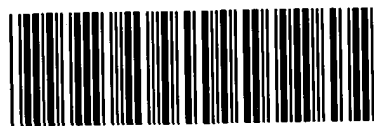


Company Number: 08323649

**ARTS ALLIANCE MEDIA (DIGITAL) LIMITED
DIRECTORS' REPORT
AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

SATURDAY



ACFLVØXK

A08

04/11/2023

#128

COMPANIES HOUSE

ARTS ALLIANCE MEDIA (DIGITAL) LIMITED
CONTENTS

	Page
Company information	1
Directors' report	2
Auditors' report	3 - 5
Statement of comprehensive income	6
Statement of financial position	7
Notes to the financial statements	8 - 10

ARTS ALLIANCE MEDIA (DIGITAL) LIMITED
COMPANY INFORMATION

CHAIRMAN

Pan Zhou

REGISTERED NUMBER

08323649

DIRECTORS

Rui Ning
Zhou Pan
Howard Gilbert Kiedaisch

COMPANY SECRETARY

Alan Henry Bowen

REGISTERED OFFICE

The WestWorks, White City Place
195 Wood Lane
London
W12 7FQ

AUDITORS

Crowe U.K. LLP
55 Ludgate Hill
London
EC4M 7JW

ARTS ALLIANCE MEDIA (DIGITAL) LIMITED
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2022

The directors present their report together with the audited financial statements for the year ended 31 December 2022.

PRINCIPAL ACTIVITIES

The principal activity of the company is to act as agent in respect of financing the digital projection equipment used by exhibitors in Africa through its VPF agreements held with distributors.

DIRECTORS

The directors who served during the period were:

Rui Ning
Zhou Pan
Howard Gilbert Kiedaisch

No director had any interest in the ordinary or preference share capital of the company.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the company at the end of the period and of its profit or loss for the period. In preparing these financial statements the directors are required to:

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

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to 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 or other irregularities.

DISCLOSURE OF INFORMATION TO THE AUDITORS

The directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

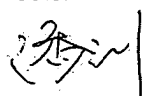
AUDITORS

Crowe U.K. LLP, who were appointed as first auditors of the company by the directors, have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

The report of the directors has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The report was approved by the Board on 25th September 2023 and signed on its behalf.

Director



ZHOU PAN

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
ARTS ALLIANCE MEDIA (DIGITAL) LIMITED
FOR THE YEAR ENDED 31 DECEMBER 2022**

Opinion

We have audited the financial statements of Arts Alliance Media (Digital) Limited for the year ended 31 December 2022 which comprise the statement of comprehensive income and the statement of financial position and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter – non-going concern basis of preparation

We draw attention to note 2.2 in the financial statements, which explains that the financial statements have not been prepared on the going concern basis for the reason set out in that note. Our opinion is not modified in respect of this matter.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. Aside from the impact of the matters disclosed in the emphasis of matter paragraph, we have nothing to report in this regard.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion based on the work undertaken in the course of our audit

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
ARTS ALLIANCE MEDIA (DIGITAL) LIMITED
FOR THE YEAR ENDED 31 DECEMBER 2022**

- the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in directors' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the directors report and from the requirement to prepare a strategic report.

Responsibilities of directors

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, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit is capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We design our procedures so as to obtain sufficient appropriate audit evidence that the financial statements are not materially misstated due to non-compliance with laws and regulations or due to fraud or error.

We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations – this responsibility lies with management with the oversight of the Directors.

Based on our understanding of the Company and industry, discussions with management and directors we identified financial reporting standards and Companies Act 2006 as having a direct effect on the amounts and disclosures in the financial statements.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
ARTS ALLIANCE MEDIA (DIGITAL) LIMITED
FOR THE YEAR ENDED 31 DECEMBER 2022**

As part of the engagement team discussion about how and where the Company's financial statements may be materially misstated due to fraud, we did not identify any areas with an increased risk of fraud.

Our audit procedures included:

- completing a risk-assessment process during our planning for this audit that specifically considered the risk of fraud;
- enquiry of management about the Company's policies, procedures and related controls regarding compliance with laws and regulations and if there are any known instances of non-compliance;
- examining supporting documents for all material balances, transactions and disclosures;
- review, where applicable, of the Board of Directors' minutes;
- enquiry of management, about litigations and claims and inspection of relevant correspondence;
- analytical procedures to identify any unusual or unexpected relationships;
- specific audit testing on and review of areas that could be subject to management override of controls and potential bias, most notably around the key judgments and estimates, including the carrying value of accruals, recoverability of trade debtors and revenue recognition;
- considering management override of controls outside of the normal operating cycles including testing the appropriateness of journal entries recorded in the general ledger and other adjustments made in the preparation of the financial statements including evaluating the business rationale of significant transactions, outside the normal course of business.

Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements of the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

The potential effects of inherent limitations are particularly significant in the case of misstatement resulting from fraud because fraud may involve sophisticated and carefully organized schemes designed to conceal it, including deliberate failure to record transactions, collusion or intentional misrepresentations being made to us.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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



John Charlton
Senior Statutory Auditor

For and on behalf of
Crowe U.K. LLP
Statutory Auditor
55 Ludgate Hill
London
EC4M 7JW

25 September 2023

ARTS ALLIANCE MEDIA (DIGITAL) LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	Year ended 31 Dec 2022 \$	Year ended 31 Dec 2021 \$
TURNOVER			-
Cost of sales			(63)
GROSS PROFIT			(63)
Administrative expenses		329,072	13,053
OPERATING PROFIT/ (LOSS)	3	329,072	12,990
Interest payable and similar charges		-	-
Interest receivable		6,660	14,213
PROFIT/ (LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		335,731	27,203
Taxation on profit on ordinary activities		-	-
PROFIT/ (LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION		335,731	27,203

The profit and loss account contains all the gains and losses recognised in the period.

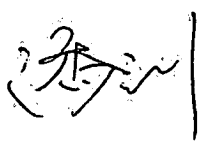
ARTS ALLIANCE MEDIA (DIGITAL) LIMITED
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	As at 31 December 2022 \$	As at 31 December 2022 \$	As at 31 December 2021 \$	As at 31 December 2021 \$
CURRENT ASSETS					
Debtors	5	1,096,301		906,763	
Cash at bank and in hand		<u>676,069</u>		<u>670,413</u>	
		1,772,370		1,577,176	
CREDITORS: amounts falling due within one year	6	<u>(1,740,587)</u>		<u>(1,881,124)</u>	
NET ASSETS/ (LIABILITIES)			31,783		(303,948)
CAPITAL AND RESERVES					
Share capital			-		-
Profit and loss account			<u>31,783</u>		<u>(303,948)</u>
SHAREHOLDERS' DEFICIT			<u>31,783</u>		<u>(303,948)</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A – small entities.

The financial statements were approved and authorised for issue by the Board on 25th September 2023 and were signed on its behalf.

Director



ZHOU PAN

ARTS ALLIANCE MEDIA (DIGITAL) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

1. GENERAL INFORMATION

The company is a private company, limited by shares, incorporated in England and Wales with registration number 08323649. The address of the registered office is The WestWorks, White City Place, 195 Wood Lane, London W12 7FQ.

2. ACCOUNTING POLICIES

2.1 Basis of preparation of financial statements

The company has ceased trading since the balance sheet date. The directors have prepared the financial statements on the basis that the company is no longer a going concern.

Non-current liabilities have been reclassified to current liabilities. No material adjustments arose as a result of ceasing to apply the going concern basis. Assets and liabilities are expected to be settled at their carrying value following the termination of the business.

2.2 Going concern

As the purpose and reason for which the entity was created has come to its conclusion, and Arts Alliance Media (Digital) Limited has not generated any revenue in 2022, the company will cease trading and be legally dissolved in 2022. All debts and liabilities will be satisfied in the course of the dissolution.

2.3 Cash flow

The financial statements do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under FRS 102 Section 1A – small entities.

2.4 Turnover

Turnover is recognised at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts and sales taxes. All turnover arose within the rest of the world.

Turnover is generated through Virtual Print Fees which are due from customers for the facilitation of regional cinema digitisation and triggered following the screening of a film using digital projection equipment deployed by the Company. Additionally turnover arises from usage fees due from customers based on the availability of equipment provided by the Company, and from administration fees collected for the management of the Virtual Print Fee scheme.

Usage fees are deferred over the contracted period to which the equipment is to be made available to the customer. Deferred revenue is matched to the principal attributable costs of the equipment and are spread over the life of the contracts.

2.5 Foreign currency translation

The financial statements are presented in US Dollars, which is the functional and presentation currency of Arts Alliance Media (Digital) Limited.

Monetary assets and liabilities denominated in foreign currencies are translated into US Dollars at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the profit and loss account.

ARTS ALLIANCE MEDIA (DIGITAL) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

3. OPERATING PROFIT

The operating profit is stated after charging:

	Year ended 31 Dec 2022 \$	Year ended 31 Dec 2021 \$
Foreign currency loss / (gain)	75,234	(1,970)
Depreciation of tangible fixed assets	-	-
Loss / (Profit) on disposal of fixed assets	-	-
Auditors' remuneration	7,939	5,758

4. DIRECTORS' REMUNERATION

During the period Director's remuneration was \$Nil (2021: \$Nil).

5. DEBTORS

	As at 31 December 2022 \$	As at 31 December 2021 \$
Amounts falling due within one year		
Trade debtors	-	380,233
Accrued income and prepayments	-	644
Amounts owed by related parties	1,096,301	525,886
Other taxes and social security costs	-	-
	<u>1,096,301</u>	<u>906,763</u>

The balance owed by related parties consists of a loan to Arts Alliance Media Limited.

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	As at 31 December 2022 \$	As at 31 December 2021 \$
Amounts falling due within one year		
Trade creditors	1,720,226	1,867,749
Accruals and deferred income	<u>20,361</u>	<u>13,375</u>
	<u>1,740,587</u>	<u>1,881,124</u>

7. AVERAGE NUMBER OF EMPLOYEES

The average number of employees during the period reported was nil.

ARTS ALLIANCE MEDIA (DIGITAL) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

8. CONTROLLING PARTY

The immediate parent company is Arts Alliance Media Investments Limited, a company incorporated in the British Virgin Islands and domiciled in BVI. The ultimate controlling party is Shandong Luxin-Rio Visual Technology Co., Ltd. ("Luxin-Rio").