

Company Registration No. 09227442 (England and Wales)

Solutre, Limited

**Annual report and financial statements
for the year ended 30 September 2017**

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Solutre, Limited

Company information

Directors	Jeff Robinov Lindsey Bayman
Company number	09227442
Registered office	78 Cannon Street London EC4N 6AF
Independent auditors	Saffery Champness LLP 71 Queen Victoria Street London EC4V 4BE

Solutre, Limited

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Solutre, Limited

Strategic report

For the year ended 30 September 2017

The directors present the strategic report for the year ended 30 September 2017.

Fair Review of the Business

During the year the company was involved in the production of a film. The company incurred a profit after tax of £8,023 (2016: £18,106) during the year and at the year end had net assets of £26,829 (2016: £18,806).

The directors consider the company's key performance indicator to be whether the motion picture is produced in line with the agreed budget. At the year end, the estimated final cost of the film has exceeded its budgeted cost, however the film continued to be funded by financiers.

The directors consider the company's key non-financial performance indicator to be whether the company creates and delivers the feature film it has been contracted to produce for general release in national and international cinema.

The directors have reviewed the risks and resultant uncertainties facing the company and consider the principal risks to be legislative changes and the state of the national economy.

The company makes little use of financial instruments other than an operational bank account and so its exposure to price risk, credit risk, liquidity risk and cash flow risk is not material for the assessment of the assets, liabilities, financial position and profit or loss of the company.

On behalf of the board



.....
Lindsey Bayman

Director

15/5/18
.....

Solutre, Limited

Directors' report

For the year ended 30 September 2017

The directors present their annual report and financial statements for the year ended 30 September 2017.

Principal activities

During the year the company was involved in the production of a film.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Jeff Robinov

Lindsey Bayman

Shaun Williams

(Resigned 15 May 2017)

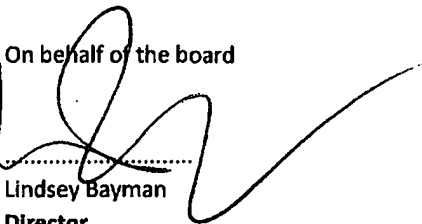
Auditors

Saffery Champness LLP were re-appointed as auditors to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

Statement of disclosure to auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board



Lindsey Bayman

Director

15/5/18

Solutre, Limited

**Directors' responsibilities statement
For the year ended 30 September 2017**

The directors are responsible for preparing the annual 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 of the profit or loss of the company for that period. 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 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.

Solutre, Limited

Independent auditors' report To the members of Solutre, Limited

Opinion

We have audited the financial statements of Solutre, Limited (the 'company') for the year ended 30 September 2017 set out on pages 7 to 16. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 30 September 2017 and of its profit 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.

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 auditors' 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.

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 Auditors' 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.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Solutre, Limited

Independent auditors' report (continued)

To the members of Solutre, Limited

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.

In connection with our audit of the financial statements, 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.

We have nothing to report in this regard.

Opinions on other matters 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 Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and 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 the Strategic Report and the Directors' Report.

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, 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.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page 3, 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.

Solutre, Limited

Independent auditors' report (continued)

To the members of Solutre, Limited

Auditors' 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.

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

John Graydon

John Graydon (Senior Statutory Auditor)
for and on behalf of Saffery Champness LLP

18/5/18
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Chartered Accountants
Statutory Auditors

71 Queen Victoria Street
London
EC4V 4BE

Solutre, Limited

Profit and loss account

For the year ended 30 September 2017

		2017	2016
	Notes	£	£
Turnover	3	16,953,822	30,771,846
Cost of sales		(16,936,351)	(30,742,714)
Gross profit		17,471	29,132
Administrative expenses		(7,500)	(6,500)
Profit before taxation		9,971	22,632
Taxation	5	(1,948)	(4,526)
Profit for the financial year		8,023	18,106

The Profit And Loss Account has been prepared on the basis that all operations are continuing operations.

Solutre, Limited

**Statement of comprehensive income
For the year ended 30 September 2017**

	2017	2016
	£	£
Profit for the year	8,023	18,106
Other comprehensive income	-	-
Total comprehensive income for the year	<u>8,023</u>	<u>18,106</u>

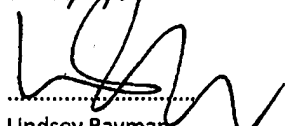
Solutre, Limited

Balance sheet

As at 30 September 2017

			2017	2016
	Notes	£	£	£
Current assets				
Debtors	6	4,602,604	6,252,750	
Cash at bank and in hand		1,001	1,006	
		<u>4,603,605</u>	<u>6,253,756</u>	
Creditors: amounts falling due within one year	7	<u>(4,576,776)</u>	<u>(6,234,950)</u>	
Net current assets			<u>26,829</u>	<u>18,806</u>
Capital and reserves				
Called up share capital	9		1	1
Profit and loss reserves			<u>26,828</u>	<u>18,805</u>
Total equity			<u>26,829</u>	<u>18,806</u>

The financial statements were approved by the board of directors and authorised for issue on 15/5/18 and are signed on its behalf by:


.....
Lindsey Bayman
Director

Company Registration No. 09227442

Solutre, Limited

**Statement of changes in equity
For the year ended 30 September 2017**

	Share capital	Profit and loss reserves	Total
	£	£	£
Balance at 1 October 2015	1	699	700
Period ended 30 September 2016:			
Profit and total comprehensive income for the year	-	18,106	18,106
	<u>1</u>	<u>18,805</u>	<u>18,806</u>
Balance at 30 September 2016	1	18,805	18,806
Period ended 30 September 2017:			
Profit and total comprehensive income for the year	-	8,023	8,023
	<u>1</u>	<u>26,828</u>	<u>26,829</u>
Balance at 30 September 2017	1	26,828	26,829

Solutre, Limited

Notes to the financial statements

For the year ended 30 September 2017

1 Accounting policies

Company information

Solutre, Limited is a private company limited by shares incorporated in England and Wales. The registered office is Cannon Place, 78 Cannon Street, London, United Kingdom, EC4N 6AF.

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.

FRS 102 has been adopted earlier than required by the financial reporting framework in order to provide comparative figures for subsequent reporting periods.

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, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

In respect of long-term contracts for ongoing services, turnover represents the value of work done in the period, including estimates for amounts not invoiced. Value of work done in respect of long-term contracts and contracts for ongoing services is determined by reference to the stage of completion.

The "percentage of completion method" is used to determine the appropriate amount to recognise in a given period. The stage of completion is measured by the proportion of contract costs incurred for work performed to date compared to the estimated total contract costs. Costs incurred in the year in connection with future activity on a contract are excluded from contract costs in determining the stage of completion. These costs are presented as stocks, prepayments or other assets depending on their nature, and provided it is probable they will be recovered.

1.4 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.

Notes to the financial statements (continued)
For the year ended 30 September 2017

1 Accounting policies (continued)

1.5 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, 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.

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares 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. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.6 Equity Instruments

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

1.7 Taxation

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

Solutre, Limited

Notes to the financial statements (continued)

For the year ended 30 September 2017

1 Accounting policies (continued)

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.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.8 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

2 Critical accounting judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The directors do not consider there to be any estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities.

Solutre, Limited

Notes to the financial statements (continued)
For the year ended 30 September 2017

3 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2017	2016
	£	£
Turnover		
Sale of rights	16,943,852	30,749,214
Production service fee	9,971	22,632
	<u>16,953,822</u>	<u>30,771,846</u>

Turnover analysed by geographical market:

	2017	2016
	£	£
United States of America	<u>16,953,822</u>	<u>30,771,846</u>

4 Employees

There were no employees during the period.

No director received any remuneration during the period.

5 Taxation

	2017	2016
	£	£
Current tax		
UK corporation tax on profits for the current period	<u>1,948</u>	<u>4,526</u>

Solutre, Limited**Notes to the financial statements (continued)**
For the year ended 30 September 2017**5 Taxation (continued)**

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2017 £	2016 £
Profit before taxation	9,971	22,632
Expected tax charged based on the standard rate of corporation tax on the UK of 20% (2016: 20%)	1,948	4,526
Taxation charge in the financial statements	1,948	4,526

6 Debtors

	2017 £	2016 £
Amounts falling due within one year:		
Amount due from group undertaking	4,601,407	6,250,812
Other debtors	1,197	1,938
	4,602,604	6,252,750

7 Creditors: amounts falling due within one year

	Notes	2017 £	2016 £
Bank loans and overdrafts	8	177	183
Amounts due to group undertakings		4,567,151	6,223,741
Corporation tax		1,948	4,526
Accruals and deferred income		7,500	6,500
		4,576,776	6,234,950

Solutre, Limited

Notes to the financial statements (continued)
For the year ended 30 September 2017

8 Loans and overdrafts

	2017	2016
	£	£
Bank overdrafts	<u>177</u>	<u>183</u>
Payable within one year	<u>177</u>	<u>183</u>

9 Share capital

	2017	2016
	£	£
Ordinary share capital		
Issued and fully paid		
1 ordinary of £1 each	<u>1</u>	<u>1</u>

On incorporation, 1 ordinary share of £1 was issued at par for cash.

10 Related party transactions

The company has taken advantage of the exemption under paragraph 33.1a of FRS 102 from disclosing transactions entered into between two or more members of a group, where any subsidiary undertaking which is a party to the transaction is wholly owned by a member of that group.

11 Controlling party

The immediate parent undertaking and head of the smallest group in which the results of the company will be consolidated is Studio 8, LLC, a company incorporated in the United States of America.

The smallest group in which the results of the company will be consolidated is that headed by Studio 8 Holdings, LLC, a company incorporated in the United States of America.

The ultimate controlling party is considered to be J Robinov by virtue of his shareholding in Studio 8 Holdings, LLC.

12 Charges

JP Morgan Chase Bank, N A holds a charge on the company over all sums due to or which become due which entitle it to the right, title, interest and benefits in and to a film.