

Company Registration No. 08812265 (England and Wales)

TEN 87 STUDIOS LTD
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2019

PAGES FOR FILING WITH REGISTRAR

Approved for filing on behalf of the company

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TEN 87 STUDIOS LTD

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TEN 87 STUDIOS LTD

COMPANY INFORMATION

Directors	Mr R. Burn
	Mr R. Burn
	Mrs P. Burn
Company number	08812265
Registered office	39a Markfield Road London N15 4QA
Accountants	TC Group Abbey House Hickleys Court South Street Farnham Surrey GU9 7QQ

TEN 87 STUDIOS LTD

BALANCE SHEET

AS AT 31 DECEMBER 2019

		2019	2018
	Notes	£	£
Fixed assets			
Tangible assets	3	405,756	423,194
Current assets			
Debtors	4	107,374	107,828
Cash at bank and in hand		81,848	38,987
		<u>189,222</u>	<u>146,815</u>
Creditors: amounts falling due within one year	5	<u>(252,112)</u>	<u>(343,953)</u>
Net current liabilities		<u>(62,890)</u>	<u>(197,138)</u>
Total assets less current liabilities		<u>342,866</u>	<u>226,056</u>
Creditors: amounts falling due after more than one year	6	<u>(97,473)</u>	<u>(71,269)</u>
Provisions for liabilities	7	<u>(33,065)</u>	<u>(32,227)</u>
Net assets		<u>212,328</u>	<u>122,560</u>
Capital and reserves			
Called up share capital	9	42,700	42,700
Profit and loss reserves		169,628	79,860
Total equity		<u>212,328</u>	<u>122,560</u>

TEN 87 STUDIOS LTD

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2019

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 December 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 1 October 2020 and are signed on its behalf by:

Mr R. Burn
Director

Company Registration No. 08812265

The notes on pages 4 to 10 form part of these financial statements

TEN 87 STUDIOS LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

Company information

Ten 87 Studios Ltd (08812265) is a private company limited by shares incorporated in England and Wales. The registered office is 39a Markfield Road, London, N15 4QA.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the balance sheet date the company's current liabilities exceeded its assets by £62,890 (2018 - £197,138). The day to day operations of the business are dependent on support from the company's directors and lenders, on the basis this support will continue, the directors consider it appropriate to prepare the accounts on a going concern basis. The directors have assessed the impact of the Covid-19 pandemic and believe that they have taken sufficient steps and have adequate resources in place to continue trading for at least twelve months from the date that these financial statements are signed.

1.3 Turnover

Turnover is recognised in respect of studio rent and studio equipment hire net of VAT.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold premises	Over the term of the lease / 25% reducing balance
Fixtures, fittings and equipment	25% reducing balance
Studio equipment	15% on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

(Continued)

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Cash and cash equivalents

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

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 company after deducting all of its liabilities.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors, and bank loans that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

1.8 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.9 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

TEN 87 STUDIOS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies (Continued)

1.11 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 3 (2018 - 3).

3 Tangible fixed assets

	Leasehold premises	Fixtures, fittings and equipment	Studio equipment	Total
	£	£	£	£
Cost				
At 1 January 2019	485,725	6,685	29,969	522,379
Additions	3,493	11,012	15,557	30,062
	<u>489,218</u>	<u>17,697</u>	<u>45,526</u>	<u>552,441</u>
At 31 December 2019	489,218	17,697	45,526	552,441
Depreciation and impairment				
At 1 January 2019	82,140	2,073	14,972	99,185
Depreciation charged in the year	41,978	2,611	2,911	47,500
	<u>124,118</u>	<u>4,684</u>	<u>17,883</u>	<u>146,685</u>
At 31 December 2019	124,118	4,684	17,883	146,685
Carrying amount				
At 31 December 2019	365,100	13,013	27,643	405,756
	<u>403,585</u>	<u>4,612</u>	<u>14,997</u>	<u>423,194</u>
At 31 December 2018	403,585	4,612	14,997	423,194

TEN 87 STUDIOS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

4 Debtors

	2019	2018
	£	£
Amounts falling due within one year:		
Trade debtors	37,144	13,567
Other debtors	64,153	72,572
Prepayments and accrued income	6,077	21,689
	<u>107,374</u>	<u>107,828</u>
	<u><u>107,374</u></u>	<u><u>107,828</u></u>

Included within Other debtors is an amount of £60,153 (2018 - £61,773) recoverable in more than one year.

5 Creditors: amounts falling due within one year

	2019	2018
	£	£
Bank and other loans	44,634	152,090
Hire purchase agreements	9,965	5,333
Trade creditors	10,687	16,898
Corporation tax	36,137	6,903
Other taxation and social security	24,250	27,273
Other creditors	113,639	134,556
Accruals and deferred income	12,800	900
	<u>252,112</u>	<u>343,953</u>
	<u><u>252,112</u></u>	<u><u>343,953</u></u>

6 Creditors: amounts falling due after more than one year

	2019	2018
	£	£
Bank and other loans	80,487	-
Hire purchase agreements	1,215	-
Other creditors	15,771	15,771
	<u>97,473</u>	<u>15,771</u>
	<u><u>97,473</u></u>	<u><u>15,771</u></u>

The directors have provided personal guarantees over the loans totalling £25,000.

TEN 87 STUDIOS LTD**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2019****7 Deferred taxation**

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Liabilities 2019 £	Liabilities 2018 £
Balances:		
Accelerated capital allowances	33,065	32,227
	<u> </u>	<u> </u>
		2019
Movements in the year:		£
Liability at 1 January 2019		32,227
Charge to profit or loss		838
		<u> </u>
Liability at 31 December 2019		33,065
		<u> </u>

8 Related party transactions

During the current and previous year the company was under the control of the directors.

The directors maintain a loan account with the company. At the start of the year one of the directors owed the company £4,638, net advances were made to the director of £300, and repayments were made of £5,000. At the balance sheet date the company owed the director £62.

At the balance sheet date the company owed the other directors £23,576 (2018 - £55,512).

9 Called up share capital

	2019 £	2018 £
Ordinary share capital		
Issued and fully paid		
38,700 Ordinary shares of £1 each	38,700	38,700
4,000 Ordinary A shares of £1 each	4,000	4,000
	<u> </u>	<u> </u>
	42,700	42,700
	<u> </u>	<u> </u>

TEN 87 STUDIOS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

10 Operating lease commitments

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2019 £	2018 £
Within one year	144,153	144,153
Between two and five years	584,702	596,628
In over five years	470,000	602,769
	<hr/>	<hr/>
Total commitments	1,198,855	1,343,550
	<hr/>	<hr/>

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.