

Registered number: 07156669

DIGITAL VISCOM LIMITED

UNAUDITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

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DIGITAL VISCOM LIMITED

COMPANY INFORMATION

Directors	J S Auluk M G Phillips
Registered number	07156669
Registered office	153-157 Blackhorse Lane Walthamstow London E17 5QZ
Accountants	Barnes Roffe LLP Chartered Accountants Leytonstone House 3 Hanbury Drive Leytonstone London E11 1GA

DIGITAL VISCOM LIMITED

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DIGITAL VISCOM LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019**

The directors present their report and the financial statements for the year ended 31 December 2019.

Principal activity

The principal activity of the company continues to be the provision of IT and software solutions for the brand, retail and film and entertainment industries.

Results and dividends

The loss for the year, after taxation, amounted to £179,606 (2018 - loss £125,926).

Directors

The directors who served during the year were:

J S Auluk
M G Phillips

Qualifying third party indemnity provisions

The company has not made any qualifying third party indemnity provisions for the benefit of the directors during the year (2018 - £Nil).

Going concern

The directors regard the company as a going concern, see accounting note 2.3 for further information.


Post balance sheet events

The COVID-19 pandemic has been unprecedented in scale and impact and the directors have taken swift and decisive action to protect customers, colleagues and the communities in which the Company operates, by implementing the necessary steps to safeguard business through the crisis, in line with UK Government guidelines.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 18 December 2020 and signed on its behalf.



M G Phillips
Director

DIGITAL VISCOM LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2019

	Note	2019 £	2018 £
Turnover	3	572,638	554,941
Cost of sales		(69,775)	(66)
Gross profit		502,863	554,875
Administrative expenses		(682,469)	(719,750)
Operating loss		(179,606)	(164,875)
Interest payable and expenses		-	(7)
Loss before tax		(179,606)	(164,882)
Tax on loss		-	38,956
Loss for the financial year		(179,606)	(125,926)

The notes on pages 4 to 9 form part of these financial statements.

The results of the above are all derived from continuing operations.

DIGITAL VISCOM LIMITED
REGISTERED NUMBER: 07156669

BALANCE SHEET
AS AT 31 DECEMBER 2019

	Note	2019 £	2018 £
Fixed assets			
Intangible assets	5	375,954	304,108
Current assets			
Debtors: amounts falling due within one year	6	762	36,854
		<u>762</u>	<u>36,854</u>
Creditors: amounts falling due within one year	7	(691,669)	(476,309)
Net current liabilities		<u>(690,907)</u>	<u>(439,455)</u>
Total assets less current liabilities		<u>(314,953)</u>	<u>(135,347)</u>
Net liabilities		<u><u>(314,953)</u></u>	<u><u>(135,347)</u></u>
Capital and reserves			
Called up share capital		100	100
Profit and loss account		(315,053)	(135,447)
		<u><u>(314,953)</u></u>	<u><u>(135,347)</u></u>


The directors consider that the Company is entitled to exemption from audit under section 479A of the Companies Act 2006.

The members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the 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 were approved and authorised for issue by the board and were signed on its behalf on 18 December 2020.


M G Phillips
 Director

The notes on pages 4 to 9 form part of these financial statements.

DIGITAL VISCOM LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

1. General information

Digital Viscom Limited ("the Company") is a private company limited by shares, incorporated in the United Kingdom under the Companies Act 2006 and registered in England and Wales. Its Registered Office is 153-157 Blackhorse Lane, Walthamstow, London, United Kingdom, E17 5QZ.

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 preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

The following principal accounting policies have been applied:

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Delta Display Holdings Limited as at 31 December 2019 and these financial statements may be obtained from Companies House at <https://www.gov.uk/government/organisations/companies-house>. Delta Display Holdings Limited is the smallest and largest company these financial statements are consolidated into..

DIGITAL VISCOM LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.3 Going concern

Delta Display Holdings Limited has given Digital Viscom Limited a letter of support for 12 months following the signing of accounts.

The directors pay careful attention to the cost base of the business ensuring not only that it is kept at a level to satisfy the commercial requirements but also that it remains appropriate to the level of activity of the business and the financial resources available to it.

The directors are confident that sufficient facilities will continue to be available in the foreseeable future to support the company's capital requirements. The company also prepares and reviews its financial forecasts and projections regularly and these indicate that the company will be able to operate within the current level of this facility.

Based on the above, the directors expect the company to have adequate resources to continue to adopt the going concern basis of accounting in preparing these financial statements.

2.4 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. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

DIGITAL VISCOM LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.5 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.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

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.

The estimated useful lives range as follows:

Software development	-	20% straight line
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Software development costs have been capitalised in accordance with the requirements of FRS 102 and are therefore not treated, for dividend purposes, as a realised loss.

2.6 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.7 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.8 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 Statement of comprehensive income 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.

DIGITAL VISCOM LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.9 Taxation

Tax is recognised in the Statement of comprehensive income, 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.

2.10 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives, which range from 3 to 6 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

3. Turnover

All turnover arose within the United Kingdom from its principal activity

4. Employees

	2019 £	2018 £
Wages and salaries	420,312	451,828
Social security costs	48,611	49,000
Cost of defined contribution scheme	6,209	4,412
	<u>475,132</u>	<u>505,240</u>

The average monthly number of employees, including directors, during the year was 8 (2018 - 7).

DIGITAL VISCOM LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

5. Intangible assets

	Software development £
Cost	
At 1 January 2019	830,006
Additions	190,294
At 31 December 2019	<u>1,020,300</u>
Amortisation	
At 1 January 2019	525,898
Charge for the year on owned assets	118,448
At 31 December 2019	<u>644,346</u>
Net book value	
At 31 December 2019	<u>375,954</u>
At 31 December 2018	<u>304,108</u>

Intangible assets comprise costs related to software development charged by a third party supplier and have been capitalised in accordance with FRS 102 section 18 and are therefore not treated for dividend purposes as a realised loss.

6. Debtors

	2019 £	2018 £
Trade debtors	-	19,165
Other debtors	-	16,511
Prepayments and accrued income	762	1,178
	<u>762</u>	<u>36,854</u>

DIGITAL VISCOM LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

7. Creditors: Amounts falling due within one year

	2019 £	2018 £
Bank overdrafts	-	39
Trade creditors	20,657	-
Amounts owed to group undertakings	561,994	398,216
Other taxation and social security	65,778	50,824
Other creditors	30,408	19,594
Accruals and deferred income	12,832	7,636
	<u>691,669</u>	<u>476,309</u>

Amounts owed to group undertakings are repayable on demand and no interest is charged.

8. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £6,209 (2018 - £4,412). Contributions totalling £1,862 (2018 - £816) were payable to the fund at the balance sheet date and are included in creditors.

9. Directors' personal guarantees

Delta Display Limited has joint and several liability for the bank borrowings of Delta Display Holdings Limited, a company in which the directors, J S Auluk and M G Phillips, have an interest. At 31 December 2019 the amounts so guaranteed to £Nil (2018 - £Nil).

10. Post balance sheet events

The COVID-19 pandemic has been unprecedented in scale and impact and the directors have taken swift and decisive action to protect customers, colleagues and the communities in which the Company operates, by implementing the necessary steps to safeguard business through the crisis, in line with UK Government guidelines.

11. Controlling party

Delta Display Holdings Limited whose company number is 03162113 and registered office is Leytonstone House, London, E11 1GA is the ultimate parent undertaking. The company regards the parent company shareholders, J S Auluk and M G Phillips to be the ultimate controlling parties.

Delta Display Holdings is the smallest and largest consolidation including the financial results of Digital Viscom Limited.

DIGITAL VISCOM LIMITED

**CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE PREPARATION OF
THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF DIGITAL VISCOM LIMITED
FOR THE YEAR ENDED 31 DECEMBER 2019**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Digital Viscom Limited for the year ended 31 December 2019 which comprise the Statement of comprehensive income, the Balance sheet and the related notes from the Company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance/>.

This report is made solely to the Board of directors of Digital Viscom Limited, as a body, in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the financial statements of Digital Viscom Limited and state those matters that we have agreed to state to the Board of directors of Digital Viscom Limited, as a body, in this report in accordance with ICAEW Technical Release TECH07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Digital Viscom Limited and its Board of directors, as a body, for our work or for this report.

It is your duty to ensure that Digital Viscom Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and loss of Digital Viscom Limited. You consider that Digital Viscom Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or review of the financial statements of Digital Viscom Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

Barnes Roffe LLP
Chartered Accountants
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Leytonstone
London
E11 1GA
18 December 2020