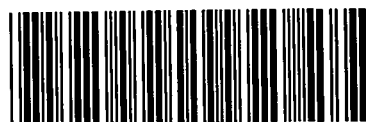


**COMPANY REGISTRATION NUMBER 04790426**

**MET FILM LIMITED**  
**FINANCIAL STATEMENTS**  
**30 SEPTEMBER 2013**

**SATURDAY**



**\*A3AHYA3T\***

**A35**

**21/06/2014**

**#222**

**COMPANIES HOUSE**

**MET FILM LIMITED**  
**FINANCIAL STATEMENTS**  
**YEAR ENDED 30 SEPTEMBER 2013**

<b>CONTENTS</b>	<b>PAGE</b>
Officers and professional advisers	1
Directors' report	2
Independent auditor's report to the shareholders	4
Profit and loss account	6
Balance sheet	7
Notes to the financial statements	8

**MET FILM LIMITED**  
**OFFICERS AND PROFESSIONAL ADVISERS**

**The board of directors**

J Woodward  
H Rabbatts  
J S Thomson  
T Hoegh

**Registered office**

Building A  
Ealing Studios  
Ealing Green  
Ealing  
W5 5EP

**Auditor**

Shipleys LLP  
Chartered Accountants  
& Statutory Auditor  
10 Orange Street  
Haymarket  
London  
WC2H 7DQ

**Bankers**

Lloyds  
PO Box 112  
Canons House  
Canons Way  
Bristol  
BS99 7LB

# **MET FILM LIMITED**

## **DIRECTORS' REPORT**

### **YEAR ENDED 30 SEPTEMBER 2013**

The directors present their report and the financial statements of the company for the year ended 30 September 2013.

#### **PRINCIPAL ACTIVITIES**

The principal activity of the company was the provision of film making courses, post production services and corporate production services as well as feature film production.

#### **DIRECTORS**

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

J Woodward  
H Rabbatts  
J S Thomson  
T Hoegh

J Fletcher was appointed as a director on 31 October 2013.

J S Thomson resigned as a director on 31 October 2013.

#### **DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Directors' 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards 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.

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 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.

Each of the persons who is a director at the date of approval of this report confirm that:

- so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- each director has taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

# MET FILM LIMITED

## DIRECTORS' REPORT *(continued)*

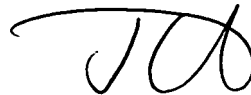
YEAR ENDED 30 SEPTEMBER 2013

### SMALL COMPANY PROVISIONS

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

Registered office:  
Building A  
Ealing Studios  
Ealing Green  
Ealing  
W5 5EP

Signed on behalf of the directors



J J Fletcher  
Director

Approved by the directors on ...19-6-14...

**MET FILM LIMITED**  
**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF**  
**MET FILM LIMITED**  
**YEAR ENDED 30 SEPTEMBER 2013**

We have audited the financial statements of Met Film Limited for the year ended 30 September 2013 which comprise the Profit and Loss Account, Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's shareholders, 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 shareholders 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 shareholders 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 2, 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 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 and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**OPINION ON FINANCIAL STATEMENTS**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 September 2013 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**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.

# **MET FILM LIMITED**

## **INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF MET FILM LIMITED (continued)**

**YEAR ENDED 30 SEPTEMBER 2013**

### **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:

- adequate 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; 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 in preparing the directors' report.



**STEWART JELL (Senior Statutory  
Auditor)**

For and on behalf of  
**SHIPLEYS LLP**  
Chartered Accountants  
& Statutory Auditor

10 Orange Street  
Haymarket  
London  
WC2H 7DQ

20-6-14

**MET FILM LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**YEAR ENDED 30 SEPTEMBER 2013**

	Note	2013 £	2012 £
<b>TURNOVER</b>		1,468,910	1,764,290
Cost of sales		(673,795)	(972,456)
<b>GROSS PROFIT</b>		795,115	791,834
Administrative expenses		(1,654,791)	(1,352,226)
Other operating income	2	—	73,500
<b>OPERATING LOSS</b>	3	(859,676)	(486,892)
Interest receivable		1,315	989
Interest payable and similar charges		(119,337)	(48,724)
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		(977,698)	(534,627)
Tax on loss on ordinary activities		274,223	590,022
<b>(LOSS)/PROFIT FOR THE FINANCIAL YEAR</b>		(703,475)	55,395

The notes on pages 8 to 15 form part of these financial statements.



# MET FILM LIMITED

## BALANCE SHEET

30 SEPTEMBER 2013

	Note	2013 £	2012 £
<b>FIXED ASSETS</b>			
Intangible assets	4	7,229	7,086
Tangible assets	5	614,996	784,977
Investments	6	100	100
		<u>622,325</u>	<u>792,163</u>
<b>CURRENT ASSETS</b>			
Debtors	7	4,032,959	3,724,788
Cash at bank		103,195	78,089
		<u>4,136,154</u>	<u>3,802,877</u>
<b>CREDITORS: Amounts falling due within one year</b>	8	<u>(5,986,280)</u>	<u>(5,318,494)</u>
<b>NET CURRENT LIABILITIES</b>		<u>(1,850,126)</u>	<u>(1,515,617)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>(1,227,801)</u>	<u>(723,454)</u>
<b>CAPITAL AND RESERVES</b>			
Called-up equity share capital	11	1,931	1,931
Share premium account	13	798,499	798,499
Profit and loss account	14	(4,532,570)	(3,829,095)
		<u>(3,732,140)</u>	<u>(3,028,665)</u>
Shareholder loan capital	12	(2,504,339)	(2,305,211)
<b>SHAREHOLDERS' FUNDS</b>		<u>(1,227,801)</u>	<u>(723,454)</u>

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

These accounts were approved by the directors and authorised for issue on 19-6-16, and are signed on their behalf by:



J J FLETCHER

Company Registration Number: 04790426

The notes on pages 8 to 15 form part of these financial statements.

**MET FILM LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 30 SEPTEMBER 2013**

**1. ACCOUNTING POLICIES**

**Basis of accounting**

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

**Consolidation**

In the opinion of the directors, the company and its subsidiary undertakings comprise a small group. The company has therefore taken advantage of the exemption provided by Section 398 of the Companies Act 2006 not to prepare group accounts.

**Turnover**

The Company recognises revenue on an accruals basis, when the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the Company. Revenue comprises fee income from course programmes and includes amounts accrued and deferred during the year, stated after trade discounts, other taxes and net of VAT.

**Amortisation**

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Goodwill	- 60 months straight line
Other	- 36 months straight line

**Fixed assets**

All fixed assets are initially recorded at cost.

**Depreciation**

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Computers	- 4 years straight line
Fixtures & Fittings	- 10 years straight line
Office Equipment	- 5 years straight line
Film Making Equipment	- 3.5 years straight line

The directors consider that the group does not immediately consume assets on acquisition and that it is more appropriate to commence depreciation after 12 months.

**Operating lease agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

**MET FILM LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 30 SEPTEMBER 2013**

**1. ACCOUNTING POLICIES** *(continued)*

**Deferred taxation**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

**Financial instruments**

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 entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

**Investments and supplier advances**

Investments in subsidiary undertakings are stated at cost in the company's balance sheet less any provision for permanent impairment in value.

**MET FILM LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 30 SEPTEMBER 2013**

**1. ACCOUNTING POLICIES** *(continued)*

**Finance costs**

Finance costs are calculated by assuming a constant rate of interest on net proceeds received after taking account of the expected schedule of payments as at date of loan.

**Going concern**

The directors of the ultimate parent undertaking have confirmed that the group will provide sufficient support to ensure that the company will have sufficient resources to meet its debts as they fall due for at least one year from date of sign off of these accounts. As a result the directors consider that it is appropriate to prepare the accounts on the going concern basis.

**2. OTHER OPERATING INCOME**

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Other operating income	<u>—</u>	<u>73,500</u>

**3. OPERATING LOSS**

Operating loss is stated after charging:

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Amortisation of intangible assets	2,601	8,693
Depreciation of owned fixed assets	179,312	205,280
Auditor's fees	<u>24,000</u>	<u>25,000</u>

The audit fee for the group, consolidated under Met Media Limited, was borne in full by Met Film Limited.

**MET FILM LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 30 SEPTEMBER 2013**

**4. INTANGIBLE FIXED ASSETS**

	<b>Goodwill</b> £	<b>Other</b> £	<b>Total</b> £
<b>COST</b>			
At 1 October 2012	349,900	126,739	476,639
Additions	—	2,744	2,744
<b>At 30 September 2013</b>	<u>349,900</u>	<u>129,483</u>	<u>479,383</u>
<b>AMORTISATION</b>			
At 1 October 2012	349,900	119,653	469,553
Charge for the year	—	2,601	2,601
<b>At 30 September 2013</b>	<u>349,900</u>	<u>122,254</u>	<u>472,154</u>
<b>NET BOOK VALUE</b>			
<b>At 30 September 2013</b>	<u>—</u>	<u>7,229</u>	<u>7,229</u>
At 30 September 2012	<u>—</u>	<u>7,086</u>	<u>7,086</u>

Included within Other Intangibles is Course Programme expenditure which represents expenditure incurred in developing the intellectual property to deliver degree programmes which are expected to bring future benefits to the company. The NBV of Course Programme expenditure at year end was £3,910 (2012: £1,731).

**5. TANGIBLE FIXED ASSETS**

	<b>Computers</b> £	<b>Fixtures &amp; Fittings</b> £	<b>Office Equipment</b> £	<b>Film Making Equipment</b> £	<b>Total</b> £
<b>COST</b>					
At 1 October 2012	714,574	909,556	59,887	430,816	2,114,833
Additions	2,892	1,731	3,602	1,189	9,414
Disposals	—	—	—	(350)	(350)
<b>At 30 September 2013</b>	<u>717,466</u>	<u>911,287</u>	<u>63,489</u>	<u>431,655</u>	<u>2,123,897</u>
<b>DEPRECIATION</b>					
At 1 October 2012	500,630	380,413	44,302	404,511	1,329,856
Charge for the year	71,761	87,561	5,873	14,117	179,312
On disposals	—	—	—	(267)	(267)
<b>At 30 September 2013</b>	<u>572,391</u>	<u>467,974</u>	<u>50,175</u>	<u>418,361</u>	<u>1,508,901</u>
<b>NET BOOK VALUE</b>					
<b>At 30 September 2013</b>	<u>145,075</u>	<u>443,313</u>	<u>13,314</u>	<u>13,294</u>	<u>614,996</u>
At 30 September 2012	<u>213,944</u>	<u>529,143</u>	<u>15,585</u>	<u>26,305</u>	<u>784,977</u>

**MET FILM LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 30 SEPTEMBER 2013**

**6. INVESTMENTS**

**Investments**

**COST**

At 1 October 2012 and 30 September 2013

£

100

**Subsidiary undertaking**

The following were subsidiary undertakings of the company:

Met Film School Limited (Registered in the UK) 100% of £1 Ordinary shares.

Met Film Post Limited (Registered in the UK) 100% of £1 Ordinary shares.

Met Film Special Projects Limited (Registered in the UK) 100% of £1 Ordinary shares.

The entire share capital of Met Film School Limited is subject to a call option in favour of the immediate parent entity, Met Media Limited, a company incorporated in England and Wales.

The aggregate of the share capital and reserves as at 30 September 2013 and of the profit or loss for the year ended 30 September 2013 for the subsidiary undertakings were as follows:

	<b>Aggregate of share capital and reserves</b>	<b>Profit/(loss)</b>
	£	£
Met Film School Ltd	2,321,289	674,982
Met Film Post Ltd	(330,418)	(168,928)
Met Film Special Projects Ltd	-	-

**Associate undertaking**

The following was an associate undertaking of the company:

Men Who Swim Limited (Registered in the UK) 50% of 100 Ordinary £1 shares.

The aggregate of the share capital and reserves as at 30 September 2013 and of the profit or loss for the period ended 30 September 2013 for the associate undertaking was as follows:

	<b>Aggregate of share capital and reserves</b>	<b>Profit/(loss)</b>
	£	£
Men Who Swim Ltd	788	688

**MET FILM LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 30 SEPTEMBER 2013**

**7. DEBTORS**

	<b>2013</b>	2012
	£	£
Trade debtors	9,549	20,148
Amounts owed by group undertakings	2,388,914	1,603,136
Other debtors	1,335,075	1,092,385
Prepayments and accrued income	299,421	1,009,119
	<u>4,032,959</u>	<u>3,724,788</u>

**8. CREDITORS: Amounts falling due within one year**

	<b>2013</b>	2012
	£	£
Trade creditors	265,701	121,544
Amounts owed to group undertakings	4,763,126	4,088,669
Other creditors including taxation:		
VAT	212,398	42,689
Other creditors	—	45,000
Accruals and deferred income	<u>745,055</u>	<u>1,020,592</u>
	957,453	1,108,281
	<u>5,986,280</u>	<u>5,318,494</u>

**9. COMMITMENTS UNDER OPERATING LEASES**

At 30 September 2013 the company had aggregate annual commitments under non-cancellable operating leases as set out below.

	<b>2013</b>	2012
	£	£
Operating leases which expire:		
After more than 5 years	<u>401,652</u>	<u>401,652</u>

**MET FILM LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 30 SEPTEMBER 2013**

**10. RELATED PARTY TRANSACTIONS**

No transactions with related parties were undertaken such as are required to be disclosed under Financial Reporting Standard 8.

There were a number of transactions relating to a loan by a subsidiary of the group's largest shareholder, Arts Alliance Limited:

	2013 £	2012 £
Interest payable	215,404	190,704
Interest paid	-	-

The company made payments during the year to Heather Rabbatts, who held office during the year, for the provision of professional services amounting to £16,000 (2012: £12,000).

**11. SHARE CAPITAL**

**Allotted, called up and fully paid:**

	2013		2012	
	No	£	No	£
Ordinary shares of £0.01 each	<u>193,100</u>	<u>1,931</u>	<u>193,100</u>	<u>1,931</u>

**12. SHAREHOLDER LOAN CAPITAL**

At 30 September 2013 the company had received funding by way of secured shareholder loans as follows:

	2013 £	2012 £
Loans from parent company	662,204	678,481
Loans from Arts Alliance Leisure Ltd	<u>1,842,135</u>	<u>1,626,730</u>
	<u>2,504,339</u>	<u>2,305,211</u>

The payment profile of these loans were designed to work within the expected financial resources of the company.

**13. SHARE PREMIUM ACCOUNT**

There was no movement on the share premium account during the financial year.

**14. PROFIT AND LOSS ACCOUNT**

	2013 £	2012 £
Balance brought forward	(3,829,095)	(3,884,490)
(Loss)/profit for the financial year	<u>(703,475)</u>	<u>55,395</u>
Balance carried forward	<u>(4,532,570)</u>	<u>(3,829,095)</u>



**MET FILM LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 30 SEPTEMBER 2013**

**15. ULTIMATE PARENT COMPANY**

At the period end, the company's parent and ultimate controlling party was Met Media Limited, a company incorporated in England and Wales.