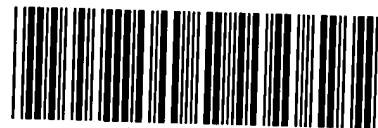


**ACE ENTERTAINMENT FILMS UK LIMITED**  
**DIRECTORS' REPORT AND UNAUDITED FINANCIAL**  
**STATEMENTS**  
**PAGES FOR FILING WITH REGISTRAR**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**  
**Company Registration No. 08821734 (England and Wales)**

THURSDAY



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20/09/2018  
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# ACE ENTERTAINMENT FILMS UK LIMITED

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# ACE ENTERTAINMENT FILMS UK LIMITED

REGISTERED NUMBER:08821734

## BALANCE SHEET AS AT 31 DECEMBER 2017

	Note	2017 £	2016 £
<b>Fixed assets</b>			
Intangible assets		1,659,126	1,031,574
Tangible assets		5,074	7,207
		<u>1,664,499</u>	<u>1,038,781</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	6	755,651	176,596
Cash at bank and in hand	7	120,178	106,804
		<u>875,829</u>	<u>283,400</u>
Creditors: amounts falling due within one year	8	(2,792,067)	(1,473,093)
<b>Net current liabilities</b>		<u>(1,916,238)</u>	<u>(1,189,693)</u>
<b>Net liabilities</b>		<u>(251,739)</u>	<u>(150,912)</u>
<b>Capital and reserves</b>			
Called up share capital	9	200	200
Profit and loss account		(251,939)	(151,112)
<b>Total shareholders' funds/(deficit)</b>		<u>(251,739)</u>	<u>(150,912)</u>

The directors consider that the company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

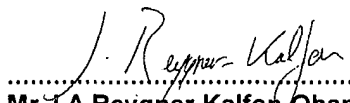
The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The 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 have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

  
 .....  
**Mr J A Reygnier-Kalfon-Ohanessian**  
 Director  
 Date: September 14th 2018

The notes on pages 2 to 8 form part of these financial statements.

# **ACE ENTERTAINMENT FILMS UK LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017**

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### **1. General information**

Ace Entertainment Films UK Limited is a private company limited by shares and is incorporated and domiciled in England and Wales. The company's registered number is 08821734, the company's registered office is 1st Floor 7-10 Chandos Street, London, W1G 9DQ and the company's principal place of business is 70 Redcliffe Gardens, London, SW10 9HE.

### **2. Accounting policies**

#### **2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

#### **2.2 Going concern**

As at 31 December 2017 the company had net liabilities of £251,739. The financial statements have been prepared on a going concern basis as the company has the support of its parent company and the directors are therefore satisfied that this is correct.

#### **2.3 Foreign currency translation**

##### **Functional and presentation currency**

The company's functional and presentational currency is GBP.

##### **Transactions and balances**

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Income and Retained Earnings except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Income and Retained Earnings within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of Income and Retained Earnings within 'other operating income'.

# ACE ENTERTAINMENT FILMS UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

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### 2. Accounting policies (continued)

#### 2.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

##### Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the company has transferred the significant risks and rewards of ownership to the buyer;
- the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

##### Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

#### 2.5 Interest income

Interest income is recognised in the Statement of Income and Retained Earnings using the effective interest method.

#### 2.6 Finance costs

Finance costs are charged to the Statement of Income and Retained Earnings over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

# ACE ENTERTAINMENT FILMS UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

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### 2. Accounting policies (continued)

#### 2.7 Pensions

##### Defined contribution pension plan

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Income and Retained Earnings when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the company in independently administered funds.

#### 2.8 Taxation

Tax is recognised in the Statement of Income and Retained Earnings, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company operates and generates income.

#### 2.9 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

#### 2.10 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Fixtures and fittings	-	25% straight line
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The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Income and Retained Earnings.

# ACE ENTERTAINMENT FILMS UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

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### 2. Accounting policies (continued)

#### 2.11 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

#### 2.12 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

#### 2.13 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

#### 2.14 Financial instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Income and Retained Earnings.

### 3. Employees

The average monthly number of employees, including directors, during the year was 2 (2016 - 2).

# ACE ENTERTAINMENT FILMS UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

### 4. Intangible assets

	Licences £
<b>Cost</b>	
At 1 January 2017	1,130,460
Additions	777,177
At 31 December 2017	<u>1,907,637</u>
<b>Amortisation</b>	
At 1 January 2017	98,886
Charge for the year	149,326
At 31 December 2017	<u>248,212</u>
<b>Net book value</b>	
At 31 December 2017	<u>1,659,425</u>
At 31 December 2016	<u>1,031,574</u>

### 5. Tangible fixed assets

	Fixtures and fittings £
<b>Cost or valuation</b>	
At 1 January 2017	8,533
At 31 December 2017	<u>8,533</u>
<b>Depreciation</b>	
At 1 January 2017	1,326
Charge for the year on owned assets	2,133
At 31 December 2017	<u>3,459</u>
<b>Net book value</b>	
At 31 December 2017	<u>5,074</u>
At 31 December 2016	<u>7,207</u>



# ACE ENTERTAINMENT FILMS UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

### 6. Debtors

	2017 £	2016 £
Trade debtors	-	160,406
Amounts owed by group undertakings	40,102	10,160
Amounts owed by joint ventures and associated undertakings	500	-
Other debtors	6,168	-
Prepayments and accrued income	708,881	6,030
	<u>755,651</u>	<u>176,596</u>

### 7. Cash and cash equivalents

	2017 £	2016 £
Cash at bank and in hand	120,178	106,804
Less: bank overdrafts	(4)	-
	<u>120,174</u>	<u>106,804</u>

Cash at bank and in hand is measured at fair value, which is calculated as amounts held on deposit at banks employed by the company less any impairments. No impairments to cash balances have been made in these accounts as all cash deposits are held at credible financial institutions.

### 8. Creditors: Amounts falling due within one year

	2017 £	2016 £
Bank overdrafts	4	-
Other loans	81,693	-
Trade creditors	3,202	164,787
Amounts owed to group undertakings	-	345,378
Corporation tax	-	11
Other taxation and social security	5,753	30,033
Other creditors	6,429	9,910
Accruals and deferred income	2,694,986	922,974
	<u>2,792,067</u>	<u>1,473,093</u>

# ACE ENTERTAINMENT FILMS UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

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### 9. Share capital

	2017 £	2016 £
<b>Allotted, called up and fully paid</b>		
200 Ordinary shares of £1 each	200	200

### 10. Pension commitments

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to (2017 - £261). Contributions totalling £261 were payable to the fund at the balance sheet date and are included in creditors.

### 11. Related party transactions

During the year a director of the company paid expenses of £6,000 (2016: £6,000) on behalf of Ace Entertainment Films UK Limited and was repaid £10,058 (2016: £nil). As at the balance sheet date the director was owed £2,400 (2016: £6,458).

As at the year end the company was owed £500 (2016: £nil) by an associated company.