

Registered number: 09178060

SONR NEWS LIMITED

DIRECTOR'S REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 NOVEMBER 2017



SONR NEWS LIMITED

COMPANY INFORMATION

Director R Proctor (appointed 10 August 2017)

Registered number 09178060

Registered office The Morocco Store
1a-1b Leathermarket Street
London
SE1 3HN

Independent auditors haysmacintyre
10 Queen Street Place
London
EC4R 1AG

SONR NEWS LIMITED

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SONR NEWS LIMITED

DIRECTOR'S REPORT FOR THE PERIOD ENDED 30 NOVEMBER 2017

The director presents his report and the financial statements for the period ended 30 November 2017.

Director's responsibilities statement

The director is responsible for preparing the Director's Report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is 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 director is 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 director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

Results and dividends

The profit for the period, after taxation, amounted to £1,419,000 (2016 - £3,780,000).

Directors

The directors who served during the period were:

R Proctor (appointed 10 August 2017)

D McDonagh (appointed 31 January 2017, resigned 27 July 2017)

Future developments

The Company will continue to operate in accordance with its existing trade, as a going concern, for the foreseeable future. Assumptions related to going concern are discussed further in the accounting policies in the notes to these financial statements.

SONR NEWS LIMITED

**DIRECTOR'S REPORT (CONTINUED)
FOR THE PERIOD ENDED 30 NOVEMBER 2017**

Disclosure of information to auditors

The director at the time when this Director's Report is approved has confirmed that:

- so far as is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Post balance sheet events

There have been no significant events affecting the Company since the year end.

Auditors

The auditors, haysmacintyre, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 8 June 2018 and signed on its behalf.



R Proctor
Director

SONR NEWS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF SONR NEWS LIMITED

Opinion

We have audited the financial statements of SONR News Limited (the 'Company') for the period ended 30 November 2017, which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 November 2017 and of its loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the director's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the director has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The director is responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are

SONR NEWS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF SONR NEWS LIMITED (CONTINUED)

required to report that fact.

We have nothing to report in this regard.

Opinion on other matters 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 Director's Report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Director's Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Director's Report.

We have nothing to report in respect of the following matters in relation to which 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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Director's Responsibilities Statement on page 1, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the director determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the director is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the director either intends to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF SONR NEWS LIMITED (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

Use of our report

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.



Ian Cliffe (Senior Statutory Auditor)

for and on behalf of
haysmacintyre

Statutory Auditors

10 Queen Street Place
London
EC4R 1AG

8 June 2018

SONR NEWS LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 NOVEMBER 2017**

		11 month period ended 30 November 2017 £000	Year ended 31 December 2016 £000
Administrative expenses		(1,830)	(966)
Other operating income	4	419	-
Operating loss	5	<u>(1,411)</u>	<u>(966)</u>
Interest payable and expenses	9	(4)	(1)
Amounts written off investments		(80)	(2,926)
Loss before tax		<u>(1,495)</u>	<u>(3,893)</u>
Tax on loss	10	62	113
Loss for the financial period		<u><u>(1,433)</u></u>	<u><u>(3,780)</u></u>

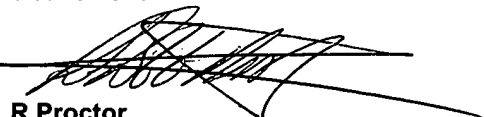
There was no other comprehensive income for 2017 (2016:£Nil).

SONR NEWS LIMITED
REGISTERED NUMBER: 09178060

STATEMENT OF FINANCIAL POSITION
AS AT 30 NOVEMBER 2017

	Note	30 November 2017 £000	31 December 2016 £000
Fixed assets			
Intangible assets	11	412	-
Tangible assets	12	4	20
		416	20
Current assets			
Debtors: amounts falling due within one year	13	88	1,601
Cash at bank and in hand	14	10	7
		98	1,608
Creditors: amounts falling due within one year	15	(839)	(520)
		(741)	1,088
Net current (liabilities)/assets		(741)	1,088
Total assets less current liabilities		(325)	1,108
Net (liabilities)/assets		(325)	1,108
Capital and reserves			
Called up share capital	16	1	1
Share premium account	17	6,373	6,373
Profit and loss account	17	(6,699)	(5,266)
		(325)	1,108
		(325)	1,108

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 8 June 2018.



R Proctor
 Director

The notes on pages 9 to 18 form part of these financial statements.

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**STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 NOVEMBER 2017**

	Called up share capital £000	Share premium account £000	Profit and loss account £000	Total equity £000
At 1 January 2017	1	6,373	(5,266)	1,108
Loss for the period	-	-	(1,433)	(1,433)
At 30 November 2017	<u>1</u>	<u>6,373</u>	<u>(6,699)</u>	<u>(325)</u>

**STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 DECEMBER 2016**

	Called up share capital (restated) £000	Share premium account (restated) £000	Profit and loss account £000	Total equity £000
At 1 January 2016	1	5,833	(1,486)	4,348
Loss for the year	-	-	(3,780)	(3,780)
Shares issued during the year	-	540	-	540
At 31 December 2016	<u>1</u>	<u>6,373</u>	<u>(5,266)</u>	<u>1,108</u>

SONR NEWS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 NOVEMBER 2017

1. General information

The company is limited by shares. It is incorporated in England & Wales. The registered office is The Morocco Store, 1a-1b Leathermarket Street, London, SE1 3HN.

The principal objective of the company is the development of proprietary software.

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 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 3).

The following principal accounting policies have been applied:

2.2 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 4 Statement of Financial Position paragraph 4.12(a)(iv);
- 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 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 26 Share-based Payment paragraphs 26.18(b), 26.19 to 26.21 and 26.23.

This information is included in the consolidated financial statements of Audioboom Group Plc as at 30 November 2017 and these financial statements may be obtained from its registered office.

2.3 Going concern

The financial statements have been prepared on the going concern basis, which assumes that the Company will have sufficient funds to continue in operational existence for the foreseeable future. Following the recent successful placing and subscription to raise £4.5m by the Company's parent undertaking (Audioboom Group Plc), the Board's forecasts for the Company, including due consideration of the continued operating losses, projected increase in revenues and decreasing cash-burn of the Company (and taking account of reasonably possible changes in trading performance), indicate that the Company will have sufficient cash available to continue in operational existence for the next 12 months and beyond on the assumption that continuing finance will be made available by Audioboom Group Plc to provide sufficient funds to the Company to meet its liabilities as and when they fall due.

SONR NEWS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 NOVEMBER 2017

2. Accounting policies (continued)

2.4 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.

2.5 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:

Office equipment	- 5 years
Computer equipment	- 3 years

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.

2.6 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 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.

SONR NEWS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 NOVEMBER 2017

2. Accounting policies (continued)

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.

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.

2.11 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.

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 Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

2.13 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 reporting date in the countries where the Company operates and generates income.

SONR NEWS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 NOVEMBER 2017**

2. Accounting policies (continued)

2.14 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.

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

Capitalisation of development costs

Development costs are capitalised in accordance with the accounting policy as laid out in note 2.13 of these financial statements. Costs incurred in respect to development are estimated using an apportionment of time spent by certain staff members on development projects in relation to overall staff costs.

Intangible assets are tested whenever circumstances indicate that their carrying value may not be recoverable. The recoverable amount is determined based on value in use calculations.

4. Other operating income

	2017 £000	2016 £000
Write off of loans due to group undertakings	419	-
	<u>419</u>	<u>-</u>

5. Operating loss

The operating loss is stated after charging:

	2017 £000	2016 £000
Depreciation of tangible fixed assets	17	12
Amortisation of intangible assets, including goodwill	14	-
Exchange differences	-	3
Defined contribution pension cost	1	-
	<u>1</u>	<u>-</u>

SONR NEWS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 NOVEMBER 2017**

6. Auditors' remuneration

	2017 £000	2016 £000
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	5	-
Taxation compliance services	1	-
	<u>6</u>	<u>-</u>

7. Employees

Staff costs, including director's remuneration, were as follows:

	2017 £000	2016 £000
Wages and salaries	59	548
Social security costs	7	68
Cost of defined contribution scheme	1	-
	<u>67</u>	<u>616</u>

There were three employees during the year (2016: three).

8. Directors' remuneration

	2017 £000	2016 £000
Director's emoluments	40	118
	<u>40</u>	<u>118</u>

9. Interest payable and similar charges

	2017 £000	2016 £000
Other loan interest payable	4	1
	<u>4</u>	<u>1</u>

SONR NEWS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 NOVEMBER 2017**

10. Taxation

	2017 £000	2016 £000
Corporation tax		
Current tax on profits for the year	(62)	(113)
	<u>(62)</u>	<u>(113)</u>
Total current tax	<u>(62)</u>	<u>(113)</u>
Deferred tax		
Total deferred tax	-	-
	<u>-</u>	<u>-</u>
Taxation on loss on ordinary activities	<u>(62)</u>	<u>(113)</u>

Factors affecting tax charge for the period/year

The tax assessed for the period/year is lower than (2016 - higher than) the standard rate of corporation tax in the UK of 19.27% (2016 - 20%). The differences are explained below:

	2017 £000	2016 £000
Loss on ordinary activities before tax	(1,495)	(3,893)
	<u>(1,495)</u>	<u>(3,893)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.27% (2016 - 20%)	(288)	(779)
Effects of:		
Expenses not deductible for tax purposes	333	591
Non-taxable income	(81)	-
Adjustment in research and development tax credit leading to an increase (decrease) in the tax charge	(46)	(159)
Surrender of tax losses for R&D tax credit refund	19	46
Unrelieved tax losses carried forward	1	188
	<u>19</u>	<u>46</u>
Total tax charge for the period/year	<u>(62)</u>	<u>(113)</u>

Factors that may affect future tax charges

The Company has unutilised tax losses of £1,950,000 (2016: £1,950,000) as at 31 December 2017. No deferred tax asset has been recognised on the basis that uncertainty exists as to the timing and scale of future profits.

SONR NEWS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 NOVEMBER 2017**

11. Intangible assets

	Product Development £000
Cost	
Additions	426
At 30 November 2017	<u>426</u>
Amortisation	
Charge for the year	14
At 30 November 2017	<u>14</u>
Net book value	
At 30 November 2017	<u>412</u>
At 31 December 2016	<u>0</u>

SONR NEWS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 NOVEMBER 2017**

12. Tangible fixed assets

	Office equipment £000	Computer equipment £000	Total £000
Cost or valuation			
At 1 January 2017	10	31	41
At 30 November 2017	<u>10</u>	<u>31</u>	<u>41</u>
Depreciation			
At 1 January 2017	3	17	20
Charge for the period on owned assets	7	10	17
At 30 November 2017	<u>10</u>	<u>27</u>	<u>37</u>
Net book value			
At 30 November 2017	<u>-</u>	<u>4</u>	<u>4</u>
At 31 December 2016	<u>6</u>	<u>14</u>	<u>20</u>

13. Debtors

	30 November 2017 £000	31 December 2016 £000
Amounts owed by group undertakings	-	1,571
Other debtors	26	30
Tax recoverable	62	-
	<u>88</u>	<u>1,601</u>

SONR NEWS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 NOVEMBER 2017**

14. Cash and cash equivalents

	30 November 2017 £000	31 December 2016 £000
Cash at bank and in hand	10	7
	<u>10</u>	<u>7</u>

15. Creditors: Amounts falling due within one year

	30 November 2017 £000	31 December 2016 £000
Other loans	100	393
Trade creditors	9	72
Amounts owed to group undertakings	678	-
Other taxation and social security	22	54
Other creditors	2	-
Accruals and deferred income	28	1
	<u>839</u>	<u>520</u>

SONR NEWS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 NOVEMBER 2017**

16. Share capital (restated)

	30 November 2017 £000	31 December 2016 £000
Allotted, called up and fully paid		
91,980 (2016 - 88,898) Ordinary Shares of £0.01 each shares of £0.01 each	1	1
	<u>1</u>	<u>1</u>

17. Reserves

Share premium account

Includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premiums.

Profit and loss account

Includes all current and prior period retained profits and losses.

18. Prior year adjustment

A prior year adjustment has been made to reflect share premium arising on loan conversions that took place in the year ended 31 December 2016 but had not been reflected in the financial statements of that year. The result of this adjustment has been an increase in the value of capital and reserves by £89,804 to £1,106,213 from the value previously reported of £1,016,409.

19. Related party transactions

Included within other loans is £100,000 owed to a director (2016: £100,000). The balance carries no rate of interest and has no fixed repayment date.

20. Controlling party

The company's parent entity is Audioboom Group Plc, a company incorporated in Jersey. There is no single ultimate controlling party.