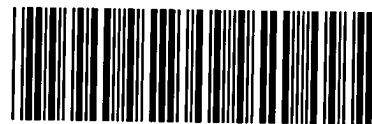

CENTURY FILMS LIMITED

UNAUDITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

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CENTURY FILMS LIMITED

COMPANY INFORMATION

Directors	B A Hill C Bailiff
Company secretary	B A Hill
Registered number	02848208
Registered office	2nd Floor Waverley House 7-12 Noel Street London W1F 8GQ
Trading Address	3rd Floor West 35-47 Bethnal Green Road London E1 6LA
Accountants	Ecovis Wingrave Yeats UK Limited Chartered Accountants 2nd Floor Waverley House 7-12 Noel Street London W1F 8GQ

CENTURY FILMS LIMITED

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CENTURY FILMS LIMITED

INDEPENDENT CHARTERED ACCOUNTANTS' REVIEW REPORT TO THE DIRECTORS OF CENTURY FILMS LIMITED FOR THE YEAR ENDED 31 AUGUST 2017

We have reviewed the financial statements of Century Films Limited for the year ended 31 August 2017, which comprise the Profit and Loss Account, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Company's directors, as a body, in accordance with the terms of our engagement letter dated 24 November 2017. Our review has been undertaken so that we might state to the Company's directors those matters that we have agreed with them in our engagement letter 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 directors, as a body, for our work, for this report or the conclusions we have formed.

Directors' Responsibility for the Financial Statements

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Accountants' Responsibility

Our responsibility is to express a conclusion based on our review of the financial statements. We conducted our review in accordance with International Standard on Review Engagements (ISRE) 2400 (Revised), 'Engagements to review historical financial statements' and ICAEW Technical Release TECH 09/13AAF 'Assurance review engagements on historical financial statements'. ISRE 2400 also requires us to comply with the ICAEW Code of Ethics.

Scope of the Assurance Review

A review of the financial statements in accordance with ISRE 2400 (Revised) is a limited assurance engagement. We have performed additional procedures to those required under a compilation engagement. These primarily consist of making enquiries of management and others within the entity, as appropriate, applying analytical procedures and evaluating the evidence obtained. The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing (UK and Ireland). Accordingly, we do not express an audit opinion on these financial statements.

CENTURY FILMS LIMITED

INDEPENDENT CHARTERED ACCOUNTANTS' REVIEW REPORT
TO THE DIRECTORS OF CENTURY FILMS LIMITED (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial statements have not been prepared:

- so as to give a true and fair view of the state of the Company's affairs as at 31 August 2017, and of its profit for the year then ended;
- in accordance with United Kingdom Generally Accepted Accounting Practice; and
- in accordance with the requirements of the Companies Act 2006.

Ecovis Wingrave Yeats UK Limited

Ecovis Wingrave Yeats UK Limited

Chartered Accountants

2nd Floor Waverley House
7-12 Noel Street
London
W1F 8GQ

11th December 2017

CENTURY FILMS LIMITED
REGISTERED NUMBER: 02848208

BALANCE SHEET
AS AT 31 AUGUST 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	6	22,228	20,392
		<u>22,228</u>	<u>20,392</u>
Current assets			
Debtors: amounts falling due within one year	7	180,298	774,416
Cash at bank and in hand		512,719	364,499
		<u>693,017</u>	<u>1,138,915</u>
Creditors: amounts falling due within one year	9	(350,146)	(803,057)
Net current assets		<u>342,871</u>	<u>335,858</u>
Total assets less current liabilities		<u>365,099</u>	<u>356,250</u>
Provisions for liabilities			
Deferred tax	10	(3,096)	(2,789)
		<u>(3,096)</u>	<u>(2,789)</u>
Net assets		<u>362,003</u>	<u>353,461</u>
Capital and reserves			
Called up share capital		125	125
Profit and loss account		361,878	353,336
		<u>362,003</u>	<u>353,461</u>

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

CENTURY FILMS LIMITED
REGISTERED NUMBER: 02848208

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2017

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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

The Company has opted not to file the statement of comprehensive income 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 on


B A Hill
Director

7/12/2017

The notes on pages 5 to 13 form part of these financial statements.

CENTURY FILMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017

1. General information

Century Films Limited is a private company, limited by shares, domiciled in England & Wales, registration number 02848208. The registered office is 2nd Floor, Waverley House, 7-12 Noel Street, London, W1F 8GQ.

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 Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

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

The date of transition of the Company to Section 1A of Financial Reporting Standard 102 was 1 September 2015. The last financial statements prepared under the previous UK GAAP were for the period ended 30 August 2016.

The following principal accounting policies have been applied:

2.2 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

Turnover represents amounts receivable for the development of television projects and television production activities net of VAT and trade discounts.

For long term contracts, profit is recognised by reference to the stage of completion of each contract where there is a reasonable certainty that the contract will be profitable. Where the outcome of the contract cannot be established with reasonable certainty, no profit is recognised. Foreseeable losses are provided for in full at the point at which the loss is anticipated.

CENTURY FILMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017

2. Accounting policies (continued)

2.3 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following basis:

Fixtures & fittings	- 33% Reducing balance
---------------------	------------------------

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 Statement of Comprehensive Income.

2.4 Financial instruments

The Company only enters into basic financial instruments 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.

2.5 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income except when deferred in other comprehensive income as qualifying cash flow hedges.

CENTURY FILMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017

2. Accounting policies (continued)

2.6 Finance costs

Finance costs are charged to the 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.

2.7 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.

2.8 Share based payments

Where share options are awarded to employees, the fair value of the options at the date of grant is charged to the Statement of Comprehensive Income over the vested period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each Balance Sheet date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Market vesting conditions are factored into the fair value of the options granted. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

The fair value of the award also takes into account non-vesting conditions. These are either factors beyond the control of either party (such as a target based on an index) or factors which are within the control of one or other of the parties (such as the Company keeping the scheme open or the employee maintaining any contributions required by the scheme).

2.9 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

2.10 Pensions

Defined contribution pension plan

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

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

2.11 Interest income

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

CENTURY FILMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017

2. Accounting policies (continued)

2.12 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the 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 balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

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

Useful economic lives of tangible assets

Fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation and product life cycle are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

Cost of completion

Production revenues and expenses are recognised by reference to the stage of completion of contract activity where the outcome of the contract can be estimated reliably, otherwise revenue is recognised only to the extent of recoverable contract costs incurred.

Share based payments

Management is required to use an appropriate pricing model to value the share options available to employees at the year end.

This charge to the profit or loss is therefore a function of the chosen pricing model, which is based on a range of assumptions. The profit or loss charge proposed for the year ended 31 August 2017 was not material. As such, this has not been recognised in these financial statements.

CENTURY FILMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

4. Employees

The average monthly number of employees, including directors, during the year was 13 (2016 - 14).

5. Dividends

	2017 £	2016 £
Dividends paid	-	45,000
	<u>-</u>	<u>45,000</u>

In the current year no dividends were declared to shareholder's. In the prior year dividends were declared and paid to Ordinary shareholders totalling £35,000, and to Ordinary 'A' shareholder's totalling £10,000.

6. Tangible fixed assets

	Fixtures & fittings £
Cost or valuation	
At 1 September 2016	85,908
Additions	13,143
Disposals	(9,445)
At 31 August 2017	<u>89,606</u>
Depreciation	
At 1 September 2016	65,516
Charge for the year on owned assets	9,895
Disposals	(8,033)
At 31 August 2017	<u>67,378</u>
Net book value	
At 31 August 2017	<u><u>22,228</u></u>
At 31 August 2016	<u><u>20,392</u></u>

CENTURY FILMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

7. Debtors

	2017 £	2016 £
Trade debtors	63,991	741,791
Other debtors	3,901	3,903
Prepayments and accrued income	112,406	28,722
	<u>180,298</u>	<u>774,416</u>

8. Cash and cash equivalents

	2017 £	2016 £
Production advances	153,418	173,229
Other cash and cash equivalents	359,301	191,270
	<u>512,719</u>	<u>364,499</u>

Production advances relate to monies received by the company from broadcasters in relation to specific productions. All sums paid by broadcasters in connection with the productions are credited to the individual production bank accounts.

9. Creditors: Amounts falling due within one year

	2017 £	2016 £
Trade creditors	30,820	23,008
Other creditors	-	120,000
Corporation tax	689	18,596
Other taxation and social security	103,930	125,459
Accruals and deferred income	214,707	515,994
	<u>350,146</u>	<u>803,057</u>

CENTURY FILMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

10. Deferred taxation

	2017 £
At beginning of year	2,789
Charged to profit or loss	307
At end of year	3,096

The provision for deferred taxation is made up as follows:

	2017 £
Provision at start of period	2,789
Deferred tax charged in the Profit and loss account for the period	307
	3,096

CENTURY FILMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017

11. Share based payments

On 19th June 2017, the company has granted 13 options under the Enterprise Management Incentive Scheme at an exercise price of £885 per share.

Unless approved otherwise by a director the options are deemed to be fully vested, and may only be exercised after the earliest occurrence of:

- a takeover;
- a sale;
- an admission;
- the ninth anniversary of date of the grant.

Option type	EMI
Grant date	19 June 2017
Share price at grant date	£885
Exercise price	£885
Number of employees	1
Shares under option	13
Vesting period	The shares vest on grant date
Expected volatility	40%
Option life	10 years
Expected life	10 years
Risk-free interest rate	2.00%
Attrition rate	50%

No charge to the profit and loss account has been recorded, as the share based payment has no material effect to the financial statements.

12. Pension commitments

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £50,986 (2016 - £36,000). The amount payable to the fund at the balance sheet date was £Nil (2016 - £Nil).

CENTURY FILMS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

13. Commitments under operating leases

At 31 August 2017 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2017 £	2016 £
Not later than 1 year	39,031	39,031
Later than 1 year and not later than 5 years	104,083	143,114
	<u>143,114</u>	<u>182,145</u>

14. First time adoption of FRS 102

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.