

# Financial Statements

## Atlantic Holdings Limited

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For the year ended 31 March 2015



Registered number: 02811673

Atlantic Holdings Limited

## Company Information

**Directors**

A D H Geffen  
C M C Perkins  
I A Gray

**Registered number**

02811673

**Registered office**

Brook Green House  
4 Rowan Road  
London  
W6 7DU

**Independent auditor**

Grant Thornton UK LLP  
Chartered Accountants & Statutory Auditor  
Grant Thornton House  
Melton Street  
Euston Square  
London  
NW1 2EP

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# Group Strategic Report

For the year ended 31 March 2015

## Business review

The principal activity of the group continued to be that of documentary film production. The principal activity of the company is that of a holding company.

The group's profit after tax and minority interests amounted to £2,188,862 (2014 - £1,055,714). The company, being a holding company, did not trade during the year. A dividend of £475,000 was proposed and paid (2014-£450,000).

The commercial environment in which the group operates remains competitive, but the directors believe that the group's position as one of the leading television production groups will enable it to maintain its current position in the future.

## Principal risks and uncertainties

The group uses cash, trade debtors and trade creditors to raise finance for its operations. These expose the group to a number of financial risks which are described in more detail below.

### Liquidity Risk

The group ensures sufficient liquidity by producing and reviewing regular cashflow forecasts. It invests cash assets safely and profitably.

### Credit Risk

The group's principal financial assets are cash and trade debtors. The credit risk on cash is limited as the parties holding that cash have high credit ratings.

The group's major debtors are large international broadcasting organisations and have high credit ratings. Outstanding debts are reviewed constantly. Production income is usually received in advance of the related expenditure.

### Currency Risk

The group's main financial risk is foreign currency exposure, both in terms of costs incurred on overseas shoots and income from overseas producers. The uncertain nature of the timing of receipts means it is often impractical to take out hedging contracts. However the group maintains cash balances in the major foreign currencies to effect natural hedging of costs against income wherever practical.

## Financial key performance indicators

The principle performance measures used to monitor the business are:

Sales growth - decreased by 52% from £17,073,088 to £8,229,976 to 31 March 2015.

Operating profit margin - Operating profit for the year increased from £1,163,455 to £2,617,267 to 31 March 2015 representing an increase in operating profit margin to 32% from 7%.

This report was approved by the board on 2/10/15

and signed on its behalf.

I A Gray  
Director

# Directors' Report

For the year ended 31 March 2015

The directors present their report and the financial statements for the year ended 31 March 2015.

## Directors' responsibilities statement

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 the group 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 judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group 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 the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## Directors

The directors who served during the year were:

A D H Geffen  
C M C Perkins  
I A Gray

## Disclosure of information to auditor

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

- so far as that director is aware, there is no relevant audit information of which the company and the group's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company and the group's auditor is aware of that information.

**Atlantic Holdings Limited**

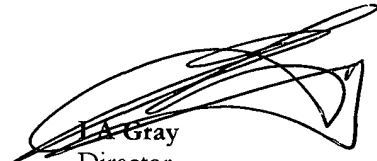
# Directors' Report

**For the year ended 31 March 2015**

## **Auditor**

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 2/10/15 and signed on its behalf.



J.A. Gray  
Director

## Independent Auditor's Report to the Members of Atlantic Holdings Limited

We have audited the financial statements of Atlantic Holdings Limited for the year ended 31 March 2015, which comprise the consolidated Profit and loss account, the consolidated and company Balance sheets, the consolidated Cash flow statement and reconciliation of net cash flow to movement in net funds/debt and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 auditor**

As explained more fully in the Directors' responsibilities statement, 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 Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 March 2015 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Group strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.



## Independent Auditor's Report to the Members of Atlantic Holdings Limited

### **Matters on which we are required to report by exception**

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

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

*Grant Thornton UK LLP*

Steven Leith (Senior statutory auditor)  
for and on behalf of  
Grant Thornton UK LLP  
Statutory Auditor  
Chartered Accountants  
London

Date: *21/01/2015*



## Consolidated Profit and Loss Account

For the year ended 31 March 2015

		12 months ended 31 March 2015 £	15 months ended 31 March 2014 £
	Note		
<b>Turnover</b>	1,2	8,229,976	17,073,088
Cost of sales		(3,216,676)	(12,253,379)
<b>Gross profit</b>		5,013,300	4,819,709
Administrative expenses		(2,396,033)	(3,656,254)
<b>Operating profit</b>		2,617,267	1,163,455
Interest receivable and similar income	4	1,661	40,002
Interest payable and similar charges	5	(2,533)	(1,496)
<b>Profit on ordinary activities before taxation</b>		2,616,395	1,201,961
Tax on profit on ordinary activities	6	28,184	(315,873)
<b>Profit on ordinary activities after taxation</b>		2,644,579	886,088
Minority interests		(392,406)	169,626
<b>Profit for the financial year</b>	18	2,252,173	1,055,714

All amounts relate to continuing operations.

There were no recognised gains and losses for 2015 or 2014 other than those included in the Profit and loss account.

The notes on pages 10 to 25 form part of these financial statements.

## Consolidated Balance Sheet

As at 31 March 2015

	Note	£	2015 £	£	2014 £
<b>Fixed assets</b>					
Tangible assets	7		1,546,272		1,537,901
<b>Current assets</b>					
Work in progress	10	443,863		74,214	
Debtors	11	3,401,233		4,470,038	
Cash at bank and in hand		3,514,662		3,751,332	
		<u>7,359,758</u>		<u>8,295,584</u>	
<b>Creditors: amounts falling due within one year</b>	12	<u>(4,242,219)</u>		<u>(5,159,345)</u>	
<b>Net current assets</b>			<u>3,117,539</u>		<u>3,136,239</u>
<b>Total assets less current liabilities</b>			<u>4,663,811</u>		<u>4,674,140</u>
<b>Creditors: amounts falling due after more than one year</b>	13		(22,618)		(9,616)
<b>Provisions for liabilities</b>					
Deferred tax	14	(24,319)		(49,896)	
Other provisions	16	-		(2,167,333)	
			<u>(24,319)</u>		<u>(2,217,229)</u>
<b>Net assets</b>			<u>4,616,874</u>		<u>2,447,295</u>
<b>Capital and reserves</b>					
Called up share capital	17		100		100
Profit and loss account	18		4,546,095		2,768,922
<b>Shareholders' funds</b>	20		<u>4,546,195</u>		<u>2,769,022</u>
<b>Minority interests</b>	19		<u>70,679</u>		<u>(321,727)</u>
			<u>4,616,874</u>		<u>2,447,295</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 2/10/15

  
I A Gray  
Director


The notes on pages 10 to 25 form part of these financial statements.

## Company Balance Sheet

As at 31 March 2015

	Note	£	2015 £	2014 £
<b>Fixed assets</b>				
Investments	8		831	831
<b>Current assets</b>				
Debtors	11	5,597,396	3,185,966	
Cash at bank		100	100	
		<u>5,597,496</u>	<u>3,186,066</u>	
<b>Creditors: amounts falling due within one year</b>	12	<u>(2,030,093)</u>	<u>(431)</u>	
<b>Net current assets</b>			<u>3,567,403</u>	<u>3,185,635</u>
<b>Total assets less current liabilities</b>			<u><u>3,568,234</u></u>	<u><u>3,186,466</u></u>
<b>Capital and reserves</b>				
Called up share capital	17		100	100
Profit and loss account	18		<u>3,568,134</u>	<u>3,186,366</u>
<b>Shareholders' funds</b>	20		<u><u>3,568,234</u></u>	<u><u>3,186,466</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 2/10/15

  
I A Gray  
Director

The notes on pages 10 to 25 form part of these financial statements.

## Consolidated Cash Flow Statement

For the year ended 31 March 2015

		12 months ended 31 March 2015 £	15 months ended 31 March 2014 £
	Note		
Net cash flow from operating activities	23	835,226	(498,894)
Returns on investments and servicing of finance	24	(872)	38,506
Taxation		(422,989)	(100,880)
Capital expenditure and financial investment	24	(200,273)	(202,984)
Equity dividends paid		(475,000)	(450,000)
<b>Cash outflow before financing</b>		<b>(263,908)</b>	<b>(1,214,252)</b>
Financing	24	27,238	927
<b>Decrease in cash in the year</b>		<b>(236,670)</b>	<b>(1,213,325)</b>

## Reconciliation of Net Cash Flow to Movement in Net Funds/Debt

For the year ended 31 March 2015

	12 months ended 31 March 2015 £	15 months ended 31 March 2014 £
Decrease in cash in the year	(236,670)	(1,213,325)
Cash inflow from increase in debt and lease financing	(27,238)	(927)
<b>Movement in net debt in the year</b>	<b>(263,908)</b>	<b>(1,214,252)</b>
Net funds at 1 April 2014	3,736,023	4,950,275
<b>Net funds at 31 March 2015</b>	<b>3,472,115</b>	<b>3,736,023</b>

The notes on pages 10 to 25 form part of these financial statements.

# Notes to the Financial Statements

For the year ended 31 March 2015

## 1. Accounting Policies

### 1.1 Accounting convention

The financial statements have been prepared under the historical cost convention.

The directors have considered cash flow forecasts extending 12 months and are satisfied that the adoption of the going concern basis of preparation is appropriate.

### 1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

### 1.3 Basis of consolidation

The financial statements consolidate the accounts of Atlantic Holdings Limited and all of its subsidiary undertakings ('subsidiaries').

The results of subsidiaries acquired during the year are included from the effective date of acquisition.

### 1.4 Turnover

Amounts receivable for work carried out in producing television programmes is recognised on the basis of the value of costs incurred related to the production activity. Gross profit on production activity is recognised based upon the stage of completion of the production and in accordance with the underlying contract. Overspends are recognised as soon as they arise and underspends are recognised on completion of the production.

Royalty income is recognised on a receivable basis, in so far as it can be reliably measured.

Licencing income, which is stated net of value added tax and discounts, is derived from the distribution of TV programs and theatrical films. Turnover is recognised when all contractual terms and the following criteria have been met:

- there is persuasive evidence of a sale or licencing arrangement agreement
- the program or film is complete and available for delivery
- collection of the revenue is reasonably assured
- the fee is fixed and determinable.

### 1.5 Goodwill

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life.

# Notes to the Financial Statements

For the year ended 31 March 2015

## 1. Accounting Policies (continued)

### 1.6 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Land and buildings Freehold	-	2% straightline
Land and buildings Leasehold	-	20% straightline
Plant & machinery	-	20% to 33.3% straightline
Fixtures, fittings & equipment	-	Over 3 years

### 1.7 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets and are depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

### 1.8 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

### 1.9 Work in progress

Work in progress on productions is valued at the lower of cost and net realisable.

### 1.10 Pensions

The Group operates a fully funded defined benefit pension scheme for the benefit of directors, with contributions made on a discretionary basis

The Group operates a defined contribution scheme for the benefit of directors. Contributions payable are charged to the profit and loss account in the year they are payable.

### 1.11 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

### 1.12 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. All differences are taken to profit and loss account.

# Notes to the Financial Statements

For the year ended 31 March 2015

## 1. Accounting Policies (continued)

### 1.13 Television tax credits and film tax relief

Claims for UK high end television tax credits and film tax relief are recorded as a deduction against cost of sales.

## 2. Turnover

In the opinion of the directors it would be seriously prejudicial to provide information as required by the Statements of Standard Accounting Practice 25 'Segmental Reporting' and accordingly this information has not been provided in these financial statements.

## 3. Operating profit

Operating profit is stated after charging / (crediting):

	2015 £	2014 £
Depreciation of tangible fixed assets	65,076	209,598
Loss / (profit) on disposal of tangible assets	21,084	1,121
Loss/ (profit) on foreign exchange transactions	(45,930)	88,341
Auditor's remuneration	39,500	41,411
Auditor's remuneration - non-audit	<u>21,500</u>	<u>9,000</u>

## 4. Interest receivable

	12 months ended 31 March 2015 £	15 months ended 31 March 2014 £
Other interest receivable	<u>1,661</u>	<u>40,002</u>

## 5. Interest payable

	12 months ended 31 March 2015 £	15 months ended 31 March 2014 £
On bank loans and overdrafts	-	11
On other loans	255	-
Hire purchase interest	2,278	1,485
	<u>2,533</u>	<u>1,496</u>

# Notes to the Financial Statements

For the year ended 31 March 2015

## 6. Taxation

	12 months ended 31 March 2015 £	15 months ended 31 March 2014 £
<b>Analysis of tax (credit)/charge in the year/15 months</b>		
<b>Current tax</b> (see note below)		
UK corporation tax charge on profit for the year/15 months	-	74,411
Adjustments in respect of prior periods	(59,854)	154,735
	<u>(59,854)</u>	<u>229,146</u>
Receipt in respect of group relief	(62)	44
	<u>(59,916)</u>	<u>229,190</u>
Foreign tax on income for the year/15 months	57,309	62,787
<b>Total current tax</b>	<u>(2,607)</u>	<u>291,977</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	(4,169)	23,896
Prior year adjustment	(21,408)	-
<b>Total deferred tax</b> (see note 14)	<u>(25,577)</u>	<u>23,896</u>
<b>Tax on profit on ordinary activities</b>	<u>(28,184)</u>	<u>315,873</u>



# Notes to the Financial Statements

For the year ended 31 March 2015

## 6. Taxation (continued)

### Factors affecting tax charge for the year/15 months

The tax assessed for the year/15 months is higher than (2014 - higher than) the standard rate of corporation tax in the UK of 21% (2014 - 23.2%). The differences are explained below:

	12 months ended 31 March 2015 £	15 months ended 31 March 2014 £
Profit on ordinary activities before tax	2,616,395	1,201,961
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 21% (2014 - 23.2%)	549,443	278,855
<b>Effects of:</b>		
Non deductible expenses	1,360	33,133
Difference between capital allowances and depreciaton	-	(36,485)
Non taxable income	(87,236)	-
Tax losses utilised	-	171,703
Foreign tax adjustments	-	8,071
Other tax adjustments	-	144,600
Adjustments to tax charge in respect of prior periods	(59,854)	-
Film tax credit adjustment	(529,289)	(307,900)
Difference in tax rates	9,333	-
Other timing differences	(100,841)	-
Consolidation adjustment	214,477	-
<b>Current tax (credit)/charge for the year/15 months</b> (see note above)	<b>(2,607)</b>	<b>291,977</b>

## Notes to the Financial Statements

For the year ended 31 March 2015

**7. Tangible fixed assets**

<b>Group</b>	<b>Land and buildings Freehold £</b>	<b>Land and buildings Leasehold £</b>	<b>Plant and machinery £</b>	<b>Fixtures, fittings &amp; equipment £</b>	<b>Total £</b>
<b>Cost</b>					
At 1 April 2014	1,394,708	759,203	258,358	695,865	3,108,134
Additions	-	2,181	65,396	162,849	230,426
Disposals	-	-	-	(156,979)	(156,979)
At 31 March 2015	<u>1,394,708</u>	<u>761,384</u>	<u>323,754</u>	<u>701,735</u>	<u>3,181,581</u>
<b>Depreciation</b>					
At 1 April 2014	202,233	628,812	186,695	552,493	1,570,233
Charge for the year	27,894	25,168	42,094	75,662	170,818
On disposals	-	-	-	(105,742)	(105,742)
At 31 March 2015	<u>230,127</u>	<u>653,980</u>	<u>228,789</u>	<u>522,413</u>	<u>1,635,309</u>
<b>Net book value</b>					
At 31 March 2015	<u>1,164,581</u>	<u>107,404</u>	<u>94,965</u>	<u>179,322</u>	<u>1,546,272</u>
At 31 March 2014	<u>1,192,475</u>	<u>130,391</u>	<u>71,663</u>	<u>143,372</u>	<u>1,537,901</u>

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

<b>Group</b>	<b>2015 £</b>	<b>2014 £</b>
Furniture, fittings and equipment	<u>42,808</u>	<u>14,485</u>

## Notes to the Financial Statements

For the year ended 31 March 2015

**8. Fixed asset investments**

Company	Shares in group undertakings £
<b>Cost or valuation</b>	
At 1 April 2014 and 31 March 2015	831
<b>Net book value</b>	
At 31 March 2015	831
At 31 March 2014	831

Details of the subsidiary undertakings can be found under note number 9.

**9. Subsidiary undertakings**

Company name	Class	Percentage Shareholding	Principal activity
Atlantic New Media Limited	Ordinary	100%	Non-trading
Atlantic Productions Limited	Ordinary	100%	Documentary film production
Serengeti Limited	Ordinary	100%	Distribution of feature films
Zoo Limited	Ordinary	100%	Graphic services
Video 77 Limited	Ordinary	100%	Leasing of equipment and studio
Atlantic Productions (Chevalier) Limited	Ordinary	100%	Non-trading
Geffen Medavoy Limited	Ordinary	51%	Non-trading
Atlantic Pictures Limited	Ordinary	100%	Non-trading
Colossus Productions Limited	Ordinary	80%	Documentary film production
Colossus Production (NHM) Limited*	Ordinary	80%	Documentary film production
Colossus Productions (COTS) Limited*	Ordinary	80%	Documentary film production
Rowan Brook Limited	Ordinary	100%	Non-trading

(\*) shares held indirectly

**10. Work in progress**

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Work in progress	443,863	74,214	-	-

## Notes to the Financial Statements

For the year ended 31 March 2015

**11. Debtors**

	<b>Group</b>		<b>Company</b>	
	2015	2014	2015	2014
	£	£	£	£
Trade debtors	1,601,131	2,083,729	-	-
Amounts owed by group undertakings	-	-	5,597,396	3,185,966
Other debtors	471,136	2,312,015	-	-
Prepayments and accrued income	1,328,966	74,294	-	-
	<b>3,401,233</b>	<b>4,470,038</b>	<b>5,597,396</b>	<b>3,185,966</b>

**12. Creditors:  
Amounts falling due within one year**

	<b>Group</b>		<b>Company</b>	
	2015	2014	2015	2014
	£	£	£	£
Net obligations under finance leases and hire purchase contracts	19,929	5,693	-	-
Trade creditors	441,922	893,025	-	-
Amounts owed to group undertakings	-	-	2,030,093	431
Corporation tax	-	183,002	-	-
Taxes and social security costs	99,714	265,822	-	-
Other creditors	131,618	424,532	-	-
Accruals and deferred income	3,549,036	3,387,271	-	-
	<b>4,242,219</b>	<b>5,159,345</b>	<b>2,030,093</b>	<b>431</b>

**13. Creditors:  
Amounts falling due after more than one year**

	<b>Group</b>		<b>Company</b>	
	2015	2014	2015	2014
	£	£	£	£
Net obligations under finance leases and hire purchase contracts	22,618	9,616	-	-

Obligations under finance leases and hire purchase contracts, included above, are payable as follows:

	<b>Group</b>		<b>Company</b>	
	2015	2014	2015	2014
	£	£	£	£
Between one and five years	22,618	9,616	-	-

## Notes to the Financial Statements

For the year ended 31 March 2015

**14. Deferred taxation**

	<b>Group</b>		<b>Company</b>	
	2015	2014	2015	2014
	£	£	£	£
At beginning of year/15 months	49,896	26,000	-	-
Released during/(charge for) the year/ 15 months (P&L)	(25,577)	23,896	-	-
Balance at 31 March 2015	<u>24,319</u>	<u>49,896</u>	<u>-</u>	<u>-</u>

The provision for deferred taxation is made up as follows:

	<b>Group</b>		<b>Company</b>	
	2015	2014	2015	2014
	£	£	£	£
Accelerated capital allowances	36,317	49,896	-	-
Tax losses brought forward	(11,998)	-	-	-
	<u>24,319</u>	<u>49,896</u>	<u>-</u>	<u>-</u>

**15. Pension commitments**

The group operated a defined contribution pension scheme on behalf of two directors. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions were paid based upon the recommendations of a qualified actuary. There was no annual commitment to the scheme and the charge in the profit and loss account varied due to changes in the level of the maximum available contribution.

	2015	2014
	£	£
Defined contributions payable by the group for the year	<u>-</u>	<u>50,000</u>
Defined benefit amounts payable by the group for the year	<u>-</u>	<u>192,300</u>

# Notes to the Financial Statements

For the year ended 31 March 2015

## 16. Provisions

Group	Provisions £
At 1 April 2014	2,167,333
Amounts utilised	(1,767,333)
Amounts reversed	(400,000)
At 31 March 2015	-

Provisions brought forward related primarily to expected production deficits and are the shortfall between anticipated costs to achieve delivery and the related contracted income. £400,000 brought forward related to obligations under production contracts.

The Company has no provisions.

## 17. Share capital

	2015 £	2014 £
Allotted, called up and fully paid		
100 Ordinary shares of £1 each	100	100

## 18. Reserves

Group	Profit and loss account £
At 1 April 2014	2,768,922
Profit for the financial year	2,252,173
Dividends: Equity capital	(475,000)
At 31 March 2015	4,546,095

Company	Profit and loss account £
At 1 April 2014	3,186,366
Profit for the financial year	856,768
Dividends: Equity capital	(475,000)
At 31 March 2015	3,568,134

# Notes to the Financial Statements

For the year ended 31 March 2015

## 19. Minority interests

### Equity

At 1 April 2014

Proportion of profit/(loss) after taxation for the year

At 31 March 2015

£  
(321,727)  
392,406

70,679

## 20. Reconciliation of movement in shareholders' funds

	2015	2014
Group	£	£
Opening shareholders' funds	2,769,022	2,163,308
Profit for the year/15 month period	2,252,173	1,055,714
Dividends (Note 22)	(475,000)	(450,000)
Closing shareholders' funds	4,546,195	2,769,022

	2015	2014
Company	£	£
Opening shareholders' funds	3,186,466	100
Profit for the year/15 month period	856,768	3,636,366
Dividends (Note 22)	(475,000)	(450,000)
Closing shareholders' funds	3,568,234	3,186,466

The company has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Profit and loss account.

The profit for the year/15 months dealt with in the accounts of the company was £856,768 (2014 - £3,636,366).

## 21. Financial commitments

At 31 March 2015 the group had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2015	2014
Group	£	£
Expiry date:		
Between 2 and 5 years	165,000	165,000

# Notes to the Financial Statements

For the year ended 31 March 2015

## 22. Dividends

	12 months ended 31 March 2015 £	15 months ended 31 March 2014 £
Dividends paid on equity capital	475,000	450,000

## 23. Net cash flow from operating activities

	12 months ended 31 March 2015 £	15 months ended 31 March 2014 £
Operating profit	2,617,267	1,163,455
Depreciation of tangible fixed assets	170,818	209,598
Loss on disposal of tangible fixed assets	21,084	1,121
Decrease/(increase) in work in progress	(369,649)	110,374
Decrease/(increase) in debtors	1,311,398	(3,205,731)
Decrease in creditors	(748,359)	(945,044)
(Decrease)/increase in provisions	(2,167,333)	2,167,333
Net cash inflow/(outflow) from operating activities	835,226	(498,894)

## 24. Analysis of cash flows for headings netted in cash flow statement

	12 months ended 31 March 2015 £	15 months ended 31 March 2014 £
Returns on investments and servicing of finance		
Interest received	1,661	40,002
Interest paid	(255)	(11)
Hire purchase interest	(2,278)	(1,485)
Net cash (outflow)/inflow from returns on investments and servicing of finance	(872)	38,506



# Notes to the Financial Statements

For the year ended 31 March 2015

## 24. Analysis of cash flows for headings netted in cash flow statement (continued)

	12 months ended 31 March 2015 £	15 months ended 31 March 2014 £
<b>Capital expenditure and financial investment</b>		
Purchase of tangible fixed assets	(230,426)	(210,827)
Sale of tangible fixed assets	30,153	7,843
<b>Net cash outflow from capital expenditure</b>	<b>(200,273)</b>	<b>(202,984)</b>
	12 months ended 31 March 2015 £	15 months ended 31 March 2014 £
<b>Financing</b>		
New finance leases	27,238	927

## 25. Analysis of changes in net funds

	1 April 2014 £	Cash flow £	Other non-cash changes £	31 March 2015 £
Cash at bank and in hand	3,751,332	(236,670)	-	3,514,662
<b>Debt:</b>				
Debts due within one year	(5,693)	(36,854)	22,618	(19,929)
Debts falling due after more than one year	(9,616)	9,616	(22,618)	(22,618)
<b>Net funds</b>	<b>3,736,023</b>	<b>(263,908)</b>	<b>-</b>	<b>3,472,115</b>

# Notes to the Financial Statements

For the year ended 31 March 2015

## 26. Directors' remuneration

	12 months ended 31 March 2015 £	15 months ended 31 March 2014 £
Remuneration	244,028	242,710
Company contributions to defined contribution pension schemes	-	50,000
Company contributions to defined benefit pension schemes	-	192,300

During the year retirement benefits were accruing to no directors (2014 - 2) in respect of defined contribution pension schemes.

During the year retirement benefits were accruing to no directors (2014 - 2) in respect of defined benefit pension schemes.

The highest paid director received remuneration of £105,764 (2014 - £121,354).

## 27. Staff costs

Staff costs, including directors' remuneration, were as follows:

	12 months ended 31 March 2015 £	15 months ended 31 March 2014 £
Wages and salaries	2,148,968	2,620,369
Social security costs	226,529	286,805
Other pension costs	-	242,300
	2,375,497	3,149,474

The average monthly number of employees, including the directors, during the year was as follows:

	12 months ended 31 March 2015 No.	15 months ended 31 March 2014 No.
Office and administration	24	19
Development and production	21	32
	45	51

# Notes to the Financial Statements

For the year ended 31 March 2015

## 28. Significant transactions

The company had entered into certain sale and leaseback transactions of television programme rights. Funds received from these transactions were held in a deposit account and comprise monies to provide for the full discharge of future leasing liabilities. The banks with which these sums are deposited had given guarantees to the lessors in respect of these lease liabilities.

The amounts involved were as follows:

	2015	2014
	£	£
Amount held on deposit	-	327,166
Less capital element of leasing liabilities outstanding	-	(327,166)
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>

The maturity of the above is as follows:

Within one year	-	327,166
After one year and within two years	-	-
	<u>-</u>	<u>327,166</u>
	<u>-</u>	<u>327,166</u>

## Notes to the Financial Statements

For the year ended 31 March 2015

### 29. Related party transactions

The Group has taken advantage of the exemption in Financial Reporting Standard Number 8 from the requirement to disclose transactions with wholly owned group companies on the grounds that consolidated financial statements are prepared by the ultimate parent company which are publicly available.

During the year, Atlantics Productions Limited, a subsidiary company paid £74,250 (2014 - £92,813) in rent to the Atlantic Productions Executive Pension Scheme, of which A D H Geffen and C M C Perkins are trustees. The Pension Scheme owns a percentage of Brook Green House. At 31 March 2015 there was no amount outstanding (2014 - £nil).

During the year Colossus Productions (COTS) Limited was charged £322,605 (2014: £437,463) by Atlantic Productions Limited and £768,875 (2014: £47,555) by Video 77 Limited, both fellow subsidiaries, for services relating to production activities. At period end £Nil (2014: £318,781) was owed to Colossus Productions (COTS) Limited by Colossus Productions Limited, the immediate parent undertaking. At period end £1,260,347 (2014: £Nil) was owed to Colossus Productions Limited, the immediate parent undertaking, and £115,152 to Atlantic Productions by Colossus Productions (COTS) Limited.

During the year Colossus Productions Limited was charged £605,030 (2014: £925,787) by Atlantic Productions Limited, £67,600 (2014: £738,960) by Zoo Limited and £62,224 (2014: £375,604) by Video 77 Limited, which are fellow subsidiaries, for services relating to production activities. At year end £Nil (2014: £80) was owed to Colossus Productions Limited by Atlantic Holdings Limited, £1,223,288 (2014: £1,855,981) was owed to Atlantic Productions Limited (2014: £1,855,981 owed by Atlantic Productions Limited), £Nil (2014: £Nil) was owed to Video 77 Limited, and £Nil (2014: £Nil) was owed by Zoo Limited.

During the year Colossus Productions (NHM) Limited was charged £Nil (2014: £382,399) by Atlantic Productions Limited, £Nil (2014: £1,988,100) by Zoo Limited and £Nil (2014: £201,767) by Video 77 Limited, which are fellow subsidiaries, for services relating to production activities. At year end £232,006 (2014 £nil) was owed to Colossus Productions (NHM) Limited by Colossus Productions Limited, the immediate parent undertaking.

At 31 March 2015 £379,795 (2014: £999,508) was owed to Colossus Productions Limited by Serengeti Entertainment Limited, which relates to proceeds from distribution sales.

During the year the company paid rent of £24,000 (2014: £24,000) for use of a property owned by A D H Geffen and C M C Perkins. At 31 March 2015 there was £Nil outstanding (2014: £Nil).

### 30. Controlling party

Through his interest in the shares of the company, the group is under the control of A D H Geffen.