

ATLANTIC HOLDINGS LIMITED

DIRECTOR'S REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020



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:	RSM UK Audit LLP Third Floor, One London Square Cross Lanes, Guildford GU1 1UN

ATLANTIC HOLDINGS LIMITED

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ATLANTIC HOLDINGS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2020

The directors present their report and the financial statements for the year ended 31 March 2020.

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). 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 and 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;
- 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
Ian Gray (resigned: 30 November 2019)

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
- 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.

COVID-19

At the time of approval of these financial statements the recent outbreak and escalation of 'COVID-19' has given rise to additional risk and uncertainty. The directors have considered these risks and taken steps and actions they consider appropriate to minimise the associated impact. These include, and are not limited to, preparation of business continuity plans, including risk assessment and readiness evaluations covering all business functions. Regular communications have been made to staff and the company's stakeholders to minimise disruption.

ATLANTIC HOLDINGS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2020

Going concern

At the time of approval of these financial statements the recent outbreak and escalation of 'COVID-19' has given rise to significant material uncertainty. The directors have considered these risks and taken steps and actions they consider appropriate to minimise the associated impact. These include, and are not limited to, preparation of business continuity plans, including risk assessment and implementing cost savings throughout the business for the remainder of the year, including a headcount freeze and making use of Government business support measures, such as the CJRS grant. Other cost savings have resulted naturally due to the lockdown, including the reduced spend on travel and entertainment. Measures have been taken to monitor and reduce the risk of Covid-19 in the workplace, such as increased health and safety practices and enabling staff to work from home when possible. Regular communications have been made to staff and the company's stakeholders to minimise disruption.

Despite many productions having been postponed during the lockdown and post-lockdown period, many have resumed and new programmes have been commissioned in the second half of the year. Furthermore, there is a number of new media projects in the pipeline that utilise the extensive good quality archive material belonging to the group. Additionally, the group and company's cash and liquidity positions remain strong.

On the basis of the above, at the time of approving the financial statements, the directors have considered forecasts of trading and cash flows for the group and have determined that the group and company have, or can expect to have, sufficient working capital for its needs for at least the next 12 months from the date of approval of these financial statements.

In view of this the directors consider it appropriate to prepare the accounts on the going concern basis.

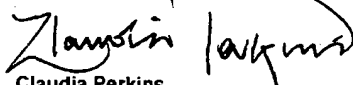
Auditor

During the year, RSM UK Audit LLP were appointed as auditors and have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditors in the absence of an Annual General Meeting.

Small companies note

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

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



Claudia Perkins

Director

Date: 19/1/21

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 2020 which comprise the consolidated statement of comprehensive income, the consolidated statement of financial position, the company statement of financial position, the consolidated statement of changes in equity, the 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 FRS 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 2020 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and 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.

Emphasis of matter – Investment property valuation

We draw attention to note 10 of the financial statements which describes the valuation of investment property, which is held at Directors' valuation of £3,925,000 (2019: £3,925,000). As indicated in notes 2.9 and 14, considerable potential volatility exists in the valuation due to the unprecedented set of circumstances in the economic environment caused by the outbreak of COVID-19. Consequently less certainty and a higher degree of caution should be attached to the valuation of the investment property at 31 March 2020. The ultimate outcome of the matter cannot presently be determined, and no adjustments to the value of the investment property that may result have been made in the financial statements. Our opinion is not modified in respect of this matter.

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

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

Matters on which we are required to report by exception

In 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 directors' report.

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

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

Responsibilities of directors

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

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.

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: <http://www.frc.org.uk/auditorsresponsibilities> This description forms part of our auditor's report.

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

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.

RSM UK Audit LLP

Caroline Watson (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
Third Floor, One London Square,
Cross Lanes,
Guildford,
GU1 1UN
Date: 25 January 2021

ATLANTIC HOLDINGS LIMITED**REGISTERED NUMBER: 02811673****CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2020**

	Note	2020 £	2019 £
Turnover		5,856,633	6,117,551
Cost of sales		(2,458,379)	(3,099,514)
Gross profit		3,398,254	3,018,037
Administrative expenses		(3,054,122)	(3,069,930)
Operating profit/ (loss)	3	344,132	(51,893)
Interest receivable and similar income	4	7,901	7,998
Interest payable and expenses	5	(37,377)	(51,684)
Income from Associate	6	1,411	-
Profit/ (loss) before taxation		316,067	(95,579)
Tax on profit	9	225,190	65,508
Profit/ (loss) for the financial year		541,257	(30,071)
Unrealised surplus on revaluation of tangible fixed assets		78,500	208,414
Other comprehensive income for the year		78,500	208,414
Total comprehensive income for the year		619,757	178,343

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

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

All amounts relate to continuing operations.

There were no recognised gains and losses for 2020 or 2019 other than those included in the consolidated statement of comprehensive income.

The notes on pages 12 - 27 form part of these financial statements.

ATLANTIC HOLDINGS LIMITED

REGISTERED NUMBER: 02811673

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 MARCH 2020**

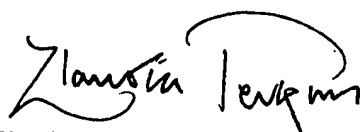
	Note	2020 £	2019 £
Fixed assets			
Tangible assets	10	4,556,479	4,788,468
Intangible assets	11	51,297	-
Investments	12	3,711	600
		<u>4,611,487</u>	<u>4,789,068</u>
Current assets			
Work in progress	15	172,996	95,367
Debtors: amounts falling due within one year	16	981,209	2,030,097
Cash at bank and in hand		<u>3,074,604</u>	<u>2,558,621</u>
		<u>4,228,808</u>	<u>4,684,085</u>
Creditors: amounts falling due within one year	18	<u>(2,226,643)</u>	<u>(3,037,599)</u>
Net current assets		<u>2,002,165</u>	<u>1,646,485</u>
Total assets less current liabilities		<u>6,613,652</u>	<u>6,435,553</u>
Creditors: amounts falling due after more than one year	19	(9,333)	(372,499)
Provisions for liabilities			
Deferred taxation	21	<u>38,093</u>	<u>(40,400)</u>
		<u>38,093</u>	<u>(40,400)</u>
Net assets		<u><u>6,642,412</u></u>	<u><u>6,022,655</u></u>

ATLANTIC HOLDINGS LIMITED**REGISTERED NUMBER: 02811673****CONSOLIDATED STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 MARCH 2020**

		2020	2019
	Note	£	£
Capital and reserves			
Share capital	22	100	100
Revaluation reserve	23	1,443,092	1,364,592
Retained earnings	23	<u>5,199,220</u>	<u>4,657,963</u>
Equity attributable to owners of the parent company		<u>6,642,412</u>	<u>6,022,655</u>

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

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



Claudia Perkins

Director

Date: 19/11/21

The notes on pages 12 - 27 form part of these financial statements.

ATLANTIC HOLDINGS LIMITED

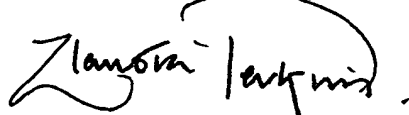
REGISTERED NUMBER: 02811673

COMPANY STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31 MARCH 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	10	243,447	277,981
Investments	12	3,251	1,551
Investment property	14	<u>3,925,000</u>	<u>3,925,000</u>
		4,171,698	4,204,532
Non-current assets			
Debtors: amounts falling due after more than one year	17	<u>3,220,242</u>	<u>4,120,114</u>
		3,220,242	4,120,114
Current assets			
Debtors: amounts falling due within one year	16	630	72,514
Cash at bank and in hand		<u>2,562,616</u>	<u>434,128</u>
		2,563,246	506,641
Creditors: amounts falling due within one year	18	<u>(933,223)</u>	<u>(343,462)</u>
Net current assets		<u>1,630,023</u>	<u>163,180</u>
Total assets less current liabilities		<u>9,021,963</u>	<u>8,487,826</u>
Creditors: amounts falling due after more than one year	19	-	(329,964)
Provisions for liabilities			
Deferred taxation	21	<u>(97,066)</u>	<u>(91,923)</u>
		(97,066)	(91,923)
Net assets		<u>8,924,897</u>	<u>8,065,939</u>
Capital and reserves			
Share capital	22	100	100
Retained earnings	23	<u>8,924,797</u>	<u>8,065,839</u>
		<u>8,924,897</u>	<u>8,065,939</u>

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes as it prepares group accounts. The company's profit for the year was £858,958 (2019 - £929,189).

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



Claudia Perkins

Director

Date: 19/1/21

The notes on pages 12 - 27 form part of these financial statements.

ATLANTIC HOLDINGS LIMITED

REGISTERED NUMBER: 02811673

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2020**

	Share Capital	Revaluation Reserve	Retained Earnings	Total Equity
	£	£	£	£
At 1 April 2019	100	1,364,593	4,657,964	6,022,655
Profit for the year	-	-	541,257	541,257
Revaluation movement of freehold property	-	78,500	-	78,500
Total comprehensive income for the year	-	78,500	541,257	619,757
At 31 March 2020	100	1,443,093	5,199,221	6,642,412

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

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

The notes on pages 12 - 27 form part of these financial statements.

ATLANTIC HOLDINGS LIMITED**REGISTERED NUMBER: 02811673****COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2020**

	Share Capital	Retained Earnings	Total Equity
	£	£	£
At 1 April 2019	100	8,065,839	8,065,939
Comprehensive Income for the year			
Profit for the year	-	858,958	858,958
Total comprehensive income for the year	-	858,958	858,958
At 31 March 2020	100	8,924,797	8,924,897

**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

The notes on pages 12 - 27 form part of these financial statements.

ATLANTIC HOLDINGS LIMITED

REGISTERED NUMBER: 02811673

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

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.

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 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 with application of the FRS 102 Triennial Review 2017 amendments in full.

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.

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

At the time of approval of these financial statements the recent outbreak and escalation of 'COVID-19' has given rise to significant material uncertainty. The directors have considered these risks and taken steps and actions they consider appropriate to minimise the associated impact. These include, and are not limited to, preparation of business continuity plans, including risk assessment and implementing cost savings throughout the business for the remainder of the year, including a headcount freeze and making use of Government business support measures, such as the CJRS grant. Other cost savings have resulted naturally due to the lockdown, including the reduced spend on travel and entertainment. Measures have been taken to monitor and reduce the risk of Covid-19 in the workplace, such as increased health and safety practices and enabling staff to work from home when possible. Regular communications have been made to staff and the company's stakeholders to minimise disruption.

Despite many productions having been postponed during the lockdown and post-lockdown period, many have resumed and new programmes have been commissioned in the second half of the year. Furthermore, there is a number of new media projects in the pipeline that utilise the extensive good quality archive material belonging to the group. Additionally, the group and company's cash and liquidity positions remain strong.

On the basis of the above, at the time of approving the financial statements, the directors have considered forecasts of trading and cash flows for the group and have determined that the group and company have, or can expect to have, sufficient working capital for its needs for at least the next 12 months from the date of approval of these financial statements.

In view of this the directors consider it appropriate to prepare the accounts on the going concern basis.

ATLANTIC HOLDINGS LIMITED**REGISTERED NUMBER: 02811673**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

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:

- 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 - 10 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.

ATLANTIC HOLDINGS LIMITED

REGISTERED NUMBER: 02811673

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

2.7 Intangible Fixed Assets

Intangible fixed assets are recognised at cost and subsequently measure at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised so as to write-off the cost of the assets less any accumulated impairment losses over their useful lives on the following basis:

Immersive experiences - straight line over 3 years

Amortisation is recognised in administrative expenses in the statement of comprehensive income.

2.8 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.

2.9 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.

2.10 Investments

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

2.11 Work in progress

Development costs incurred on programmes or immersive experiences that have not yet been commissioned, but where there is reasonable certainty that the projects will be commissioned and are commercially viable, are held in work in progress at the lower of cost and net realisable value.

2.12 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.

ATLANTIC HOLDINGS LIMITED
REGISTERED NUMBER: 02811673

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

2.12 Current and deferred taxation (continued)

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.

2.13 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.

2.14 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.

2.15 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.

2.16 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.

2.17 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.

2.18 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.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

2.18 Financial instruments (continued)

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.

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.

2.19 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.

2.20 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.

2.21 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.

2.22 Interest income

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

2.23 Borrowing costs

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

ATLANTIC HOLDINGS LIMITED**REGISTERED NUMBER: 02811673****NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020****3 Operating profit**

The operating profit is stated after charging:

	2020	2019
	£	£
Depreciation of tangible fixed assets	358,610	386,191
Amortisation of intangible fixed assets	17,099	-
Auditor's remuneration - group audit	35,000	33,500
Auditor's remuneration - group non-audit services	19,200	21,500
Foreign exchange	(24,553)	(7,727)

The Company audit fee for the period was £10,000 (2019: £5,000).

4 Interest receivable

	2020	2019
	£	£
Bank interest receivable	7,901	7,909
Other interest receivable	-	89
	<u>7,901</u>	<u>7,998</u>

5 Interest payable

	2020	2019
	£	£
Other interest payable	32,210	47,175
Hire purchase interest	5,167	4,493
Bank interest payable	-	15
	<u>37,377</u>	<u>51,684</u>

6 Income from Associate

	2020	2019
	£	£
Income from Associate	<u>1,411</u>	<u>-</u>

7 Directors' remuneration

	2020	2019
	£	£
Directors' emoluments	<u>327,083</u>	<u>325,000</u>

During the year retirement benefits were accruing to no directors (2019 - Nil) in respect of defined contribution pension schemes

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020****8 Staff costs**

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

	Group	Group
	2020	2019
	£	£
Wages and salaries	1,938,022	1,874,281
Social security costs	207,178	209,685
Cost of defined contribution scheme	46,760	37,419
	<u>2,191,960</u>	<u>2,121,385</u>

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

	2020	2019
	No.	No.
Office and administration	13	14
Development and production	20	19
Facilities	4	4
Distribution	2	2
Visual effects	4	3
	<u>43</u>	<u>42</u>

9 Taxation

	2020	2019
	£	£
Corporation tax		
Current tax on profits for the year	(62,382)	6,032
Adjustments in respect of prior periods	(86,554)	-
	<u>(148,936)</u>	<u>6,032</u>
Double taxation relief	10,179	(6,032)
	<u>(138,757)</u>	<u>-</u>
Foreign tax		
Foreign tax on income for the year	(7,940)	6,032
Total current tax	<u>(146,697)</u>	<u>6,032</u>
Deferred tax		
Origination and reversal of timing differences	(83,245)	(71,540)
Effect of decreased tax rate on opening balance	4,752	-
Total deferred tax	<u>(78,493)</u>	<u>(71,540)</u>
Taxation on profit on ordinary activities	<u>(225,190)</u>	<u>(65,508)</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

9 Taxation (continued)**Factors affecting tax charge for the year**

The tax assessed for the year is lower than (2019 - higher than) the standard rate of corporation tax in the UK of 19% (2019 - 19%). The differences are explained below:

	2020	2019
	£	£
Profit/ (loss) on ordinary activities before tax	<u>316,067</u>	<u>(95,579)</u>
Profit/ (loss) on ordinary activities multiplied by the standard rate of corporation tax in the UK of 19% (2019 - 19%)	74,968	(18,160)
Effects of:		
Difference between capital allowances and depreciation	7,130	6,774
Non-deductible expenses	8,400	91,338
Income not taxable for tax purposes	-	(109,609)
Other permanent differences	(6,511)	-
Television tax credits	(37,577)	-
Chargeable gains/ (losses)	80,601	-
Group relief surrendered/ (claimed)	808	-
Adjustments to tax charge	(173,439)	86,885
Difference in tax rates	(14,886)	(5,633)
Foreign tax credits	2,239	-
Deferred tax not recognised	<u>(166,923)</u>	<u>(39,364)</u>
Total tax charge/ (credit) for the year	<u>(225,190)</u>	<u>12,231</u>

Factors that may affect future tax charges

The deferred tax asset has been calculated at 19% (2019 - 17%). A corporation tax rate of 19% was substantively enacted from 17 March 2020, with the previously enacted reduction to 17% no longer taking place.

ATLANTIC HOLDINGS LIMITED

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

10 Tangible fixed assets

Group

	Land and buildings - freehold	Land and buildings - leasehold	Plant and machinery	Total
	£	£	£	£
Cost or valuation				
At 1 April 2019	3,925,000	1,193,815	1,757,635	6,876,450
Additions	-	11,790	110,789	122,579
Disposals	-	-	(168,614)	(168,614)
Revaluations	-	-	-	-
At 31 March 2020	3,925,000	1,205,605	1,699,810	6,830,415
Depreciation				
At 1 April 2019	-	824,761	1,263,221	2,087,982
Charge for the year	78,500	58,945	221,165	358,610
Disposals	-	-	(94,156)	(94,156)
On revalued assets	(78,500)	-	-	(78,500)
At 31 March 2020	-	883,706	1,390,230	2,273,936
Net book value				
At 31 March 2020	3,925,000	321,899	309,580	4,556,479
At 31 March 2019	3,925,000	369,054	494,414	4,788,468

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 formal valuation has however noted the current uncertainty in the property market arising as a result of Covid-19. As such, whilst a fair value has been determined with reference to current market conditions, significant uncertainty arises in the valuation at 31 March 2020. The carrying amount of freehold land and buildings were they to be held under historic cost would have been £2,507,395.

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

	2020	2019
	£	£
Furniture, fittings and equipment	97,212	116,122

ATLANTIC HOLDINGS LIMITED**REGISTERED NUMBER: 02811673****NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020****10 Tangible fixed assets (continued)****Company****Land and
buildings -
leasehold****£****Cost**

At 1 April 2019 345,345

Additions -

At 31 March 2020 345,345

Depreciation

At 1 April 2019 67,364

Charge for the year 34,534

At 31 March 2020 101,898

Net book value

At 31 March 2020 243,447

At 31 March 2019 277,981

11 Intangible fixed assets**Group****Immersive
experiences****£****Cost**

At 1 April 2019 -

Additions 68,396

At 31 March 2020 68,396

Amortisation

At 1 April 2019 -

Charge for the year 17,099

At 31 March 2020 17,099

Net book value

At 31 March 2020 51,297

At 31 March 2019 -

The company had no intangible fixed assets at 31 March 2020 or 31 March 2019.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

12 Fixed asset investments

Group

**Investments
in associates**

£

Cost

At 1 April 2019	600
Additions	<u>3,111</u>
At 31 March 2020	<u>3,711</u>

Net book value

At 31 March 2020	<u>3,711</u>
At 31 March 2019	<u>600</u>

Company

**Investments
in subsidiary
companies**

£

Cost

At 1 April 2019	1,551
Additions	<u>1,700</u>
At 31 March 2020	<u>3,251</u>

Net book value

At 31 March 2020	<u>3,251</u>
At 31 March 2019	<u>1,551</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

13 Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Country of incorporation/ (address reference)	Class	Holding	Principal activity
Atlantic Productions Limited	England (1)	Ordinary	100%	Factual content production
Serengeti Entertainment Limited	England (2)	Ordinary	100%	Content distribution
				across multiple platforms
Zoo Limited	England (1)	Ordinary	100%	Graphic services
Video 77 Limited	England (3)	Ordinary	100%	Licensing of rights to music and archive
Colossus Productions Limited	England (1)	Ordinary	100%	3D film production
Colossus Productions (NHM) Limited*	England (1)	Ordinary	100%	3D film production
Colossus Productions (COTS) Limited*	England (1)	Ordinary	100%	3D film production
Rowan Brook Limited	England (1)	Ordinary	100%	Equipment hire and editing services
Atlantic Managed Services Limited	England (1)	Ordinary	100%	Serviced offices and corporate services
Geffen Medavoy Pictures Limited	England (1)	Ordinary	51%	Dormant
Atlantic Pictures Limited	England (1)	Ordinary	100%	Dormant
Atlantic Studios Limited	England (1)	Ordinary	100%	Dormant

(*) shares held indirectly

Registered office address reference:

- (1) Brook Green House, 4 Rowan Road, London W6 7DU
- (2) Thames House, Mere Park, Dedmere Road, Marlow SL7 1PB
- (3) The Yard, Moor Park, Llanbedr, Powys NP8 1SS

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

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020****14 Investment property****Company**Freehold
investment
property
£**Valuation**

At 1 April 2019

3,925,000

At 31 March 2020

3,925,000

The details of the basis of the valuation and related uncertainty arising due to the unpredictable and volatile market conditions resulting from the COVID-19 pandemic are included in note 10.

15 Work in progress

	Group	Group	Company	Company
	2020	2019	2020	2019
	£	£	£	£
Work in progress	172,995	95,367	-	-

16 Debtors: amounts falling due within one year

	Group	Group	Company	Company
	2020	2019	2020	2019
	£	£	£	£
Trade debtors	421,128	661,088	-	-
Amounts owed by group undertakings	-	-	-	69,714
Corporation tax	156,873	-	-	-
VAT	25,933	-	630	2,800
Prepayments and accrued income	377,275	1,369,009	-	-
	<u>981,209</u>	<u>2,030,097</u>	<u>630</u>	<u>72,514</u>

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.

17 Debtors: amounts falling due after more than one year

	Group	Group	Company	Company
	2020	2019	2020	2019
	£	£	£	£
Amounts owed by group undertakings - long term	-	-	3,220,242	4,120,114

Amounts owed by group undertakings are unsecured and repayable on 1 April 2022. Interest is charged per annum at 5% above the Bank of England base rate.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

18 Creditors: amounts falling due within one year

	Group	Group	Company	Company
	2020	2019	2020	2019
	£	£	£	£
Other loans	329,964	314,251	329,964	314,251
Trade creditors	43,786	88,085	-	16,800
Amounts owed to group undertakings	-	-	585,979	-
Corporation tax	-	4,070	-	-
VAT	-	29,037	-	-
Other taxation and social security	66,101	81,680	-	-
Net obligations under finance lease and hire purchase contracts	44,970	60,339	-	-
Other creditors	1,007	8,314	100	100
Accruals and deferred income	1,740,815	2,451,823	17,180	12,310
	<u>2,226,643</u>	<u>3,037,599</u>	<u>933,223</u>	<u>343,462</u>

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.

19 Creditors: amounts falling due after more than one year

	Group	Group	Company	Company
	2020	2019	2020	2019
	£	£	£	£
Other loans - long term	-	329,964	-	329,964
Net obligations under finance leases and hire purchase contracts - long term	9,333	42,535	-	-
	<u>9,333</u>	<u>372,499</u>	<u>-</u>	<u>329,964</u>

20 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	Group	Company	Company
	2020	2019	2020	2019
	£	£	£	£
Amounts falling due within one year				
Other loans	329,964	314,251	329,964	314,251
Amounts falling due 2 - 5 years				
Other loans	-	329,964	-	329,964
	<u>329,964</u>	<u>644,215</u>	<u>329,964</u>	<u>644,215</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

20 Loans (continued)

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

	Group	Group	Company	Company
	2020	2019	2020	2019
	£	£	£	£
Amounts falling due within one year				
Net obligations under finance lease and hire purchase contracts	44,970	60,339	-	-
Amounts falling due 2 - 5 years				
Net obligations under finance lease and hire purchase contracts	9,333	42,535	-	-
	54,303	102,873	-	-

21 Deferred taxation

Group

	2020	2019
	£	£
At the beginning of the year	(40,400)	(34,201)
Charged to profit or loss	78,493	71,540
Charged to the statement of other comprehensive income	-	(77,739)
At the end of the year	38,093	(40,400)

The deferred taxation balance is made up as follows:

	Group	Group	Company	Company
	2020	2019	2020	2019
	£	£	£	£
Accelerated capital allowances	(36,013)	(127,833)	(16,465)	(91,923)
Short term timing differences	1,478	1,552	-	-
Capital gains	(80,601)	-	(80,601)	-
Tax losses carried forward	153,229	85,881	-	-
	38,093	(40,400)	(97,066)	(91,923)

22 Share capital

	2020	2019
	£	£
Allotted, called up and fully paid		
100 (2019:100) Ordinary shares of £1 each	100	100

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

23 Reserves

Revaluation reserve

Represents the change in value of revalued fixed assets.

Retained earnings

Includes all current and prior period retained profit and losses.

24 Related party transactions

The group and company have taken advantage of the exemptions provided by Section 33 of FRS 102 'Related Party Disclosures' and have not disclosed transactions entered into between two or more members of a group, provided that any subsidiary undertaking which is party to the transaction is wholly owned by a member of that group.

During the year Atlantic Productions Limited made sales of £417,551 (2019: £1,028,294) to Alchemy VR Limited and incurred net recharges of £nil (2019: £23,460). At the year end Atlantic Productions Limited was owed £420 (2019: £nil) by Alchemy VR Limited.

During the year Serengeti Entertainment Limited made sales of £9,732 (2019: £6,387) to Alchemy VR Limited. At the year end Serengeti Entertainment Limited owed £nil (2019: £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 (2019: £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 (2019: £5,000) to the Grange Farm partnership, a business held in partnership by Anthony Geffen and Claudia Perkins.

During the year the group and company paid £346,462 (2019: £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 2020 there was £329,964 (2019: £644,215) outstanding on the loan.

25 Controlling party

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

26 Post balance sheet events

The changing economic landscape caused by the Covid 19 pandemic may lead to an impairment of the investment in subsidiaries or impairment of freehold land and buildings but no amount has been quantified. The directors are keeping this under review.