2019	<u>1,722,583</u>
At 31 October 2018	<u>1,196,658</u>

CONCRETE MEDIA LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2019**

5. Tangible fixed assets

	Motor vehicles £	Fixtures and fittings £	Other fixed assets £	Total £
Cost or valuation				
At 1 November 2018	106,124	332,934	38,022	477,080
Additions	-	11,553	-	11,553
At 31 October 2019	<u>106,124</u>	<u>344,487</u>	<u>38,022</u>	<u>488,633</u>
Depreciation				
At 1 November 2018	35,375	283,700	9,304	328,379
Charge for the year on owned assets	26,531	26,022	7,604	60,157
At 31 October 2019	<u>61,906</u>	<u>309,722</u>	<u>16,908</u>	<u>388,536</u>
Net book value				
At 31 October 2019	<u>44,218</u>	<u>34,765</u>	<u>21,114</u>	<u>100,097</u>
At 31 October 2018	<u>70,749</u>	<u>49,234</u>	<u>28,718</u>	<u>148,701</u>

CONCRETE MEDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2019

6. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 November 2018	59,235
At 31 October 2019	<u>59,235</u>

Fixed asset investments represent 100% ownership of ConcretePlatform Inc., a company incorporated in the United States of America. As at 31 October 2019 ConcretePlatform Inc. had net assets of \$519k (2018: \$372k).

7. Debtors

	2019 £	2018 £
Trade debtors	872,480	578,347
Other debtors	664,449	494,773
Accrued income	39,551	41,912
	<u>1,576,480</u>	<u>1,115,032</u>

8. Cash and cash equivalents

	2019 £	2018 £
Cash at bank and in hand	652,364	1,024,673
	<u>652,364</u>	<u>1,024,673</u>

CONCRETE MEDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2019

9. Creditors: Amounts falling due within one year

	2019 £	2018 £
Trade creditors	467,785	282,027
Other taxation and social security	149,180	108,476
Obligations under finance lease and hire purchase contracts	14,565	33,984
Other creditors	1,312,625	1,304,057
	<u>1,944,155</u>	<u>1,728,544</u>

10. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	2019 £	2018 £
Within one year	14,565	19,419
Between 1-5 years	-	14,565
	<u>14,565</u>	<u>33,984</u>

11. Deferred taxation

	2019 £	2018 £
At beginning of year	(220,577)	(186,152)
Charged to profit or loss	(82,536)	(34,425)
At end of year	<u>(303,113)</u>	<u>(220,577)</u>

The provision for deferred taxation is made up as follows:

	2019 £	2018 £
Accelerated capital allowances	(12,237)	(18,945)
Short term timing differences	1,963	1,800
Deferred tax on intangible assets	(292,839)	(203,432)
	<u>(303,113)</u>	<u>(220,577)</u>

CONCRETE MEDIA LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2019**

12. Share capital

	2019 £	2018 £
Allotted, called up and fully paid		
112,267,600 (2018 - 112,267,600) Ordinary A Shares shares of £0.00010 each	11,227	11,227
82,222,000 (2018 - 80,222,000) Ordinary B Shares shares of £0.00010 each	8,222	8,022
	<u>19,449</u>	<u>19,249</u>

During the year the company issued 2,000,000 ordinary B shares of £0.0001 each, for a consideration of £200.

13. EBT Reserve

The company contributes to an employee benefit trust for the benefit of members of the company. The principal asset of the trust as at 31 October 2019 was 7,722,000 ordinary shares in Concrete Media Limited acquired at a total cost of £479,403.

14. 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 £62,640 (2018 - £43,306). Contributions totalling £11,549 (2018 - £10,590) were payable to the fund at the reporting date and are included in creditors.

15. Related party transactions

During the year the company incurred expenditure of £20,044 (2018: £20,000) with Ideation Limited, a company controlled by B Wilsher, a director. At 31 October 2019, £2,453 was owed to Ideation Limited (2018: £2,400).

At 31 October 2019, £314,745 was owed to ConcretePlatform Inc a wholly owned subsidiary incorporated in the United States of America. (2018: £172,948)