COMPANY REGISTRATION NUMBER 06772474

MET MEDIA LIMITED

FINANCIAL STATEMENTS

30 SEPTEMBER 2012

MET MEDIA LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2012

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MET MEDIA LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

The board of directors	H Rabbatts T C Hoegh J Woodward
Company secretary	J S Thomson
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

MET MEDIA LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 30 SEPTEMBER 2012

The directors present their report and the financial statements of the group for the year ended 30 September 2012

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW
The principal activity of the group is the provision of film making courses, post production services and corporate production services as well as feature film production

The directors do not propose a dividend for the year (2011 £nil)

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

H Rabbatts
T C Hoegh
J Woodward

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 the group and of the profit or loss of the group for that year

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 group will continue in business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group 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 group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

In so far as the directors are aware

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

MET MEDIA LIMITED

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 30 SEPTEMBER 2012

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

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

Signed on behalf of the directors

J Woodward
Director

Approved by the directors on 27/6/13

MET MEDIA LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF MET MEDIA LIMITED

YEAR ENDED 30 SEPTEMBER 2012

We have audited the group and parent company financial statements ("the financial statements") of Met Media Limited for the year ended 30 September 2012 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 (APB's) Ethical Standards for Auditors

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

A description of the scope of an audit of financial statements is provided on the APB's website at www frc org uk/apb/scope/private cfm

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements

- give a true and fair view of the state of the group's and parent company's affairs as at 30 September 2012 and of the group's profit 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 MATTERS 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 MEDIA LIMITED

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

YEAR ENDED 30 SEPTEMBER 2012

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent company 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
28/6/13

MET MEDIA LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 30 SEPTEMBER 2012

	Note	2012 £	2011 £
GROUP TURNOVER		**5,561,305**	4,769,490
Cost of sales		**(2,296,850)**	(1,635,894)
GROSS PROFIT		**3,264,455**	3,133,596
Administrative expenses		**(3,009,359)**	(3,048,839)
Other operating income	2	**83,500**	–
OPERATING PROFIT	3	**338,596**	84,757
Interest receivable		**989**	5,173
Interest payable and similar charges		**(299,944)**	(268,304)
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		**39,641**	(178,374)
Tax on profit/(loss) on ordinary activities		**90,972**	117,561
PROFIT/(LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION		**130,613**	(60,813)
Minority interests		**57,166**	10,539
PROFIT/(LOSS) ATTRIBUTABLE TO MEMBERS OF THE PARENT COMPANY	5	**187,779**	(50,274)
PROFIT/(LOSS) FOR THE FINANCIAL YEAR		**187,779**	(50,274)

The company has taken advantage of section 408 of the Companies Act 2006 not to publish its own Profit and Loss Account

MET MEDIA LIMITED

GROUP BALANCE SHEET

30 SEPTEMBER 2012

	Note	2012 £	2012 £	2011 £
FIXED ASSETS				
Intangible assets	6		**1,529,780**	1,491,554
Tangible assets	7		**2,251,815**	1,766,501
Investments	8		**3,232**	10,897
			3,784,827	3,268,952
CURRENT ASSETS				
Debtors	9	**5,368,000**		4,899,145
Cash at bank		**298,421**		350,294
		5,666,421		5,249,439
CREDITORS. Amounts falling due within one year	10	**(5,986,150)**		(5,279,648)
NET CURRENT LIABILITIES			**(319,729)**	(30,209)
TOTAL ASSETS LESS CURRENT LIABILITIES			**3,465,098**	3,238,743
CREDITORS. Amounts falling due after more than one year	11		**(2,034,739)**	(2,113,268)
			1,430,359	1,125,475
CAPITAL AND RESERVES				
Called-up equity share capital	14		**3,576**	3,576
Shareholder loan capital	15		**2,305,211**	2,130,940
Profit and loss account	16		**(649,194)**	(836,973)
TOTAL EQUITY			**1,659,593**	1,297,543
Minority interest	17		**(229,234)**	(172,068)
SHAREHOLDERS' FUNDS			**1,430,359**	1,125,475

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

These financial statements were approved by the directors and authorised for issue on 27/6/13, and are signed on their behalf by

J WOODWARD

MET MEDIA LIMITED

BALANCE SHEET

30 SEPTEMBER 2012

	Note	2012 £	2012 £	2011 £
FIXED ASSETS				
Investments	8		800,741	803,090
CURRENT ASSETS				
Debtors	9	144,579		39,738
Cash at bank		95		2,201
		144,674		41,939
CREDITORS. Amounts falling due within one year	10	(139,849)		(161,667)
NET CURRENT ASSETS/(LIABILITIES)			4,825	(119,728)
TOTAL ASSETS LESS CURRENT LIABILITIES			805,566	683,362
CREDITORS: Amounts falling due after more than one year	11		(800,741)	(803,090)
			4,825	(119,728)
CAPITAL AND RESERVES				
Called-up equity share capital	14		3,576	3,576
Profit and loss account	16		1,249	(123,304)
SHAREHOLDERS' FUNDS/(DEFICIT)			4,825	(119,728)

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

These financial statements were approved by the directors and authorised for issue on 27/6/13, and are signed on their behalf by

J WOODWARD

Company Registration Number 06772474

MET MEDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2012

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)

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the company and all group undertakings These are adjusted, where appropriate, to conform to group accounting policies Acquisitions are accounted for under the acquisition method and goodwill on consolidation is capitalised The results of companies acquired or disposed of are included in the profit and loss account after or up to the date that control passes respectively As a consolidated profit and loss account is published, a separate profit and loss account for the parent company is omitted from the group financial statements by virtue of section 408 of the Companies Act 2006

Turnover

The Group 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

Turnover also includes the value of work completed which has yet to be invoiced in accordance with the stage of completion of the project to which it relates

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 Intangibles	-	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

1. ACCOUNTING POLICIES *(continued)*

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

Finance lease agreements

Where the company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated in accordance with the above depreciation policies Future instalments under such leases, net of finance charges, are included within creditors Rentals payable are apportioned between the finance element, which is charged to the profit and loss account on a straight line basis, and the capital element which reduces the outstanding obligation for future instalments

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

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

MET MEDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2012

1. **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

Advance payments

Advance payments comprise the value of confirmed student bookings and payments in advance in relation to post production services and film production

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

Supplier advances are recognised initially at fair value and charged to the profit and loss account on a straight line basis over the amount of business expected to be generated by the supplier advance A provision of impairment is established where it is considered unlikely that the advance will be recovered in full

Finance costs

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

Going concern

The ultimate controlling undertaking has confirmed that it will provide sufficient support to ensure that the company and group 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

MET MEDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2012

2 OTHER OPERATING INCOME

	2012	2011
	£	£
Other operating income	83,500	–

3 OPERATING PROFIT

Operating profit is stated after charging

	2012	2011
	£	£
Amortisation of intangible assets	13,029	15,192
Depreciation of owned fixed assets	327,905	350,317
Depreciation of assets held under finance lease agreements	9,385	12,205
Auditor's fees	29,000	15,000

4 DIRECTORS' REMUNERATION

The directors' aggregate remuneration in respect of qualifying services were

	2012	2011
	£	£
Aggregate remuneration	235,000	198,333

5. PROFIT ATTRIBUTABLE TO MEMBERS OF THE PARENT COMPANY

The profit dealt with in the financial statements of the parent company was £124,553 (2011 - £(115,384))

6 INTANGIBLE FIXED ASSETS

Group	Goodwill	Other Intangibles	Total
	£	£	£
COST			
At 1 October 2011	1,764,244	189,413	1,953,657
Additions	–	51,255	51,255
At 30 September 2012	1,764,244	240,668	2,004,912
AMORTISATION			
At 1 October 2011	349,900	112,203	462,103
Charge for the year	–	13,029	13,029
At 30 September 2012	349,900	125,232	475,132
NET BOOK VALUE			
At 30 September 2012	1,414,344	115,436	1,529,780
At 30 September 2011	1,414,344	77,210	1,491,554

6 INTANGIBLE FIXED ASSETS *(continued)*

Included within Other Intangibles is Course Programme expenditure with a NBV of £89,940 (2011 £53,803) This represents expenditure incurred in developing the intellectual property to deliver education programmes which are expected to bring future benefits to the company

7 TANGIBLE FIXED ASSETS

Group	Computers £	Fixtures & Fittings £	Office Equipment £	Film Making Equipment £	Total £
COST					
At 1 October 2011	**910,727**	**1,173,906**	**89,885**	**865,693**	**3,040,211**
Additions	**398,487**	**138,519**	**36,718**	**256,987**	**830,711**
Disposals	**(2,275)**	**–**	**–**	**(31,834)**	**(34,109)**
At 30 September 2012	**1,306,939**	**1,312,425**	**126,603**	**1,090,846**	**3,836,813**
DEPRECIATION					
At 1 October 2011	**422,704**	**296,363**	**37,653**	**516,990**	**1,273,710**
Charge for the year	**111,247**	**89,875**	**9,917**	**126,251**	**337,290**
On disposals	**(2,275)**	**–**	**–**	**(23,727)**	**(26,002)**
At 30 September 2012	**531,676**	**386,238**	**47,570**	**619,514**	**1,584,998**
NET BOOK VALUE					
At 30 September 2012	**775,263**	**926,187**	**79,033**	**471,332**	**2,251,815**
At 30 September 2011	488,023	877,543	52,232	348,703	1,766,501

Finance lease agreements

Included within the net book value of £2,251,815 is £307,392 (2011 - £198,859) relating to assets held under finance lease agreements The depreciation charged to the financial statements in the year in respect of such assets amounted to £9,385 (2011 - £12,205)

8. INVESTMENTS

COMPANY

	2012	2011
	£	£
Met Film Ltd - Loan investment	798,809	801,158
Met Film Ltd - Share capital investment	1,931	1,931
Met Film Operations Ltd - Share capital investment	1	1
	800,741	803,090

	Loans in group under-takings	Shares in group under-takings	Total
	£	£	£
Opening balance	801,158	1,932	803,090
Repayments	(2,349)	–	(2,349)
Closing balance	798,809	1,932	800,741

The company also has unpaid share capital investment commitments relating to the following subsidiaries

	2012	2011
	£	£
Met Film Production Ltd	1	1
Met Film School Ltd	1	1
	2	2

GROUP:

	Supplier advances	Loans in group under-takings	Shares in group under-takings	Associate under-takings	Total
	£	£	£	£	£
Opening balance	10,000	747	100	50	10,897
Additions	–	2,335	–	–	2,335
Disposals	(10,000)		–	–	(10,000)
Closing balance	–	3,082	100	50	3,232

Supplier Advances
During the year, the board reviewed the valuation of these advances and considered their value to be impaired The company reduced the aggregate carrying value of supplier advances to £nil

Subsidiary undertakings

The following are subsidiary undertakings of the company, all registered in England and Wales

Met Film Ltd	approximately 95% of £1,931 Ordinary shares
Met Film School Ltd	100% of £1 Ordinary shares
Met Film Operations Ltd	100% of £100 Ordinary shares
Met Film Post Ltd	100% of £100 Ordinary shares
Met Film Production Ltd	100% of £1 Ordinary shares
Met Film Sales Ltd	100% of £100 Ordinary shares
Wax Productions Ltd	100% of £1 Ordinary shares
Donor 150 Ltd	100% of £100 Ordinary shares
Town of Runners Ltd	100% of £100 Ordinary shares
Met Go 2 Ltd	100% of £100 Ordinary shares
Hip Hop Hoax Ltd	100% of £100 Ordinary shares
Met Go Ltd	100% of £100 Ordinary shares
Talent Code Ltd	100% of £100 Ordinary shares
8MM America Ltd	100% of £100 Ordinary shares
How to Change the World Ltd	100% of £100 Ordinary shares

The aggregate of the share capital and reserves as at 30 September 2012 and of the profit or loss for the period ended 30 September 2012 for the subsidiary undertakings were as follows

	Aggregate of share capital and reserves	Profit/(loss)
	£	£
Met Film Ltd	**(1,229,476)**	(450,627)
Met Film School Ltd	**3,391,376**	1,784,779
Met Film Operations Ltd	**(279,005)**	(85,666)
Met Film Post Ltd *	**(806,578)**	(652,885)
Met Film Production Ltd	**(135,324)**	(71,202)
Met Film Sales Ltd *	**7,171**	7,170
Wax Productions Ltd *	**(659,245)**	(415,199)
Donor 150 Ltd *	**28**	14,637
Town of Runners Ltd *	**100**	–
Met Go 2 Ltd *	**1,991**	1,891
Hip Hop Hoax Ltd *	**100**	–
Met Go Ltd *	**100**	–
Talent Code Ltd	**100**	–
8MM America Ltd	**100**	–
How to Change the World Ltd	**100**	–

* Denotes direct ownership

Associate Undertakings
The following entity was an associate undertaking of the group

Men Who Swim Ltd (Registered in England) 50% of 100 £1 Ordinary shares

The aggregate of the share capital and reserves as at 30 September 2012 and of the profit or loss for the period ended 30 September 2012 for the associate undertaking was as follows

	Aggregate of share capital and reserves	Profit/(loss)
	£	£
Men Who Swim Ltd	**50**	–

9 DEBTORS

	Group		Company	
	2012	2011	**2012**	2011
	£	£	**£**	£
Trade debtors	**453,598**	156,092	**735**	735
Amounts owed by group undertakings	**–**	–	**136,553**	30,475
VAT recoverable	**13,404**	73,886	**1,947**	–
Corporation tax recoverable	**–**	45,297	**–**	–
Other debtors	**1,970,907**	1,624,944	**5,344**	8,528
Prepayments and accrued income	**2,930,091**	2,998,926	**–**	–
	5,368,000	4,899,145	**144,579**	39,738

10 CREDITORS: Amounts falling due within one year

	Group		Company	
	2012	2011	**2012**	2011
	£	£	**£**	£
Trade creditors	**461,831**	303,267	**16,740**	15,791
Amounts owed to group undertakings	**–**	–	**123,109**	145,876
Finance lease agreements	**99,042**	60,738	**–**	–
PAYE and social security	**61,429**	61,856	**–**	–
Other creditors	**125,068**	–	**–**	–
Accruals and deferred income	**5,238,780**	4,853,787	**–**	–
	5,986,150	5,279,648	**139,849**	161,667

MET MEDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2012

11. CREDITORS. Amounts falling due after more than one year

	Group		Company	
	2012	2011	**2012**	2011
	£	£	**£**	£
Finance lease agreements	**101,703**	125,418	**–**	–
Student Advance Payments	**1,933,036**	1,987,850	**–**	–
	2,034,739	2,113,268	**–**	–

12 COMMITMENTS UNDER OPERATING LEASES

At 30 September 2012 the group had annual commitments under non-cancellable operating leases as set out below

	2012	2011
	£	£
Operating leases which expire		
Within 2 to 5 years	**49,124**	49,124
After more than 5 years	**401,652**	320,652
	450,776	369,776

MET MEDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2012

13. RELATED PARTY TRANSACTIONS

The group takes advantage of the exemption under FRS 8 in relation to related party transactions

Accrued interest of £610,795 (2011 £422,390) was due to the shareholders of Met Media Ltd of which £nil (2011 £13,305) was paid during the year relating to the loans by Luke Montagu who was a shareholder during the year

The group made payments during the year to Heather Rabbatts, who held office during the year for both Met Media Ltd and Met Film Ltd for the provision of professional services amounting to £12,000 (2011 £22,000)

The company takes advantage of the exemption under FRS 8 in relation to related party transactions

There were a number of transactions relating to loans by Luke Montagu who was a shareholder during the year

Interest payable for year ended	**Group**	Company
	£	£
30 September 2012	**22,370**	22,370
30 September 2011	**22,451**	22,451
Interest paid during the year ended		
30 September 2012	**22,370**	22,370
30 September 2011	**35,756**	35,756

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

Interest payable for the year ended	**Group**	Company
	£	£
30 September 2012	**237,343**	46,640
30 September 2011	**207,819**	39,902
Interest paid during the year ended		
30 September 2012	**48,408**	48,408
30 September 2011	**60,609**	60,609

The company made payments for the services of John Woodward to Hoegh Capital Partners Limited as follows The company entered into a services contract for the provision of services by John Woodward amounting to £55,800 per annum (excluding VAT) £55,800 was invoiced and paid during the year This contract is reviewable each year

The group has entered into a number of service contracts with entities which are related to its largest shareholder, Nationwide Leisure Ltd These transactions are negotiated on an arm's length basis as follows

Film Production Services

	Group Income	Company Income
	£	£
30 September 2012	**22,650**	–
30 September 2011	**13,476**	–
Post Production Services		
30 September 2012	**5,646**	–
30 September 2011	**5,971**	–

14 SHARE CAPITAL

Allotted, called up and fully paid

	2012		2011	
	No	**£**	No	£
357,522 Ordinary shares of £0 01 each	**357,522**	**3,576**	357,522	3,576

15 SHAREHOLDER LOAN CAPITAL

As at 30 September 2012 the company had received net funding by way of secured shareholder loans as follows

	Group	Group	**Company**	Company
	£	£	**£**	£
Loans from shareholders	–	–	**800,741**	803,090
Loans from parent company	**678,481**	694,914	–	–
Loan from Alliance Leasing Limited	**1,626,730**	1,436,026	–	–
	2,305,211	2,130,940	**800,741**	803,090

The group incurred net costs of £nil (2011 £nil) in relation to its loan capital which are recognized as a reduction in net proceeds and extinguished over the life of the loan at a constant rate of interest in accordance with UK GAAP

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

16 RESERVES

Group	Profit and loss account £
Balance brought forward	(836,973)
Profit for the year	187,779
Balance carried forward	(649,194)

Company	Profit and loss account £
Balance brought forward	(123,304)
Profit for the year	124,553
Balance carried forward	1,249

17 MINORITY INTEREST

	2012 £	2011 £
Balance brought forward	172,068	161,529
Profit for the year	57,166	10,539
Balance carried forward	229,234	172,068