
RHIZOME MEDIA LIMITED

UNAUDITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2018

WEDNESDAY



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COMPANIES HOUSE

RHIZOME MEDIA LIMITED

COMPANY INFORMATION

Directors

J Stevens
D J Hiatt
J Izzard (appointed 1 March 2018)
M Tighe (appointed 1 March 2018)

Registered number

05213621

Registered office

2 Eastbourne Terrace
London
England
W2 6LG

RHIZOME MEDIA LIMITED
REGISTERED NUMBER: 05213621

BALANCE SHEET
AS AT 31 AUGUST 2018

	Note	2018 £	2017 £
Fixed assets			
Intangible assets	4	324,223	494,669
Tangible assets	5	21,951	25,469
		<u>346,174</u>	<u>520,138</u>
Current assets			
Debtors: amounts falling due within one year	6	134,128	137,046
Cash at bank and in hand	7	168,321	123,986
		<u>302,449</u>	<u>261,032</u>
Creditors: amounts falling due within one year	8	(371,775)	(236,319)
Net current (liabilities)/assets		<u>(69,326)</u>	<u>24,713</u>
Total assets less current liabilities		<u>276,848</u>	<u>544,851</u>
Creditors: amounts falling due after more than one year	9	(94,806)	(245,825)
Provisions for liabilities			
Deferred tax		(1,943)	-
		<u>(1,943)</u>	<u>-</u>
Net assets		<u><u>180,099</u></u>	<u><u>299,026</u></u>
Capital and reserves			
Called up share capital		1,960	1,666
Profit and loss account		178,139	297,360
		<u><u>180,099</u></u>	<u><u>299,026</u></u>

RHIZOME MEDIA LIMITED
REGISTERED NUMBER: 05213621

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2018

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.

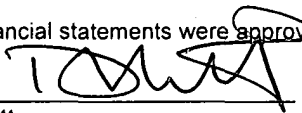
The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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 profit and loss account 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:


D J Hiatt
Director

Date:

24/05/19

RHIZOME MEDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2018

1. General information

Rhizome Media Limited is a private company, limited by shares and domiciled in England and Wales. The registered address is 2 Eastbourne Terrace, London, England, W2 6LG.

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 presentation and functional currency is £ sterling.

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. Revenue from a contract to provide services is recognised in the period in which the services are provided.

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.

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.

Depreciation is provided on the following basis:

Motor vehicles	- 20% straight line
Fixtures and fittings	- 25% written down value
Computer equipment	- 33.33% straight line
Bicycle	- 33.33% straight line

2.5 Debtors

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

2.6 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.

RHIZOME MEDIA LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

2. Accounting policies (continued)

2.7 Creditors

Short term creditors are measured at the transaction price.

2.8 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 Profit and loss account 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 Profit and loss account within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Profit and loss account within 'other operating income'.

2.9 Dividends

Equity dividends have been recognised when they became legally payable.

2.10 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 Profit and loss account 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.

2.11 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Profit and loss account in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

RHIZOME MEDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2018

2. Accounting policies (continued)

2.12 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Profit and loss account, 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.

2.13 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

3. Employees

The average monthly number of employees, including directors, during the year was 12 (2017 - 7).

RHIZOME MEDIA LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

4. Intangible assets

	Intellectual Property £
Cost	
At 1 September 2017	526,335
Disposals	(40,000)
At 31 August 2018	<u>486,335</u>
Amortisation	
At 1 September 2017	31,666
Charge for the year	170,446
On disposals	(40,000)
At 31 August 2018	<u>162,112</u>
Net book value	
At 31 August 2018	<u><u>324,223</u></u>
At 31 August 2017	<u><u>494,669</u></u>

On 31 August 2017 the company acquired the business including the intangible and tangible assets of Rhizome Media Partners LLP ("LLP"), for a total consideration of £504,474. Prior to the acquisition date, the LLP carried on the business of media, PR, and social media services under licence from the company. The licence was terminated on the date of the acquisition and the company acquired the trade of the LLP. All clients previously serviced by the LLP continued to be serviced by the company. The acquisition costs have been capitalised in the company accounts and it is intended that they will be amortised over 3 years on a straight-line basis.

RHIZOME MEDIA LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

5. Tangible fixed assets

	£
Cost or valuation	
At 1 September 2017	31,893
Additions	6,363
Disposals	(3,030)
At 31 August 2018	<u>35,226</u>
Depreciation	
At 1 September 2017	6,424
Charge for the year on owned assets	9,881
Disposals	(3,030)
At 31 August 2018	<u>13,275</u>
Net book value	
At 31 August 2018	<u><u>21,951</u></u>
At 31 August 2017	<u><u>25,469</u></u>

6. Debtors

	2018 £	2017 £
Trade debtors	98,676	107,838
Other debtors	30,986	13,818
Prepayments and accrued income	4,466	15,390
	<u>134,128</u>	<u>137,046</u>

7. Cash and cash equivalents

	2018 £	2017 £
Cash at bank and in hand	168,321	123,986
	<u>168,321</u>	<u>123,986</u>

RHIZOME MEDIA LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

8. Creditors: Amounts falling due within one year

	2018 £	2017 £
Trade creditors	2,891	11,864
Amounts owed to other participating interests	12,144	7,240
Corporation tax	67,731	53,557
Other taxation and social security	79,057	27,364
Obligations under finance lease and hire purchase contracts	2,986	2,986
Other creditors	8,387	3,846
Accruals and deferred income	198,579	129,462
	<u>371,775</u>	<u>236,319</u>

9. Creditors: Amounts falling due after more than one year

	2018 £	2017 £
Net obligations under finance leases and hire purchase contracts	7,715	10,701
Deferred income	87,091	235,124
	<u>94,806</u>	<u>245,825</u>

10. Related party transactions

Included in other creditors is an amount of £12,144 (2017 - £7,240) owed by the company to Rhizome Media LLP, a company in which Mr D Hiatt is a designated member.

Included in other debtors, is an amount of £13,480 (2017 - £1,572) due from Mr D Hiatt, who is a director of the company.

11. Deferred taxation

	2018 £
Charged to profit or loss	(1,943)
At end of year	<u>(1,943)</u>

RHIZOME MEDIA LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

11. Deferred taxation (continued)

The deferred taxation balance is made up as follows:

	2018 £	2017 £
Accelerated capital allowances	(1,943)	-
	<u>(1,943)</u>	<u>-</u>