COMPANY REGISTRATION NUMBER 06772474

MET MEDIA LIMITED

FINANCIAL STATEMENTS

30 SEPTEMBER 2013

MET MEDIA LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2013

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MET MEDIA LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

The board of directors	H Rabbatts T C Hoegh J Woodward
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

DIRECTORS' REPORT

YEAR ENDED 30 SEPTEMBER 2013

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

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 (2012: £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 these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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.

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

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

MET MEDIA LIMITED

DIRECTORS' REPORT *(continued)*

YEAR ENDED 30 SEPTEMBER 2013

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

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

Signed on behalf of the directors

J Woodward
Director

Approved by the directors on 19-6-14

MET MEDIA LIMITED

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

YEAR ENDED 30 SEPTEMBER 2013

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

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

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

As explained more fully in the Directors' Responsibilities Statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the 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 annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

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

MET MEDIA LIMITED

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

YEAR ENDED 30 SEPTEMBER 2013

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006
In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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.

Shipleys LLP

STEWART JELL (Senior Statutory Auditor)
For and on behalf of
SHIPLEYS LLP
Chartered Accountants
& Statutory Auditor

10 Orange Street
Haymarket
London
WC2H 7DQ

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MET MEDIA LIMITED

GROUP PROFIT AND LOSS ACCOUNT

YEAR ENDED 30 SEPTEMBER 2013

	Note	2013 £	2012 £
GROUP TURNOVER		6,063,330	5,561,305
Cost of sales		(2,302,047)	(2,296,850)
GROSS PROFIT		3,761,283	3,264,455
Administrative expenses		(4,182,987)	(3,009,359)
Other operating income	2	82,046	83,500
OPERATING (LOSS)/PROFIT	3	(339,658)	338,596
Interest receivable		1,315	989
Interest payable and similar charges		(396,422)	(299,944)
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(734,765)	39,641
Tax on (loss)/profit on ordinary activities		65,663	90,972
(LOSS)/PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		(669,102)	130,613
Minority interests		(35,231)	57,166
(LOSS)/PROFIT ATTRIBUTABLE TO MEMBERS OF THE PARENT COMPANY	5	(704,333)	187,779
(LOSS)/PROFIT FOR THE FINANCIAL YEAR		(704,333)	187,779

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

The notes on pages 9 to 20 form part of these financial statements.

MET MEDIA LIMITED

GROUP BALANCE SHEET

30 SEPTEMBER 2013

	Note	2013 £	2013 £	2012 £
FIXED ASSETS				
Intangible assets	7		1,568,247	1,529,780
Tangible assets	8		2,342,611	2,251,815
Investments	9		11,210	3,232
			3,922,068	3,784,827
CURRENT ASSETS				
Stocks		860		–
Debtors	10	5,967,290		5,368,000
Cash at bank		401,938		298,421
		6,370,088		5,666,421
CREDITORS: Amounts falling due within one year	11	(7,257,516)		(5,986,150)
NET CURRENT LIABILITIES			(887,428)	(319,729)
TOTAL ASSETS LESS CURRENT LIABILITIES			3,034,640	3,465,098
CREDITORS: Amounts falling due after more than one year	12		(2,096,090)	(2,034,739)
			938,550	1,430,359
CAPITAL AND RESERVES				
Called-up equity share capital	15		3,576	3,576
Shareholder loan capital	16		2,504,339	2,305,211
Profit and loss account	17		(1,375,362)	(649,194)
TOTAL EQUITY			1,132,553	1,659,593
MINORITY INTERESTS	18		(194,003)	(229,234)
SHAREHOLDERS' FUNDS			938,550	1,430,359

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

These accounts were approved by the directors and authorised for issue on 19-6-14, and are signed on their behalf by:

J WOODWARD

The notes on pages 9 to 20 form part of these financial statements.

MET MEDIA LIMITED

BALANCE SHEET

30 SEPTEMBER 2013

	Note	2013 £	£	2012 £
FIXED ASSETS				
Investments	9		800,741	800,741
CURRENT ASSETS				
Debtors	10	887,743		144,579
Cash at bank		915		95
		888,658		144,674
CREDITORS: Amounts falling due within one year	11	(736,826)		(139,849)
NET CURRENT ASSETS			151,832	4,825
TOTAL ASSETS LESS CURRENT LIABILITIES			952,573	805,566
CREDITORS: Amounts falling due after more than one year	12		(800,741)	(800,741)
			151,832	4,825
CAPITAL AND RESERVES				
Called-up equity share capital	15		3,576	3,576
Profit and loss account	17		148,256	1,249
SHAREHOLDERS' FUNDS			151,832	4,825

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

These accounts were approved by the directors and authorised for issue on 17-6-14, and are signed on their behalf by:

J WOODWARD

Company Registration Number: 06772474

The notes on pages 9 to 20 form part of these financial statements.

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 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.

Goodwill

Where the board believes that there has been no impairment in the value of goodwill the carrying value is not amortised.

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:

Other Intangibles - 36 months straight line

Fixed assets

All fixed assets are initially recorded at cost.

1. ACCOUNTING POLICIES *(continued)*

Depreciation

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

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

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

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

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.

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

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

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

Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

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

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

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

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

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.

2. OTHER OPERATING INCOME

	2013	2012
	£	£
Other operating income	82,046	83,500

3. OPERATING (LOSS)/PROFIT

Operating (loss)/profit is stated after charging:

	2013	2012
	£	£
Amortisation of intangible assets	25,207	13,029
Depreciation of owned fixed assets	373,099	327,905
Depreciation of assets held under finance lease agreements	85,482	9,385
Auditor's fees	24,000	29,000

4. DIRECTORS' REMUNERATION

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

	2013	2012
	£	£
Aggregate remuneration	208,467	235,000

5. PROFIT ATTRIBUTABLE TO MEMBERS OF THE PARENT COMPANY

The profit dealt with in the financial statements of the parent company was £147,007 (2012 - £124,553).

6. DIVIDENDS

Equity dividends

	2013	2012
	£	£
Paid during the year:		
Dividends on equity shares type 1 (code 4075)	21,835	–

7. INTANGIBLE FIXED ASSETS

Group

	Goodwill	Other Intangibles	Total
	£	£	£
COST			
At 1 October 2012	1,764,244	240,668	2,004,912
Additions	–	63,674	63,674
At 30 September 2013	1,764,244	304,342	2,068,586
AMORTISATION			
At 1 October 2012	349,900	125,232	475,132
Charge for the year	–	25,207	25,207
At 30 September 2013	349,900	150,439	500,339
NET BOOK VALUE			
At 30 September 2013	1,414,344	153,903	1,568,247
At 30 September 2012	1,414,344	115,436	1,529,780

Included within Other Intangibles is Course Programme expenditure with a NBV of £133,365 (2012: £89,940). This represents expenditure incurred in developing the intellectual property to deliver education programmes which are expected to bring future benefits to the company.

8. TANGIBLE FIXED ASSETS

Group

	Computers	Fixtures & Fittings	Office Equipment	Film Making Equipment	Total
	£	£	£	£	£
COST					
At 1 October 2012	1,326,495	1,312,423	107,046	1,090,844	3,836,808
Additions	278,965	85,496	17,414	170,428	552,303
Disposals	–	(1,877)	–	(82,518)	(84,395)
At 30 September 2013	1,605,460	1,396,042	124,460	1,178,754	4,304,716
DEPRECIATION					
At 1 October 2012	531,994	386,446	47,045	619,513	1,584,998
Charge for the year	187,239	118,167	12,890	140,285	458,581
On disposals	–	–	–	(81,474)	(81,474)
At 30 September 2013	719,233	504,613	59,935	678,324	1,962,105
NET BOOK VALUE					
At 30 September 2013	886,227	891,429	64,525	500,430	2,342,611
At 30 September 2012	794,501	925,977	60,001	471,331	2,251,810

9. INVESTMENTS *(continued)*

Finance lease agreements

Included within the net book value of £2,342,611 is £440,652 (2012 - £307,392) 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 £85,482 (2012 - £9,385).

9. INVESTMENTS

COMPANY:

	2013	2012
	£	£
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
	800,741	800,741

	Loans in group under-takings	Shares in group under-takings	Total
	£	£	£
Opening and closing balance	798,809	1,932	800,741

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

	2013	2012
	£	£
Met Film Production Ltd	1	1
Met Film School Ltd	1	1
	2	2

GROUP:

	Loans in group under-takings	Shares in group under-takings	Associate under-takings	Total
	£	£	£	£
Opening balance	3,082	100	50	3,232
Additions	7,978			7,978
Closing balance	11,060	100	50	11,210

Subsidiary undertakings

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

9. INVESTMENTS *(continued)*

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
Maverbricks Film 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	50% of £100 Ordinary shares (control of the Board)
All Good Things the Movie Ltd	100% of £100 Ordinary shares
MF Education Ltd	100% of £100 Ordinary shares
MF School Ltd	100% of £100 Ordinary shares
Met Film Special Projects 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 2013 and of the profit or loss for the period ended 30 September 2013 for the subsidiary undertakings were as follows:

	Aggregate of share capital and reserves	Profit/(loss)
	£	£
Met Film Ltd	(1,227,801)	(703,475)
Met Film School Ltd	2,321,289	674,982
Met Film Operations Ltd	(247,835)	(368,830)
Met Film Post Ltd *	(330,418)	(168,928)
Met Film Production Ltd	(135,324)	(71,202)
Met Film Sales Ltd *	(4,051)	(4,052)
Maverbricks Film Ltd *	(828,728)	(169,483)
Donor 150 Ltd *	100	72
Town of Runners Ltd *	(277)	(377)
Met Go 2 Ltd *	23,586	21,122
Hip Hop Hoax Ltd *	100	–
Met Go Ltd *	597	497
Talent Code Ltd	100	21,835
All Good Things the Movie Ltd	(124,016)	(124,116)
MF Education Ltd	100	–
MF School Ltd	100	–
Met Film Special Projects Ltd	100	–
How to Change the World Ltd	100	–

* Denotes direct ownership

9. INVESTMENTS *(continued)*

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 2013 and of the profit or loss for the period ended 30 September 2013 for the associate undertaking was as follows:

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

10. DEBTORS

	Group 2013	Group 2012	Company 2013	Company 2012
	£	£	£	£
Trade debtors	715,409	453,598	735	735
Amounts owed by group undertakings	–	–	856,182	136,553
VAT recoverable	–	13,404	25,481	1,947
Other debtors	1,775,450	1,970,907	5,345	5,344
Prepayments and accrued income	3,476,431	2,930,091	–	–
	5,967,290	5,368,000	887,743	144,579

11. CREDITORS: Amounts falling due within one year

	Group 2013	Group 2012	Company 2013	Company 2012
	£	£	£	£
Trade creditors	636,510	461,831	45,738	16,740
Amounts owed to group undertakings	–	–	686,438	123,109
Finance lease agreements	232,270	99,042	–	–
Corporation tax	5,459	–	–	–
PAYE and social security	57,151	61,429	–	–
VAT	285,236	–	–	–
Other creditors	44,284	125,068	–	–
Accruals and deferred income	5,996,606	5,238,780	4,650	–
	7,257,516	5,986,150	736,826	139,849

12. CREDITORS: Amounts falling due after more than one year

	Group		Company	
	2013	2012	**2013**	2012
	£	£	**£**	£
Finance lease agreements	30,165	101,703	–	–
Student Advance Payments	2,053,855	1,933,036	–	–
Other creditors	12,070	–	–	–
	2,096,090	2,034,739	800,741	800,741

13. COMMITMENTS UNDER OPERATING LEASES

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

	2013	2012
	£	£
Operating leases which expire:		
Within 2 to 5 years	89,678	49,124
After more than 5 years	401,652	401,652
	491,330	450,776

14. RELATED PARTY TRANSACTIONS

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

Accrued interest of £826,199 (2012: £610,795) 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 £16,000 (2012: £12,000).

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 2013	**22,308**	22,308
30 September 2012	**22,370**	22,370
Interest paid during the year ended:		
30 September 2013	**22,308**	22,308
30 September 2012	**22,370**	22,370

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 2013	**261,762**	46,358
30 September 2012	**237,343**	46,640
Interest paid during the year ended:		
30 September 2013	**46,358**	46,358
30 September 2012	**48,408**	48,408

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.

14. RELATED PARTY TRANSACTIONS *(continued)*

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 2013	**4,733**	–
30 September 2012	**22,650**	–
Post Production Services:		
30 September 2012	**5,646**	–

15. SHARE CAPITAL

Allotted, called up and fully paid:

	2013 No	**£**	2012 No	£
Ordinary shares of £0.01 each	357,600	3,576	357,600	3,576

16. SHAREHOLDER LOAN CAPITAL

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

	Group £	Group £	Company £	Company £
Loans from shareholders	–	–	800,741	800,741
Loans from parent company	662,204	678,481	–	–
Loan from Alliance Leasing Limited	1,842,135	1,626,730	–	–
	2,504,339	2,305,211	800,741	800,741

The group incurred net costs of £nil (2012: £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.

17. RESERVES

Group

	Profit and loss account £
Balance brought forward	(649,194)
Loss for the year	(704,333)
Equity dividends	(21,835)
Balance carried forward	(1,375,362)

Company

	Profit and loss account £
Balance brought forward	1,249
Profit for the year	147,007
Balance carried forward	148,256

18. MINORITY INTEREST

	2013 £	2012 £
Balance brought forward	229,234	172,068
Profit for the year	(35,231)	57,166
Balance carried forward	194,003	229,234