

Flumen Communications Company Limited

Annual Report and Unaudited Abridged Financial Statements

for the Year Ended 31 December 2016

Flumen Communications Company Limited**(Registration number: 03781870)****Abridged Balance Sheet as at 31 December 2016**

	Note	2016 €	2015 €
Fixed assets			
Intangible assets	3	62,432	73,556
Investments	4	536,212	536,212
		<u>598,644</u>	<u>609,768</u>
Current assets			
Debtors		56,490	82,448
Prepayments and accrued income		158,716	158,716
Creditors: Amounts falling due within one year		<u>(4,522,823)</u>	<u>(5,481,270)</u>
Net current liabilities		<u>(4,307,617)</u>	<u>(5,240,106)</u>
Net liabilities		<u><u>(3,708,973)</u></u>	<u><u>(4,630,338)</u></u>
Capital and reserves			
Called up share capital		1,262	1,262
Revaluation reserve		153,232	153,232
Profit and loss account		<u>(3,863,467)</u>	<u>(4,784,832)</u>
Total equity		<u><u>(3,708,973)</u></u>	<u><u>(4,630,338)</u></u>

For the financial year ending 31 December 2016 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements 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.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

All of the company's members have consented to the preparation of an Abridged Balance Sheet in accordance with Section 444(2A) of the Companies Act 2006.

The notes on pages [3](#) to [6](#) form an integral part of these abridged financial statements.

Flumen Communications Company Limited

(Registration number: 03781870)

Abridged Balance Sheet as at 31 December 2016

Approved and authorised by the director on 26 September 2017

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N R Torchetti

Director

The notes on pages [3](#) to [6](#) form an integral part of these abridged financial statements.

Page 2

Flumen Communications Company Limited

Notes to the Abridged Financial Statements for the Year Ended 31 December 2016

1 General information

The company is a private company limited by share capital incorporated in England and Wales.

The address of its registered office is:

5th Floor, North Side
7/10 Chandos Street
London
W1G 9DQ

These financial statements were authorised for issue by the director on 26 September 2017.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These abridged financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Basis of preparation

These abridged financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Going concern

The financial statements have been prepared on a going concern basis notwithstanding the net current asset deficiency on the basis that the company will be supported, financially, by the shareholder to enable the company to meet its financial obligations as and when they fall due.

Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the initial transaction dates.

Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

Business combinations

Business combinations are accounted for using the purchase method. The consideration for each acquisition is measured at the aggregate of the fair values at acquisition date of assets given, liabilities incurred or assumed, and equity instruments issued by the group in exchange for control of the acquired, plus any costs directly attributable to the business combination. When a business combination agreement provides for an adjustment to the cost of the combination contingent on future events, the group includes the estimated amount of that adjustment in the cost of the combination at the acquisition date if the adjustment is probable and can be measured reliably.

Flumen Communications Company Limited

Notes to the Abridged Financial Statements for the Year Ended 31 December 2016

Intangible assets

Separately acquired trademarks and licences are shown at historical cost.

Trademarks, licences (including software) and customer-related intangible assets acquired in a business combination are recognised at fair value at the acquisition date.

Trademarks, licences and customer-related intangible assets have a finite useful life and are carried at cost less accumulated amortisation and any accumulated impairment losses.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Trademarks	8.33% Straight line basis

Investments

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Flumen Communications Company Limited**Notes to the Abridged Financial Statements for the Year Ended 31 December 2016****3 Intangible assets**

	Total €
Cost or valuation	
At 1 January 2016	133,541
At 31 December 2016	133,541
Amortisation	
At 1 January 2016	59,985
Amortisation charge	11,124
At 31 December 2016	71,109
Carrying amount	
At 31 December 2016	62,432
At 31 December 2015	73,556

The aggregate amount of research and development expenditure recognised as an expense during the period is € Nil (2015 - €Nil).

4 Investments

	Total €
Cost or valuation	
At 1 January 2016	536,212
Provision	
Carrying amount	
At 31 December 2016	536,212
At 31 December 2015	536,212

Details of undertakings

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Flumen Communications Company Limited

Notes to the Abridged Financial Statements for the Year Ended 31 December 2016

Undertaking	Registered office	Holding	Proportion of voting rights and shares held	
			2016	2015
Subsidiary undertakings				
Brand Portal Srl		Ordinary	80%	80%
	Italy			

The principal activity of Brand Portal Srl is that of marketing and communication

5 Transition to FRS 102

The company transitioned to FRS 102 from previously extant UK GAAP as at 1 January 2016 however the transaction did not have any effect on the opening balances of the company.