Sunset + Vine (Oxford) Limited

Directors' report and financial statements

Registered number 03760268

For the year ended 30 September 2020

Contents

Directors' report

The directors present their directors' report and financial statements for the year ended 30 September 2020.

On 25 March 2021, Tinopolis Group Limited became the ultimate parent company (see note 10).

Principal activities

The principal activity of Sunset + Vine (Oxford) Limited ('the Company') is film and documentary production and distribution of sailing events.

Directors

The directors of the Company during the year, and since year end were:

A Preece
J Foulser
J H Leach (resigned 7 August 2020)
W A Rees
J Roberts
OGR Jones

Dividends

No dividends were declared during either year.

Going Concern

The directors have undertaken detailed forecasts to verify the ability of the Company to continue in operational existence for the foreseeable future.

In making, this assessment management has undertaken a forecast to September 2022 under a range of potential scenarios to ensure it can continue as a going concern and meet its liabilities as and when they fall due for a period of not less than 12 months following the date on which the statutory accounts of the Company are signed (see note 1).

Through the analysis performed, the directors have verified that the Company has sufficient cash flow resources to maintain operations for the foreseeable future. The directors therefore continue to adopt the going concern basis in preparing the annual accounts.

Political donations

The Company made no political donations during the period under review *(2019: £nil)*.

Exemption from audit

The company has taken advantage of the exemption under section 479A of the Companies act 2006 from the requirement to have its accounts for the year ended 30 September 2020 audited.

Signed on behalf of the Board

J Roberts
Director

Tinopolis Centre
Park Street
Llanelli
Carmarthenshire
SA15 3YE

17 June 2021

Statement of Directors' responsibilities in respect of the Directors' Report and the financial statements

The directors are responsible for preparing the Annual 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 they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 *Reduced Disclosure Framework.*

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Profit and Loss Account and Other Comprehensive Income
for the year ended 30 September 2020

	Note	**2020** **£'000**	2019 £'000
Turnover		-	-
Cost of sales		-	22
Gross profit		-	22
Administrative expenses		-	-
Operating profit		-	22
Profit before taxation		-	22
Taxation on profit	*5*	**9**	(10)
Profit for the financial year		**9**	12

All amounts relate to continuing activities.

The notes on pages 6 to 10 form part of the financial statements.

Balance sheet
at 30 September 2020

	Note	**2020**		2019	
		£'000	**£'000**	£'000	£'000
Current assets					
Debtors	*6*	**1,200**		1,187	
Cash at bank and in hand		**-**		4	
		1,200		1,191	
Creditors: amounts falling due within one year	*7*	**(5)**		(5)	
Net current assets			**1,195**		1,186
Total assets less current liabilities			**1,195**		1,186
Net assets			**1,195**		1,186
Capital and reserves					
Called up share capital	*8*		**-**		-
Profit and loss account			**1,195**		1,186
Shareholders' funds			**1,195**		1,186

The notes on pages 6 to 10 form part of the financial statements.

For the year ended 30 September 2020, the Company was entitled to exemption from the requirement to have an audit under section 479A of the Companies Act 2006 (the "Act").

Directors' responsibilities

- the members have not required the Company to obtain an audit of its accounts for the year in question, in accordance with section 476 of the Act.
- the directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements were approved by the Board of Directors at a meeting on 17 June 2021.

Signed on behalf of the Board

J Roberts
Director

Statement of Changes in Equity

	Called up share capital £'000	Profit and loss account £'000	Total equity £'000
Balance at 1 October 2018	-	1,293	1,293
Total comprehensive income for the period			
Profit or loss	-	12	12
Dividends payable	-	(119)	(119)
Balance at 30 September 2019	**-**	**1,186**	**1,186**

	Called up share capital £'000	Profit and loss account £'000	Total equity £'000
Balance at 1 October 2019	-	1,186	1,186
Total comprehensive income for the period			
Profit or loss	-	9	9
Dividends payable	-	-	-
Balance at 30 September 2020	**-**	**1,195**	**1,195**

The accompanying notes form part of the financial statements.

Notes
(forming part of the financial statements)

1 Accounting policies

Basis of preparation

Sunset + Vine (Oxford) (the "Company") is a private company limited by shares that is incorporated and domiciled in England in the UK. The registered number is 03760268 and the registered address is Tinopolis Centre, Park Street, Llanelli, Carmarthenshire, SA15 3YE.

These financial statements were prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework ("FRS 101").*

Red Dragon Acquisitions Limited includes the Company in its consolidated financial statements. These consolidated financial statements are prepared in accordance with International Financial Reporting Standards and are available to the public and may be obtained from the address given in note 10.

In these financial statements, the company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- a Cash Flow Statement and related notes;
- Comparative period reconciliations for share capital and tangible fixed assets;
- Disclosures in respect of transactions with group companies wholly under the same ownership;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs; and
- Disclosures in respect of the compensation of Key Management Personnel.

As the consolidated financial statements of Red Dragon Acquisitions Limited include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- Certain disclosures required by IFRS 7 *Financial Instrument Disclosures.*

The Company proposes to continue to adopt the reduced disclosure framework of FRS 101 in its next financial statements.

As the company is a wholly owned subsidiary of Red Dragon Acquisitions Limited, the company has taken advantage of the exemption contained in FRS 101.8 and has therefore not disclosed transactions or balances with wholly owned subsidiaries which form part of the group.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Judgements made by the directors, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 1.11.

1.1 Measurement convention

The financial statements are prepared on the historical cost basis.

Notes *(continued)*

1 Accounting policies *(continued)*

1.2 Going concern

The financial statements have been prepared on a going concern basis, which the Directors consider appropriate for the following reasons

The Directors have prepared cash flow forecasts from the date of approval of these financial statements to 30 September 2022, which indicate that, taking account of reasonably possible downsides and the anticipated impact of COVID-19 on the operations and its financial resources, the Company will have sufficient funds to meet its liabilities as they fall due for that period.

Those forecasts are dependent on Red Dragon Acquisitions Limited, providing additional financial support during that period if required. Red Dragon Acquisitions Limited has indicated its intention to continue to make available such funds as are needed by the company for the period covered by the forecasts. As with any company reliance on other group entities for financial entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Consequently, the Directors are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

1.3 Turnover

Revenue (which excludes VAT) represents amounts receivable for work carried out in producing television programmes and is recognised when the performance obligation is met. Productions are recognised over time using the cost incurred method. Where productions are in progress and where the sales invoiced exceed the cost of the work done, the excess is shown as deferred income. Where the value of the work done to date exceeds the invoiced amount, the amounts are classified as accrued income.

1.4 Foreign currency

Transactions in foreign currencies are recorded at the appropriate rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the contracted rate or at the rate of exchange ruling at the balance sheet date, the gains and losses on the translation are included in the profit and loss account.

1.7 Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

1.8 Post-retirement benefits

The Company is part of a defined contribution pension scheme for eligible employees. The contributions under this scheme are held in trustee-administered funds completely separate from the Group's finances. The amounts charged against profit are based on the defined contributions payable.

Notes *(continued)*

1 Accounting policies *(continued)*

1.9 Dividends on shares presented within shareholders' funds

Dividends unpaid at the balance sheet date are only recognised as a liability at that date to the extent that they are appropriately authorised and are no longer at the discretion of the company. Unpaid dividends that do not meet these criteria are disclosed in the notes to the financial statements.

1.10 Non-derivative financial instruments

Non-derivative financial instruments comprise investments in equity, trade and other debtors, cash and cash equivalents, and trade and other creditors.

Trade and other debtors

Trade and other debtors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

Trade and other creditors

Trade and other creditors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

Impairment

The company recognises loss allowances for expected credit losses on financial assets measured at amortised cost, and contract assets (as defined in IFRS 15).

Loss allowances for trade receivables are always measured at an amount equal to lifetime expect credit. Lifetime expected credit losses arise from all possible default events over the expected life of a financial instrument.

When determining whether the credit risk of a trade receivable has increased significantly since initial recognition and when estimating expected credit loss, the company considers information that is relevant and available. This includes both quantitative and qualitative information and analysis, based on the company's historical experience and informed credit assessment and including forward-looking information.

The company considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the company in full.

Measurement of Expected Credit Losses

Expected credit loss are a probability-weighted estimate of credit losses. Credit losses are measured the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the company expects to receive. ECLs are discounted at the effective interest rate of the financial asset.

1.11 Critical accounting estimates and judgements

Information about critical estimates in applying accounting policies that have the most significant effect on the amounts recognised in the consolidated financial statements and assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year is given below:

Revenue recognition involves the assessment of performance obligations and estimation of costs to complete on contracts that are fulfilled over more than one accounting period. There are no significant judgements.

Notes *(continued)*

2 Employees

The employees of the company did not receive any remuneration in relation to the company in either year.

3 Directors' remuneration

The directors of the company did not receive any remuneration in relation to the company in either year.

4 Dividends

	2020	2019
	£'000	£'000
Dividends declared and payable	-	119

5 Taxation

Recognised in the profit and loss account

	2020	2019
	£'000	£'000
UK corporation tax		
Current tax on income for the year	-	9
Adjustment in respect of prior year	**(9)**	1
Total current tax (credit)/charge	**(9)**	10

There was no income tax recognised in other comprehensive income.

Factors affecting the tax charge for the current period

The current tax charge for the period is lower (*2019: higher*) than the standard rate of corporation tax in the UK 19% (*2019: 19%*) the differences are explained below.

Reconciliation of effective tax rate

	2020	2019
	£'000	£'000
Current tax reconciliation		
Profit on ordinary activities before tax	-	22
Profit on ordinary activities multiplied by the standard rate of corporation tax at 19% *(2019: 19%)*	-	4
Effects of:		
Group relief payment	**(5)**	-
Other timing differences	**5**	5
Adjustment in respect of prior year	**(9)**	1
Total tax (credit)/charge	**(9)**	10

On 17 March 2020 a change to the future corporation tax rate was substantively enacted. The corporation tax rate remains at 19% for the tax years starting on 1 April 2020 and 1 April 2021. This replaced the previously enacted reduction to 17% (effective from 1 April 2020) on 6 September 2016. The deferred tax asset at 30 September 2020 has been calculated based on these rates. In the 3 March 2021 Budget it was announced that the UK tax rate will increase to 25% from 1 April 2023. This will have a consequential effect on the company's future tax charge.

6 Debtors

	2020	2019
	£'000	£'000
Amounts owed by group undertakings	**1,200**	1,187

Amounts owed to group undertaking are interest free and repayable on demand.

7 Creditors: amounts falling due within one year

	2020	2019
	£'000	£'000
Trade creditors	**1**	1
Amounts owed to group undertakings	**4**	4
	5	5

Amounts owed to group undertaking are interest free and repayable on demand.

8 Called up share capital

	2020	2019
	£	£
Allotted, called up and fully paid		
171 Ordinary shares of £1 each	**171**	171

9 Contingent liabilities

The company is part of a cross-guarantee arrangement whereby the banking liabilities of Red Dragon Acquisitions Limited group, amounting to £119,622,000 *(2019: £125,864,000)* are secured by the assets of the company and its fellow subsidiaries.

The company entered into a Guarantee and Debenture, comprising fixed and floating charges over the undertaking and certain of its assets, securing all monies due or to become due from the company and / or any of the other group companies.

Under the provisions of group registration for value added tax, the company and its fellow subsidiary companies are jointly liable for the indebtedness of each other.

10 Ultimate controlling party and subsequent events

On 25 March 2021, Tinopolis Group Limited became the ultimate parent company. DMWSL 660 Limited had been the ultimate parent company prior to that date.

Tinopolis Group Limited is a company incorporated in England and Wales.

The largest group in which the results of the company are consolidated is that headed by Red Dragon Acquisitions Limited. The consolidated financial statements of these group accounts are available to the public and can be obtained from Tinopolis Centre, Park Street, Llanelli, Carmarthenshire, SA15 3YE.