

# Signal Media Limited

Annual Report and Financial Statements

For the year ended 31 March 2019

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# Signal Media Limited

## Company Information

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<b>Directors</b>	D Benigson S Menashy A Hudson M Martinez N Giuli	(Appointed 5 April 2018) (Appointed 5 April 2018) (Appointed 30 August 2019)
<b>Secretary</b>	D Benigson	
<b>Company number</b>	08468207	
<b>Registered office</b>	1st Floor Sackville House 143-149 Fenchurch Street London England EC3M 6BN	
<b>Auditor</b>	Moore Kingston Smith LLP Charlotte Building 17 Gresse Street London W1T 1QL	
<b>Business address</b>	9th Floor 145 City Road Hoxton London EC1V 1AZ	

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# Signal Media Limited

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# Signal Media Limited

## Group Balance Sheet

As at 31 March 2019

	Notes	2019		2018	
		£	£	£	£
<b>Fixed assets</b>					
Intangible assets	7		31,500		-
Tangible assets	8		86,391		66,367
			<u>117,891</u>		<u>66,367</u>
<b>Current assets</b>					
Debtors	11	2,307,215		1,391,432	
Cash at bank and in hand		3,071,352		845,887	
			<u>5,378,567</u>		<u>2,237,319</u>
<b>Creditors: amounts falling due within one year</b>	12	(4,278,395)		(2,560,869)	
<b>Net current assets/(liabilities)</b>			<u>1,100,172</u>		<u>(323,550)</u>
<b>Total assets less current liabilities</b>			<u>1,218,063</u>		<u>(257,183)</u>
<b>Creditors: amounts falling due after more than one year</b>	13		(411,237)		(1,103,327)
<b>Net assets/(liabilities)</b>			<u>806,826</u>		<u>(1,360,510)</u>
<b>Capital and reserves</b>					
Called up share capital	16		601		433
Share premium account			16,330,948		8,293,250
Profit and loss reserves			(15,524,723)		(9,654,193)
<b>Total equity</b>			<u>806,826</u>		<u>(1,360,510)</u>

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

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

The financial statements were approved by the board of directors and authorised for issue on 5<sup>th</sup> November 2019 and are signed on its behalf by:



D Benigson  
Director

# Signal Media Limited

## Company Balance Sheet


As at 31 March 2019

	Notes	2019		2018	
		£	£	£	£
<b>Fixed assets</b>					
Intangible assets	7		31,500		-
Tangible assets	8		81,313		66,367
Investments	9		7		7
			<u>112,820</u>		<u>66,374</u>
<b>Current assets</b>					
Debtors	11	2,777,152		1,496,967	
Cash at bank and in hand		2,948,984		802,885	
			<u>5,726,136</u>		<u>2,299,852</u>
<b>Creditors: amounts falling due within one year</b>	12	(4,066,031)		(2,559,115)	
<b>Net current assets/(liabilities)</b>			<u>1,660,105</u>		<u>(259,263)</u>
<b>Total assets less current liabilities</b>			<u>1,772,925</u>		<u>(192,889)</u>
<b>Creditors: amounts falling due after more than one year</b>	13		(411,237)		(1,103,327)
<b>Net assets/(liabilities)</b>			<u><u>1,361,688</u></u>		<u><u>(1,296,216)</u></u>
<b>Capital and reserves</b>					
Called up share capital	16		601		433
Share premium account			16,330,948		8,293,250
Profit and loss reserves			(14,969,861)		(9,589,899)
<b>Total equity</b>			<u><u>1,361,688</u></u>		<u><u>(1,296,216)</u></u>

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's loss for the year was £5,379,962 (2018 - £3,695,581 loss).

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

The financial statements were approved by the board of directors and authorised for issue on 5<sup>th</sup> November 2019 and are signed on its behalf by:

  
 .....  
 D Benigson  
 Director

Company Registration No. 08468207

# Signal Media Limited

## Group Statement of Changes in Equity

For the year ended 31 March 2019

	Notes	Share capital £	Share premium account £	Profit and loss reserves £	Total £
<b>Balance at 1 April 2017</b>		407	7,793,317	(5,957,726)	1,835,998
<b>Year ended 31 March 2018:</b>					
Loss for the year		-	-	(3,695,958)	(3,695,958)
Other comprehensive income:					
Currency translation differences		-	-	(509)	(509)
Total comprehensive income for the year		-	-	(3,696,467)	(3,696,467)
Issue of share capital	16	26	499,933	-	499,959
<b>Balance at 31 March 2018</b>		433	8,293,250	(9,654,193)	(1,360,510)
<b>Year ended 31 March 2019:</b>					
Loss for the year		-	-	(5,866,681)	(5,866,681)
Other comprehensive income:					
Currency translation differences on overseas subsidiaries		-	-	(3,849)	(3,849)
Total comprehensive income for the year		-	-	(5,870,530)	(5,870,530)
Issue of share capital	16	168	8,037,698	-	8,037,866
<b>Balance at 31 March 2019</b>		601	16,330,948	(15,524,723)	806,826

# Signal Media Limited

## Company Statement of Changes in Equity

For the year ended 31 March 2019

	Notes	Share capital £	Share premium account £	Profit and loss reserves £	Total £
<b>Balance at 1 April 2017</b>		407	7,793,317	(5,894,318)	1,899,406
<b>Year ended 31 March 2018:</b>					
Loss and total comprehensive income for the year		-	-	(3,695,581)	(3,695,581)
Issue of share capital	16	26	499,933	-	499,959
<b>Balance at 31 March 2018</b>		433	8,293,250	(9,589,899)	(1,296,216)
<b>Year ended 31 March 2019:</b>					
Loss and total comprehensive income for the year		-	-	(5,379,962)	(5,379,962)
Issue of share capital	16	168	8,037,698	-	8,037,866
<b>Balance at 31 March 2019</b>		601	16,330,948	(14,969,861)	1,361,688

# Signal Media Limited

## Notes to the Financial Statements

For the year ended 31 March 2019

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### 1 Accounting policies

#### Company information

Signal Media Limited ("the company") is a private limited company domiciled and incorporated in England and Wales. The registered office is 1st Floor Sackville House, 143-149 Fenchurch Street, London, EC3M 6BN.

The group consists of Signal Media Limited and all of its subsidiaries.

#### 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.

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

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

The group would like to take the disclosure exemptions under FRS 102 from the requirements in Section 7 Statement of Cash Flows and Section 3 Financial Statement Presentation paragraph 3.17(d) and Section 33 Related Party Disclosures paragraph 33.7.

#### 1.2 Basis of consolidation

In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date. Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date. Investments in subsidiaries, joint ventures and associates are accounted for at cost less impairment.

The consolidated financial statements incorporate those of Signal Media Limited and all of its subsidiaries (i.e. entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes.

All financial statements are made up to 31 March 2019. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.



# Signal Media Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 March 2019

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### 1 Accounting policies

(Continued)

Signal Media Intelligence Inc. has been included in the group financial statements using the purchase method of accounting. Accordingly, the group profit and loss account includes the results from its incorporation in 2016. The purchase consideration has been allocated to the assets and liabilities on the basis of fair value at the date of incorporation.

The group profit and loss account also includes the results of Signal Limited from its incorporation on 24th December 2018.

Entities other than subsidiary undertakings or joint ventures, in which the group has a participating interest and over whose operating and financial policies the group exercises a significant influence, are treated as associates. In the group financial statements, associates are accounted for using the equity method.

Entities in which the group holds an interest and which are jointly controlled by the group and one or more other venturers under a contractual arrangement are treated as joint ventures. In the group financial statements, joint ventures are accounted for using the equity method.

#### 1.3 Going concern

The Company made a loss of £5,379,962 in the year ended 31 March 2019, however the company continues to grow rapidly and these losses were expected during this period of significant investment in research and development. In August 2019, £18,269,995 was raised through an equity fund raise and the Company's directors consider that this cash will be sufficient to meet the requirements of the business for the next 12 months and on that basis they consider it appropriate to continue to prepare the accounts on the going concern basis. These accounts do not include those adjustments that would be necessary in the event that the Company ceased to be a going concern.

#### 1.4 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.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

#### 1.5 Research and development expenditure

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

# Signal Media Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 March 2019

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### 1 Accounting policies

(Continued)

#### 1.6 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 if the fair value can be measured reliably.

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:

Software	5 years straight line
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#### 1.7 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:

Fixtures and fittings	Over the remaining period of the lease
Computers	3 years straight line

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 recognised in the profit and loss account.

#### 1.8 Fixed asset investments

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

In the parent company financial statements, investments in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

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

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

#### 1.9 Impairment of fixed assets

At each reporting period end date, the group 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.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

# Signal Media Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 March 2019

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### 1 Accounting policies

(Continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### 1.10 Cash at bank and in hand

Cash at bank and in hand 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.

#### 1.11 Financial instruments

The company only has basic financial instruments measured at amortised cost, with no financial instruments classified as other, or basic financial instruments measured at fair value.

#### 1.12 Equity instruments

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

#### 1.13 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 group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

# Signal Media Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 March 2019

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### 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 if, and only if, there is 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.

#### **1.14 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.

#### **1.15 Retirement benefits**

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

#### **1.16 Share-based payments**

Equity-settled share-based payments are measured at fair value at the date of grant by reference to the fair value of the equity instruments granted using the Black Scholes model. The fair value determined at the grant date is expensed on a straight-line basis over the vesting period, based on the estimate of shares that will eventually vest. A corresponding adjustment is made to equity.

The expense in relation to options over the parent company's shares granted to employees of a subsidiary is recognised by the company as a capital contribution, and presented as an increase in the company's investment in that subsidiary.

#### **1.17 Leases**

Rentals payable under operating leases, including any lease incentives received, are charged to income 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 lease asset are consumed.

#### **1.18 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.

# Signal Media Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 March 2019

### 2 Auditor's remuneration

	2019	2018
	£	£
Fees payable to the company's auditor and associates:		
<b>For audit services</b>		
Audit of the financial statements of the group and company	9,200	7,500
Audit of the financial statements of the company's subsidiaries	950	-
	<u>10,150</u>	<u>7,500</u>
<b>For other services</b>		
Taxation compliance services	1,750	1,500
All other non-audit services	5,150	2,000
	<u>6,900</u>	<u>3,500</u>

### 3 Employees

The average monthly number of persons (including directors) employed by the group and company during the year was:

	Group 2019 Number	2018 Number	Company 2019 Number	2018 Number
Total employees	93	61	89	60

Their aggregate remuneration comprised:

	Group 2019 £	2018 £	Company 2019 £	2018 £
Wages and salaries	5,994,052	3,204,754	5,588,467	3,204,754
Social security costs	706,734	390,138	672,851	390,138
Pension costs	279,501	133,491	279,501	133,491
	<u>6,980,287</u>	<u>3,728,383</u>	<u>6,540,819</u>	<u>3,728,383</u>

### 4 Directors' remuneration

	2019	2018
	£	£
Remuneration paid to directors	<u>265,000</u>	<u>87,380</u>

# Signal Media Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 March 2019

### 5 Interest receivable and similar income

	2019 £	2018 £
Other interest receivable and similar income	4,406	57

### 6 Taxation

	2019 £	2018 £
<b>Current tax</b>		
Research and development tax credit	(753,742)	(621,317)

### 7 Intangible fixed assets

Group	Software £
<b>Cost</b>	
At 1 April 2018	-
Additions	35,000
At 31 March 2019	35,000
<b>Amortisation and impairment</b>	
At 1 April 2018	-
Amortisation charged for the year	3,500
At 31 March 2019	3,500
<b>Carrying amount</b>	
At 31 March 2019	31,500
At 31 March 2018	-
<b>Company</b>	Software £
<b>Cost</b>	
At 1 April 2018	-
Additions	35,000
At 31 March 2019	35,000
<b>Amortisation and impairment</b>	
At 1 April 2018	-
Amortisation charged for the year	3,500
At 31 March 2019	3,500

# Signal Media Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 March 2019

### 7 Intangible fixed assets (Continued)

<b>Carrying amount</b>	
At 31 March 2019	31,500
At 31 March 2018	-

### 8 Tangible fixed assets

Group	Fixtures and fittings	Computers	Total
	£	£	£
<b>Cost</b>			
At 1 April 2018	7,822	147,793	155,615
Additions	461	70,202	70,663
Exchange adjustments	-	46	46
At 31 March 2019	8,283	218,041	226,324
<b>Depreciation and impairment</b>			
At 1 April 2018	7,822	81,426	89,248
Depreciation charged in the year	-	50,679	50,679
Exchange adjustments	-	6	6
At 31 March 2019	7,822	132,111	139,933
<b>Carrying amount</b>			
At 31 March 2019	461	85,930	86,391
At 31 March 2018	-	66,367	66,367

# Signal Media Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 March 2019

### 8 Tangible fixed assets (Continued)

Company	Fixtures and fittings £	Computers £	Total £
<b>Cost</b>			
At 1 April 2018	7,822	147,793	155,615
Additions	461	64,431	64,892
At 31 March 2019	<u>8,283</u>	<u>212,224</u>	<u>220,507</u>
<b>Depreciation and impairment</b>			
At 1 April 2018	7,822	81,426	89,248
Depreciation charged in the year	-	49,946	49,946
At 31 March 2019	<u>7,822</u>	<u>131,372</u>	<u>139,194</u>
<b>Carrying amount</b>			
At 31 March 2019	<u>461</u>	<u>80,852</u>	<u>81,313</u>
At 31 March 2018	<u>-</u>	<u>66,367</u>	<u>66,367</u>

### 9 Fixed asset investments

	Group 2019 £	2018 £	Company 2019 £	2018 £
Investments	-	-	7	7
	<u>-</u>	<u>-</u>	<u>7</u>	<u>7</u>



# Signal Media Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 March 2019

### 9 Fixed asset investments (Continued)

#### Movements in fixed asset investments Company

	Shares in group undertakings £
<b>Cost or valuation</b>	
At 1 April 2018 and 31 March 2019	7
Additions	-
	<hr/>
At 31 March 2019	7
	<hr/>
<b>Carrying amount</b>	
At 31 March 2019	7
	<hr/> <hr/>
At 31 March 2018	7
	<hr/> <hr/>

During the year, Signal Media Limited incorporated a subsidiary undertaking which it holds for an investment of 1 Hong Kong dollar (£0.10).

### 10 Subsidiaries

Details of the company's subsidiaries at 31 March 2019 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Signal Media Intelligence Inc.	United States	Artificial intelligence media monitoring	Ordinary	100.00	
Signal Limited	Hong Kong	Artificial intelligence media monitoring	Ordinary	100.00	

The aggregate capital and reserves and the profit for the year of the subsidiaries noted above was as follows:

Name of undertaking	Profit/(Loss)	Capital and Reserves
	£	£
Signal Media Intelligence Inc.	(457,776)	(525,963)
Signal Limited	(28,803)	(28,996)

# Signal Media Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 March 2019

### 11 Debtors

	Group 2019	2018	Company 2019	2018
	£	£	£	£
<b>Amounts falling due within one year:</b>				
Trade debtors	847,966	391,457	808,231	391,457
Corporation tax recoverable	753,785	621,317	753,785	621,317
Amounts due from group	-	-	570,991	107,093
Other debtors	640,360	313,554	579,041	311,996
	<u>2,242,111</u>	<u>1,326,328</u>	<u>2,712,048</u>	<u>1,431,863</u>
<b>Amounts falling due after more than one year:</b>				
Other debtors	<u>65,104</u>	<u>65,104</u>	<u>65,104</u>	<u>65,104</u>
<b>Total debtors</b>	<u>2,307,215</u>	<u>1,391,432</u>	<u>2,777,152</u>	<u>1,496,967</u>

### 12 Creditors: amounts falling due within one year

	Group 2019	2018	Company 2019	2018
Notes	£	£	£	£
Other borrowings	14	692,090	618,774	692,090
Trade creditors		372,345	297,149	352,564
Other taxation and social security		419,050	162,459	419,050
Other creditors		50,015	33,893	49,723
Accruals and deferred income		2,744,895	1,448,594	2,552,604
		<u>4,278,395</u>	<u>2,560,869</u>	<u>4,066,031</u>

### 13 Creditors: amounts falling due after more than one year

	Group 2019	2018	Company 2019	2018
Notes	£	£	£	£
Other borrowings	14	<u>411,237</u>	<u>1,103,327</u>	<u>411,237</u>

# Signal Media Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 March 2019

### 14 Loans and overdrafts

	<b>Group</b>		<b>Company</b>	
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Other borrowings	<u>1,103,327</u>	<u>1,722,101</u>	<u>1,103,327</u>	<u>1,722,101</u>
Payable within one year	692,090	618,774	692,090	618,774
Payable after one year	<u>411,237</u>	<u>1,103,327</u>	<u>411,237</u>	<u>1,103,327</u>

Long term loans are secured by way of fixed and floating charges over all assets and undertakings of Signal Media Limited.

### 15 Share-based payment transactions

<b>Group and company</b>	<b>Number of share options</b>		<b>Weighted average exercise price</b>	
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
	<b>Number</b>	<b>Number</b>	<b>£</b>	<b>£</b>
Outstanding at 1 April 2018	5,871,400	2,830,800	0.0067	0.0131
Granted	4,038,300	3,964,500	0.0001	0.0003
Forfeited	(1,097,300)	(923,900)	0.0003	-
Outstanding at 31 March 2019	<u>8,812,400</u>	<u>5,871,400</u>	<u>0.0050</u>	<u>0.0067</u>
Exercisable at 31 March 2019	<u>1,250,000</u>	<u>1,250,000</u>	<u>-</u>	<u>-</u>

The options outstanding at 31 March 2019 had an exercise price ranging from £0.49 to £0.0001, and an average remaining contractual life of 8 years.

The weighted average fair value of options granted in the year was determined using the Black-Scholes option pricing model. The Black-Scholes model is considered to apply the most appropriate valuation method due to the relatively short contractual lives of the options and the requirement to exercise within a short period after the employee becomes entitled to the shares (the "vesting date").

The expected life used in the model has been adjusted, based on management's best estimate, for the effect of non-transferability, exercise restrictions, and behavioral considerations.

Non-vesting conditions and market conditions are taken into account when estimating the fair value of the option at grant date. Service conditions and non-market performance conditions are taken into account by adjusting the number of options expected to vest at each reporting date.

No share based payment charge has been recognised on the grounds that the charge is immaterial.

# Signal Media Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 March 2019

### 16 Share capital

	Group and company	
	2019	2018
	£	£
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
10,124,600 Ordinary Shares of £0.00001 each	101	101
808,000 B Shares of £0.00001 each	8	8
1,345,800 C Shares of £0.00001 each	11	10
41,650,200 A Shares of £0.00001 each	417	252
6,131,500 Seed Shares of £0.00001 each	61	61
271,800 Deferred Shares of £0.00001 each	3	1
	<u>601</u>	<u>433</u>

During the year 164,576 A Shares of £0.001 were issued for consideration of £8,037,562. 4,080 £0.001 C Shares were also issued during the year at par. In addition, 1,272 £0.001 C Shares were re-designated as Deferred Shares.

Subsequent to the previous allotments, all issued shares were subdivided from a par value of £0.001 to £0.00001.

The A Shares rank pari-passu in all respects. Seed and Ordinary Shares entitle the holders to attend and speak at general meetings, as well as vote at all general meetings and on all written resolutions. The B Shares entitle the holders to attend and speak at general meetings, however they may not vote unless the vote pertains to the modification of share rights. The C Shares and Deferred Shares do not entitle holders to attend or speak at general meetings of the company nor do they hold any voting rights.

### 17 Audit report information

As the income statement has been omitted from the filing copy of the financial statements the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Ian Graham.

The auditor was Moore Kingston Smith LLP.

# Signal Media Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 March 2019

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### 18 Operating lease commitments

#### Lessee

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

<b>Group</b>		<b>Company</b>	
<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>1,191,000</b>	<b>219,024</b>	<b>1,191,000</b>	<b>219,024</b>

### 19 Events after the reporting date

In September 2019, the company issued 18,117,804 B Preferred shares of £0.00001 each for consideration paid of £18,269,995.

In April 2019 the company drew down a further £2,000,000 on an existing loan facility. The loan is repayable over 36 months.

Long term loans are secured by way of fixed and floating charges over all assets and undertakings of the entity.

### 20 Controlling party

As at 31 March 2019, there was no single ultimate controlling party.