

REGISTRAR OF COMPANIES

Megahertz Limited

Registered number: 08072421

Abbreviated accounts

For the year ended 31 December 2015



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COMPANIES HOUSE

MEGAHERTZ LIMITED

Registered number: 08072421

**ABBREVIATED BALANCE SHEET
AS AT 31 DECEMBER 2015**

	Note	£	2015 £	£	2014 £
Fixed assets					
Intangible assets	4		118,290		160,986
Tangible assets	5		31,596		40,470
			<u>149,886</u>		<u>201,456</u>
Current assets					
Stocks		58,909		757,158	
Debtors		1,853,123		5,000,754	
Cash at bank and in hand		775,443		170,531	
		<u>2,687,475</u>		<u>5,928,443</u>	
Creditors: amounts falling due within one year	6	(2,138,900)		(5,280,254)	
Net current assets			<u>548,575</u>		<u>648,189</u>
Total assets less current liabilities			<u>698,461</u>		<u>849,645</u>
Creditors: amounts falling due after more than one year	7		(3,307,926)		(2,682,745)
Provisions for liabilities					
Other provisions			(26,770)		(10,259)
Net liabilities			<u>(2,636,235)</u>		<u>(1,843,359)</u>
Capital and reserves					
Called up share capital	8		10,000		10,000
Profit and loss account			(2,646,235)		(1,853,359)
Shareholders' deficit			<u>(2,636,235)</u>		<u>(1,843,359)</u>

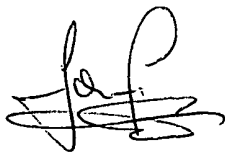
The director considers that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act.

The director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and for preparing financial statements which give a true and fair view of the state of affairs of the company as at 31 December 2015 and of its loss for the year in accordance with the requirements of sections 394 and 395 of the Act and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

MEGAHERTZ LIMITED

ABBREVIATED BALANCE SHEET (continued) AS AT 31 DECEMBER 2015

The abbreviated accounts, which have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006, were approved and authorised for issue by the board and were signed on its behalf by the sole director:



Director

Date: 27/5/16

The notes on pages 3 to 7 form part of these financial statements.

MEGAHERTZ LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2015.

1. Accounting Policies

1.1 Basis of preparation of financial statements

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

1.2 Going concern

The director has assessed the company's ability to continue as a going concern and has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. In doing this he has considered the results for the year, expectations of future trading and the availability of continued funding in the form of commercial loans. On the basis of this information the director is satisfied that there are no material uncertainties as to the ability to continue as a going concern and so the accounts have been prepared on this basis.

1.3 Turnover

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.

1.4 Intangible fixed assets and amortisation

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. It is amortised to the Profit and Loss Account over its estimated economic life.

1.5 Tangible fixed assets and depreciation

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:

Plant & machinery	-	25% reducing balance
Motor vehicles	-	25% reducing balance
Computer equipment	-	33% straight line

1.6 Operating leases

Rentals under operating leases are charged to the Profit and Loss Account on a straight line basis over the lease term.

1.7 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

MEGAHERTZ LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2015

1. Accounting Policies (continued)

1.8 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.

1.9 Long-term contracts

Profit on long-term contracts is taken as the work is carried out if the final outcome can be assessed with reasonable certainty. The profit included is calculated on a prudent basis to reflect the proportion of the work carried out at the year end, by recording turnover and related costs as contract activity progresses. Turnover is calculated as that proportion of total contract value which costs incurred to date bear to total expected costs for that contract. Revenues derived from variations on contracts are recognised only when they have been accepted by the customer. Full provision is made for losses on all contracts in the year in which they are first foreseen.

1.10 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

Payments in respect of personal pension plans are charged to the Profit and Loss account in the period to which they relate.

1.11 Warranty provision

The warranty provision is based on historic data for the average cost of repair.

1.12 Comparatives

The comparative figures have been restated to reclassify wages and salaries from cost of sales to direct costs. The director considers this allocation to more accurately reflect the nature of the business and the activities undertaken. The reclassification has no effect on net profit.

2. Turnover

52% of the company's turnover (2014 - 18%) is attributable to geographical markets outside the United Kingdom.

MEGAHERTZ LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2015

3. Taxation

	2015 £	2014 £
Analysis of tax (credit)/charge in the year		
UK corporation tax (credit)/charge on loss for the year	(10,000)	-
Adjustments in respect of prior periods	(33,939)	-
Tax on loss on ordinary activities	(43,939)	-

Factors that may affect future tax charges

At 31 December 2015 tax losses carried forward were £2,418,198 (2014: £1,751,359).

4. Intangible fixed assets

	£
Cost	
At 1 January 2015 and 31 December 2015	212,304
Amortisation	
At 1 January 2015	51,318
Charge for the year	42,696
At 31 December 2015	94,014
Net book value	
At 31 December 2015	118,290
At 31 December 2014	160,986

MEGAHERTZ LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2015

5. Tangible fixed assets

	£
Cost	
At 1 January 2015	58,889
Additions	4,778
At 31 December 2015	<u>63,667</u>
Depreciation	
At 1 January 2015	18,419
Charge for the year	13,652
At 31 December 2015	<u>32,071</u>
Net book value	
At 31 December 2015	<u>31,596</u>
At 31 December 2014	<u>40,470</u>

6. Creditors: Amounts falling due within one year

The WIP and book debts owed to the administrators of Megahertz Broadcast Systems Limited are guaranteed by an unscheduled debenture dated 14 October 2013, incorporating a fixed and floating charge over the company's current and future assets.

7. Creditors: Amounts falling due after more than one year Creditors include amounts not wholly repayable within 5 years as follows:

	2015 £	2014 £
Repayable by instalments	<u>3,307,926</u>	<u>2,682,745</u>

The company has three commercial loans which are unsecured and bear interest at 5% per annum.

8. Share capital

	2015 £	2014 £
Allotted, called up and fully paid		
10,000 Ordinary shares shares of £1 each	<u>10,000</u>	<u>10,000</u>

MEGAHERTZ LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2015

9. Operating lease commitments

At 31 December 2015 the company had annual commitments under non-cancellable operating leases as follows:

	2015 £	2014 £
Expiry date:		
Within 1 year	55,000	60,000
Between 2 and 5 years	100,820	142,218
	<u>155,820</u>	<u>202,218</u>

10. Related party transactions

	Opening Balances £	Movement £	2015 Closing balances £	2014 £
Voxman Projects	70,974	(39,974)	31,000	70,974
	<u>70,974</u>	<u>(39,974)</u>	<u>31,000</u>	<u>70,974</u>

At the period end management fees of £31,000 (2014: £70,974) were owed to Voxman Projects for consultancy services provided by Igor Orlov, a shareholder of the company.

At the period end the director, J Flay was owed £727 (2014: £727).