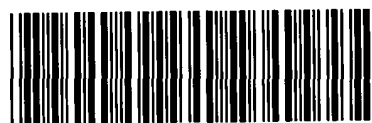


COMPANY REGISTRATION NUMBER: 06772474

Met Media Limited
Financial Statements
30 September 2016

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Met Media Limited
Financial Statements
Year ended 30 September 2016

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Met Media Limited

Officers and Professional Advisers

The board of directors

L Montagu
H Rabbatts
T C Hoegh
J Woodward
C Maples (appointed 09 February 2017)
J Persey (appointed 09 February 2017)

Company secretary

J Fletcher

Registered office

Building A
Ealing Studios
Ealing Green
Ealing
W5 5EP

Auditor

Shipleys LLP
Chartered accountant & statutory auditor
10 Orange Street
Haymarket
London
WC2H 7DQ

Met Media Limited
Strategic Report
Year ended 30 September 2016

Fair review of the business

The Directors of the business are satisfied with the results for the year ended 30 September 2016.

The principal activity of the group continued to be the provision of film making courses and feature film production.

Since the year-end additional funding of £750,000 has been advanced from shareholders to further invest in campus and equipment.

Principal risks and uncertainties

The majority of the group's revenue is from student fees through an annual recruitment process and consequently student recruitment and retention is central to the financial position of the company. This risk is managed by ensuring educational excellence is at the forefront of the groups activities

The principal financial risk inherent in the industry is the continued availability of student loans to students who meet the qualifying requirements

The impact of the June 2016 EU referendum is mitigated by the group's Tier 4 Sponsor status, which was successfully renewed in October 2016.

This report was approved by the board of directors on28/6/17..... and signed on behalf of the board by:

J Woodward
Director

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

Met Media Limited

Directors' Report

Year ended 30 September 2016

The directors present their report and the financial statements of the group for the year ended 30 September 2016.

Directors

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

L Montagu
H Rabbatts
T C Hoegh
J Woodward

Dividends

Particulars of recommended dividends are detailed in note 13 to the financial statements.

Events after the end of the reporting period

Particulars of events after the reporting date are detailed in note 30 to the financial statements.

Disclosure of information in the strategic report

A Strategic report is included in these accounts in accordance with section 414C(11) of the Companies Act 2006.

Directors' responsibilities statement

The directors are responsible for preparing the strategic report, 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 group and the company and the profit or loss of the group 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.

Met Media Limited

Directors' Report *(continued)*

Year ended 30 September 2016

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 group and 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 group and the company's auditor is aware of that information.

This report was approved by the board of directors on28/6/17..... and signed on behalf of the board by:

J Woodward
Director

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



Met Media Limited

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

Year ended 30 September 2016

We have audited the financial statements of Met Media Limited for the year ended 30 September 2016 which comprise the consolidated statement of comprehensive income, consolidated statement of financial position, company statement of financial position, consolidated statement of changes in equity, company statement of changes in equity, consolidated statement of cash flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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

Respective responsibilities of directors and auditor

As explained more fully in the directors' responsibilities statement, 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 group's and the parent 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 strategic report and the directors' 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 group's and of the parent company's affairs as at 30 September 2016 and of the group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the strategic report and 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 Members of Met Media Limited *(continued)*

Year ended 30 September 2016

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.



Stewart Jell (Senior Statutory Auditor)

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

30/6/17

Met Media Limited
Consolidated Statement of Comprehensive Income
Year ended 30 September 2016

		2016 £	2015 £
Turnover	Note 4	8,127,269	9,194,306
Cost of sales		(2,398,691)	(3,732,954)
Gross profit		<u>5,728,578</u>	<u>5,461,352</u>
Administrative expenses		(6,355,113)	(6,199,486)
Other operating income	5	<u>5,989</u>	<u>4,713</u>
Operating loss	6	(620,546)	(733,421)
Other interest receivable and similar income		1,915	1,758
Interest payable and similar charges	10	(596,723)	(377,987)
Loss on ordinary activities before taxation		(1,215,354)	(1,109,650)
Tax on loss on ordinary activities	11	<u>108,490</u>	<u>182,667</u>
Loss for the financial year and total comprehensive income		<u>(1,106,864)</u>	<u>(926,983)</u>
Loss for the financial year attributable to:			
The owners of the parent company		(970,659)	(923,309)
Minority interests		<u>(136,205)</u>	<u>(3,674)</u>
		<u>(1,106,864)</u>	<u>(926,983)</u>

All the activities of the group are from continuing operations.

The notes on pages 14 to 27 form part of these financial statements.

Met Media Limited

Consolidated Statement of Financial Position *(continued)*

30 September 2016

	Note	2016 £	2015 £
Fixed assets			
Intangible assets	14	802,780	1,069,788
Tangible assets	15	1,552,287	1,820,215
Investments	16	11,210	11,210
		<u>2,366,277</u>	<u>2,901,213</u>
Current assets			
Stocks	17	2,054	1,499
Debtors	18	7,498,124	7,529,921
Cash at bank and in hand		665,308	642,947
		<u>8,165,486</u>	<u>8,174,367</u>
Creditors: amounts falling due within one year	19	(7,165,062)	(7,525,094)
Net current assets		<u>1,000,424</u>	<u>649,273</u>
Total assets less current liabilities		<u>3,366,701</u>	<u>3,550,486</u>
Creditors: amounts falling due after more than one year	20	(3,166,566)	(3,082,298)
Provisions			
Taxation including deferred tax	22	(3,775)	–
Net assets		<u>196,360</u>	<u>468,188</u>
Capital and reserves			
Called up share capital	26	4,023	3,626
Share premium account	28	265,986	12,741
Shareholder loan	27	3,754,243	3,062,116
Profit and loss account	28	(3,546,577)	(2,465,185)
Equity attributable to the owners of the parent company		<u>477,675</u>	<u>613,298</u>
Minority interests		<u>(281,315)</u>	<u>(145,110)</u>
		<u>196,360</u>	<u>468,188</u>

These financial statements were approved by the board of directors and authorised for issue on 28.9.17, and are signed on behalf of the board by:

J Woodward
Director

Company registration number: 06772474

The notes on pages 14 to 27 form part of these financial statements.

Met Media Limited

Company Statement of Financial Position

30 September 2016

	Note	2016 £	2015 £
Fixed assets			
Investments	16	800,741	800,741
Current assets			
Debtors	18	437,727	962,414
Cash at bank and in hand		150	71
		<u>437,877</u>	<u>962,485</u>
Creditors: amounts falling due within one year	19	<u>(834,969)</u>	<u>(926,167)</u>
Net current (liabilities)/assets		<u>(397,092)</u>	<u>36,318</u>
Total assets less current liabilities		<u>403,649</u>	<u>837,059</u>
Capital and reserves			
Called up share capital	26	4,023	3,626
Share premium account	28	265,986	12,741
Profit and loss account	28	(931,791)	19,951
Shareholder loan capital	27	<u>1,065,431</u>	<u>800,741</u>
Members (deficit)/funds		<u>403,649</u>	<u>837,059</u>

These financial statements were approved by the board of directors and authorised for issue on ~~23-6-2017~~, and are signed on behalf of the board by:

J Woodward
Director

Company registration number: 06772474

The notes on pages 14 to 27 form part of these financial statements.

Met Media Limited
Consolidated Statement of Changes in Equity
Year ended 30 September 2016

	Called up share capital £	Share premium account £	Shareholder loan £	Profit and loss account £	Equity attributable to the owners of the parent company £	Minority interests £	Total £
At 1 October 2014	3,626	12,741	2,672,315	(1,538,184)	1,150,498	(141,436)	1,009,062
Loss for the year	—	—	—	(923,309)	(923,309)	(3,674)	(926,983)
Total comprehensive income for the year	—	—	—	(923,309)	(923,309)	(3,674)	(926,983)
Dividends paid and payable	—	—	—	(3,692)	(3,692)	—	(3,692)
Shareholder loan increase	—	—	389,801	—	389,801	—	389,801
Total investments by and distributions to owners	—	—	389,801	(3,692)	386,109	—	386,109
At 30 September 2015 (as previously reported)	3,626	12,741	3,062,116	(2,465,185)	613,298	(145,110)	468,188
Prior period adjustments	—	—	—	(110,733)	(110,733)	—	(110,733)
At 30 September 2015 (restated)	<u>3,626</u>	<u>12,741</u>	<u>3,062,116</u>	<u>(2,575,918)</u>	<u>502,565</u>	<u>(145,110)</u>	<u>357,455</u>
Loss for the year	—	—	—	(970,659)	(970,659)	(136,205)	(1,106,864)
Total comprehensive income for the year	—	—	—	(970,659)	(970,659)	(136,205)	(1,106,864)

The consolidated statement of changes in equity
continues on the following page.

The notes on pages 14 to 27 form part of these financial statements.

Met Media Limited
Consolidated Statement of Changes in Equity *(continued)*
Year ended 30 September 2016

	Called up share capital £	Share premium account £	Shareholder loan £	Profit and loss account £	Equity attributable to the owners of the parent company £	Minority interests £	Total £
Issue of shares	397	253,245	—	—	253,642	—	253,642
Shareholder loan increase	—	—	692,127	—	692,127	—	692,127
Total investments by and distributions to owners	397	253,245	692,127	—	945,769	—	945,769
At 30 September 2016	4,023	265,986	3,754,243	(3,546,577)	477,675	(281,315)	196,360

The notes on pages 14 to 27 form part of these financial statements.

Met Media Limited

Company Statement of Changes in Equity

Year ended 30 September 2016

	Called up share capital £	Share premium account £	Profit and loss account £	Shareholder loan capital £	Total £
At 1 October 2014	3,626	12,741	99,139	800,741	916,247
Loss for the year	—	—	(79,188)	—	(79,188)
Total comprehensive income for the year	—	—	(79,188)	—	(79,188)
At 30 September 2015	3,626	12,741	19,951	800,741	837,059
Loss for the year	—	—	(951,742)	—	(951,742)
Total comprehensive income for the year	—	—	(951,742)	800,741	(951,742)
Issue of shares	397	253,245	—	—	253,642
Shareholder loan increase	—	—	—	264,690	264,690
Total investments by and distributions to owners	397	253,245	—	264,690	518,332
At 30 September 2016	<u>4,023</u>	<u>265,986</u>	<u>(931,791)</u>	<u>1,065,431</u>	<u>403,649</u>

The notes on pages 14 to 27 form part of these financial statements.

Met Media Limited
Consolidated Statement of Cash Flows
Year ended 30 September 2016

	2016	2015
	£	£
Cash flows from operating activities		
Loss for the financial year	(1,106,864)	(926,983)
<i>Adjustments for:</i>		
Depreciation of tangible assets	526,142	527,650
Amortisation of intangible assets	377,368	352,521
Other interest receivable and similar income	(1,915)	(1,758)
Interest payable and similar charges	596,723	377,987
(Gains)/loss on disposal of tangible assets	(11,348)	216,663
Tax on loss on ordinary activities	(108,490)	(182,667)
Deferred income	(894,742)	(208,807)
Asset impairment	169,345	–
<i>Changes in:</i>		
Stocks	(555)	(461)
Trade and other debtors	31,797	(60,169)
Trade and other creditors	594,708	479,526
Cash generated from operations	172,169	573,502
Interest paid	(258,818)	(178,374)
Interest received	1,915	251,214
Net cash (used in)/from operating activities	<u>(84,734)</u>	<u>646,392</u>
Cash flows from investing activities		
Purchase of tangible assets	(263,262)	(307,301)
Proceeds from sale of tangible assets	16,396	–
Purchase of intangible assets	(110,360)	(181,884)
Net cash used in investing activities	<u>(357,226)</u>	<u>(489,185)</u>
Cash flows from financing activities		
Proceeds from issue of ordinary shares	233,712	–
Payments of finance lease liabilities	(24,270)	(11,366)
Dividends paid	–	(3,692)
Shareholder loan capital received	254,879	–
Net cash from/(used in) financing activities	<u>464,321</u>	<u>(15,058)</u>
Net (decrease)/increase in cash and cash equivalents	22,361	142,149
Cash and cash equivalents at beginning of year	642,947	500,798
Cash and cash equivalents at end of year	<u>665,308</u>	<u>642,947</u>

The notes on pages 14 to 27 form part of these financial statements.

Met Media Limited

Notes to the Financial Statements *(continued)*

Year ended 30 September 2016

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 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 company and the group.

Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1 October 2014. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 32.

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.

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 statement of income and retained earnings after or up to the date that control passes respectively. As a consolidated statement of comprehensive income is published, a separate statement of comprehensive income for the parent company is omitted from the group financial statements by virtue of section 408 of the Companies Act 2006.

Minority interests

Minority interests in the net assets of consolidated subsidiaries are identified separately from the Group's equity. Minority interests consist of the amount of those interests at the date of the original business combination and the minority's share of changes in equity since the date of the combination.

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 Media Limited

Notes to the Financial Statements *(continued)*

Year ended 30 September 2016

3. Accounting policies *(continued)*

Revenue recognition

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 group. 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.

Royalty revenue is recognised on receipt of royalty statements from distributors.

Revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period provided that the outcome can be reliably estimated. When the outcome cannot be reliably estimated, revenue is recognised only to the extent that expenses recognised are recoverable.

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting year. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past years. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the statement of income and retained earnings.

Goodwill

Goodwill arises on business acquisitions and represents the excess of the cost of the acquisition over the group's interest in the net amount of the identifiable assets, liabilities and contingent liabilities of the acquired business.

Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. It is amortised on a straight-line basis over its useful life. The Board have reviewed the useful economic life of goodwill and have concluded that, whilst it is not impaired as at year end, it has a finite life and as such goodwill is being amortised over 5 years.

Intangible assets

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

Met Media Limited

Notes to the Financial Statements *(continued)*

Year ended 30 September 2016

3. Accounting policies *(continued)*

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	-	60 months straight line
Development Costs	-	36 months 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 and 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.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Finance leases and hire purchase contracts

Assets held under finance leases are recognised in the statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset.

Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

Provisions

Provisions are recognised when the company has an obligation at the reporting date as a result of a past event, it is probable that the company will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Met Media Limited

Notes to the Financial Statements *(continued)*

Year ended 30 September 2016

3. Accounting policies *(continued)*

Provisions *(continued)*

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

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 statement of financial position. Finance costs and gains or losses relating to financial liabilities are included in the statement of income and retained earnings. 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.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the year in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

4. Turnover

Turnover arises from:

	2016 £	2015 £
Royalties	5,726	–
Course Fees	8,121,543	9,194,306
	<u>8,127,269</u>	<u>9,194,306</u>

An analysis of turnover by the geographical markets that substantially differ from each other is given below:

	2016 £	2015 £
United Kingdom	7,240,574	8,577,232
Overseas	886,695	617,074
	<u>8,127,269</u>	<u>9,194,306</u>

Met Media Limited

Notes to the Financial Statements *(continued)*

Year ended 30 September 2016

5. Other operating income

	2016	2015
	£	£
Other operating income	<u>5,989</u>	<u>4,713</u>

6. Operating loss

Operating profit or loss is stated after charging:

	2016	2015
	£	£
Amortisation of intangible assets	377,368	352,521
Depreciation of tangible assets	526,142	527,650
(Gains)/loss on disposal of tangible assets	(11,348)	216,663
Impairment of trade debtors	3,345	17,327
Foreign exchange differences	<u>1,711</u>	<u>605</u>

7. Auditor's remuneration

	2016	2015
	£	£
Fees payable for the audit of the financial statements	<u>28,000</u>	<u>27,000</u>

8. Staff costs

The average number of persons employed by the group during the year, including the directors, amounted to:

	2016	2015
	No.	No.
Administrative staff	<u>60</u>	<u>62</u>

The aggregate payroll costs incurred during the year, relating to the above, were:

	2016	2015
	£	£
Wages and salaries	2,332,844	2,425,310
Social security costs	219,532	286,899
Other pension costs	79,404	79,675
	<u>2,631,780</u>	<u>2,791,884</u>

9. Directors' remuneration

The directors' aggregate remuneration in respect of qualifying services was:

	2016	2015
	£	£
Remuneration	<u>87,800</u>	<u>79,800</u>

10. Interest payable and similar charges

	2016	2015
	£	£
Interest on banks loans and overdrafts	459,229	351,357
Interest on obligations under finance leases and hire purchase contracts	43,649	26,630
Other interest payable and similar charges	<u>93,845</u>	<u>-</u>
	<u>596,723</u>	<u>377,987</u>

Met Media Limited

Notes to the Financial Statements *(continued)*

Year ended 30 September 2016

11. Tax on loss on ordinary activities

Major components of tax income

	2016 £	2015 £
Current tax:		
UK current tax income	(66,683)	(169,851)
Adjustments in respect of prior periods	5	—
Total current tax	<u>(66,678)</u>	<u>(169,851)</u>
Deferred tax:		
Origination and reversal of timing differences	(41,812)	(12,816)
Tax on loss on ordinary activities	<u>(108,490)</u>	<u>(182,667)</u>

12. Loss for the year of the parent company

The loss for the financial year of the parent company was £951,742 (2015: £79,188).

13. Dividends

Dividends paid during the year (excluding those for which a liability existed at the end of the prior year):

	2016 £	2015 £
Dividends on equity shares	—	<u>3,692</u>

14. Intangible assets

Group	Goodwill £	Development costs £	Total £
Cost			
At 1 October 2015	1,764,244	491,426	2,255,670
Additions	—	110,360	110,360
At 30 September 2016	<u>1,764,244</u>	<u>601,786</u>	<u>2,366,030</u>
Amortisation			
At 1 October 2015	919,742	266,140	1,185,882
Charge for the year	282,869	94,499	377,368
At 30 September 2016	<u>1,202,611</u>	<u>360,639</u>	<u>1,563,250</u>
Carrying amount			
At 30 September 2016	<u>561,633</u>	<u>241,147</u>	<u>802,780</u>
At 30 September 2015	<u>844,502</u>	<u>225,286</u>	<u>1,069,788</u>

The company has no intangible assets.

Met Media Limited

Notes to the Financial Statements *(continued)*

Year ended 30 September 2016

15. Tangible assets

Group	Film Making Equipment £	Computer Equipment £	Fixtures and fittings £	Office Equipment £	Total £
Cost					
At 1 October 2015	1,403,217	1,554,161	1,583,473	185,467	4,726,318
Additions	75,481	172,946	8,496	6,339	263,262
Disposals	(18,923)	(33,636)	(1,936)	–	(54,495)
At 30 September 2016	<u>1,459,775</u>	<u>1,693,471</u>	<u>1,590,033</u>	<u>191,806</u>	<u>4,935,085</u>
Depreciation					
At 1 October 2015	924,106	1,096,520	782,032	103,445	2,906,103
Charge for the year	97,478	243,972	155,514	29,178	526,142
Disposals	(15,333)	(33,570)	(544)	–	(49,447)
At 30 September 2016	<u>1,006,251</u>	<u>1,306,922</u>	<u>937,002</u>	<u>132,623</u>	<u>3,382,798</u>
Carrying amount					
At 30 September 2016	<u>453,524</u>	<u>386,549</u>	<u>653,031</u>	<u>59,183</u>	<u>1,552,287</u>
At 30 September 2015	<u>479,111</u>	<u>457,641</u>	<u>801,441</u>	<u>82,022</u>	<u>1,820,215</u>

The company has no tangible assets.

16. Investments

Group	Other investments other than loans £
Cost	
At 1 Oct 2015 and 30 Sep 2016	<u>11,210</u>
Impairment	
At 1 Oct 2015 and 30 Sep 2016	<u>–</u>
Carrying amount	
At 1 Oct 2015 and 30 Sep 2016	<u>11,210</u>
Company	
Cost	
At 1 Oct 2015 and 30 Sep 2016	<u>800,741</u>
Impairment	
At 1 Oct 2015 and 30 Sep 2016	<u>–</u>
Carrying amount	
At 1 Oct 2015 and 30 Sep 2016	<u>800,741</u>

Met Media Limited

Notes to the Financial Statements *(continued)*

Year ended 30 September 2016

16. Investments *(continued)*

COMPANY:

	2016 £	2015 £
Met Film Ltd - Loan investment	798,809	798,809
Met Film Ltd - Share capital investment	1,931	1,931
Met Film Operations Ltd - Share capital investment	1	1
	<u>800,741</u>	<u>800,741</u>

	Loans in group undertakings £	Shares in group undertakings £	Total £
Opening and closing balance	<u>798,809</u>	<u>1,932</u>	<u>800,741</u>

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

	2016 £	2015 £
Met Film Production Ltd	1	1
Met Film School Ltd	1	1
	<u>2</u>	<u>2</u>

GROUP:

	Loans in group under- takings £	Shares in group under- takings £	Associate under-takings £	Total £
Opening and closing balance	<u>11,060</u>	<u>100</u>	<u>50</u>	<u>11,210</u>

Subsidiary undertakings

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

	Shareholding %	Total ordinary share capital £
Met Film Limited	95	1,931
Met Film School Limited	100	1
Met Film Operations Limited	100	1
Met Film Post Limited	100	100
Met Film Production Limited	100	1
Met Film Sales Limited	100	100
Met Feature Film Limited	100	1
Donor 150 Limited	100	100
Town of Runners Limited	100	100
Met Go 2 Limited	100	100
Hip Hop Hoax Limited	100	100
After the Revolution Limited (Formerly Met Go Limited)	100	100

Met Media Limited

Notes to the Financial Statements *(continued)*

Year ended 30 September 2016

16. Investments *(continued)*

	Shareholding %	Total ordinary share capital £
Talent Code Limited	50	100
Swimming with Men Limited (Formerly All Good Things The Movie Limited)	100	100
MF Education Ltd	100	-
MF School Ltd	100	-
Met Film Special Projects Limited	100	100
How to Change the World Limited	51	200
Emu Rock Limited	100	100
The Wine Film Limited	100	100

The aggregate of the share capital and reserves as at 30 September 2016 and of the profit or loss for the year ended 30 September 2016 for the subsidiary undertakings were as follows:

	Aggregate of share capital and reserves £	Profit/(loss) £
Met Film Ltd	2,964,881	5,504,348
Met Film School Ltd	5,509,392	3,917,873
Met Film Operations Ltd	(4,715,860)	(1,283,203)
Met Film Post Ltd	1,054,023	(583,755)
Met Film Production Ltd	(429,374)	(88,813)
Met Film Sales Ltd	(170,098)	(166,016)
Met Feature Film Ltd	(1,939,688)	(89,689)
Donor 150 Ltd	(5,728)	(5,571)
Town of Runners Ltd	(2,321)	(92)
Met Go 2 Ltd	115,537	(43,750)
Hip Hop Hoax Ltd	(91)	2
After the Revolution Limited (Formerly Met Go Ltd)	(584)	13
Talent Code Ltd	(9,468)	2,478
Swimming with Men Limited (Formerly All Good Things the Movie Ltd)	125,333	(2,557)
MF Education Ltd	100	-
MF School Ltd	100	-
Met Film Special Projects Ltd	(7,845)	-
How to Change the World Ltd	(9,287)	(9,087)
Emu Rock Ltd	(48,534)	(18,169)
The Wine Film Ltd	19,698	198,598

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 2016 and of the profit or loss for the period ended 30 September 2016 for the associate undertaking was as follows:

	Aggregate of share capital and reserves £	Profit/(loss) £
Men Who Swim Ltd	1,506	267

Met Media Limited

Notes to the Financial Statements *(continued)*

Year ended 30 September 2016

17. Stocks

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Raw materials and consumables	<u>2,054</u>	<u>1,499</u>	<u>–</u>	<u>–</u>

18. Debtors

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Trade debtors	1,195,014	631,186	–	3,060
Amounts owed by group undertakings	–	–	406,580	955,650
Deferred tax asset	952,990	814,948	–	–
Prepayments and accrued income	4,781,394	5,208,567	1,991	–
Corporation tax recoverable	66,750	226,183	–	–
Other debtors	<u>501,976</u>	<u>649,037</u>	<u>29,156</u>	<u>3,704</u>
	<u>7,498,124</u>	<u>7,529,921</u>	<u>437,727</u>	<u>962,414</u>

19. Creditors: amounts falling due within one year

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Trade creditors	941,151	950,108	72,260	89,280
Amounts owed to group undertakings	–	–	762,606	808,064
Accruals and deferred income	5,325,193	6,219,935	–	28,720
Corporation tax	309,250	–	–	–
Social security and other taxes	355,833	100,683	–	–
Obligations under finance leases and hire purchase contracts	119,601	93,844	–	–
Other creditors	<u>114,034</u>	<u>160,524</u>	<u>103</u>	<u>103</u>
	<u>7,165,062</u>	<u>7,525,094</u>	<u>834,969</u>	<u>926,167</u>

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

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Obligations under finance leases and hire purchase contracts	93,104	94,591	–	–
Accruals and deferred income	<u>3,073,462</u>	<u>2,987,707</u>	<u>1,065,431</u>	<u>800,741</u>
	<u>3,166,566</u>	<u>3,082,298</u>	<u>1,065,431</u>	<u>800,741</u>

Met Media Limited

Notes to the Financial Statements *(continued)*

Year ended 30 September 2016

21. Finance leases and hire purchase contracts

The total future minimum lease payments under finance leases and hire purchase contracts are as follows:

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Not later than 1 year	119,601	93,844	–	–
Later than 1 year and not later than 5 years	93,104	94,591	–	–
	<u>212,705</u>	<u>188,435</u>	<u>–</u>	<u>–</u>

22. Provisions

Group	Deferred tax (note 23) £
At 1 October 2015	–
Additions	3,775
At 30 September 2016	<u>3,775</u>

The company does not have any provisions.

23. Deferred tax

The deferred tax included in the statement of financial position is as follows:

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Included in debtors (note 18)	952,990	814,948	–	–
Included in provisions (note 22)	(3,775)	–	–	–
	<u>949,215</u>	<u>814,948</u>	<u>–</u>	<u>–</u>

The deferred tax account consists of the tax effect of timing differences in respect of:

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Accelerated capital allowances	3,775	–	–	–
Unused tax losses	(952,990)	(814,948)	–	–
	<u>(949,215)</u>	<u>(814,948)</u>	<u>–</u>	<u>–</u>

24. Employee benefits

Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £79,404 (2015: £79,675).

Met Media Limited

Notes to the Financial Statements *(continued)*

Year ended 30 September 2016

25. Financial instruments

The carrying amount for each category of financial instrument is as follows:

Financial liabilities measured at amortised cost

	Group	
	2016	2015
	£	£
Financial liabilities measured at amortised cost	<u>3,754,243</u>	<u>3,062,116</u>

26. Called up share capital

Issued, called up and fully paid

	2016		2015	
	No.	£	No.	£
Ordinary shares of £0.01 each	<u>402,333</u>	<u>4,023</u>	<u>362,639</u>	<u>3,626</u>

Share movements

	No.	£
Ordinary		
At 1 October 2015	362,639	3,626
Issue of shares	<u>39,694</u>	<u>396</u>
At 30 September 2016	<u>402,333</u>	<u>4,022</u>

27. Shareholder loan capital

As at 30 September 2016 the company had received net funding by way of secured shareholder loans as follows

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Loans from shareholders			1,065,431	800,741
Loans from parent company	1,065,431	800,742	–	–
Loans from Alliance Leasing Limited	<u>2,688,812</u>	<u>2,261,116</u>	–	–
	<u>3,754,243</u>	<u>3,062,116</u>	<u>1,065,431</u>	<u>800,741</u>

The loan capital is recognised 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 and the group

28. Reserves

Share premium account - This reserve records the amount above the nominal value received for shares sold, less transaction costs.

Profit and loss account - This reserve records retained earnings and accumulated losses.

Met Media Limited

Notes to the Financial Statements *(continued)*

Year ended 30 September 2016

29. Operating leases

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

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Not later than 1 year	415,152	710,025	—	—
Later than 1 year and not later than 5 years	195,022	888,251	—	—
Later than 5 years	217,129	35,300	—	—
	<u>827,303</u>	<u>1,562,976</u>	<u>—</u>	<u>—</u>

30. Events after the end of the reporting period

In December 2016 and subsequent to balance-sheet date Met Media Shareholders introduced Shareholder Loan Capital of £750,000 to strengthen the balance sheet and provide capital for further growth.

31. Related party transactions

Group

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the group. The total compensation paid to key management personnel for services provided to the group was £302,673 (2015: £246,226).

Company

Accrued interest of £1,654,806 (2015: £1,227,367) was due to the shareholders of Met Media Ltd 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 £32,000 (2015: £24,000). The amount outstanding as at year end was £38,400 (2015: £nil).

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 2016	27,787	27,787
30 September 2015	22,308	22,308
Interest paid during the year ended:		
30 September 2016	27,787	27,787
30 September 2015	22,308	22,308

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:

Met Media Limited

Notes to the Financial Statements *(continued)*

Year ended 30 September 2016

31. Related party transactions *(continued)*

	Group £	Company £
30 September 2016	363,190	46,485
30 September 2015	297,622	46,358
Interest paid during the year ended:		
30 September 2016	363,190	46,485
30 September 2015	297,622	46,358

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 (2015: £55,800) was invoiced during the year. A balance of £16,740 (2015: £89,280) remains outstanding at the year end.

32. Controlling party

The ultimate controlling party is considered to be Nationwide Leisure Limited, a company registered in the British Virgin Islands. The ultimate parent company of Nationwide Leisure Limited is Cheetah International Investments Limited, a company registered in the British Virgin Islands.

33. Transition to FRS 102

These are the first financial statements that comply with FRS 102. The group and the company transitioned to FRS 102 on 1 October 2014.

No transitional adjustments were required in equity or profit or loss for the year.