

COMPANY REGISTRATION NUMBER: 04790426

Met Film Limited
Financial Statements
30 September 2018



Met Film Limited
Financial Statements
Year ended 30 September 2018

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Met Film Limited

Officers and Professional Advisers

The board of directors

J Woodward
H Rabbatts
T Hoegh
T F Theobalds
G J Roberts

Company secretary

C Cordon

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 2018

The directors present their report and the financial statements of the company for the year ended 30 September 2018.

Directors

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

J Woodward	
H Rabbatts	
T Hoegh	
T F Theobalds	
G J Roberts	(Appointed 4 October 2017)
C P Maples	(Resigned 1 July 2018)

Directors' responsibilities statement

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 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 judgments 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.

Auditor

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

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have 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.

Small company provisions

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

Met Film Limited

Directors' Report *(continued)*

Year ended 30 September 2018

This report was approved by the board of directors on 27/6/19 and signed on behalf of the board by:



T F Theobalds
Director

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

Met Film Limited

Independent Auditor's Report to the Members of Met Film Limited

Year ended 30 September 2018

Opinion

We have audited the financial statements of Met Film Limited (the 'company') for the year ended 30 September 2018 which comprise the statement of income and retained earnings, statement of financial position and the related notes, 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 company's affairs as at 30 September 2018 and of its loss 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 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.

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 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.

Met Film Limited

Independent Auditor's Report to the Members of Met Film Limited (continued)

Year ended 30 September 2018

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.

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 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, 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' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Met Film Limited

Independent Auditor's Report to the Members of Met Film Limited *(continued)*

Year ended 30 September 2018

Responsibilities of directors

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, 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 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 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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Met Film Limited

Independent Auditor's Report to the Members of Met Film Limited *(continued)*

Year ended 30 September 2018

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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.



Stewart Jell (Senior Statutory Auditor)

For and on behalf of
Shipleys LLP
Chartered accountants & statutory auditor
10 Orange Street
Haymarket
London
WC2H 7DQ

27/6/19

Met Film Limited
Statement of Income and Retained Earnings
Year ended 30 September 2018

	Note	2018 £	2017 £
Turnover		2,432,953	1,917,648
Cost of sales		(1,249,687)	(1,319,847)
Gross profit		1,183,266	597,801
Administrative expenses		(2,601,714)	(2,247,759)
Operating loss		(1,418,448)	(1,649,958)
Income from shares in group undertakings		–	991,114
Other interest receivable and similar income		–	3,507
Interest payable and similar expenses		–	(372,534)
Loss before taxation	5	(1,418,448)	(1,027,871)
Tax on loss		–	–
Loss for the financial year and total comprehensive income		<u>(1,418,448)</u>	<u>(1,027,871)</u>
Retained losses at the start of the year		(2,352,974)	(1,325,103)
Retained losses at the end of the year		<u>(3,771,422)</u>	<u>(2,352,974)</u>

All the activities of the company are from continuing operations.

The notes on pages 10 to 15 form part of these financial statements.

Met Film Limited
Statement of Financial Position
30 September 2018

	Note	2018 £	2017 £
Fixed assets			
Intangible assets	6	20,953	12,331
Tangible assets	7	101,116	188,991
Investments	8	201	201
		<u>122,270</u>	<u>201,523</u>
Current assets			
Debtors	9	6,716,723	5,856,996
Cash at bank and in hand		71,799	25,029
		<u>6,788,522</u>	<u>5,882,025</u>
Creditors: amounts falling due within one year	10	<u>(9,081,043)</u>	<u>(6,812,524)</u>
Net current liabilities		<u>(2,292,521)</u>	<u>(930,499)</u>
Total assets less current liabilities		<u>(2,170,251)</u>	<u>(728,976)</u>
Creditors: amounts falling due after more than one year	11	—	(22,827)
Net liabilities		<u>(2,170,251)</u>	<u>(751,803)</u>
Capital and reserves			
Called up share capital		1,931	1,931
Share premium account		798,499	798,499
Shareholders Loan		800,741	800,741
Profit and loss account		<u>(3,771,422)</u>	<u>(2,352,974)</u>
Shareholders deficit		<u>(2,170,251)</u>	<u>(751,803)</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

These financial statements were approved by the board of directors and authorised for issue on 27/6/2019, and are signed on behalf of the board by:



T F Theobalds
Director

Company registration number: 04790426

The notes on pages 10 to 15 form part of these financial statements.

Met Film Limited
Notes to the Financial Statements
Year ended 30 September 2018

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Building A, Ealing Studios, Ealing Green, Ealing, W5 5EP.

2. Statement of compliance

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities.

The financial statements are prepared in sterling, which is the functional currency of the entity.

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 the date of the loan.

Disclosure exemptions

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. Its financial statements are consolidated into the financial statements of Met Media Limited which can be obtained from Building A Ealing Studios, Ealing, London, W5 5EP. As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102:

- (a) No cash flow statement has been presented for the company.
- (b) Disclosures in respect of financial instruments have not been presented.
- (c) Disclosures in respect of share-based payments have not been presented.
- (d) No disclosure has been given for the aggregate remuneration of key management personnel.

Consolidation

The company has taken advantage of the option not to prepare consolidated financial statements contained in Section 398 of the Companies Act 2006 on the basis that the company and its subsidiary undertakings comprise a small group.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Met Film Limited

Notes to the Financial Statements *(continued)*

Year ended 30 September 2018

3. Accounting policies *(continued)*

Revenue recognition

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. School revenue includes amounts deferred and accrued during the year and is stated after trade discounts, other taxes and net of VAT and is recognised in line with directly attributable costs.

Intangible assets

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses.

Amortisation

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

Goodwill	-	5 years straight line
Development Costs	-	3 years straight line

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

Depreciation

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

Film making equipment	-	7 years straight line
Computer equipment	-	4 years straight line
Fixtures & fittings	-	10 years straight line
Office equipment	-	5 years straight line

Investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

Met Film Limited

Notes to the Financial Statements *(continued)*

Year ended 30 September 2018

3. Accounting policies *(continued)*

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.

4. Employee numbers

The average number of persons employed by the company during the year amounted to Nil (2017: Nil).

5. Profit before taxation

Profit before taxation is stated after charging:

	2018	2017
	£	£
Amortisation of intangible assets	10,425	7,991
Depreciation of tangible assets	<u>100,540</u>	<u>126,570</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 *(continued)*

Year ended 30 September 2018

6. Intangible assets

	Goodwill £	Development costs £	Total £
Cost			
At 1 October 2017	349,900	153,674	503,574
Additions	–	19,047	19,047
At 30 September 2018	<u>349,900</u>	<u>172,721</u>	<u>522,621</u>
Amortisation			
At 1 October 2017	349,900	141,343	491,243
Charge for the year	–	10,425	10,425
At 30 September 2018	<u>349,900</u>	<u>151,768</u>	<u>501,668</u>
Carrying amount			
At 30 September 2018	<u>–</u>	<u>20,953</u>	<u>20,953</u>
At 30 September 2017	<u>–</u>	<u>12,331</u>	<u>12,331</u>

7. Tangible assets

	Land and buildings £	Plant and machinery £	Fixtures and fittings £	Equipment £	Total £
Cost					
At 1 October 2017	432,699	779,004	951,886	73,250	2,236,839
Additions	–	1,846	10,360	459	12,665
At 30 September 2018	<u>432,699</u>	<u>780,850</u>	<u>962,246</u>	<u>73,709</u>	<u>2,249,504</u>
Depreciation					
At 1 October 2017	426,245	730,566	826,244	64,793	2,047,848
Charge for the year	2,409	24,560	70,342	3,229	100,540
At 30 September 2018	<u>428,654</u>	<u>755,126</u>	<u>896,586</u>	<u>68,022</u>	<u>2,148,388</u>
Carrying amount					
At 30 September 2018	<u>4,045</u>	<u>25,724</u>	<u>65,660</u>	<u>5,687</u>	<u>101,116</u>
At 30 September 2017	<u>6,454</u>	<u>48,438</u>	<u>125,642</u>	<u>8,457</u>	<u>188,991</u>

8. Investments

	Other investments other than loans £
Cost	
At 1 October 2017 and 30 September 2018	<u>201</u>
Impairment	
At 1 October 2017 and 30 September 2018	<u>–</u>

Met Film Limited

Notes to the Financial Statements *(continued)*

Year ended 30 September 2018

8. Investments *(continued)*

	Other investments other than loans £
Carrying amount	
At 30 September 2018	201
At 30 September 2017	201

Subsidiary undertaking

The following were subsidiary undertakings of the company:

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

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

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

Screen Space Limited (Registered in the UK) 100% of 100 Ordinary £1 shares.

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

The registered address of all of the above subsidiary undertakings is: Building A Ealing Studios, Ealing, London, W5 5EP.

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 2018 and of the profit or loss for the year ended 30 September 2018 for the subsidiary undertakings were as follows:

	Aggregate of share capital and reserves £	Profit/(loss) £
Met Film School Ltd	6,467,333	241,894
Met Film Post Ltd	(1,112,680)	(4,020)
Met Film Special Projects Ltd	(7,845)	–
Screen Space Limited	100	–
Men Who Swim Limited	1,734	(7)

Met Film Limited

Notes to the Financial Statements *(continued)*

Year ended 30 September 2018

9. Debtors

	2018 £	2017 £
Trade debtors	579,933	222,986
Amounts owed by group undertakings and undertakings in which the company has a participating interest	3,358,968	2,026,295
Other debtors	2,777,822	3,607,715
	<u>6,716,723</u>	<u>5,856,996</u>

10. Creditors: amounts falling due within one year

	2018 £	2017 £
Trade creditors	241,587	145,051
Amounts owed to group undertakings and undertakings in which the company has a participating interest	6,167,309	4,635,498
Social security and other taxes	152,328	83,989
Other creditors	2,519,819	1,947,986
	<u>9,081,043</u>	<u>6,812,524</u>

11. Creditors: amounts falling due after more than one year

	2018 £	2017 £
Other creditors	—	22,827
	<u>—</u>	<u>22,827</u>

12. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2018 £	2017 £
Later than 1 year and not later than 5 years	—	334,858
Later than 5 years	—	344,272
	<u>—</u>	<u>679,130</u>

13. Related party transactions

No transactions with related parties were undertaken such as are required to be disclosed under Financial Reporting Standard 102.

14. Controlling party

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