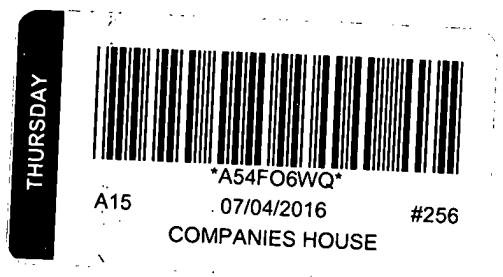


Mission Studios Limited

Annual Report

Year Ended 31 December 2015

Company Registration Number 03130514



Mission Studios Limited

Financial Statements

Year Ended 31 December 2015

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Mission Studios Limited

Directors' Report

Year Ended 31 December 2015

The directors have pleasure in presenting their report and the audited financial statements of the company for the year ended 31 December 2015.

Principal Activity

The company's principal activity is the production of television commercials.

Results

The trading results for the year and the company's financial position at the end of the year are shown in the attached financial statements.

Directors

The directors who served the company during the year were as follows:

P D C Fitzwilliam
G D Lee

Statement of Directors' responsibilities

The directors are responsible for preparing the Director's Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with UK Financial Reporting Standard 102 and applicable law. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that year.

2015 is the first year the company is required to prepare its accounts in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council. Any changes to accounting policies as a result of this change are shown in accounting policy Note 2. No re-statements of the 2014 comparative income statement and balance sheet were required.

In preparing those 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 company 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 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Mission Studios Limited

Directors' Report

Year Ended 31 December 2015

Statement of Disclosure to Auditor

In so far as the directors are aware:

- there is no relevant audit information of which the company's auditor is unaware; and
- the directors have taken all steps that they ought to have taken in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Small Company Provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006



G D Lee
18 March 2016

**Approved by the Board of Directors
and signed on behalf of the Board**

Mission Studios Limited

Independent Auditor's Report to the Members of Mission Studios Limited

Year Ended 31 December 2015

We have audited the financial statements of Mission Studios Limited for the year ended 31 December 2015 which comprise the Statement of Income and Retained Earnings, 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), including FRS102, The Financial Reporting Standard applicable in the UK and Republic of Ireland.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement (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. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the financial statements

In our opinion the financial statements:

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

Mission Studios Limited

Independent Auditor's Report to the Members of Mission Studios Limited (continued)

Year Ended 31 December 2015

Opinion on other matter prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

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

- proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- 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.
- the directors were not entitled to take advantage of the small companies' exemption to prepare a strategic report or in preparing the directors' report

Christopher Hicks (Senior Statutory Auditor)
For and on behalf of Francis Clark LLP
Chartered Accountants & Statutory Auditor
Sigma House
Oak View Close
Edginswell Park
Torquay
TQ2 7FF

Francis Clark LLP

18 March 2016

Mission Studios Limited

Statement of Income and Retained Earnings

Year Ended 31 December 2015

	Note	2015 £	2014 £
Turnover	5	1,200,840	1,696,124
Cost of sales		(796,780)	(1,159,859)
Gross Profit		404,060	536,265
Distribution costs		(24,485)	(7,459)
Administrative expenses		(367,500)	(485,481)
Operating Profit	6	12,075	43,325
Profit on Ordinary Activities Before Taxation		12,075	43,325
Tax on profit on ordinary activities	9	(3,997)	(9,586)
Profit for the Financial Year		8,078	33,739
Opening retained profit reserve		(340,562)	(374,301)
Closing retained profit reserve		(332,484)	(340,562)

All of the activities of the company are classed as continuing.

The company has no recognised gains or losses other than the results for the year as set out above.

Mission Studios Limited

Balance Sheet

31 December 2015

	Note	2015 £	2014 £
Current Assets			
Debtors	10	400	43,389
Creditors: Amounts falling due within one year	11	<u>(332,883)</u>	<u>(383,950)</u>
Net Current Liabilities		<u>(332,483)</u>	<u>(340,561)</u>
Total Assets Less Current Liabilities		<u>(332,483)</u>	<u>(340,561)</u>
Capital and Reserves			
Called-up share capital	13	1	1
Profit and loss account		<u>(332,484)</u>	<u>(340,562)</u>
Shareholders' Deficit	14	<u>(332,483)</u>	<u>(340,561)</u>

Company Registration Number 03130514

These financial statements were approved for issue by the directors on 18 March 2016 and were signed on their behalf by:



G D Lee
Director


P D C Fitzwilliam
Director

Mission Studios Limited

Notes and Accounting Policies

31 December 2015

1. Company Information

Mission Studios Limited is a company incorporated in England & Wales under the Companies Act. The address of the registered office is The Old Rectory, Filleigh EX32 0RX.

2. Basis of preparation

The financial statements have been prepared under the historic cost convention and in accordance with the recognition and measurement requirements of Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

The company has transferred from previously extant UK GAAP to FRS 102 as at 1 January 2014. There is no material impact on the reported financial position and financial performance. There are no material departures from FRS 102.

The functional currency of the company is considered to be pounds sterling because that is the currency of the primary economic environment in which the company operates.

Going concern

The company's balance sheet shows a deficiency of net assets amounting to £332,483. The continuation of the company's activities is dependent therefore upon the support of the group undertakings.

The financial statements have been prepared on the going concern basis on the assumption that their support will continue.

Reporting exemptions

The company has consent from its shareholder to exclude from its financial reports the following:

- Cash Flow statement
- Compensation of key management personnel
- Share based payments
- Certain disclosure requirements in relation to basic and non-basic financial instruments

3. Significant judgements and estimates

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgments and estimates have been made include:

Revenue recognition policies in respect of contracts which straddle the year end. Estimates of revenue to be recognised on contracts which straddle the year end are typically based on the amount of expenditure and time so far committed to those contracts in relation to the total estimated expenditure and time to complete them.

Mission Studios Limited

Notes and Accounting Policies

31 December 2015

4. Principal Accounting Policies

(a) Turnover and Income Recognition

Turnover is in respect of the provision for services including fees, commissions, rechargeable expenses and sales of materials performed subject to specific contract. Where recorded turnover exceeds amounts invoiced to clients, the excess is classified as accrued income.

Project income is recognised in the period in which the project is worked on. For projects which fall over the accounting year end, income is recognised to reflect the partial performance of the contractual obligations.

Income is recognised on the following basis:

- Project income is recognised by apportioning the fees billed or billable to the time period for which those fees were earned by relationship to the percentage of completeness of the project to which they relate.
- Unbilled costs relating to contracts for services are included at rechargeable value in accrued income.
- Unbilled costs relating to contracts for products are carried forward at the lower of cost and net realisable value with no profit recognition.
- Financial liabilities are released to income when the liability is extinguished.

(b) Financial Instruments

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

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as fair value through profit and loss, which are initially measured at fair value.

Financial assets and liabilities are only offset in the statement of financial position when, and only when, there exists a legally enforceable right to set off the recognised amounts and the company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Debt instruments which meet the conditions to be classified as basic instruments are subsequently measured at amortised cost using the effective interest method.

Basic debt instruments that are classified as payable or receivable within one year are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

Financial liabilities are released to the profit and loss account when the liability is extinguished.

(c) Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company in an independently administered fund. The amount charged to the profit and loss account represents the contributions payable to the scheme in respect of the accounting period.

Mission Studios Limited

Notes and Accounting Policies

31 December 2015

(d) Corporation taxation

UK corporation tax payable is provided at amounts expected to be paid using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date

(e) Deferred taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date.

(f) Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

	2015 £	2014 £
5. Turnover		
Turnover by destination		
United Kingdom	<u>1,200,840</u>	<u>1,696,124</u>
All turnover is derived by the rendering of services.		
6. Operating Profit		
Operating profit is stated after charging:		
Auditor's remuneration - audit fees	<u>2,000</u>	<u>2,000</u>
Auditor's remuneration for non-audit services are disclosed in the group accounts of The Mission Marketing Group plc.		

Mission Studios Limited

Notes and Accounting Policies

31 December 2015

	2015	2014
	£	£

7. Particulars of Employees

The average number of staff employed by the company during the financial year, analysed by category, was as follows:

	No.	No.
Client services	5	5

The aggregate payroll costs of the above were:

	£	£
Wages and salaries	260,392	245,851
Social security costs	31,927	29,732
Other pension costs	18,448	14,210
	<u>310,767</u>	<u>289,793</u>

8. Directors' Emoluments

The directors' did not receive any emoluments during the year (2014 - £nil).

9. Taxation on Ordinary Activities

(a) Analysis of charge in the year

Current tax:		
UK Corporation tax based on the results for the year	4,200	9,555
Adjustments in respect of previous periods	(203)	31
Total tax charge	<u>3,997</u>	<u>9,586</u>

(b) Factors affecting current tax charge

The current tax charge for the year is higher (2014 - higher) than the standard rate of corporation tax in the UK of 20.25% (2014 - 21.5%). The differences are explained below.

Profit on ordinary activities before taxation	<u>12,075</u>	<u>43,325</u>
Theoretical tax charge at 20.25% (2014 - 21.5%)	2,445	9,315
Effects of:		
Expenses not deductible for tax purposes	1,755	240
Adjustments in respect of previous periods	(203)	31
Total tax charge for the period	<u>3,997</u>	<u>9,586</u>

Mission Studios Limited

Notes and Accounting Policies

31 December 2015

	2015 £	2014 £
10. Debtors		
Amounts owed by group undertakings	-	36,789
Prepayments and accrued income	400	6,600
	<u>400</u>	<u>43,389</u>

11. Creditors: Amounts falling due within one year

Trade creditors	57,500	124,995
Amounts owed to group undertakings	206,683	-
Corporation tax	4,200	9,555
Accruals and deferred income	64,500	249,400
	<u>332,883</u>	<u>383,950</u>

12. Pensions

The company operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the company to the scheme and amounted to £18,448 (2014 - £14,210).

There were no outstanding contributions at either the beginning or end of the financial year.

13. Share Capital

	2015		2014	
	No.	£	No.	£
Allotted and called up: Equity shares				
Ordinary shares of £1 each	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
			2015	2014
			£	£

14. Reconciliation of Movements in Shareholders' Deficit

Profit on ordinary activities after taxation	8,078	33,739
Opening shareholders' equity deficit	(340,561)	(374,300)
Closing shareholders' equity deficit	<u>(332,483)</u>	<u>(340,561)</u>

15. Ultimate Parent Company

The immediate parent company is Bray Leino Limited and the ultimate parent company is The Mission Marketing Group plc, both companies are incorporated in England and Wales. The consolidated accounts of The Mission Marketing Group plc are available from Companies House, Crown Way, Maindy, Cardiff CF14 3UZ.