IMETAFILM LIMITED

UNAUDITED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 OCTOBER 2019

Company Registration No. SC375310 (Scotland)
PAGES FOR FILING WITH REGISTRAR

IMETAFILM LIMITED

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IMETAFILM LIMITED

BALANCE SHEET

AS AT 31 OCTOBER 2019

	Notes	2019 £	2019 £	2018 £	2018 £
Fixed assets					
Intangible assets	**3**		154,126		172,480
Tangible assets	**4**		86,967		98,804
Investments	**5**		673,116		-
			914,209		271,284
Current assets					
Debtors	**6**	128,211		4,457	
Cash at bank and in hand		22,870		5,782	
		151,081		10,239	
Creditors: amounts falling due within one year	**7**	(60,587)		(289,516)	
Net current assets/(liabilities)			90,494		(279,277)
Total assets less current liabilities			1,004,703		(7,993)
Capital and reserves					
Called up share capital	**8**		300		155
Share premium account			1,584,021		618,628
Profit and loss reserves			(579,618)		(626,776)
Total equity			1,004,703		(7,993)

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial period ended 31 October 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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 members have not required the company to obtain an audit of its financial statements for the period in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

BALANCE SHEET (CONTINUED)

AS AT 31 OCTOBER 2019

The financial statements were approved by the board of directors and authorised for issue on 30 October 2020 and are signed on its behalf by:

Mr I Johnstone
Director

Company Registration No. SC375310

IMETAFILM LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD ENDED 31 OCTOBER 2019

	Notes	Share capital £	Share premium account £	Profit and loss reserves £	Total £
Balance at 1 September 2017		155	618,628	(386,135)	232,648
Period ended 30 November 2018:					
Loss and total comprehensive income for the period		-	-	(240,641)	(240,641)
Balance at 30 November 2018		155	618,628	(626,776)	(7,993)
Period ended 31 October 2019:					
Profit and total comprehensive income for the period		-	-	47,158	47,158
Issue of share capital	**8**	145	965,393	-	965,538
Balance at 31 October 2019		300	1,584,021	(579,618)	1,004,703

1 Accounting policies

Company information

Imetafilm Limited is a private company limited by shares incorporated in Scotland. The registered office is C/o Davidson Chalmers Stewart LLP, 163 Bath Street, Glasgow, G2 4SQ.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary a mounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The company has taken advantage of the exemption under section 399 of the Companies Act 2006 not to prepare consolidated accounts, on the basis that the group of which this is the parent qualifies as a small group. The financial statements present information about the company as an individual entity and not about its group.

1.2 Reporting period

During the period the company changed its financial year end to 31 October and as a result these financial statements are for an 11 month period. The comparative figures are for a 15 month period and are therefore not directly comparable.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

1.4 Research and development expenditure

Research and development are initially measured at cost. After initial recognition, research and development are measured at costs less any accumulated amortisation and any accumulated impairment losses.

Research and development are being amortised evenly over their estimated useful life of four years.

1.5 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably.

Patents are initially measured at cost less any accumulated amortisation and any accumulated impairment losses. Patents are being amortised evenly over their estimated useful life of ten years.

1 Accounting policies **(Continued)**

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Patents & licences	10% Straight Line
Development costs	Varying rates

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and equipment	33.33% on cost and 10% on cost
Fixtures and fittings	20% on cost
Computers	33.33% on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.7 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.8 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

1.9 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1 Accounting policies **(Continued)**

1.10 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.11 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.12 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

1 Accounting policies **(Continued)**

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.13 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.14 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.15 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1.16 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.17 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

2 Employees

The average monthly number of persons (including directors) employed by the company during the period was 4 (2018 - 3).

3 Intangible fixed assets

	Other £
Cost	
At 1 December 2018	263,062
Additions	11,795
At 31 October 2019	274,857
Amortisation and impairment	
At 1 December 2018	90,582
Amortisation charged for the period	30,149
At 31 October 2019	120,731
Carrying amount	
At 31 October 2019	154,126
At 30 November 2018	172,480

4 Tangible fixed assets

	Plant and machinery etc £
Cost	
At 1 December 2018 and 31 October 2019	161,968
Depreciation and impairment	
At 1 December 2018	63,164
Depreciation charged in the period	11,837
At 31 October 2019	75,001
Carrying amount	
At 31 October 2019	86,967
At 30 November 2018	98,804

5 Fixed asset investments

	2019	2018
	£	£
Investments	673,116	-

Movements in fixed asset investments

	Shares in group undertakings
	£
Cost or valuation	
At 1 December 2018	-
Additions	673,116
At 31 October 2019	673,116
Carrying amount	
At 31 October 2019	673,116
At 30 November 2018	-

6 Debtors

	2019	2018
Amounts falling due within one year:	£	£
Trade debtors	-	1,727
Amounts owed by group undertakings	117,618	-
Other debtors	10,593	2,730
	128,211	4,457

Included in amounts owed by group undertakings is £117,618 (2018: nil), which is due to be received from the company's subsidiary, SNMU Limited. This amount is repayable on demand.

7 **Creditors: amounts falling due within one year**

	2019	2018
	£	£
Bank loans and overdrafts	52	92
Trade creditors	16,608	31,570
Corporation tax	11,865	-
Other taxation and social security	4,862	(135)
Other creditors	27,200	257,989
	60,587	289,516

Other creditors includes a balance of £24,450 (2018: £34,612) owed to the directors of the company which is repayable on demand.

8 **Called up share capital**

	2019	2018
	£	£
Ordinary share capital		
Issued and fully paid		
29,999 (2018: 15,484) Ordinary of 1p each	300	155

During the year additional investment was raised from the issue of additional shares from its existing shareholders.

9 **Events after the reporting date**

At the date on which the financial statements were approved, the financial implications arising from the Coronavirus (Covid-19) outbreak, which has affected the UK, are uncertain. The company has benefitted from financial assistance provided by the UK government. The directors are reviewing forecasts for an anticipated change in the company's operational activities in the short term. The directors are of the opinion that the company remains a going concern.

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