

MARKETINGFILE LIMITED

UNAUDITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

BALANCE SHEET
AS AT 31 DECEMBER 2016

	Note	2016 £	2015 £
Fixed assets			
Intangible assets	4	28,854	78,854
Tangible assets	5	52,354	48,861
Investments	6	5	5
		<u>81,213</u>	<u>127,720</u>
Current assets			
Debtors: amounts falling due within one year	7	293,822	250,476
Cash at bank and in hand	8	381,681	379,422
		<u>675,503</u>	<u>629,898</u>
Creditors: amounts falling due within one year	9	(325,067)	(383,199)
		<u>350,436</u>	<u>246,699</u>
Net current assets		<u>350,436</u>	<u>246,699</u>
Total assets less current liabilities		<u>431,649</u>	<u>374,419</u>
Net assets		<u><u>431,649</u></u>	<u><u>374,419</u></u>
Capital and reserves			
Called up share capital		466,849	466,849
Capital redemption reserve		48,902	48,902
Profit and loss account		(84,102)	(141,332)
		<u>431,649</u>	<u>374,419</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 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.

MARKETINGFILE LIMITED
REGISTERED NUMBER:03244074

BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2016

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 by:

.....
Timothy Wise
Director

Date: 27 July 2017

The notes on pages 4 to 13 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2016

	Called up share capital	Capital redemption reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2015	466,849	48,902	(210,160)	305,591
Profit for the year	-	-	68,828	68,828
At 1 January 2016	466,849	48,902	(141,332)	374,419
Profit for the year	-	-	57,230	57,230
At 31 December 2016	<u>466,849</u>	<u>48,902</u>	<u>(84,102)</u>	<u>431,649</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

1. General information

MarketingFile Limited is a private limited company incorporated in England.

The registered office is 8 Arlington Court, Whittle Way, Arlington Business Park, Stevenage, SG1 2FS.

The financial statements for the year ended 31 December 2016 are the first financial statements that comply with FRS102 1A small entities. The date of transition is 1 January 2015. The transition to FRS102 1A small entities has not resulted in any changes to the accounting policies to those previously used.

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 following principal accounting policies have been applied:

2.2 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.

2.3 Intangible assets

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.

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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

2. Accounting policies (continued)

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.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following basis:

Fixtures & fittings	-	25% per annum on a reducing balance basis
Computer equipment	-	25% per annum on a reducing balance basis
Internet software	-	33% per annum on a reducing balance 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.

2.5 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted Company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Statement of Comprehensive Income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

Investments in listed company shares are remeasured to market value at each Balance Sheet date. Gains and losses on remeasurement are recognised in profit or loss for the period.

2.6 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.

2.7 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.

2.8 Financial instruments

The Company only enters into basic financial instruments 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

2. Accounting policies (continued)

2.8 Financial instruments (continued)

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 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 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.

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.

2.9 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

2. Accounting policies (continued)

2.10 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.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of Comprehensive Income within 'other operating income'.

2.11 Operating leases: the Company as lessee

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

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

The Company has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before the date of transition to the standard 01 January 2015 to continue to be charged over the period to the first market rent review rather than the term of the lease.

2.12 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 Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

2. Accounting policies (continued)

2.13 Interest income

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

2.14 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.

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.

2.15 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 DECEMBER 2016**

3. Employees

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

	2016 No.	2015 No.
Employees including executive directors	21	20
Non executive directors	3	3
	<hr/>	<hr/>
	<u>24</u>	<u>23</u>

4. Intangible assets

	Develop't costs £
Cost	
At 1 January 2016	178,854
At 31 December 2016	<hr/> 178,854 <hr/>
Amortisation	
At 1 January 2016	100,000
Charge for the year	50,000
At 31 December 2016	<hr/> 150,000 <hr/>
Net book value	
At 31 December 2016	<hr/> 28,854 <hr/>
At 31 December 2015	<hr/> 78,854 <hr/>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

5. Tangible fixed assets

	Fixtures & fittings £	Computer equipment £	Internet software £	Total £
Cost or valuation				
At 1 January 2016	77,102	166,639	120,870	364,611
Additions	6,295	15,666	-	21,961
Disposals	(7,041)	(2,558)	-	(9,599)
At 31 December 2016	<u>76,356</u>	<u>179,747</u>	<u>120,870</u>	<u>376,973</u>
Depreciation				
At 1 January 2016	55,945	138,935	120,870	315,750
Charge for the year on owned assets	6,814	10,772	-	17,586
Disposals	(6,444)	(2,273)	-	(8,717)
At 31 December 2016	<u>56,315</u>	<u>147,434</u>	<u>120,870</u>	<u>324,619</u>
Net book value				
At 31 December 2016	<u>20,041</u>	<u>32,313</u>	<u>-</u>	<u>52,354</u>
At 31 December 2015	<u>21,157</u>	<u>27,704</u>	<u>-</u>	<u>48,861</u>

6. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 January 2016	5
At 31 December 2016	<u>5</u>
Net book value	
At 31 December 2016	<u>5</u>
At 31 December 2015	<u>5</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

6. Fixed asset investments (continued)

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Country of incorporation	Class of shares	Holding	Principal activity
MarketingFile.com Limited	England	Ordinary	100 %	Dormant
Print and Post Limited	England	Ordinary	100 %	Dormant
MarketingFile Services Limited	England	Ordinary	100 %	Dormant
Touchpoint Limited	England	Ordinary	100 %	Dormant
Touchpoint Marketing Limited	England	Ordinary	100 %	Dormant

7. Debtors

	2016 £	2015 £
Trade debtors	194,511	217,258
Other debtors	53,362	6,028
Prepayments and accrued income	35,713	27,190
S455 tax recoverable	10,236	-
	<u>293,822</u>	<u>250,476</u>

8. Cash and cash equivalents

	2016 £	2015 £
Cash at bank and in hand	381,681	379,422
	<u>381,681</u>	<u>379,422</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

9. Creditors: Amounts falling due within one year

	2016 £	2015 £
Trade creditors	153,281	138,784
Amounts owed to group undertakings	19,824	19,824
Corporation tax	3,519	40
Other taxation and social security	27,655	53,845
Other creditors	99,977	140,945
S455 tax payable	10,236	-
Accruals and deferred income	10,575	29,761
	<u>325,067</u>	<u>383,199</u>
	2016 £	2015 £
Other taxation and social security		
PAYE/NI	-	20,990
VAT	27,655	32,855
	<u>27,655</u>	<u>53,845</u>

10. Directors' benefits: advances, credit and guarantees

Kieron Karue had a director's loan account with the company and at 31 December 2016 owed the company £16,956 (2015: £778). Interest has been charged on this overdrawn balance at the official rate on interest and amounted to £172.

Paul Lo also had a director's loan account with the company and at 31 December 2016 owed the company £16,823 (2015: £nil). This advance was made on this date and therefore no interest was charged in this period.

11. Related party transactions

Directors' remuneration of £245,929 (2015: £393,725) was paid during the year.

12. Controlling party

The company is a wholly-owned subsidiary of MarketingFile Group Limited, a company registered in England. MarketingFile Group Limited is both the immediate and ultimate parent company. Consolidated financial statements are prepared by MarketingFile Group Limited and are publicly available from Companies House.

In the directors' opinion there is no ultimate controlling party.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

13. First time adoption of FRS 102

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.

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.