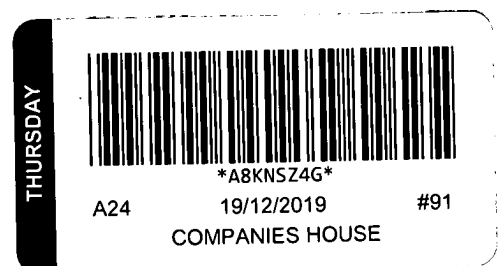


ATLANTIC HOLDINGS LIMITED

DIRECTOR'S REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019



ATLANTIC HOLDINGS LIMITED

COMPANY INFORMATION

Directors:	Anthony Geffen Claudia Perkins
Registered number:	02811673
Registered office:	Brook Green House 4 Rowan Road London W6 7DU
Independent auditor:	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor 30 Finsbury Square London EC2A 1AG

ATLANTIC HOLDINGS LIMITED

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ATLANTIC HOLDINGS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2019

The directors present their report and the financial statements for the year ended 31 March 2019.

Directors' responsibilities statement

The directors are responsible for preparing the Directors' report and the consolidated 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 and the profit or loss of the Company and Group for that period.

In preparing these financial statements, the directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and accounting estimates that are reasonable and prudent;
- 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 to 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:

Anthony Geffen
Claudia Perkins

Disclosure of information to auditor

The directors confirm that:

- So far as each director is aware, there is no relevant audit information of which the company and the Group's auditor is unaware, and

ATLANTIC HOLDINGS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2019

- The directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company and the Group's auditor is aware of that information.

Post balance sheet events

There have been no significant events affecting the Group since the year end.

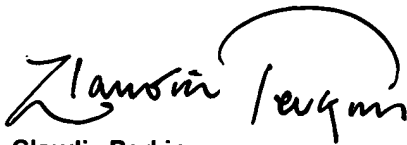
Auditor

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

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

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



Claudia Perkins
Director

Date: 12/12/19

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ATLANTIC HOLDINGS LIMITED

Opinion

We have audited the financial statements of Atlantic Holdings Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2019, which comprise the consolidated statement of comprehensive income, the consolidated and company statement of financial position, the consolidated and company statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 March 2019 and of the group's loss 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.

Basis for opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ATLANTIC HOLDINGS LIMITED

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matter on which we are required to report under the Companies Act 2006

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

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept 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.

Responsibilities of directors for the financial statements

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ATLANTIC HOLDINGS LIMITED

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Use of our report

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.



Nicholas Page

Senior Statutory Auditor

for and on behalf of Grant Thornton UK LLP

Statutory Auditor, Chartered Accountants

London

Date:

ATLANTIC HOLDINGS LIMITED

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2019

	Note	2019 £	2018 £
Turnover		6,117,551	5,252,108
Cost of sales		<u>(3,099,514)</u>	<u>(2,106,105)</u>
Gross profit		3,018,037	3,146,003
Administrative expenses		<u>(3,069,930)</u>	<u>(3,841,932)</u>
Operating loss	4	(51,893)	(695,929)
Interest receivable and similar income	5	7,998	3,689
Interest payable and expenses	6	<u>(51,684)</u>	<u>(63,378)</u>
Loss before taxation		(95,579)	(755,618)
Tax on loss	7	<u>65,508</u>	<u>(121,570)</u>
Loss for the financial year		(30,071)	(877,188)
Unrealised surplus on revaluation of tangible fixed assets		<u>208,414</u>	<u>469,040</u>
Other comprehensive income for the year		208,414	469,040
Total comprehensive income for the year		<u>178,343</u>	<u>(408,148)</u>
Loss for the year attributable to:			
Non-controlling interests		-	(36,420)
Owners of the parent company		<u>(30,071)</u>	<u>(840,768)</u>
		<u>(30,071)</u>	<u>(877,188)</u>

All amounts relate to continuing operations.

There were no recognised gains and losses for 2019 or 2018 other than those included in the consolidated statement of comprehensive income.

The notes on pages 12 - 32 form part of these financial statements.

ATLANTIC HOLDINGS LIMITED

REGISTERED NUMBER: 02811673

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 MARCH 2019**

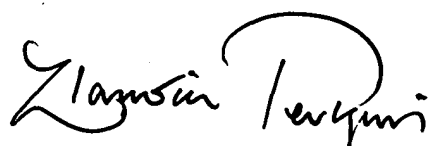
	Note	2019 £	2018 £
Fixed assets			
Tangible assets	9	4,788,468	4,665,668
Investments	10	<u>600</u>	<u>250</u>
		4,789,068	4,665,918
Current assets			
Work in progress	14	95,367	35,240
Debtors: amounts falling due within one year	15	2,030,097	968,571
Cash at bank and in hand	16	<u>2,558,621</u>	<u>2,946,612</u>
		4,684,085	3,950,423
Creditors: amounts falling due within one year	17	<u>(3,037,599)</u>	<u>(2,043,277)</u>
Net current assets		<u>1,646,485</u>	<u>1,907,146</u>
Total assets less current liabilities		6,435,553	6,573,064
Creditors: amounts falling due after more than one year	18	(372,499)	(694,548)
Provisions for liabilities			
Deferred taxation	20	<u>(40,400)</u>	<u>(34,202)</u>
		(40,400)	(34,202)
Net assets		<u>6,022,655</u>	<u>5,844,314</u>

ATLANTIC HOLDINGS LIMITED**REGISTERED NUMBER: 02811673****CONSOLIDATED STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 MARCH 2019**

	Note	2019 £	2018 £
Capital and reserves			
Share capital		100	100
Revaluation reserve		1,364,592	1,156,179
Retained earnings		<u>4,657,963</u>	<u>4,688,035</u>
Equity attributable to owners of the parent company		<u><u>6,022,655</u></u>	<u><u>5,844,314</u></u>

The financial statements have been prepared and in accordance with provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

**Claudia Perkins**

Director

Date: 12/12/19

The notes on pages 12 - 32 form part of these financial statements.

ATLANTIC HOLDINGS LIMITED**REGISTERED NUMBER: 02811673****COMPANY STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 MARCH 2019**

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	9	277,981	303,311
Investments	10	1,551	1,001
Investment property	12	<u>3,925,000</u>	<u>3,700,000</u>
		4,204,532	4,004,312
Non-current assets			
Debtors: amounts falling due after more than one year	13	<u>4,120,114</u>	<u>-</u>
		4,120,114	-
Current assets			
Debtors: amounts falling due within one year	15	72,514	2,514,177
Cash at bank and in hand	16	<u>434,128</u>	<u>1,672,969</u>
		506,641	4,187,146
Creditors: amounts falling due within one year	17	<u>(343,462)</u>	<u>(398,099)</u>
Net current assets		163,180	3,789,047
Total assets less current liabilities		8,487,826	7,793,359
Creditors: amounts falling due after more than one year	18	(329,964)	(644,215)
Provisions for liabilities			
Deferred taxation	20	<u>(91,923)</u>	<u>(12,394)</u>
		(91,923)	(12,394)
Net assets		8,065,939	7,136,750

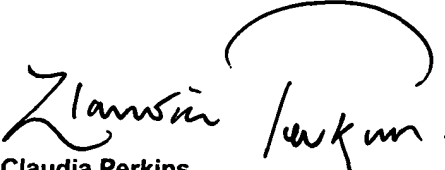
ATLANTIC HOLDINGS LIMITED

REGISTERED NUMBER: 02811673

COMPANY STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31 MARCH 2019

	Note	2019 £	2018 £
Capital and reserves			
Share capital	21	100	100
Retained earnings	22	<u>8,065,839</u>	<u>7,136,650</u>
		<u>8,065,939</u>	<u>7,136,750</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:


Claudia Perkins

Director

Date: 12/12/19

The notes on pages 12 - 32 form part of these financial statements.

ATLANTIC HOLDINGS LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2019

	Share Capital	Revaluation Reserve	Retained Earnings	Equity Attributable to Owners of the Parent Company	Non- controlling Interests	Total Equity
	£	£	£	£	£	£
At 1 April 2018	100	1,156,179	4,688,035	5,844,314	-	5,844,314
Loss for the year	-	-	(30,071)	(30,071)	-	(30,071)
Revaluation movement of freehold property	-	208,414	-	208,414	-	208,414
Total comprehensive income for the year	-	208,414	(30,071)	178,343	-	178,343
Dividends - non-controlling interests	-	-	-	-	-	-
At 31 March 2019	100	1,364,593	4,657,964	6,022,655	-	6,022,655

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2018

	Share Capital	Revaluation Reserve	Retained Earnings	Equity Attributable to Owners of the Parent Company	Non- controlling Interests	Total Equity
	£	£	£	£	£	£
At 1 April 2017	100	687,139	5,528,803	6,216,042	81,411	6,297,453
Loss for the year	-	-	(840,768)	(840,768)	(36,420)	(877,188)
Revaluation movement of freehold property	-	469,040	-	469,040	-	469,040
Total comprehensive income for the year	-	469,040	(840,768)	(371,728)	(36,420)	(408,148)
Dividends - non-controlling interests	-	-	-	-	(44,991)	(44,991)
At 31 March 2018	100	1,156,179	4,688,035	5,844,314	-	5,844,314

The notes on pages 12 - 32 form part of these financial statements.

ATLANTIC HOLDINGS LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2019

	Share Capital	Retained Earnings	Total Equity
	£	£	£
At 1 April 2018	100	7,136,650	7,136,750
Comprehensive income for the year			
Profit for the year	-	929,189	929,189
Total comprehensive income for the year	-	929,189	929,189
At 31 March 2019	100	8,065,839	8,065,939

COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2018

	Share Capital	Retained Earnings	Total Equity
	£	£	£
At 1 April 2017	100	6,198,449	6,198,549
Comprehensive income for the year			
Profit for the year	-	938,201	938,201
Total comprehensive income for the year	-	938,201	938,201
At 31 March 2018	100	7,136,650	7,136,750

The notes on pages 12 - 32 form part of these financial statements.

ATLANTIC HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

1. General information

Atlantic Holdings Limited is a private company, limited by shares and is incorporated in England. The company's registered office is Brook Green House, 4 Rowan Road, London, W6 7DU. The company's registered number can be found on the Company Information page.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with the provision of Section 1A "Small Entities Financial Reporting Standard 102, the "Financial Reporting Standard applicable in the UK and the Republic of Ireland" and the Companies Act 2006.

The presentation currency is £ sterling.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgment in applying the Group's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Basis of consolidation

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

2.3 Going concern

The directors have reviewed the Group and Company's financial position for the 12 month period from the date of approval of these financial statements. As a result of this assessment, the directors have adopted the going concern basis of accounting for the preparation of these financial statements which they consider to be appropriate.

2.4 Turnover

Amounts receivable for work carried out in producing media content 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, theatrical films and digital content. Turnover is recognised when all contractual terms and the following criteria have been met:

ATLANTIC HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

- 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, and
- The fee is fixed and determinable.

2.5 Tangible fixed assets and depreciation

Tangible fixed assets, excluding freehold land and buildings, 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.

Depreciation is provided on the following basis:

Land and buildings leasehold - 5 years
Plant & machinery - 3 to 5 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date. Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Consolidated Statement of Comprehensive Income.

2.6 Freehold land and buildings

Individual freehold properties are carried at fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are undertaken annually to ensure the carrying amount does not differ materially from that which would be determined using fair value at the Statement of Financial Position date.

Fair values are determined from market based evidence normally undertaken by professionally qualified valuers.

Revaluation gains and losses are recognised in the Consolidated Statement of Comprehensive Income unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the excess losses are recognised in the statement of comprehensive income.

Freehold buildings are depreciated at 2% straight line per annum. Land is not depreciated.

2.7 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 Statement of Comprehensive Income 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.

ATLANTIC HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

2.8 Investment property

Investment property is carried at fair value determined annually by external valuers and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Consolidated Statement of Comprehensive Income.

2.9 Investments

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

2.10 Work in progress

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

2.11 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Consolidated Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company and the Group operate and generate income.

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.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

2.12 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the reporting date. Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. All differences are taken to the Consolidated Statement of Comprehensive Income.

2.13 High-end Television Tax Relief, Film Tax Relief and Video Games Tax Relief

Claims for UK High-end Television Tax Relief, Film Tax Relief and Video Games Tax Relief are recorded as a reduction against cost of sales.

ATLANTIC HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

2.14 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.15 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.16 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.17 Financial instruments

The Group only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Consolidated Statement of Comprehensive Income. For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Group would receive for the asset if it were to be sold at the reporting date.

ATLANTIC HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

Financial assets and liabilities are offset and the net amount reported in the Consolidated Statement of Financial Position when there is an 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.

2.18 Finance costs

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

2.19 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

2.20 Pensions

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in the Consolidated Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Consolidated Statement of Financial Position. The assets of the plan are held separately from the Group in independently administered funds.

2.21 Interest income

Interest income is recognised in the Consolidated Statement of Comprehensive Income using the effective interest method.

2.22 Borrowing costs

All borrowing costs are recognised in the Consolidated Statement of Comprehensive Income in the year in which they are incurred.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

In the application of the Group's accounting policies, which are described in note 2, the directors are required to make judgments, estimates and assumptions about the carrying amounts 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

ATLANTIC HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

Critical estimates in applying the company's accounting policies

The following are the critical estimates that the directors have made in the process of applying the company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Revenue recognition

Revenue from production services for third parties are recognised on a percentage of completion basis. Percentage of completion is based upon the proportion of costs incurred in the current period to total expected costs. The total expected costs on each production are reviewed by management on a regular basis.

Valuation of property

Management have determined the valuation of the property recorded in tangible fixed assets based on a third party valuation, applying their own assumptions and estimates for the current year.

Allowance for doubtful debts

The Company is required to judge when there is sufficient objective evidence to require impairment of individual trade receivables. It does this on the basis of the age of relevant receivables.

Depreciation policies

The directors have applied the depreciation policies which are summarised in Note 2.4 which they consider to match the useful life or lease term of the assets.

Recognition of deferred tax assets

The extent to which deferred tax assets can be recognised is based on an assessment of the profitability that future taxable income will be available against which the deductible temporary differences and tax loss carry forwards can be utilised. In addition, significant judgements are required in assessing the impact of any legal or economic uncertainties in various jurisdictions.

ATLANTIC HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

4 Operating loss

The operating loss is stated after charging:

	2019	2018
	£	£
Depreciation of tangible fixed assets	386,191	420,068
Auditor's remuneration - group audit	33,500	33,000
Auditor's remuneration - group non-audit services	21,500	25,500
Foreign exchange	(7,727)	61,441

The Company audit fee for the period was £5,000 (2018: £2,000).

5 Interest receivable

	2019	2018
	£	£
Bank interest receivable	7,909	3,147
Other interest receivable	89	542
	<u>7,998</u>	<u>3,689</u>

6 Interest payable

	2019	2018
	£	£
Other interest payable	47,175	61,422
Hire purchase interest	4,493	1,956
Bank interest payable	15	-
	<u>51,684</u>	<u>63,378</u>

ATLANTIC HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

7 Taxation

	2019	2018
	£	£
Corporation tax		
Current tax on profits for the year	6,032	7,481
Adjustments in respect of prior periods	-	(11,219)
	6,032	(3,738)
Double taxation relief	(6,032)	(7,481)
	-	(11,219)
Foreign tax		
Foreign tax on income for the year	6,032	16,637
Total current tax	6,032	5,418
Deferred tax		
Origination and reversal of timing differences	(71,540)	116,152
Total deferred tax	(71,540)	116,152
Taxation on profit on ordinary activities	(65,508)	121,570
Tax included in statement of other comprehensive income		
Deferred tax		
Origination and reversal of timing differences	77,739	-
Total deferred tax	77,739	-
Tax included in statement of other comprehensive income	77,739	-

ATLANTIC HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2018 - higher than) the standard rate of corporation tax in the UK of 19% (2018 - 19%). The differences are explained below:

	2019	2018
	£	£
Loss on ordinary activities before tax	<u>(95,579)</u>	<u>(755,618)</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 19% (2018 - 19%)	(18,160)	(143,567)
Effects of:		
Difference between capital allowances and depreciation	6,774	5,228
Non-deductible expenses	91,338	172,315
Income not taxable for tax purposes	(109,609)	(122,033)
Adjustments to tax charge in respect of prior periods	-	(11,219)
Adjustments to brought forward values	86,885	-
Difference in tax rates	(5,633)	10,057
Overseas tax	-	9,156
Deferred tax not recognised	<u>(39,364)</u>	<u>201,633</u>
Total tax charge for the year	<u>12,231</u>	<u>121,570</u>

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

8 Parent company profit for the year

The Company has taken advantage of the exemption allowed under Section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements. The profit after tax of the parent Company for the year was £929,188 (2018 - £938,201).

The company's accounts for the year ended 31 March 2019 were subject to audit by Grant Thornton UK LLP. The Senior Statutory auditor is Nicholas Page. The audit report was unqualified.

ATLANTIC HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

9 Tangible fixed assets

Group

	Land and buildings - freehold	Land and buildings - leasehold	Plant and machinery	Total
	£	£	£	£
Cost or valuation				
At 1 April 2018	3,700,000	1,180,662	1,654,407	6,535,069
Additions	13,109	13,153	238,675	264,938
Disposals	-	-	(135,447)	(135,447)
Revaluations	211,891	-	-	211,891
At 31 March 2019	3,925,000	1,193,815	1,757,635	6,876,451
Depreciation				
At 1 April 2018	-	773,159	1,096,241	1,869,400
Charge for the year	74,262	51,602	260,327	386,191
Disposals	-	-	(93,346)	(93,346)
On revalued assets	(74,262)	-	-	(74,262)
At 31 March 2019	-	824,761	1,263,221	2,087,983
Net book value				
At 31 March 2019	3,925,000	369,054	494,414	4,788,468
<i>At 31 March 2018</i>	<i>3,700,000</i>	<i>407,503</i>	<i>558,166</i>	<i>4,665,669</i>

A valuation of the group's freehold land and buildings was undertaken by a professional independent valuer on 12 August 2019 in accordance with the Royal Institute of Chartered Surveyors - Global Standards 2017. The directors have considered the market value of the freehold land and buildings as at 31 March 2019 to be £3,925,000 based on their assessment of the historic valuations and the current market conditions. The carrying amount of freehold land and buildings were they to be held under historic cost would have been £2,507,395.

ATLANTIC HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

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

	2019	2018
	£	£
Furniture, fittings and equipment	<u>116,122</u>	<u>75,023</u>

Company

	Land and buildings - leasehold £
Cost or valuation	
At 1 April 2018	336,339
Additions	<u>9,006</u>
At 31 March 2019	<u>345,345</u>
Depreciation	
At 1 April 2018	33,028
Charge for the year	<u>34,336</u>
At 31 March 2019	<u>67,364</u>
Net book value	
At 31 March 2019	<u><u>277,981</u></u>
<i>At 31 March 2018</i>	<u><u>303,311</u></u>

ATLANTIC HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

10 Fixed asset investments

Group

	Investments in associates
	£
Cost or valuation	
At 1 April 2018	250
Additions	350
At 31 March 2019	600
Net book value	
At 31 March 2019	600
<i>At 31 March 2018</i>	<i>250</i>

Company

	Investments in subsidiary companies
	£
Cost or valuation	
At 1 April 2018	1,001
Additions	550
At 31 March 2019	1,551
Net book value	
At 31 March 2019	1,551
<i>At 31 March 2018</i>	<i>1,001</i>

ATLANTIC HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

11 Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Country of incorporation	Class	Holding	Principal activity
Atlantic Productions Limited	England	Ordinary	100%	Factual content production
Serengeti Entertainment Limited	England	Ordinary	100%	Content distribution across multiple platforms
Zoo Limited	England	Ordinary	100%	Graphic services
Video 77 Limited	England	Ordinary	100%	Licensing of rights to music and archive
Colossus Productions Limited	England	Ordinary	100%	3D film production
Colossus Productions (NHM) Limited*	England	Ordinary	100%	3D film production
Colossus Productions (COTS) Limited*	England	Ordinary	100%	3D film production
Rowan Brook Limited	England	Ordinary	100%	Equipment hire and editing services
Atlantic Managed Services Limited	England	Ordinary	100%	Serviced offices and corporate services
Geffen Medavoy Pictures Limited	England	Ordinary	51%	Dormant
Atlantic Pictures Limited	England	Ordinary	100%	Dormant
Atlantic Studios Limited	England	Ordinary	100%	Dormant

(*) shares held indirectly

Audit exemption

The following entities have taken advantage of the exemption from audit under section 479a of the Companies Act 2006:

- Video 77 Limited
- Geffen Medavoy Limited
- Atlantic Pictures Limited
- Rowan Brook Limited
- Atlantic Managed Services Limited
- Atlantic Studios Limited

ATLANTIC HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

12 Investment property

Company

**Freehold
investment
property**
£

Valuation

At 1 April 2018	3,700,000
Additions	13,109
Surplus on revaluation	211,891
At 31 March 2019	3,925,000

13 Debtors: amounts falling due after more than one year

	Group	<i>Group</i>	Company	<i>Company</i>
	2019	<i>2018</i>	2019	<i>2018</i>
	£	<i>£</i>	£	<i>£</i>
Amounts owed by group undertakings - long term	-	-	4,120,114	-

Amounts owed by group undertakings are unsecured and repayable on 1 April 2021. Interest is charged per annum at 5% above the Bank of England base rate.

14 Work in progress

	Group	<i>Group</i>	Company	<i>Company</i>
	2019	<i>2018</i>	2019	<i>2018</i>
	£	<i>£</i>	£	<i>£</i>
Work in progress	95,367	<i>35,240</i>	-	-

ATLANTIC HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

15 Debtors: amounts falling due within one year

	Group	<i>Group</i>	Company	<i>Company</i>
	2019	<i>2018</i>	2019	<i>2018</i>
	£	<i>£</i>	£	<i>£</i>
Trade debtors	661,088	<i>513,706</i>	-	-
Amounts owed by group undertakings	-	-	69,714	<i>2,513,812</i>
Corporation tax	-	<i>3,182</i>	-	-
VAT	-	<i>59,544</i>	2,800	<i>365</i>
Other debtors	-	<i>69,610</i>	-	-
Prepayments and accrued income	1,369,009	<i>322,529</i>	-	-
	2,030,097	<i>968,571</i>	72,514	<i>2,514,177</i>

Amounts owed by group undertakings are unsecured and repayable on demand. Interest is charged per annum at 5% above the Bank of England base rate.

16 Cash and cash equivalents

	Group	<i>Group</i>	Company	<i>Company</i>
	2019	<i>2018</i>	2019	<i>2018</i>
	£	<i>£</i>	£	<i>£</i>
Cash at bank and in hand	2,558,621	<i>2,946,612</i>	434,128	<i>1,672,969</i>

ATLANTIC HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

17 Creditors: amounts falling due within one year

	Group	<i>Group</i>	Company	<i>Company</i>
	2019	<i>2018</i>	2019	<i>2018</i>
	£	<i>£</i>	£	<i>£</i>
Other loans	314,251	<i>299,287</i>	314,251	<i>299,287</i>
Trade creditors	88,085	<i>96,299</i>	16,800	<i>339</i>
Amounts owed to group undertakings	-	-	-	<i>96,473</i>
Corporation tax	4,070	-	-	-
VAT	29,037	-	-	-
Other taxation and social security	81,680	<i>76,056</i>	-	-
Net obligations under finance lease and hire purchase contracts	60,339	<i>30,528</i>	-	-
Other creditors	8,314	<i>2,392</i>	100	-
Accruals and deferred income	2,451,823	<i>1,538,715</i>	12,310	<i>2,000</i>
	3,037,599	<i>2,043,277</i>	343,462	<i>398,099</i>

Amounts owed to group undertakings are unsecured and repayable on demand. Interest is charged per annum at 5% above the Bank of England base rate.

18 Creditors: amounts falling due after more than one year

	Group	<i>Group</i>	Company	<i>Company</i>
	2019	<i>2018</i>	2019	<i>2018</i>
	£	<i>£</i>	£	<i>£</i>
Other loans - long term	329,964	<i>644,215</i>	329,964	<i>644,215</i>
Net obligations under finance leases and hire purchase contracts - long term	42,535	<i>50,333</i>	-	-
	372,499	<i>694,548</i>	329,964	<i>644,215</i>

ATLANTIC HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

19 Loans

Other loans represents a loan due to the Atlantic Productions Executive Pension Scheme, of which Anthony Geffen and Claudia Perkins are trustees. Interest is charged at 5% per annum and repayable in instalments by 21 March 2021. The loan is secured against the assets of the Group.

	Group	<i>Group</i>	Company	<i>Company</i>
	2019	<i>2018</i>	2019	<i>2018</i>
	£	<i>£</i>	£	<i>£</i>
Amounts falling due within one year				
Other loans	314,251	<i>299,287</i>	314,251	<i>299,287</i>
Amounts falling due 2 - 5 years				
Other loans	329,964	<i>644,215</i>	329,964	<i>644,215</i>
	644,215	<i>943,502</i>	644,215	<i>943,502</i>

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

	Group	<i>Group</i>	Company	<i>Company</i>
	2019	<i>2018</i>	2019	<i>2018</i>
	£	<i>£</i>	£	<i>£</i>
Amounts falling due within one year				
Net obligations under finance lease and hire purchase contracts	60,339	<i>30,528</i>	-	-
Amounts falling due 2 - 5 years				
Net obligations under finance lease and hire purchase contracts	42,535	<i>50,333</i>	-	-
	102,873	<i>80,861</i>	-	-

ATLANTIC HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

20 Deferred taxation

Group

	2019	2018
	£	£
At the beginning of the year	(34,201)	81,954
Charged to profit or loss	71,540	(116,155)
Charged to the statement of other comprehensive income	(77,739)	-
At the end of the year	(40,400)	(34,201)

The deferred taxation balance is made up as follows:

	Group	Group	Company	Company
	2019	2018	2019	2018
	£	£	£	£
Accelerated capital allowances	(40,400)	(46,149)	(91,923)	(12,394)
Other timing differences	-	192	-	-
Tax losses carried forward	-	11,755	-	-
	(40,400)	(34,202)	(91,923)	(12,394)

21 Share capital

	2019	2018
	£	£
Allotted, called up and fully paid		
100 Ordinary shares of £1 each	100	100

22 Reserves

Revaluation reserve

Represents the change in value of revalued fixed assets.

Retained earnings

Includes all current and prior period retained profit and losses.

ATLANTIC HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

23 Director's remuneration

	2019	2018
	£	£
Director's emoluments	325,000	350,000

During the year retirement benefits were accruing to no directors (2018 - Nil) in respect of defined contribution pension schemes.

24 Staff costs

Staff costs, including director's remuneration, were as follows:

	Group 2019	Group 2018
	£	£
Wages and salaries	1,874,281	1,935,922
Social security costs	209,685	249,006
Cost of defined contribution scheme	37,419	29,560
	2,121,385	2,214,488

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

	2019 No.	2018 No.
Office and administration	14	19
Development and production	19	20
Facilities	4	5
Distribution	2	2
CGI	3	1
	42	47

ATLANTIC HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

25 Related party transactions

During the year Atlantic Productions Limited made sales of £1,028,294 (2018: £294,992) to Alchemy VR Limited and incurred net recharges of £23,460 (2018: £36,559). At the year end Atlantic Productions Limited owed £nil (2018: £nil) to Alchemy VR Limited.

During the year Serengeti Entertainment Limited made sales of £6,387 (2018: £32,488) to Alchemy VR Limited. At the year end Serengeti Entertainment Limited owed £nil (2018: £nil) to Alchemy VR limited.

Alchemy VR Limited is a related party by virtue of a common director.

During the year the Group paid rent of £24,000 (2018: £24,000) for the use of a property owned by Anthony Geffen and Claudia Perkins.

During the year the Group paid caretaker service charges of £5,000 (2018: £5,000) to the Grange Farm partnership, a business held in partnership by Anthony Geffen and Claudia Perkins.

During the year the Group paid £346,462 (2018: £346,462) in interest and capital repayment of a loan to the Atlantic Productions Executive Pension Scheme, of which A D H Geffen and C M C Perkins are trustees. At 31 March 2019 there was £644,215 (2018: £943,503) outstanding on the loan.

26 Controlling party

Through his interest in the shares of the company, the group is under control of Anthony Geffen.