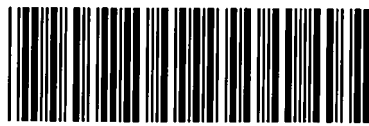


COPA90 Limited

Consolidated Report and Financial Statements
For the year ended 31 December 2017

Company Number: 05851891 (England and Wales)

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COPA90 Limited

Report of the Directors
For the year ended 31 December 2017

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Directors

N Curran
C Heimes
J Henderson
T Thirlwall
G Rowe
G Stevenson
K Gibbons
A van der Wal
J Rogers

Secretary and registered office

6th Floor
One London Wall
London
EC2Y 5EB

Company number

05851891

Auditors

BDO LLP, 55 Baker Street, London, W1U 7EU

COPA90 Limited

Report of the Directors For the year ended 31 December 2017

The directors present their report together with the audited financial statements for the year ended 31 December 2017.

The directors' report has been prepared using the provisions relating to small companies available under section 415 (A) of the Companies Act 2006 and are taking the exemption from preparing a Strategic report.

Principal activities

The principal activity of the Group is digital football media content production and distribution.

Review of Business

Revenue for the year ended 31 December 2017 grew to £6,658k from £3,109k in the year ended 31 December 2016.

The 2017 loss of £6,247k (2016: £7,369k) is as expected as the Group invested in producing market leading content and growing its audience prior to the associated revenue growth.

In January 2017, the £3.2m convertible loan notes issued in August 2016 were converted into 5,347 B preference shares, and in January 2017 £7m was raised as investment funding in exchange for the issue of 8,767 B preference shares.

Results and dividends

The profit and loss account is set out on page 9. The consolidated results for the year ended 31 December 2017 shows a loss on ordinary activities after taxation of £6,247k (2016: £7,369k).

No dividends were paid to the shareholders of the company (2016: £nil).

Principal risks and uncertainties

Foreign exchange transactional currency exposure

The Group is exposed to currency exchange risk due to a proportion of its receivables and payables being denominated in non-sterling currencies, usually US dollars and Euros. This exposure is managed through maintaining balances of these currencies.

Credit risk

A large percentage of the group's activity is conducted with established sports companies in the UK and US, therefore the group does not have significant exposure to credit defaults.

Liquidity risk

The group received funding of £7m in early 2018 and are currently in negotiations with Barclays to secure an overdraft facility of £1.5m in early 2019. This funding is primarily for working capital purposes.

Research and development

The Group periodically undertakes research in audience behaviour to improve future content creation and distribution. These costs were expensed in the year.

COPA90 Limited

Report of the Directors (continued) For the year ended 31 December 2017

Post balance sheet events

In March 2018 COPA90 secured £7m of additional equity funding to support the Group as it continues to develop revenue streams. Refer to note 21.

Going Concern

In accordance with the requirements of the UK Companies Act, the directors confirm that they have a reasonable expectation that the Company and the Group has adequate resources to continue in operational existence. The directors acknowledge that whilst revenue is currently performing well in the next financial year, the revenue streams are still maturing and hence there remains uncertainty surrounding the ability to achieve the forecasted revenues for the next 12 months. As a result, the directors are currently negotiating a further injection of funds with both existing shareholders and third parties. The business is seeking to obtain these funds to increase revenues and fund working capital commitments in order to meet the growth projections set by the directors. The directors are confident that they will be able to source additional funding, although they currently do not have any committed funding. If the Group does not achieve its forecasted performance and is unable to secure such funding, the directors will consider and assess alternative realistic options which are available to the Group, which include implementing cost reduction measures, although no such plans have currently been committed to. For this reason, they continue to adopt the going concern basis of preparing financial statements. For further information, please refer to note 1.

Directors

The directors who served during the year and up to the date of this report were as follows:

N Curran
C Heimes (Appointed 6 March 2018)
J Henderson (Appointed 24 May 2017)
T Thirlwall
G Rowe
G Stevenson
K Gibbons (Resigned 24 May 2017)
A van der Wal (Appointed 27 January 2017)
J Rogers (Resigned 27 January 2017)

Future developments

The directors are not aware of any trends or factors which are likely to have a significant impact on the future development, performance and position of the company's business.

Directors' responsibilities

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

COPA90 Limited

Report of the Directors (continued) For the year ended 31 December 2017

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the group and company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and company and of the profit or loss of the Group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

All of the current directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

BDO LLP have expressed their willingness to continue in office. Under the Companies Act 2006 section 487(2) they will be automatically re-appointed as auditors 28 days after these financial statements are sent to the members, unless the members exercise their rights under the Companies Act 2006 to prevent their re-appointment.

On behalf of the Board



T Thirlwall
Director

Date: 26/09/2018

COPA90 Limited

Independent Auditor's Report For the year ended 31 December 2017

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BIGBALLS MEDIA LIMITED

Opinion

We have audited the financial statements of Copa90 Limited for the year ended 31 December 2017 which comprise the consolidated statement of comprehensive income, the consolidated and company balance sheets, the consolidated and company statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the Parent Company affairs as at 31 December 2017 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty in relation to going concern

We draw attention to note 1 in the financial statements which indicates that the directors acknowledge that whilst revenue is currently performing well in the next financial year, the revenue streams are still maturing and hence there remains uncertainty surrounding the ability to achieve the forecasted revenues for the next 12 months. As a result, the directors are currently negotiating a further injection of funds with both existing shareholders and third parties. The business is seeking to obtain these funds to increase revenues and fund working capital commitments in order to meet the growth projections set by the directors. The directors are confident that they will be able to source additional funding, although they currently do not have any committed funding. If the Group does not achieve its forecasted performance and is unable to secure such funding, the directors will consider and assess alternative realistic options which are available to the Group, which include implementing cost reduction measures, although no such plans have currently been committed to. These conditions along with other matters disclosed in note 1 to the financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the Group was unable to continue as a going concern.

COPA90 Limited

Independent Auditor's Report (continued) For the year ended 31 December 2017

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

COPA90 Limited

Independent Auditor's Report (continued) For the year ended 31 December 2017

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

BDO LLP

*Nicole Martin (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
London
United Kingdom*

Date 26th September 2018

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

COPA90 Limited

Consolidated Statement of Comprehensive Income For the year ended 31 December 2017

	Notes	31 December 2017 £000	31 December 2016 £000
Turnover	3	6,658	3,109
Cost of sales		<u>(3,302)</u>	<u>(1,506)</u>
Gross Profit		3,356	1,603
Administrative expenses		<u>(9,498)</u>	<u>(8,425)</u>
Operating loss	4	(6,142)	(6,822)
Interest receivable and similar charges		1	-
Interest payable and similar charges	7	(28)	(139)
Loss on ordinary activities before taxation		<u>(6,169)</u>	<u>(6,961)</u>
Taxation	8	-	-
Loss for the financial period		<u>(6,169)</u>	<u>(6,961)</u>
Exchange differences on translation of overseas entities		(78)	(408)
Total comprehensive loss for the period		<u><u>(6,247)</u></u>	<u><u>(7,369)</u></u>
EBITDA (Earnings before interest, taxation, depreciation and amortisation)			
		(2,344)	(3,163)
Net interest		(27)	(139)
Depreciation and amortisation		(3,798)	(4,004)
Movement in foreign exchange		<u>-</u>	<u>(345)</u>
Loss for financial period before taxation		<u>(6,169)</u>	<u>(6,961)</u>

All results are derived from continuing operations.

The notes on pages 14 to 30 form part of these financial statements.

COPA90 Limited

Consolidated Balance Sheet at 31 December 2017

	Notes	2017 £000	2016 £000
Fixed assets			
Intangible assets	9	3,342	4,471
Tangible assets	10	111	87
Total fixed assets		3,453	4,558
Current assets			
Debtors	12	2,092	777
Cash and cash equivalents		440	447
Total current assets		2,532	1,224
Creditors due within one year	13	(1,449)	(1,489)
Net current assets/(liabilities)		1,083	(265)
Creditors: amounts falling due after more than one year	14	-	(3,370)
Provisions for liabilities		(15)	(67)
Net assets		4,521	856
Capital and reserves			
Share capital	15	-	-
Share premium		23,959	14,047
Profit and loss account		(19,438)	(13,191)
Total equity		4,521	856

These financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006. The notes on pages 14 to 30 form part of these financial statements.

The financial statements were approved by the Board of Directors and authorised for issue on 26 September 2018.



T Thirlwall
Director

COPA90 Limited

Consolidated Statement of Changes in Equity For the year ended 31 December 2017

	Share capital £000	Share premium £000	Profit and Loss account £000	Total £000
1 January 2016	-	14,047	(5,822)	8,225
Total comprehensive loss for the period				
Loss for the year	-	-	(6,961)	(6,961)
Currency translation differences	-	-	(408)	(408)
	-	-	(7,369)	(7,369)
Premium on shares issued in the year	-	-	-	-
31 December 2016	-	14,047	(13,191)	856
1 January 2017	-	14,047	(13,191)	856
Total comprehensive loss for the period				
Loss for the year	-	-	(6,169)	(6,169)
Currency translation differences	-	-	(78)	(78)
	-	-	(6,247)	(6,247)
Premium on shares issued in the year	-	9,912	-	9,912
31 December 2017	-	23,959	(19,438)	4,521

The notes on pages 14 to 30 form part of these financial statements.

COPA90 Limited

Company Balance Sheet at 31 December 2017

	Notes	2017 £000	2016 £000
Fixed assets			
Investments	11	-	-
Intangible assets	9	3,046	4,079
Tangible assets	10	63	40
Total fixed assets		3,109	4,119
Current assets			
Debtors	12	1,027	696
Cash and cash equivalents		159	406
Debtors due after more than one year: Amounts owed by group undertakings	12	5,988	3,418
Total current assets		7,174	4,520
Creditors due within one year	13	(1,057)	(1,329)
Net current assets		6,117	3,191
Creditors: amounts falling due after more than one year	14	-	(3,370)
Provisions for liabilities		(15)	(67)
Net assets		9,211	3,873
Capital and reserves			
Share capital	15	-	-
Share premium		23,959	14,047
Profit and loss account		(14,748)	(10,174)
Shareholders' funds		9,211	3,873

These financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006. The notes on pages 14 to 30 form part of these financial statements.

The financial statements were approved by the Board of Directors and authorised for issue on 26 September 2018.

The company loss for the year ended 31 December 2017 was £4,574k (2016: 5,261k).


T Thirlwall
Director

COPA90 Limited

Company Statement of Changes in Equity For the year ended 31 December 2017

Company	Notes	Share capital £000	Share Premium £000	Profit and Loss account £000	Total £000
1 January 2016		-	14,047	(4,913)	9,134
Total comprehensive loss for the year		-	-	(5,261)	(5,261)
Premium on shares issued in the year		-	-	-	-
31 December 2016		-	14,047	(10,174)	3,873
1 January 2017		-	14,047	(10,174)	3,873
Total comprehensive loss for the year		-	-	(4,574)	(4,574)
Premium on shares issued in the year		-	9,912	-	9,912
31 December 2017		-	23,959	(14,748)	9,211

The notes on pages 14 to 30 form part of these financial statements.

COPA90 Limited

Notes forming part of the financial statements For the year ended 31 December 2017

1 Accounting policies

COPA90 Limited is a private limited company limited by shares incorporated in England & Wales under the Companies Act. The financial statements have been prepared under the historical cost convention and are in accordance with the provisions of FRS 102 Section 1A Small Entities.

The preparation of financial statements in compliance with FRS 102 Section 1A Small Entities requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the accounting policies.

Parent company disclosure exemptions

In preparing the separate financial statements of the parent company, advantage has been taken of the following disclosure exemptions available in FRS 102:

- Only one reconciliation of the number of shares outstanding at the beginning and end of the period has been presented as the reconciliations for the group and the parent company would be identical;
- Disclosures in respect of the parent company's share-based payment arrangements have not been presented as equivalent disclosures have been provided in respect of the group as a whole; and

The following principal accounting policies have been applied:

Basis of consolidation

The Group financial statements consolidate the financial statements of COPA90 Limited and all of its subsidiary undertakings ("the Group") as at 31 December 2017. No profit or loss is presented for COPA90 Limited as permitted by section 408 of the Companies Act 2006.

Going concern

The financial statements have been prepared on a going concern basis, which assumes the Group will have sufficient funds available to enable it to continue to trade for the foreseeable future being a minimum of the next 12 months.

The Group made a loss of £6,247k (2016: loss £7,369k) and has net assets of £4,521k (2016: £856k). The loss reflects the investment in building the audience and distribution network in the period, ahead of future revenue growth.

In January 2017, the group secured funding of £7m by issuing further shares. Further investment is being actively pursued and is targeted to crystallise within the next 12 months.

The directors acknowledge that whilst revenue is currently performing well in the next financial year, the revenue streams are still maturing and hence there remains uncertainty surrounding the ability to achieve the forecasted revenues for the next 12 months. As a result, the directors are currently negotiating a further injection of funds with both existing shareholders and third parties. The business is seeking to obtain these funds to increase revenues and fund working capital commitments in order to meet the growth projections set by the directors. The directors are confident that they will be able to source additional funding, although they currently do not have any committed funding. If the Group does not achieve its forecasted performance and is unable to secure such funding, the directors will consider and assess alternative realistic options which are available to the Group, which include implementing cost reduction measures, although no such plans have currently been committed to.

COPA90 Limited

Notes forming part of the financial statements For the year ended 31 December 2017

1 Accounting policies (continued)

The directors have concluded that the circumstances set forth above indicate the existence of material uncertainties which may cast doubt about the group and company's ability to continue as a going concern, however, they believe that if forecasted levels of performance are not achieved there are sufficient options available in order for the Group and Company to continue operating as a going concern. The financial statements do not include the adjustments that would result if the company were unable to continue as a going concern.

Turnover

Turnover represents sales to external customers at invoiced amounts less value added tax or local taxes on sales.

Turnover is recognised on content sponsorship and content commission based on the stage of completion of the project.

Advertising revenue represents commission earned from third party advertising. Revenue is recognised in the month the third-party adverts are distributed.

Intangible assets

(a) Content capitalised

The Company produces digital football content that is published on various online platforms. This content remains indefinitely on those platforms and is available to view over a number of years. As this content is expected to generate future revenues in excess of costs incurred, the expenditure in relation to production of the content has been capitalised and treated as an intangible asset.

(b) Brand

The Company acquired the rights to use the brand 'KickTV' and related assets, including social media channels, audience and marketing contacts in the United States during the 18 month period ended 31 December 2015. As owning the assets is expected to generate future revenues in excess of costs incurred, expenditure in relation to the acquisition has been capitalised and treated as an intangible fixed asset.

(c) Website development costs

Where the Group's website is expected to generate future revenues in excess of the costs of development, expenditure on the functionality of the website is capitalised and treated as an intangible fixed asset. Expenditure incurred on maintaining websites and expenditure incurred on developing websites used only for advertising and promotional purposes are written off as incurred.

(d) Amortisation

Content costs are capitalised and measured at cost incurred to complete the asset and bring it into use. These costs are amortised over a 2-year period in line with the latest profile of content views, with 85% of costs amortised in year 1, and 15% in year 2.

Brand costs are capitalised and measured at cost incurred to bring the asset into use. These costs are amortised on a straight-line basis over a term of 5 years.

Website development costs are capitalised and measured at cost incurred to acquire and bring the asset into use. These costs will be amortised on a straight-line basis over the asset's estimated useful life of 3 years with amortisation commencing when the website is ready for use.

COPA90 Limited

Notes forming part of the financial statements For the year ended 31 December 2017 (continued)

1. Accounting policies (continued)

Tangible fixed assets

Tangible fixed assets are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The Group adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred if the replacement part is expected to provide incremental future benefits to the group. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Depreciation

Depreciation is charged to allocate the cost of assets less their residual value over their estimated useful lives, using either the reducing balance method or straight line method. It is calculated using the following rates/effective lives:

Computer equipment	-	3 years
Fixtures & fittings	-	3 years

Impairment of fixed assets

Assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs).

Taxation

Current tax is provided at amounts expected to be paid (or recovered) using tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is provided in full on timing differences, which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates applicable to apply when they crystallise based on current tax rates and laws. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different to those in which they are included in the financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

Foreign currency

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in 'sterling', which is the Company's functional and the Group's presentation currency.

On consolidation, the results of overseas operations are translated into sterling at average rates of exchange during the year and the balance sheet translated into sterling at the rate of exchange ruling on the balance sheet date. Exchange differences which arise from translation of the opening net assets and results of foreign subsidiary undertakings are taken to reserves.

COPA90 Limited

Notes forming part of the financial statements For the year ended 31 December 2017 (continued)

1 Accounting policies (continued)

(b) Transactions and balances

Foreign currency transactions of individual companies are translated into the Group entity's functional currency at the rates ruling when they occurred. Foreign currency monetary assets and liabilities are translated at the rate of exchange ruling at the balance sheet date. Any differences are taken to the profit and loss account.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in profit or loss within 'interest payable'. All other foreign exchange gains and losses are presented in profit or loss within 'administrative expenses'.

Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest rate method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

Valuation of investment

Investment in subsidiary is measured at cost less accumulated impairment. As this value is nominal, it is not identifiable in the financial information presented.

Reserves

The Group and Company's reserves are as follows:

- Called up share capital reserve represents the nominal value of the shares issued.
- The share premium account includes the premium on issue of equity shares, net of any issue costs.
- Profit and loss account represents cumulative profits or losses, net of dividends paid and other adjustments.

Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which has accrued at the balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the balance sheet date.

Convertible debt

The proceeds received on issue of the Group's convertible debt are allocated into their liability and equity components and presented separately in the balance sheet.

The amount initially attributed to the debt component equals the discounted cash flows using a market rate of interest that would be payable on a similar debt instrument that did not include an option to convert.

The difference between the net proceeds of the convertible debt and the amount allocated to the debt component is credited direct to equity and is not subsequently re-measured. On conversion, the debt and equity elements are credited to share capital and share premium as appropriate.

Transaction costs that relate to the issue of the instrument are allocated to the liability and equity components of the instrument in proportion to the allocation of proceeds.

Cash flow statement

The Company has taken advantage of the exemption conferred by 'FRS 102 Section 1A Small Entities' not to prepare a cash flow statement on the basis it is classified as a small entity under the Companies Act 2006.

COPA90 Limited

Notes forming part of the financial statements
For the year ended 31 December 2017 (*continued*)

2 Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the directors have made the following judgements:

- Determine whether there are indicators of impairment of the Company's intangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.

3 Turnover

	2017 £'000	2016 £'000
Analysis of turnover by class of business:		
Football Content sponsorship, content commission and related activities	6,343	2,679
Advertising revenue	145	302
Other revenue	170	128
	<u>6,658</u>	<u>3,109</u>
Analysis of turnover by country:		
United Kingdom	4,283	2,601
United States	2,375	508
	<u>6,658</u>	<u>3,109</u>

COPA90 Limited

Notes forming part of the financial statements
For the year ended 31 December 2017 (continued)

4 Operating loss

	2017	2016
	£'000	£'000
This has been arrived at after charging:		
Depreciation of tangible fixed assets	54	45
Amortisation of intangible assets	3,744	3,963
Operating lease expense	550	437
Fees payable to the group's auditor and its associates		
Audit	20	22
Tax compliance	44	33
Tax advice	78	140
Loss/(gain) on exchange differences	78	(345)

5 Employees

	2017	2016
	£000	£000
Group staff costs (including Directors) consist of:		
Wages and salaries	4,665	3,955
Social security costs	725	597
Pension cost	82	59
	<u>5,472</u>	<u>4,611</u>

COPA90 Limited

Notes forming part of the financial statements
For the year ended 31 December 2017 (continued)

5 Employees (continued)

The average number of employees (including Directors) during the period was as follows:

	2017 Number	2016 Number
Average number of employees	76	69

A defined contribution pension scheme is operated by the Company on behalf of the employees. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension charge represents contributions payable by the Group to the fund and amounted to £82,447 (2016: £59,103). Contributions amounting to £17,165 (2016: £16,764) were payable to the fund at year end and are included in creditors.

6 Key management personnel

Key management personnel include all of the directors and a number of senior managers across the group who together have the responsibility for planning, directing and controlling the activities of the group. The total compensation paid to key management personnel for services provided to the group is set out below:

	2017 £'000	2016 £'000
Emoluments	1,037	419
Benefits in kind	38	34
	<u>1,075</u>	<u>453</u>

The total amount payable to the highest paid Director in respect of emoluments in the year to 31 December 2017 was £200,000 (2016: £224,796). Key management personnel cost for 2016 included directors only.

7 Interest payable and similar charges

	2017 £'000	2016 £'000
Bank interest	6	8
Loan note interest	22	131
	<u>28</u>	<u>139</u>

COPA90 Limited

Notes forming part of the financial statements
For the year ended 31 December 2017 *(continued)*

8 Taxation

The applicable tax rate for all UK companies is 19% (2016: 20%). No tax was paid or payable during the period as the group and company are both in a loss position.

No deferred tax assets have been recognised across the group due to a lack of certainty over the timing of future profits.

9 Intangible assets

Consolidated	Content costs £'000	Brand £'000	Website development costs £'000	Total £'000
<i>Cost or valuation</i>				
At 1 January 2017	6,335	5,056	292	11,683
Additions	2,417	-	24	2,441
Disposals	-	(1)	-	(1)
Foreign exchange	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2017	8,752	5,055	316	14,123
	<hr/>	<hr/>	<hr/>	<hr/>
<i>Amortisation</i>				
At 1 January 2017	5,302	1,853	57	7,212
Charge for period	2,631	1,011	102	3,744
Foreign exchange	(175)	-	-	(175)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2017	7,758	2,864	159	10,781
	<hr/>	<hr/>	<hr/>	<hr/>
<i>Net book value</i>				
At 31 December 2017	994	2,191	157	3,342
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2016	1,033	3,203	235	4,471
	<hr/>	<hr/>	<hr/>	<hr/>

COPA90 Limited

Notes forming part of the financial statements
For the year ended 31 December 2017 (*continued*)

9 Intangible assets (continued)

Company	Content costs £'000	Brand £'000	Website development costs £'000	Total £'000
<i>Cost or valuation</i>				
At 1 January 2017	4,456	5,056	292	9,804
Additions	1,774	-	24	1,798
Disposals	-	(1)	-	(1)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2017	6,230	5,055	316	11,601
	<hr/>	<hr/>	<hr/>	<hr/>
<i>Amortisation</i>				
At 1 January 2017	3,815	1,853	57	5,725
Charge for period	1,717	1,011	102	2,830
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2017	5,532	2,864	159	8,555
	<hr/>	<hr/>	<hr/>	<hr/>
<i>Net book value</i>				
At 31 December 2017	698	2,191	157	3,046
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2016	641	3,203	235	4,079
	<hr/>	<hr/>	<hr/>	<hr/>

The Company acquired brand assets in February 2015 for a total cost of £5,056k, part of which was paid through the issue of 7,301 ordinary shares with value of £3,205k on 27 February 2015.

Website development costs relate to the building of a new website which was launched in June 2016.

The Group tests intangible fixed assets for impairment annually. The brand assets were acquired in order to gain a foothold into the US market from which to grow the business. The acquisition included the brand 'KickTV', access to an on-line audience and content as well as providing access to the US sports marketing industry. The US business is forecast to grow each year, building on major competitions such as Major League Soccer, Major League Soccer Cup, Confederations Cup, and the 2018 World Cup leading to profits and positive cash flows. The Directors have considered this growth alongside the changes in customer relationships, staff, management, operations and advances in technology since acquisition and into the foreseeable future. The Directors have taken all these factors into account and consider that no impairment is required against the carrying value of the brand asset and development costs.

COPA90 Limited

Notes forming part of the financial statements
For the year ended 31 December 2017 (*continued*)

10 Tangible assets			
Consolidated	Computer equipment £'000	Fixtures & fittings £'000	Total £'000
<i>Cost or valuation</i>			
At 1 January 2017	136	4	140
Additions	80	3	83
Disposals	(18)	-	(18)
	<hr/>	<hr/>	<hr/>
At 31 December 2017	198	7	205
<i>Depreciation</i>			
At 1 January 2017	52	1	53
Charge for period	53	1	54
Disposals	(9)	-	(9)
Foreign exchange	(4)	-	(4)
	<hr/>	<hr/>	<hr/>
At 31 December 2017	92	2	94
<i>Net book value</i>			
At 31 December 2017	106	5	111
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31 December 2016	84	3	87
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

COPA90 Limited

Notes forming part of the financial statements
For the year ended 31 December 2017 (*continued*)

10 Tangible assets (continued)			
Company	Computer equipment £'000	Fixtures & fittings £'000	Total £'000
<i>Cost or valuation</i>			
At 1 January 2017	60	4	64
Additions	54	3	57
Disposals	(18)	-	(18)
	<hr/>	<hr/>	<hr/>
At 31 December 2017	96	7	103
<i>Depreciation</i>			
At 1 January 2017	23	1	24
Charge for year	24	1	25
Disposals	(9)	-	(9)
	<hr/>	<hr/>	<hr/>
At 31 December 2017	38	2	40
<i>Net book value</i>			
At 31 December 2017	58	5	63
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31 December 2016	37	3	40
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

COPA90 Limited

Notes forming part of the financial statements
For the year ended 31 December 2017 (*continued*)

11 Fixed asset investments

Company	Group undertakings £'000
<i>Cost</i>	
At 31 December 2016 and 31 December 2017	-

The principal undertakings in which the company's interest at the year-end is 20% or more are as follows:

	Country of Incorporation or registration	Proportion of voting rights and ordinary share capital held	Nature of business	Registered address
<i>Subsidiary undertakings</i>				
COPA90 Inc.	USA	100%	Digital football media	110 Wall Street, New York, NY 10005
Bigballs Limited	UK	100%	Dormant	6 th Floor One London Wall London EC2Y 5EB
Bigballs Films Limited	UK	100%	Dormant	6 th Floor One London Wall London EC2Y 5EB
Bigballs Media Limited	UK	100%	Dormant	6 th Floor One London Wall London EC2Y 5EB

The aggregate of the share capital and reserves as at 31 December 2017 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

	Aggregate of share capital and reserves £'000	Profit/(loss) £'000
<i>Subsidiary undertakings</i>		
COPA90 Media Inc.	(3,165)	(1,529)
Bigballs Limited	-	-
Bigballs Films Limited	-	-
Bigballs Media Limited	-	-

COPA90 Limited

Notes forming part of the financial statements
For the year ended 31 December 2017 (*continued*)

12 Trade and other debtors	Group 2017 £'000	Group 2016 £'000	Company 2017 £'000	Company 2016 £'000
Amounts due in less than 1 year:				
Trade debtors	1,456	176	542	164
Other debtors	249	188	211	169
Prepayments and accrued income	387	413	274	363
	<u>2,092</u>	<u>777</u>	<u>1,027</u>	<u>696</u>
Amounts due in more than 1 year:				
Amounts owed by group undertakings	-	-	5,988	3,418
	<u>2,092</u>	<u>777</u>	<u>7,015</u>	<u>4,114</u>

All amounts shown under debtors fall due for payment within one year except amounts owed by group undertakings. The amounts due from group undertakings are commercial in nature and no repayment terms have been set. The carrying value of the balances represent their fair value.

13 Creditors: amounts falling due within one year

	Group 2017 £'000	Group 2016 £'000	Company 2017 £'000	Company 2016 £'000
Trade creditors	366	478	301	354
Taxation and social security	120	99	120	99
Accruals and deferred income	899	671	572	635
Other creditors	64	241	64	241
	<u>1,449</u>	<u>1,489</u>	<u>1,057</u>	<u>1,329</u>

COPA90 Limited

Notes forming part of the financial statements
For the year ended 31 December 2017 (*continued*)

14 Creditors: amounts falling due after more than one year

	Group 2017 £'000	Group 2016 £'000	Company 2017 £'000	Company 2016 £'000
Convertible loan note	-	3,370	-	3,370
	-	3,370	-	3,370

Convertible loan notes issued in August 2016 to the value of £3,239,288 were converted to equity. Refer to note 15 for further details.

15 Share capital

	2017 £	2016 £
<i>Allotted, called up and fully paid</i>		
22,760 Ordinary A shares of 0.00025p each (2016: 21,760 Ordinary A shares of 0.00025p each)	6	5
14,178 Ordinary B shares of 0.0005p each (2016: 15,442 Ordinary B shares of 0.0005p each)	7	8
6,866 Ordinary shares of 0.0005p each (2016: 6,866 Ordinary shares of 0.0005p each)	3	3
16,695 Series A Preferred shares of 0.0005p each (2016: 14,072 Series A Preferred shares of 0.00025p each)	8	7
14,115 Series B Preferred Shares of 0.0005p each (2016: nil)	7	-
	31	23

On 24 January 2017 loan notes to the value of £3,239,288 were converted into 5,348 B preference shares. At the same time, the company also issued 8,767 B preference shares as part of a £7m investment of equity funding and 2,623 A preference shares were issued pursuant to certain anti-dilution rights held by certain shareholders.

COPA90 Limited

Notes forming part of the financial statements
For the year ended 31 December 2017 (*continued*)

16 Financial Instruments

The Group's and Company's financial instruments as categorised as follows:

	Group 2017 £'000	Group 2016 £'000	Company 2017 £'000	Company 2016 £'000
Financial Assets				
Financial assets measured at amortised cost	2,437	779	7,108	3,967
Financial Liabilities				
Financial liabilities measured at amortised cost	867	4,540	748	4,288

Financial assets measured at amortised costs include trade debtors, accrued income, other debtors, cash and amounts owed by group undertakings.

Financial liabilities measured at amortised costs include trade creditors, accruals, other creditors and loan balances.

17 Commitments under operating leases

As at 31 December 2017 the group had minimum lease payments under non-cancellable operating leases as set out below:

	2017 £'000	2016 £'000
Operating leases which expire:		
Not later than 1 year	344	289
Later than 1 year and not later than 5 years	345	4
	689	293

COPA90 Limited

Notes forming part of the financial statements For the year ended 31 December 2017 (continued)

18 Related party transactions

The Company has taken advantage of the exemptions available under FRS 102 in order to dispense with the requirement to disclose transactions or balances with entities that are 100% controlled by the COPA90 Limited Group.

During the year ended 31 December 2017 the company made payments to Shareholders of £146k (2016: £13k);

- £120k to Soccer United Marketing in settlement of remaining debt for the acquisition of Kick TV
- £22k to Philip Debevoise and £4k to Consonance Investments LLC in relation to the US tax liability arising as a result of the 'tick the box' election for COPA90 Ltd to become a US tax partnership.

At year end £26k remained payable (2016: £210k) to Soccer United Marketing in relation to US shareholder tax. The £26k (2016: £nil) mentioned above that was paid to Philip Debevoise and Consonance Investments LLC remained receivable at the year end.

The Company also sold £755k worth of services to Major League Soccer (2016: £18k).

In January 2017 the following convertible loan notes were converted into 5,347 B preference shares held by Shareholders and Directors of the Company.

	Principal amount of loan notes	Principal and accrued interest at 24 January 2017 (conversion date)	Number of Conversion Shares
	£'000	£'000	
Shareholders			
Liberty Global	2,000	2,096	3,468
E. Ventures	600	629	911
Soccer United Marketing	189	198	288
Jeff Mallett	100	104	151
Jahor Gupta	50	52	76
Total Shareholders	2,939	3,079	4,894
Directors – Niall Curran	300	313	453
Total	3,239	3,392	5,347

COPA90 Limited

Notes forming part of the financial statements For the year ended 31 December 2017 (*continued*)

19 Share based payments

The company operates an Enterprise Management Incentive scheme for certain employees at the discretion of the directors. The options are exercisable in the event of a sale of the company or listing on a recognised stock exchange. During the year options over 786 B Ordinary Shares (2016: 3,193) were granted at an exercise price of £0.01 per share (2016: £0.01 per share). Options over 389 shares (2016: 1,307) lapsed during the year.

At 31 December 2017 there were outstanding options over 4,104 shares (2016: 3,707) at an exercise price of £0.01 per share and the weighted average contractual life was 9 years (2016: 9 years). Of the total number of options outstanding at the year end, none were exercisable.

Due to the specific vesting and exercise conditions attached to the share options granted and outstanding at the year end, there is no charge recognised in the year (2016: no charge). The options are only exercisable upon a sale of the company or listing on a recognised stock exchange.

On 27 February 2015, 7,301 Ordinary shares valued at £3,250k were issued to Soccer United Marketing LLC as part payment in connection with the sales of KickTV brand to COPA90 Limited. The amount represents part payment of the fair value of the brand received.

On 11 September 2015, 443 £0.0005 A Preferred Shares valued at £564k was issued to EMC Holdings LLC as part payment in connection with services provided to the Group in relation to Series A funding. The amount represents the fair value of services received and was charged against the share premium account as it is a direct share issue cost.

20 Other Commitments

As at the 31 December 2017 the Group had an obligation to loan US shareholders USD\$34k (2016: USD\$50k) reflecting their US tax due on the election of COPA90 Limited to be treated as a partnership for US tax purposes.

21 Post balance sheet events

On 6 March 2018 the Company received equity funding from Infront Sports & Media AG to the value of £7,011,945 in exchange for 8,120 B preference shares.