

Company Registration No. 06567428 (England and Wales)

**Orange Eyes Limited**

**Annual report and  
group financial statements  
for the year ended 31 March 2017**



## **Orange Eyes Limited**

### **Company information**

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<b>Directors</b>	Martin Pope Lisa Gordon Michael Rose Andrew Weisz	(Appointed 1 March 2017)
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<b>Secretary</b>	Michael Rose
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<b>Company number</b>	06567428
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<b>Registered office</b>	21 Goodge Street London W1T 2PJ
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<b>Accountants</b>	Saffery Champness LLP 71 Queen Victoria Street London EC4V 4BE
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## **Orange Eyes Limited**

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**Orange Eyes Limited**

**Directors' report**

**For the year ended 31 March 2017**

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The directors present their annual report and financial statements for the year ended 31 March 2017.

**Principal activities**

The principal activity of the company and group continued to be that of the production of children's television programmes and licensing.

**Directors**

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Martin Pope

Lisa Gordon

(Appointed 1 March 2017)

Michael Rose

Andrew Weisz

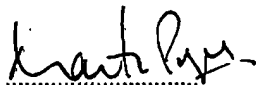
**Results and dividends**

The results for the year are set out on page 2.

Ordinary dividends were paid amounting to £437,688 (2016: £200,000). The directors do not recommend payment of a further dividend.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board



Martin Pope

Director

Date: 31/Jan/2018

**Orange Eyes Limited**

**Group statement of comprehensive income  
For the year ended 31 March 2017**

	Notes	2017 £	2016 £
Turnover	3	5,188,283	3,135,103
Cost of sales		(2,996,022)	(2,687,752)
<b>Gross profit</b>		<b>2,192,261</b>	<b>447,351</b>
Administrative expenses		(901,303)	(349,823)
<b>Operating profit</b>	4	<b>1,290,958</b>	<b>97,528</b>
Interest receivable and similar income	6	6,312	12,335
Interest payable and similar expenses	7	(11)	-
<b>Profit before taxation</b>		<b>1,297,259</b>	<b>109,863</b>
Tax on profit	8	(178,630)	-
<b>Profit for the financial year</b>		<b>1,118,629</b>	<b>109,863</b>
<b>Other comprehensive income</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive income for the year</b>		<b>1,118,629</b>	<b>109,863</b>

Profit for the financial year is all attributable to the owners of the parent company.

Total comprehensive income for the year is all attributable to the owners of the parent company.

The Income Statement has been prepared on the basis that all operations are continuing operations.

Orange Eyes Limited

**Group statement of financial position**  
**As at 31 March 2017**

	Notes	£	2017 £	£	2016 £
<b>Fixed assets</b>					
Intangible assets	9		4,296,467		3,592,512
Tangible assets	10		1,384		-
			<u>4,297,851</u>		<u>3,592,512</u>
<b>Current assets</b>					
Work in progress	13	1,242,060		1,256,039	
Debtors	14	1,877,663		1,438,914	
Cash at bank and in hand		2,560,769		3,125,817	
		<u>5,680,492</u>		<u>5,820,770</u>	
<b>Creditors: amounts falling due within one year</b>	15	(1,880,031)		(1,995,911)	
<b>Net current assets</b>			<u>3,800,461</u>		<u>3,824,859</u>
<b>Total assets less current liabilities</b>			<u>8,098,312</u>		<u>7,417,371</u>
<b>Provisions for liabilities</b>	16		(472,866)		(472,866)
<b>Net assets</b>			<u><u>7,625,446</u></u>		<u><u>6,944,505</u></u>
<b>Capital and reserves</b>					
Called up share capital	18		22,182		22,182
Share premium account			5,886,291		5,886,291
Profit and loss reserves			1,716,973		1,036,032
<b>Total equity</b>			<u><u>7,625,446</u></u>		<u><u>6,944,505</u></u>

For the financial year ended 31 March 2017 the group was entitled to exemption from audit under section 477 of the Companies Act 2006.

Directors' responsibilities:

- The members have not required the group to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

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

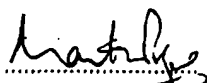
Orange Eyes Limited

Group statement of financial position (continued)

As at 31 March 2017

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The financial statements were approved by the board of directors and authorised for issue on 31/03/2018 and are signed on its behalf by:



Martin Pope

Director

**Orange Eyes Limited**

**Company statement of financial position**

**As at 31 March 2017**

			2017	2016
	Notes	£	£	£
<b>Fixed assets</b>				
Intangible assets	9	-		492,614
Investments	11	3,094,064		3,094,064
			<u>3,094,064</u>	<u>3,586,678</u>
<b>Current assets</b>				
Work in progress	13	1,235,310	-	
Debtors	14	2,482,505	1,175,225	
Cash at bank and in hand		1,897,580	2,847,323	
		<u>5,615,395</u>	<u>4,022,548</u>	
<b>Creditors: amounts falling due within one year</b>	15	<u>(1,067,854)</u>	<u>(664,720)</u>	
<b>Net current assets</b>			<u>4,547,541</u>	<u>3,357,828</u>
<b>Total assets less current liabilities</b>			<u>7,641,605</u>	<u>6,944,506</u>
<b>Capital and reserves</b>				
Called up share capital	18	22,182		22,182
Share premium account		5,886,291		5,886,291
Profit and loss reserves		1,733,132		1,036,033
<b>Total equity</b>			<u>7,641,605</u>	<u>6,944,506</u>

**Orange Eyes Limited**

**Company statement of financial position (continued)**  
**As at 31 March 2017**

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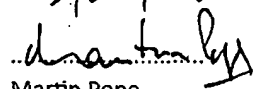
As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £1,134,787 (2016 - £109,864 profit).

For the financial year ended 31 March 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

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

The financial statements were approved by the board of directors and authorised for issue on 31 Jan 2018 and are signed on its behalf by:



Martin Pope  
Director

**Company Registration No. 06567428**

**Orange Eyes Limited**

**Group statement of changes in equity  
For the year ended 31 March 2017**

	Notes	Share capital £	Share premium account £	Profit and loss reserves £	Total £
<b>Balance at 1 April 2015</b>		8,281	2,805,544	1,126,169	3,939,994
<b>Year ended 31 March 2016:</b>					
Profit and total comprehensive income for the year		-	-	109,863	109,863
Dividends		-	-	(200,000)	(200,000)
Other movements		13,901	3,080,747	-	3,094,648
<b>Balance at 31 March 2016</b>		22,182	5,886,291	1,036,032	6,944,505
<b>Year ended 31 March 2017:</b>					
Profit and total comprehensive income for the year		-	-	1,118,629	1,118,629
Dividends		-	-	(437,688)	(437,688)
<b>Balance at 31 March 2017</b>		22,182	5,886,291	1,716,973	7,625,446

**Orange Eyes Limited**

**Company statement of changes in equity  
For the year ended 31 March 2017**

	Notes	Share capital £	Share premium account £	Profit and loss reserves £	Total £
<b>Balance at 1 April 2015</b>		8,281	2,805,544	1,126,169	3,939,994
<b>Year ended 31 March 2016:</b>					
Profit and total comprehensive income for the year		-	-	109,864	109,864
Dividends		-	-	(200,000)	(200,000)
Other movements		13,901	3,080,747	-	3,094,648
<b>Balance at 31 March 2016</b>		22,182	5,886,291	1,036,033	6,944,506
<b>Year ended 31 March 2017:</b>					
Profit and total comprehensive income for the year		-	-	1,134,787	1,134,787
Dividends		-	-	(437,688)	(437,688)
<b>Balance at 31 March 2017</b>		22,182	5,886,291	1,733,132	7,641,605

## 1 Accounting policies

### Company information

Orange Eyes Limited ("the company") is a private limited company incorporated in England and Wales. The registered office is 21 Goodge Street, London, W1T 2PJ.

The group consists of Orange Eyes Limited and all of its subsidiaries.

### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

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

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

The company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available group financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements for parent company information presented within the group financial statements:

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment' – Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

**1 Accounting policies (continued)**

**1.2 Basis of consolidation**

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

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

All financial statements are made up to 31 March 2017. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

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

**1.3 Going concern**

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

**1.4 Turnover**

The turnover shown in the Statement of comprehensive income represents production licensing income earned during the period. Turnover is recognised in accordance with the terms of the contracts. Production income in relation to productions in progress is held as deferred income until the production is delivered. Upon delivery it is credited to the Statement of comprehensive income.

**1.5 Research and development expenditure**

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

**1 Accounting policies (continued)**

**1.6 Intangible fixed assets other than goodwill**

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date if the fair value can be measured reliably.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

IP Rights	20 years
Completed Film & TV Productions	on a revenue forecast basis from the date of delivery of the title

**1.7 Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	3 years
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the income statement.

**1.8 Fixed asset investments**

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

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

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

**1 Accounting policies (continued)**

**1.9 Impairment of fixed assets**

At each reporting period end date, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

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

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

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

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

**1.10 Work in progress**

Work in progress relates to direct production costs incurred on productions not delivered during the period. The costs are recorded at the lower of cost and net realisable value, and are net of Value Added Tax.

**1.11 Cash at bank and in hand**

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Notes to the financial statements (continued)

For the year ended 31 March 2017

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**1 Accounting policies (continued)**

**1.12 Financial instruments**

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the group's statement of financial position when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

***Basic financial assets***

Basic financial assets, which include debtors, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

***Classification of financial liabilities***

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

***Basic financial liabilities***

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

**1.13 Equity instruments**

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

**1.14 Taxation**

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

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Notes to the financial statements (continued)

For the year ended 31 March 2017

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**1 Accounting policies (continued)**

***Current tax***

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

***Deferred tax***

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

**1.15 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

**1.16 Retirement benefits**

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

**1.17 Foreign exchange**

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the income statement for the period.

Notes to the financial statements (continued)

For the year ended 31 March 2017

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**2 Critical accounting judgements and key sources of estimation uncertainty**

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

**Critical judgements**

There are no significant estimates or judgements used in preparing these accounts, other than that detailed below.

**Amortisation**

Goodwill and intangible assets are being amortised over their deemed useful life. This period has been determined via a review of each asset, considering both historic and future factors. The directors believe the amortisation periods applied appropriately reflect the estimated useful life of the assets.

**3 Turnover and other revenue**

An analysis of the group's turnover is as follows:

	2017	2016
	£	£
<b>Turnover analysed by class of business</b>		
Production licensing income	5,188,283	3,135,103
	<u>          </u>	<u>          </u>
	2017	2016
	£	£
<b>Other significant revenue</b>		
Interest income	6,312	12,335
	<u>          </u>	<u>          </u>

**Orange Eyes Limited**

**Notes to the financial statements (continued)**

**For the year ended 31 March 2017**

**4 Operating profit**

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Operating profit for the year is stated after charging/(crediting):		
Exchange gains	(72,981)	(13,380)
Research and development costs	13,985	-
Depreciation of owned tangible fixed assets	692	-
Amortisation of intangible assets	2,462,524	1,349,189
Operating lease charges	39,916	-
	<u>          </u>	<u>          </u>

Exchange differences recognised in profit or loss during the year, except for those arising on financial instruments measured at fair value through profit or loss, amounted to £72,981 (2016 - £13,380).

**5 Directors' remuneration**

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Remuneration for qualifying services	3,000	-
	<u>          </u>	<u>          </u>

**6 Interest receivable and similar income**

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Interest income		
Interest on bank deposits	6,312	12,335
	<u>          </u>	<u>          </u>

**7 Interest payable and similar expenses**

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Interest on bank overdrafts and loans	11	-
	<u>          </u>	<u>          </u>

**8 Taxation**

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Current tax		
UK corporation tax on profits for the current period	178,630	-
	<u>          </u>	<u>          </u>

# Orange Eyes Limited

## Notes to the financial statements (continued) For the year ended 31 March 2017

### 8 Taxation (continued)

The actual charge for the year can be reconciled to the expected charge based on the profit or loss and the standard rate of tax as follows:

	2017 £	2016 £
Profit before taxation	1,297,259	109,863
Expected tax charge based on the standard rate of corporation tax in the UK of 20.00% (2016: 20.00%)	259,452	21,973
Tax effect of expenses that are not deductible in determining taxable profit	4,189	7,304
Deferred tax adjustments in respect of prior years	(42)	-
Other differences leading to an increase (decrease) in the tax charge	(63,734)	(29,277)
Losses surrendered for video games tax credit	(4,247)	-
Difference between corporation tax rate and rate of relief under video games tax credit	(16,988)	-
Taxation charge for the year	178,630	-

### 9 Intangible fixed assets

Group	IP Rights £	Completed Film & TV Productions £	Total £
<b>Cost</b>			
At 1 April 2016	3,099,898	7,267,677	10,367,575
Additions - internally developed	-	3,166,479	3,166,479
At 31 March 2017	3,099,898	10,434,156	13,534,054
<b>Amortisation and impairment</b>			
At 1 April 2016	-	6,775,063	6,775,063
Amortisation charged for the year	154,995	2,307,529	2,462,524
At 31 March 2017	154,995	9,082,592	9,237,587

**Orange Eyes Limited****Notes to the financial statements (continued)****For the year ended 31 March 2017****9 Intangible fixed assets (continued)****Carrying amount**

At 31 March 2017

2,944,903 1,351,564 4,296,467

At 31 March 2016

3,099,898 492,614 3,592,512

**Company****Completed Film & TV  
Productions****£****Cost**

At 1 April 2016 and 31 March 2017

7,267,677

**Amortisation and impairment**

At 1 April 2016

6,775,063

Amortisation charged for the year

492,614

At 31 March 2017

7,267,677

**Carrying amount**

At 31 March 2017

-

At 31 March 2016

492,614

**Orange Eyes Limited**

**Notes to the financial statements (continued)**  
**For the year ended 31 March 2017**

**10 Tangible fixed assets**

<b>Group</b>	<b>Fixtures and fittings</b>
	<b>£</b>
<b>Cost</b>	
At 1 April 2016	5,578
Additions	2,076
	<hr/>
At 31 March 2017	7,654
	<hr/>
<b>Depreciation and impairment</b>	
At 1 April 2016	5,578
Depreciation charged in the year	692
	<hr/>
At 31 March 2017	6,270
	<hr/>
<b>Carrying amount</b>	
At 31 March 2017	1,384
	<hr/> <hr/>

The company had no tangible fixed assets at 31 March 2017 or 31 March 2016.

**11 Fixed asset investments**

		<b>Group</b>		<b>Company</b>	
	<b>Notes</b>	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Investments in subsidiaries	<b>12</b>	-	-	3,094,064	3,094,064
		<hr/>	<hr/>	<hr/>	<hr/>

**Movements in fixed asset investments**

<b>Company</b>	<b>Shares in group undertakings</b>
	<b>£</b>
<b>Cost or valuation</b>	
At 1 April 2016 and 31 March 2017	3,094,064
	<hr/>
<b>Carrying amount</b>	
At 31 March 2017	3,094,064
	<hr/>
At 31 March 2016	3,094,064
	<hr/> <hr/>

## Orange Eyes Limited

### Notes to the financial statements (continued) For the year ended 31 March 2017

#### 12 Subsidiaries

Details of the company's subsidiaries at 31 March 2017 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Magic Light Pictures Limited	England	Film production	Ordinary	100.00	-
Magic Light Pictures (RR) Limited	England	Film production	Ordinary	-	100.00

#### 13 Work in progress

	Group 2017 £	2016 £	Company 2017 £	2016 £
Work in progress	1,242,060	1,256,039	1,235,310	-

#### 14 Debtors

	Group 2017 £	2016 £	Company 2017 £	2016 £
<b>Amounts falling due within one year:</b>				
Trade debtors	746,332	651,734	493,033	643,741
Amounts owed by group undertakings	-	-	1,341,657	11,601
Other debtors	125,526	22,758	61,212	9,917
Prepayments and accrued income	1,005,805	764,422	586,603	509,966
	<u>1,877,663</u>	<u>1,438,914</u>	<u>2,482,505</u>	<u>1,175,225</u>

## Orange Eyes Limited

### Notes to the financial statements (continued)

For the year ended 31 March 2017

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

	Group 2017 £	2016 £	Company 2017 £	2016 £
Trade creditors	131,836	169,809	103,339	28,041
Amounts due to group undertakings	-	-	-	116,126
Corporation tax payable	178,631	67,616	59,587	-
Other taxation and social security	348,190	88,401	75,781	34,438
Other creditors	374,111	7,151	-	-
Accruals and deferred income	847,263	1,662,934	829,147	486,115
	<u>1,880,031</u>	<u>1,995,911</u>	<u>1,067,854</u>	<u>664,720</u>

#### 16 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the group and company, and movements thereon:

	Liabilities 2017 £	Liabilities 2016 £
<b>Group</b>		
Arising on business combinations	<u>472,866</u>	<u>472,866</u>

The company has no deferred tax assets or liabilities.

There were no deferred tax movements in the year.

The deferred tax liability set out above relates to short term timing differences arising on the acquisition of Magic Light Pictures Limited.

#### 17 Retirement benefit schemes

	2017 £	2016 £
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	<u>9,192</u>	<u>-</u>

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

**Orange Eyes Limited**

**Notes to the financial statements (continued)**

**For the year ended 31 March 2017**

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**18 Share capital**

	<b>Group and company</b>	
	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
771,489 Ordinary Investor shares of 1p each	7,715	7,715
1,446,710 Ordinary "A" shares of 1p each	14,467	14,467
	<u>22,182</u>	<u>22,182</u>
	<u><u>22,182</u></u>	<u><u>22,182</u></u>

**19 Controlling party**

There is no ultimate controlling party as a result of the shareholdings in the group.