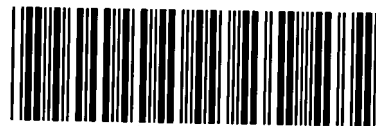


Somo Ltd

Directors' report and financial statements for the year ended 31 December 2016

Registered number 06860380

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Company information

Directors R D Langston
N A Hynes
C S Uminski

Registered number 06860380

Registered office 18th Floor Portland House
Bressenden Place
London SW1E 5RS

Independent auditors Harris & Trotter LLP
Chartered Accountants
64 New Cavendish Street
London W1G 8TB

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Strategic report for the year ended 31 December 2016

The directors present their strategic report for the period ended 31 December 2016.

The principle activity of the company continued to be that of planning and buying of mobile and digital marketing inventory.

Business review A summary of the main financial highlights for the year is set out below:

	2016 £	2015 £	2014 £
Turnover	12,966,896	10,178,919	13,412,925
Profit / (Loss) before taxation	415,558	322,723	(731,218)
Net assets	(215,719)	(650,852)	(973,575)

Principle risks and uncertainties

The company's principal financial instruments comprise of bank balances, bank overdrafts, trade debtors and loans.

The main purpose of these instruments is to raise funds for and to finance the company's operations.

The group's approach to managing risks applicable to the financial instruments concerned is shown below.

In respect of bank balances the liquidity risk is managed by maintaining a balance between the continuity of funding and flexibility through the use of overdrafts at floating rates of interest.

In respect of loans, these comprise of intercompany loans.

Trade debtors are managed in respect of credit and cash flow risk by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit limits.

Trade creditors liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

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



R D Langston
Director
4th April 2017

Directors' report for the year ended 31 December 2016

The directors present their report for the year ended 31 December 2016.

Directors The directors who served in the year were:

- N A Hynes
- R D Langston
- C S Uminski

Directors' responsibilities statement

The directors are responsible for preparing the Strategic Report, 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 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 directors must not approve the financial statements unless 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 directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments 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.

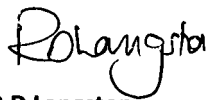
Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- that director 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.

Auditors The auditors, Harris & Trotter LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

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



R D Langston
Director
4th April 2017

Independent auditor's report

Independent auditor's report to the shareholders of Somo Ltd

We have audited the financial statements of Somo Ltd for the year ended 31 December 2016, set out on pages 5 to 16. 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'.

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 Auditors	As explained more fully in the Directors' Responsibilities Statement, 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.
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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 Strategic Report and the Directors' Report 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.
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Opinion on the financial statements	<p>In our opinion the financial statements:</p> <ul style="list-style-type: none">- give a true and fair view of the state of the company's affairs as at 31 December 2016 and of its profit for the year 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.
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Independent auditor's report

Independent auditor's report to the shareholders of Somo Ltd

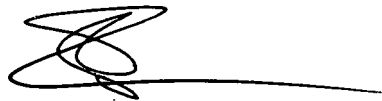
**Opinion on other
matter prescribed
by the Companies
Act 2006**

In our opinion the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**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.



Hugh Lask (Senior Statutory Auditor)

for and on behalf of
Harris & Trotter LLP
Chartered Accountants
64 New Cavendish Street
London W1G 8TB

4th April 2017

Statement of comprehensive income for the year ended 31 December 2016

	Note	2016 £	2015 £
Turnover	2	12,966,896	10,178,919
Cost of sales		(12,130,689)	(9,549,922)
Gross Profit		836,207	628,997
Administrative expenses		(274,905)	(251,042)
Operating profit / (loss)		561,302	377,955
Net interest payable and similar charges	6	(145,744)	(55,232)
Profit / (Loss) on ordinary activities before taxation		415,558	322,723
Tax on profit / (loss) on ordinary activities before taxation	7	19,575	-
Profit / (Loss) for the financial year		435,133	322,723
Other comprehensive income		-	-
Total comprehensive income for the year		435,133	322,723

Statement of financial position as at 31 December 2016

	Note	Company 2016 £	Company 2015 (as restated) £
Fixed assets			
Tangible assets	8	188	1,311
		188	1,311
Current assets			
Debtors: amounts falling due within one year	9	5,401,012	3,320,936
Cash at bank and in hand	10	3,709	5,436
		5,404,721	3,326,372
Creditors: amounts falling due within one year	11	(5,620,628)	(3,978,535)
Net current liabilities		(215,907)	(652,163)
Total assets less current liabilities		(215,719)	(650,852)
Net liabilities		(215,719)	(650,852)
Capital and reserves			
Called up share capital	14	3,333	3,333
Share premium account	14	246,987	246,987
Profit and loss reserve	13	(466,039)	(901,172)
Shareholders' deficit		(215,719)	(650,852)

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



R D Langston
Director
4th April 2017

The notes on pages 8 to 16 form part of these financial statements.

Statement of changes in equity

Company statement of changes in equity for the year ended 31 December 2016

	Share capital £	Share premium £	Retained earnings £	Total equity £
At 1 January 2015	3,333	246,987	(1,278,358)	(1,028,038)
Prior period adjustment	-	-	54,463	54,463
At 1 January 2015	3,333	246,987	(1,223,895)	(973,575)
Profit for the year	-	-	322,723	322,723
At 31 December 2015	3,333	246,987	(901,172)	(650,852)
Profit for the year	-	-	435,133	435,133
At 31 December 2016	3,333	246,987	(466,039)	(215,719)

Notes to the financial statements

Principle accounting policies 1

Basis of preparation of financial statements The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom 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.

The following principal accounting policies have been applied:

Going concern The financial statements have been prepared on a going concern basis. At the year end the company has net liabilities of £215,719 (2015: £650,852).

The company relies on the support of its parent company (Somo Global Ltd), which in turn relies on the support of its shareholders in order to meet its medium term capital requirements. The directors are confident that this support will continue for the foreseeable future.

On this basis, the directors consider it appropriate to prepare the financial statements on the going concern basis. If the going concern basis were not appropriate, adjustments would have to be made to reduce the value of the company's assets to their recoverable amount, to provide for any further liabilities which may arise and to reclassify fixed assets and long term liabilities 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. 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.
-

Prior period adjustment The financial statements have been restated to incorporate the impact of £54,463 of creditors in the company that should have been discharged in 2014. The change has resulted in retained earnings increasing by £54,463.

Notes to the financial statements

Principle accounting policies (continued) 1

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.

The estimated useful lives range as follows:

- Computer equipment: 2 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 within 'other operating income' in the Statement of Comprehensive Income.

Debtors Short term debtors are measured at transaction price, less any impairment.

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.

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 accounts receivable and payable and loans from banks and other third parties.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are measured at present value of the future cash flows. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received.

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.

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

Principle accounting policies (continued) 1

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. Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the statement of comprehensive income within 'interest receivable or payable'. All other foreign exchange gains and losses are presented within 'administrative expenses'.
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.
Pension costs	The Company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the Company. The annual contributions payable are charged to the profit and loss account. The pension cost charge for the year represents contributions payable by the Group to the scheme and amounted to £4,220 (2015: £nil).

Notes to the financial statements

Analysis of turnover 2

Analysis of turnover by geographical area:

	2016 £	2015 £
United Kingdom	7,326,230	6,072,377
Rest of Europe	4,307,969	2,986,820
Rest of the world	1,332,697	1,119,722
	12,966,896	10,178,919

Operating profit 3

Operating profit is stated after charging:

	2016 £	2015 £
Depreciation of tangible owned assets	1,123	18,482
Exchange differences	81,756	84,071

During the year, no director received any emoluments (2015: nil).

Auditors' remuneration 4

	2016 £	2015 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual accounts	11,000	8,000

Notes to the financial statements

Employees 5

Staff costs were as follows:

	2016 £	2015 £
Wages and salaries	1,039,318	1,148,622
Social security costs	111,312	86,991
Other pension costs (note 1)	4,220	-
	1,154,850	1,235,613

The average number of employees, including the directors, during the year was 23 (2015: 27).

Interest payable and similar charges 6

	2016 £	2015 £
Other interest payable	145,744	55,232

Notes to the financial statements

Taxation 7

	2016 £	2015 £
Current tax		
UK Corporation tax	-	-
Deferred tax		
Origination and reversal of timing differences	(19,575)	-
	(19,575)	-

Factors affecting the tax charge for the year

The tax assessed for the year is higher than (2015: higher than) the standard rate of corporation tax in the UK of 20% (2015: 20%). The differences are explained below:

	2016 £	2015 £
Profit on ordinary activities before taxation	415,558	322,723
Corporation tax at standard rate	83,112	64,545
Effects of:		
Non-tax deductible expenses	14,660	2,126
Depreciation add back	225	3,712
Capital allowances	(3,564)	(4,795)
Utilisation of tax losses	(94,432)	(65,588)
Total current tax credit for the year	-	-

Notes to the financial statements

Tangible fixed assets 8

	Total £
Computer Equipment	
Cost	
At 1 January 2016	74,521
Additions	-
At 31 December 2016	74,521
Depreciation	
At 1 January 2016	73,210
Charge for the year	1,123
At 31 December 2016	74,333
Net book amount	
At 31 December 2016	188
At 31 December 2015	1,311

Debtors 9

	2016 £	2015 £
Trade debtors	2,688,199	1,215,893
Amounts owed by group undertakings	1,363,346	1,250,917
Other debtors	44,700	-
Prepayments and accrued income	1,304,767	854,126
	5,401,012	3,320,936

Notes to the financial statements

Cash and cash equivalents 10

	Company 2016 £	Company 2015 £
Cash at bank and in hand	3,709	5,436

Creditors: Amounts falling due within one year 11

	Company 2016 £	Company 2015 (as restated) £
Trade creditors	1,835,204	1,072,308
Amounts owed to group undertakings	-	267,009
Taxation and social security	224,701	169,315
Other creditors	1,856,495	661,030
Accruals and deferred income	1,704,228	1,808,873
	5,620,628	3,978,535

Included in other creditors is £1,652,535 (2015: £671,808) secured against all the assets of the company.

Notes to the financial statements

Financial instruments 12

	Company 2016 £	Company 2015 (as restated) £
Financial assets		
Financial assets that are debt instruments measured at amortised cost	5,370,989	3,247,014
Financial liabilities		
Financial liabilities measured at amortised cost	(4,985,651)	(3,509,371)

Financial assets measured at amortised cost comprise trade and other receivables.
Financial liabilities measured at amortised cost comprise trade and other payables.

Reserves 13

Profit and loss account

Includes all current and prior period retained profits and losses.

Share capital 14

	Nominal value	2016 Number	2016 £	2015 Number	2015 £
Allotted, called up and fully paid					
Ordinary shares	£0.10	33,333	3,333	33,333	3,333

Controlling party 15

The immediate and ultimate parent company is Somo Global Ltd. Somo Global Ltd has no overall control.