GDI Media Plc

(Formerly known as Intandem Films Plc)

Report and Accounts 2014

GDI Media Plc
(Formerly known as Intandem Films Plc)
Contents

GDI Media Plc
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Directors, advisers and officers

Directors

Robert Mitchell	(resigned 20 February 2015)
Andrew Brown	(resigned 22 September 2014)
Alan Bowen	(appointed 11 July 2013 and resigned 19 August 2014)
William Hurman	(resigned 30 July 2014)
Chris Sykes	(resigned 4 August 2014)
Corinne Lambert	(resigned 4 August 2014)
Timothy Crowley	(appointed 4 February 2015)
Guy Meyer	(appointed 4 February 2015)

Secretary
Guy Meyer

Company's registered number
5360907

Registered Office
29-31 Saffron Hill
London, EC1N 8SW

Auditors
Crowe Clark Whitehill LLP
St Bride's House
10 Salisbury Square
London EC4Y 8EH

The directors present their report and financial statements for the year ended 30 June 2014.

Review of the business

The company is an investment holding company with no trading activity. The loss for the year was £1,616,870 as compared to the net loss of £185,714 in 2013. The company's net liabilities position increased from £100,030 in 2013 to £373,832 in 2014.

During the year under review, the company's investments in the underlying businesses were written off due to the decision made post year end to implement a Company Voluntary Arrangement for the company whilst the Director of the two trading subsidiaries commenced liquidation proceedings for those entities.

On this basis, the company has written off its investment and loans in the subsidiaries in the group. Furthermore, the company has not prepared consolidated financial statements on the grounds that this would lead to undue delay to the company.

The Company aims to safeguard the assets that give it a competitive advantage, being its reputation for quality, its intellectual capital and its people. The company's financial position remains difficult however the company is currently in discussions with a number of parties regarding further investment into the company.

Subsequent to the year end, and whilst undertaking the restructuring highlighted above, the Board has approved an investment framework to identify and invest in a project or business which fulfil the following criteria:

- The Company intends to use the proceeds of this investment to adopt a new business plan such that it will license high quality, editorial, and commercial still images, video and audio clips sold using rights managed, royalty free and Microstock pricing models. It is also intended that in addition to the primary licensing business, GDI will provide commercial photography and video services.

- The intention of the Board is to build an editorial content licensing business via the acquisition or representation of existing editorial agencies and the participation of individual contributors who may become shareholders in the Company. The Company plans to use this editorial base as a platform from which it intends to launch a Microstock content licensing business. It is anticipated by the Board that, over time, Microstock will become the largest part of the Business. The Company intends to operate internationally with offices in markets which it considers to be key to the Business and which proposed to include the United Kingdom, the United States of America and certain European countries.

Going concern

At the balance sheet date, the company was not generating revenues, reported an operating loss and had net liabilities of £373,832.

The directors discussed the position with the counterparties and on their advice sought guidance from BM Advisory LLP, the insolvency practitioners, to prepare a proposal to all creditors. Accordingly, the existing operating subsidiaries were placed into liquidation, so as to protect the company from further losses, and to arrange financing to implement a Company Voluntary Arrangement ("CVA") in the company and raise sufficient funds for the company to consider new opportunities.

On this basis, on 13 March 2015, BM Advisory LLP was appointed, at the request of the directors, to make a proposal of Company Voluntary Arrangement ("CVA") with the company's creditors. Subsequently, the resolution for the proposal of a voluntary arrangement was passed without modifications.

As the Company is currently going through a CVA with its creditors, the financial statements have therefore been prepared on a basis other than that of a going concern which includes, where appropriate, writing down the entity's assets to net realisable value and all liabilities being classified as current. Provision has also been made for any contractual commitments that have become onerous at the end of the reporting period. The financial statements do not include any provision for the future costs of terminating the business of the entity except to the extent that such costs were committed at the end of the reporting period.

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

Timothy Crowley
Director

GDI Media Plc
(Formerly known as Intandem Films Plc)
Directors' report
for the year ended 30 June 2014

The directors present their report and the audited financial statements for the year ended 30 June 2014.

Results and dividends

The loss for the year, after taxation, amounted to £1,616,870 (2013 – loss £185,714).

The directors do not recommend the payment of a dividend (2013: nil).

Directors

The following directors have held office since 1 July 2013

Robert Mitchell	(resigned 20 February 2015)
Andrew Brown	(resigned 22 September 2014)
Alan Bowen	(appointed 11 July 2013 and resigned 19 August 2014)
William Hurman	(resigned 30 July 2014)
Chris Sykes	(resigned 4 August 2014)
Corinne Lambert	(resigned 4 August 2014)
Timothy Crowley	(appointed 4 February 2015)
Guy Meyer	(appointed 4 February 2015)

Directors' interest in shares

Directors' interests in the share capital of the Company, including family and pension scheme interests were as follows:

	Ordinary shares *of £0.001 each* 30 June 2014	30 June 2013
Gary Smith	21,800,000	21,800,000
Andrew Brown	4,930,000	4,930,000
William Hurman	3,190,000	3,190,000
John James	1,000,000	1,000,000
Timothy Crowley	467,000	-
Guy Meyer	38,879,504	-

The interests of directors in share options as at 30 June 2014 were as follows:

Date of grant	**Exercise/Vesting date**		**Exercise price (pence)**	**Number at 1 July 2013**	**Granted in year**	**Exercised in year**	**Forfeited in year**	**Number at 30 June 2014**
A Brown								
01.05.09	01.05.12	01.05.19	0.84	**2,000,000**	-	-	2,000,000	-
28.01.11	28.01.14	28.01.21	6.00	**2,000,000**	-	-	2,000,000	-
W Hurman								
01.05.09	01.05.12	01.05.19	0.84	**2,000,000**	-	-	2,000,000	-
28.01.11	28.01.14	28.01.21	6.00	**2,000,000**	-	-	2,000,000	-
J James								
01.05.09	01.05.12	01.05.19	0.84	**500,000**	-	-	500,000	-
28.01.11	28.01.14	28.01.21	6.00	-	-	-	-	-

Statement of directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial period. Under that law the directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union ("EU").

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 Company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

a. select suitable accounting policies and then apply them consistently;

b. make judgements and estimates that are reasonable and prudent;

c. state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;

d. 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company to enable them to ensure that the financial statements comply with the requirements of 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.

So far as the directors are aware, there is no relevant audit information of which the Company's auditors are unaware and we have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and

- the Director has taken all the steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

Independent auditor

Subsequent to the year ended, Shipleys LLP resigned and Crowe Clark Whitehill LLP was appointed in their place as auditors of the Company for the purpose of the audit of the Company's financial statement.

Crowe Clark Whitehill LLP will be proposed for reappointment in accordance with section 485 of the Company Act 2006.

This report was approved by the board on 22 June 2015 and signed on its behalf.

Timothy Crowley
Director

Independent auditors' report
to the members of GDI Media Plc

We have audited the financial statements of GDI Media plc for the year ended 30 June 2014 which comprise the Statement of comprehensive income, the Statement of financial position, Statement of changes in equity and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRS) as adopted by the European Union and, as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

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.

Respective responsibilities of directors and auditors

As explained more fully in the statement of directors' responsibilities set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Basis for adverse opinion on financial statements

As explained in Note 2 to the financial statements, the company has not prepared consolidated financial statements as the directors consider that this would lead to undue delay to the company. This is not in accordance with International Financial Reporting Standard 10 Consolidated Financial Statements which requires consolidated financial statements to be prepared for a group of this size and nature.

Adverse opinion on financial statements

The profit and loss account and balance sheet of the parent company and related notes set out on pages 13 to 23 show a true and fair view of the results of that entity alone.

However, because the financial statements are incomplete as consolidated accounts have not been prepared, (as described in the basis for adverse opinion on the financial statements paragraph), in our opinion, because of the significance of the matter, the financial statements:

- do not give a true and fair view of the group's affairs as at 30 June 2014 and of the profit or loss for the year then ended; and
- have not been properly prepared in accordance with International Financial Reporting Standards as adopted by the European Union.

In all other respects, in our opinion the financial statements have been prepared in accordance with the requirements of the Company Act 2006.

Emphasis of matter – Going concern

In forming our opinion, which is not qualified, we have considered the adequacy of the disclosures made in note 2 to the financial statements. Due to the restructuring taking place, these financial statements have been prepared on a basis other than the going concern.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following:

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- 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 parent company financial statements are not in agreement with the accounting records and returns; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us.

Leo Malk

Leo Malkin
Senior Statutory Auditor
For and on behalf of
Crowe Clark Whitehill LLP
Statutory Auditor
St Bride's House
10 Salisbury Square
London EC4Y 8EH

22 June 2015

GDI Media Plc
(Formerly known as Intandem Films Plc)
Statement of comprehensive income
for the year ended 30 June 2014

	Notes	2014 £	2013 £
Administrative expenses		(288,930)	(185,714)
Impairment loss		(1,327,940)	-
Loss on ordinary activities before taxation	3	(1,616,870)	(185,714)
Income tax expense		-	-
Loss after taxation		**(1,616,870)**	**(185,714)**
Other comprehensive income		-	-
Total comprehensive loss for the year		**(1,616,870)**	**(185,714)**

The notes on page 13 to 23 form part of these financial statements.

All amounts are derived from continuing operations.

GDI Media Plc

(Formerly known as Intandem Films Plc)

Statement of financial position

as at 30 June 2014

Company No. 05360907

	Notes	2014 £	2013 £
Assets			
Non-current assets			
Investments	6	-	223,152
		-	223,152
Current assets			
Trade and other receivables		-	474
		-	474
Total assets		-	223,626
Equity and liabilities			
Capital and reserves			
Share capital	8	458,802	146,715
Share premium	8	4,929,120	3,898,139
Retained earnings		(5,761,754)	(4,144,884)
		(373,832)	(100,030)
Non-current liabilities			
Other payables	7	157,876	322,656
		157,876	322,656
Current liabilities			
Trade and other payables	11	215,956	1,000
		215,956	1,000
Total liabilities		373,832	323,656
Total equity and liabilities		-	223,626

The financial statements were approved by the Board of Directors and authorised for issue on 22 June 2015 and were signed on its behalf by

Timothy Crowley
Director

GDI Media Plc
(Formerly known as Intandem Films Plc)
Statement of changes in equity
for the year ended 30 June 2014

	Share Capital £	Share Premium £	Retained Earnings £	Total £
Balance as at 1 July 2013	**146,715**	**3,898,139**	**(3,959,170)**	**85,684**
Loss for the year	-	-	(185,714)	(185,714)
Total recognised income and expense for the year	-	-	**(185,714)**	**(185,714)**
Balance as at 30 June 2013	**146,715**	**3,898,139**	**(4,144,884)**	**(100,030)**
Loss for the year	-	-	(1,616,870)	(1,616,870)
Total recognised income and expense for the year	-	-	**(1,616, 870)**	**(1,616,870)**
Issue of new shares	312,087	1,185,681	-	1,497,768
Issue costs	-	(154,700)	-	(154,700)
Balance as at 30 June 2014	**458,802**	**4,929,120**	**(5,761,754)**	**(373,832)**

GDI Media Plc
(Formerly known as Intandem Films Plc)
Statement of cash flows
for the year ended 30 June 2014

	Notes	2014 £	2013 £
Cash flows from operating activities			
Loss for the year		(1,616,870)	(185,714)
Adjustments for:			
Diminution of investment		223,152	-
Changes in working capital:			
Decrease in trade and other receivables		474	19,934
Increase in trade and other payables		50,176	165,780
Cash used in operating activities		(1,343,068)	-
Cash flows from financing activities			
Net Proceeds from issue of new ordinary shares		1,343,068	-
Net cash from financing activities		1,343,068	-
Net movement in cash and cash equivalents		-	-
Cash and cash equivalents at beginning of year		-	-
Cash and cash equivalents at end of year		-	-
Bank balances and cash		-	-

1. General information

Intandem Film Plc is a company incorporated in England and Wales under the Companies Act 2006. The address of the registered office is 29-31 Saffron Hill, London EC1N 8SW. The company was subsequently renamed to GDI Media Plc and the principal activity is that of investment holding company.

On 13 March 2015, BM Advisory LLP was appointed, at the request of the directors, to make a proposal of Company Voluntary Arrangement ("CVA") with the company's creditors. Subsequently, the resolution for the proposal of a voluntary arrangement was passed without modifications. In addition, the director of JJ Distribution Limited and Manifest Film Sales Limited, being wholly owned subsidiaries of the company, commenced liquidation proceedings for both subsidiaries.

On 23 March 2015, the company ceased trading on AIM of the London Stock Exchange.

The financial statements are presented in Pounds Sterling ("GBP") which is also the functional currency of the company.

2. Accounting policies

The principal accounting policies adopted are set out below.

Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the EU ("IFRS") issued by the International Accounting Standards Board ("IASB"), including related interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC") and with those parts of the Companies Act, 2006 applicable to companies reporting under IFRS. The financial reports have been prepared under the historical cost convention.

Consolidated financial statements

As at 30 June 2014, the company owned five subsidiary undertakings, of which two were trading entities. The director of each trading entity (Manifest Film Sales Limited and JJ Distribution Limited) commenced liquidation proceedings on 2 April 2015.

Following the loss of control post year end, the company has not prepared group financial statements as required by section 399 of the Companies Act 2006 on the grounds that this would lead to undue delay to the company.

This treatment is not permitted by International Financial Reporting Standard 10 Consolidated Financial Statements.

It is not practicable to quantify the effect of the departure from this requirement.

New standards, amendments and interpretations to published standards not yet effective

The directors have considered those standards and interpretations, which have not been applied in the financial statements but are relevant to the company's operations, that are in issue but not yet effective and do not consider that any will have a material impact on the future results of the company.

2. Accounting policies (continued)

Going concern

At the balance sheet date, the company was not generating revenues, reported an operating loss and had net liabilities of £373,832.

The directors discussed the position with the counterparties and on their advice sought guidance from BM Advisory LLP, the insolvency practitioners, to prepare a proposal to all creditors. Accordingly, the existing operating subsidiaries were placed into liquidation, so as to protect the company from further losses, and to arrange financing to implement a Company Voluntary Arrangement ("CVA") in the company and raise sufficient funds for the company to consider new opportunities.

On this basis, on 13 March 2015, BM Advisory LLP was appointed, at the request of the directors, to make a proposal of Company Voluntary Arrangement ("CVA") with the company's creditors. Subsequently, the resolution for the proposal of a voluntary arrangement was passed without modifications.

As the Company is currently going through a CVA with its creditors, the financial statements have therefore been prepared on a basis other than that of a going concern which includes, where appropriate, writing down the entity's assets to net realisable value and all liabilities being classified as current. Provision has also been made for any contractual commitments that have become onerous at the end of the reporting period. The financial statements do not include any provision for the future costs of terminating the business of the entity except to the extent that such costs were committed at the end of the reporting period.

Investments

The company classifies its investments depending on the purpose for which the investments were acquired. Management determines the classification of its investment at initial recognition and re-evaluates this designation at every reporting date.

The fair value of unquoted investments is based on valuation techniques. The company assesses at each balance sheet date whether there is objective evidence that a financial asset is impaired.

Trade and other receivables

Trade and other receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost less any provision for impairment.

Trade payables

Trade payables are stated at their nominal value.

2. Accounting policies (continued)

Financial instruments

Financial assets and financial liabilities are recognised on the statement of financial position when the company becomes a party to the contractual provisions of the instrument

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and allocating the interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial instrument, or where appropriate, a shorter period, to the net carrying amount of the financial instrument. Income and expense are recognised on an effective interest basis for debt instruments other than those financial instruments at fair value through comprehensive income statement.

Financial assets

Financial assets within the scope of IAS 39 are classified as either:

i) financial assets at fair value through profit or loss
ii) loans and receivables
iii) held-to-maturity investments
iv) available-for-sale financial assets

The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition and re-evaluates this classification at every reporting date.

As at the balance sheet date, the company did not have any financial assets at fair value through profit or loss, and in the categories of held-to-maturity investments and available-for-sale financial assets.

Impairment of financial assets

Available-for-sale financial assets
If an available-for-sale financial asset is impaired, an amount comprising the difference between its cost and its fair value is transferred from equity to the income statement. Any reversal of an impairment of an equity instrument classified as available-for-sale is not recognised in the income statement.

Assets carried at amortised cost
If there is objective evidence that an impairment loss on loans and receivables carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced, with the amount of the loss recognised in administration costs.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment charge was recognised, the previously recognised impairment loss is reversed. Any subsequent reversal of an impairment loss is recognised in the income statement, to the extent that the carrying value of the asset does not exceed its amortised cost at the reversal date.

2. Accounting policies (continued)

Financial assets (continued)

Derecognition of financial assets

The company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the company neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset and continues to control the transferred asset, the company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the company retains substantially all the risks and rewards of ownership of a transferred financial asset, the company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds receivables.

Financial liabilities and equity instruments

Classification as debt or equity

Financial liabilities and equity instruments issued by the company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Financial liabilities

Financial liabilities are classified as either financial liabilities at fair value through profit or loss or financial liabilities measured at amortised costs.

Financial liabilities are classified as at fair value through comprehensive income statement if the financial liability is either held for trading or it is designated as such upon initial recognition

Other financial liabilities

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, where applicable, using the effective interest method, with interest expense recognised on an effective yield basis.

Derecognition of financial liabilities

The company derecognises financial liabilities when, and only when, the company's obligations are discharged, cancelled or they expire.

Provisions

Provisions are recognised when the company has a present obligation as a result of a past event which it is probable will result in an outflow of economic benefits that can be reasonably estimated.

2. Accounting policies (continued)

Taxation

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

The charge for current tax is based on the results for the year as adjusted for items which are non-assessable or disallowed. It is calculated using rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is accounted for using the liability method in respect of temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax basis used in the computation of taxable profit. In principle, deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

Deferred tax is calculated at the rates that are expected to apply when the asset or liability is settled. Deferred tax is charged or credited in the income statement, except when it relates to items credited or charged directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the company intends to settle its current tax assets and liabilities on a net basis.

Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Going concern

The Company's ability continue as a going concern will be dependent upon its ability to meet its obligations as they fall due. Accordingly, the Directors assess the expected future cash flows having regard to the Company's ability to raise funds to investigate further investment opportunities.

Share based compensation

The fair value of employee share option schemes is measured by a Black-Scholes pricing model. Further details are set out in note 9. In accordance with IFRS 2 'Share-based Payments', the resulting cost is charged to the income statement over the vesting period of the options. The value of the charge is adjusted to reflect expected and actual levels of options vesting.

The company operates an equity-settled, long term incentive plan designed to align management interests with those of shareholders. The fair value of the employee's services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted, excluding the impact of any non-market vesting conditions (for example, profitability and sales growth targets). Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. At each balance sheet date, the entity revises its estimates of the number of options that are expected to become exercisable. It recognises the impact of the revision of original estimates, if any, in the income statement, and a corresponding adjustment to equity. The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

2. Accounting policies (continued)

Capital management

The company's objectives when managing capital are to safeguard the company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. In addition to the above, the directors closely monitor the company's cost base making reductions where possible whilst maintaining efficiency and skill levels within the company.

Financial risk management

The company uses a limited number of financial instruments, comprising cash, short-term deposits, bank loans and overdrafts and various items such as trade receivables and payables, which arise directly from operations. The company does not trade in financial instruments.

Financial risk factors
The company's activities expose it to a variety of financial risks: currency risk, credit risk, liquidity risk and cash flow interest rate risk. The company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the company's financial performance.

a) Currency risk
The company does not operate internationally and its exposure to foreign exchange risk is limited to the transactions and balances that are denominated in currencies other than Pounds Sterling.

b) Credit risk
The company does not have any major concentrations of credit risk related to any individual customer or counterparty.

c) Liquidity risk
Prudent liquidity risk management implies maintaining sufficient cash and available funding through an adequate amount of committed credit facilities. The company ensures it has adequate resource to discharge all its liabilities. The directors have considered the liquidity risk as part of their going concern assessment. (See note 2).

d) Cash flow interest rate risk
The company has no significant interest-bearing liabilities and assets. The company monitors the interest rate on its interest bearing assets closely to ensure favourable rates are secured.

Fair value estimation
The nominal value less impairment provision of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the company for similar financial instruments.

3. Loss for the year

The loss for the year has been arrived at after charging:

	2014 £	2013 £
Diminution of investment	223,152	
Provision of intercompany receivables	1,104,788	
Auditors' remuneration		
Audit services	9,500	14,000
Other services (tax compliance work)	-	950

4. Staff costs

The average number of people (including the directors) employed by the company during the year was:

	2014 No.	2013 No.
Directors	6	6

A detailed breakdown of the remuneration of the directors is shown in note 12.

5. Corporation tax expense

	2014 £	2013 £
Current tax	-	-
Deferred tax (note 10)	-	-
Taxation attributable to the Company	-	-

The standard corporation tax in the UK applied during the year was 20% (2013: 23%).

The charge for the year can be reconciled to the profit per the income statement as follows.

	2014 £	2013 £
Loss before tax	(1,596,500)	(185,714)
Tax on the domestic income tax rate of 20% (2013:23%)	(319,300)	(42,714)
Tax effect of:		
- losses carried forward to future years	319,300	42,714
Tax expense and effective tax rate for the year	-	-

6. Investments

	2014 £	2013 £
Shares in subsidiary undertakings		
At 1 July 2013	223,152	223,152
Diminution charge for the year	(223,152)	-
At 30 June 2014	-	223,152

Details of the Company's subsidiaries at 30 June 2014 are as follows:

Name of subsidiary	Place of incorporation and operation	Proportion of ownership interest	Proportion of voting power held	Principal activity
Manifest Film Sales Limited (formerly known as Intandem Pictures Ltd)	England & Wales	100	100	Film sales & marketing
JJ Distribution Limited (formerly known as Intandem Film Distribution Ltd)	England & Wales	100	100	Film distribution
Intandem Entertainment Ltd	England & Wales	100	100	Dormant Company
Intandem Film Fund 1 LLC	USA	100	100	Dormant Company
Bold INK Limited	England & Wales	100	100	Dormant Company

7. Other payables

	2014 £	2013 £
Amount due to intercompany	157,876	322,656

8. Shares capital

Share capital

	2014 £	2013 £
Balance at 1 July 2013	146,715	146,715
Issued during year	312,087	-
Balance at 30 June 2014	458,802	146,715

8. Share capital (continued)

Share premium

	2014 £	2013 £
Balance at 1 July 2013	3,898,139	3,898,139
Issued during year	1,185,681	-
Issue costs	(154,700)	-
Balance at 30 June 2014	4,929,120	3,898,139

On 1 July 2013, the Company allotted 162,200,000 new ordinary shares at 0.5 pence per share, which raised gross proceeds of £811,000 through private placing.

On 17 July 2013, the Company allotted 20,000,000 new ordinary shares at 0.5 pence per share, which raised gross proceeds of £100,000 through private placing.

On 12 November 2013, the Company allotted 26,400,000 new ordinary shares at 0.5 pence per share, which raised gross proceeds of £132,000 through private placing.

On 14 November 2013, the Company allotted 28,353,647 new ordinary shares at 0.5 pence per share, which raised gross proceeds of £141,768 through private placing.

On 14 November 2013, the Company allotted 25,000,000 new ordinary shares at 0.5 pence per share, which raised gross proceeds of £125,000 through private placing.

On 19 May 2014, the Company allotted 50,133,331 new ordinary shares at 0.375 pence per share, which raised gross proceeds of £188,000 through private placing.

Following to these placings, the company's enlarged share capital as at 30 June 2014 was 458,801,978.

All shares have been called up and fully paid. Each ordinary share has the right to receive dividends and repayment of capital, and represents one vote at the shareholders' meetings of the Company.

9. Share-based payment

At 30 June 2014, the share options under the Enterprise Management Incentive (EMI) Plan were outlined as follow:

Date of grant	At 1 July 2013	Granted	Exercised /vested	Forfeits	At 30 June 2014	Exercise/ Share price	Exercise/Vesting date From	To
Options								
01.05.09	5,500,000	-	-	5,500,000	-	0.84p	01.05.12	01.05.19
28.01.11	4,750,000	-	-	4,750,000	-	6.00p	28.01.14	28.01.21
	10,250,000	-	-	10,250,000	-			

Employee share options

Options over shares in the company are awarded to eligible directors, key managements personnel and employees of the company and its subsidiary undertakings. There are no employees of the company, GDI Media Plc, and any share option cost is charged to its respective subsidiary undertakings.

9. Share-based payment (continued)

The options exercise period commences on the third anniversary of the date of the grant of the option and ends on the day which is the day before the tenth such anniversary. Exceptionally, and subject to the discretion of the Board, options may be exercised earlier than three years following grant on the cessation of the option holder's employment.

For options granted on 01 May 2009 no option may be exercised unless the profit before tax as disclosed in the published consolidated accounts for any one of the financial years ending 30 June 2010, 30 June 2011, 30 June 2013, 30 June 2014 is greater than £NIL. This condition has been fulfilled and the options will therefore be exercisable from 1 May 2013.

For options granted on 28 January 2011 no option may be exercised unless the profit before tax as disclosed in the published consolidated accounts for any one of the financial years ending 30 June 2011, 30 June 2013, 30 June 2014, 30 June 2014 is greater than £500,000.

The estimated fair value of each option granted in the EMI share option plan was calculated by applying the Black-Scholes option pricing model. The assumptions used in the calculation were as follows:

Date of grant	01 May 2009	28 January 2011
Share price at grant date	£0.0084	£0.0550
Exercise price	£0.0084	£0.0600
Number of employees	9	7
Shares under option	16,100,000	9,250,000
Expected volatility	169%	82%
Expected dividend	Nil	Nil
Contractual life	10 years	10 years
Risk free rate	1%	1%
Estimated fair value of each option	£0.008339	£0.044367

Further details of the share option plan are as follows:

	2014		2013	
	Number of options	Weighted average price £	Number of options	Weighted average price £
Outstanding at the start of the period	4,750,000	0.0600	9,250,000	0.0600
Exercisable at the start of the period	5,500,000	0.0084	15,600,000	0.0084
Granted during the period	-	-	-	-
Forfeited	5,500,000	0.0084	10,100,000	0.0084
Forfeited	4,750,000	0.0600	4,500,000	0.0600
Exercised	-	-	-	-
Outstanding at the end of the period	-	0.0600	4,750,000	0.0600
Exercisable at the end of the period	-	0.0084	5,500,000	0.0084

10. Deferred tax

At the balance sheet date, the group has unused tax losses of approximately £1,507,000 (2013: £1,218,000) available for offset against future profits. No deferred tax assets have been recognised in respect of this amount due to the unpredictability of future profit streams.

11. Other financial liabilities

Trade and other payables principally comprise amounts outstanding for purchases and ongoing costs.

The directors consider that the carrying amount of trade payables approximates to their fair value.

In June 2013 the company entered into a £1 million Equity Finance Facility ("EFF") over a period of 36 months with Darwin Strategic Limited ("Darwin"). Under this facility, the Company would be obliged to allot Darwin any new ordinary shares at an agreed subscription price warranty to any draw down. The use of this facility will depend on the Commercial progress the company is making.

As at 30 June 2014, the company did not make any draw down from the facility.

12. Related party transactions

Directors' consultancy fees

Consultancy fees payable to directors and other members of key management during the year was as follows:

	2014 £	2013 £
Robert Mitchell	-	60,000
John James	-	11,000
Total	-	71,000

Further details of share-based payments are provided in the directors' report and note 9.

As at 30 June 2014 the amount owed to JJ Distributions Limited was £157,876 (2013:£157,876) and the amount owed from Manifest Film Sales Limited was £nil (2013: owed to £164,780) where both companies are wholly owned subsidiaries.

13. Events after year end

On 13 March 2015, BM Advisory LLP was appointed, at the request of the directors, to make a proposal of Company Voluntary Arrangement ("CVA") with the company's creditors. Subsequently, the resolution for the proposal of a voluntary arrangement was passed without modifications.

On 23 March 2015, the company ceased trading on AIM of the London Stock Exchange.

On 9 April 2015, the special resolutions of the company were passed that every one hundred ordinary shares of 0.1p each be consolidated into one ordinary shares of 10p each (Consolidation Share). In the same period, the Consolidation Shares created as part of the share capital reorganisation be reorganised by subdividing each Consolidation Share into a New Ordinary Share of 0.1p in the company and a Deferred Share of 9.9p in the company.