

Registered Number 04807921

INSTINCT STUDIOS LIMITED

Abbreviated Accounts

30 June 2016

Abbreviated Balance Sheet as at 30 June 2016

	<i>Notes</i>	<i>2016</i>	<i>2015</i>
		£	£
Fixed assets			
Intangible assets	2	10,438	-
Tangible assets	3	287,273	410,254
		<u>297,711</u>	<u>410,254</u>
Current assets			
Debtors	4	423,745	292,156
Investments		57,521	144,948
		<u>481,266</u>	<u>437,104</u>
Creditors: amounts falling due within one year		<u>(488,822)</u>	<u>(423,312)</u>
Net current assets (liabilities)		<u>(7,556)</u>	<u>13,792</u>
Total assets less current liabilities		<u>290,155</u>	<u>424,046</u>
Total net assets (liabilities)		<u>290,155</u>	<u>424,046</u>
Capital and reserves			
Called up share capital	5	20,600	16,200
Share premium account		5,049,895	3,035,000
Profit and loss account		(4,780,340)	(2,627,154)
Shareholders' funds		<u>290,155</u>	<u>424,046</u>

- For the year ending 30 June 2016 the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.
- The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.
- These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

Approved by the Board on 28 April 2017

And signed on their behalf by:

S Maynard, Director

Notes to the Abbreviated Accounts for the period ended 30 June 2016**1 Accounting Policies****Basis of measurement and preparation of accounts**

The full financial statements, from which these abbreviated accounts are extracted, have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

Turnover policy

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts

Tangible assets depreciation policy

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

S/Term leasehold property- over the term of the lease

Fixture & fittings- 20% reducing balance

Computer equipment- 20% straight line basis

Intangible assets amortisation policy

Intangible fixed assets are stated at cost less amortisation. Amortisation is provided at rates calculated to write off the cost of the assets less their estimated residual value, over their expected useful lives on the following bases:

Trademarks - 3 years straight line

Other accounting policies

Going concern- The company has made a loss in both the current and preceding year. This is the result of a period of significant investment in product development and refining the market focus for the business ahead of revenue generation. The accounts have been prepared on a going concern basis as it is believed that the investment period, funded by two equity fund raising rounds, is coming to an end and the business has clear sight of the corresponding revenue streams and growth opportunities over the new financial year and beyond. The Directors remain confident of the company's ability to fund itself during this period.

Operating lease - Rentals under operating leases are charged to the Profit and loss account 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 period until the date the rent is expected to be adjusted to the prevailing market rate.

Change in accounting policy- The directors have opted to offset the capital raising fees against the resulting share premium, as in their opinion, this results in the financial statements presenting a true

and fair view. This is a change in accounting policy and has resulted in a prior year adjustment. This has reduced the expenses in the prior year by £58,800 resulting in a decrease in the profit and loss reserve and a decrease in the share premium account. There is no change in overall net assets in 2015. In the current period, expenses of £180,705 have been offset against share premium which under the previous accounting policy would have been charged to the profit and loss.

Foreign currencies - Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the profit and loss account.

2 Intangible fixed assets

	£
Cost	
At 1 July 2015	-
Additions	15,657
Disposals	-
Revaluations	-
Transfers	-
At 30 June 2016	<u>15,657</u>
Amortisation	
At 1 July 2015	-
Charge for the year	5,219
On disposals	-
At 30 June 2016	<u>5,219</u>
Net book values	
At 30 June 2016	<u><u>10,438</u></u>
At 30 June 2015	<u><u>-</u></u>

3 Tangible fixed assets

	£
Cost	
At 1 July 2015	819,351
Additions	20,978
Disposals	(86,889)
Revaluations	-
Transfers	-
At 30 June 2016	<u>753,440</u>
Depreciation	
At 1 July 2015	409,097
Charge for the year	142,988
On disposals	(85,918)
At 30 June 2016	<u>466,167</u>
Net book values	

At 30 June 2016	<u>287,273</u>
At 30 June 2015	<u>410,254</u>

4 Debtors

	<i>2016</i>	<i>2015</i>
	<i>£</i>	<i>£</i>
Debtors include the following amounts due after more than one year	50,400	942

Included in other debtors is an amount of £85,054 (2015: £3,769) owed by Majid Shabir, a director and shareholder in the company. The director's loan is unsecured and charged interest totalling £nil (2015: £117).

5 Called Up Share Capital

Allotted, called up and fully paid:

	<i>2016</i>	<i>2015</i>
	<i>£</i>	<i>£</i>
2,060,000 Ordinary shares of £0.01 each (1,620,000 shares for 2015)	20,600	16,200

During the year 440,000 Ordinary shares of £0.01 were issued at £5 each.

Share options in Instinct Studios Limited, were granted to 18 employees (2015:nil employees) during the year. Employees have the right to exercise their share options at some point in the future at an exercise price of £1 per share.

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.