

Company Registration No. 10766358 (England and Wales)

Romanoff Productions UK Limited

**Annual report and financial statements
for the period ended 16 November 2019**

Romanoff Productions UK Limited

Company information

Directors Nigel Cook
David Galluzzi

Company number 10766358

Registered office 3 Queen Caroline Street
Hammersmith
London
W6 9PE

Independent auditor Saffery Champness LLP
71 Queen Victoria Street
London
EC4V 4BE

Romanoff Productions UK Limited

Contents

	Page
Strategic report	1 - 2
Directors' report	3 - 5
Directors' responsibilities statement	6
Independent auditor's report	7 - 9
Statement of comprehensive income	10
Statement of financial position	11
Statement of changes in equity	12
Notes to the financial statements	13 - 21

Romanoff Productions UK Limited

Strategic report

For the period ended 16 November 2019

The directors present the strategic report for the period ended 16 November 2019.

Fair review of the business

During the period, the company was involved in the production of films. The company made a loss before tax at the period-end of £17,296,400 (30 June 2019: loss of £10,373,996) and at the period-end had net assets of £45,564 (30 June 2019: £17,771).

Principal risks and uncertainties

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.

Key performance indicators

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 period-end, the estimated final cost of the film was in line with the budget.

The directors consider the company's key non-financial performance indicators to be whether the company creates and delivers the feature film it has contracted to produce for general release in national and international cinema, and whether the film will be certified as British. This is likely to be achieved, as the film has been awarded an Interim British Film Certificate, and the directors expect the film to be awarded a Final British Film Certificate when it is complete.

Romanoff Productions UK Limited

Strategic report (continued)

For the period ended 16 November 2019

S172 statement

The directors of Romanoff Productions UK Limited consider, both individually and together, that they have acted in the way they consider, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole (having regard to the stakeholders and matters set out in s172(1)(a-f) of the Act) in the decisions taken during the period ended 16 November 2019.

The Company is committed to being a responsible business. Our behaviour is aligned with the expectations of our people, suppliers, customers, communities and societies as a whole.

Our strategy focusses on creating ambitious, imaginative and relevant motion pictures for the global markets. To do this, we need to develop and maintain strong client relations. We value all of our suppliers and contractors and are committed to developing production talent.

The Company's approach encourages the involvement of local industries and enables us to support the communities around us.

On behalf of the board

Nigel Cook

Director

12 November 2020

Romanoff Productions UK Limited

Directors' report

For the period ended 16 November 2019

The directors present their annual report and financial statements for the period ended 16 November 2019.

Principal activities

The principal activity of the company continued to be that of motion picture production.

Directors

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

Nigel Cook

David Galluzzi

Marsha Reed

(Resigned 6 February 2020)

Results and dividends

The results for the period are set out on page 10.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Disabled persons

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the company continues and that the appropriate training is arranged. It is the policy of the company that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Employee involvement

The company's policy is to consult and discuss with employees, through unions, staff councils and at meetings, matters likely to affect employees' interests.

Information about matters of concern to employees is given through information bulletins and reports which seek to achieve a common awareness on the part of all employees of the factors affecting the company's performance.

Auditor

Saffery Champness LLP have expressed their willingness to continue in office.

Statement of disclosure to auditor

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 auditor is 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 auditor is aware of that information.

Romanoff Productions UK Limited

Directors' report (continued)

For the period ended 16 November 2019

Statement on business relationships

Our strategy focusses on creating ambitious, imaginative and relevant motion pictures for the global markets. To do this, we need to develop and maintain strong client relations. We value all of our suppliers and contractors and are committed to developing production talent.

Energy and Carbon Reporting

UK greenhouse gas emissions and energy use data for the period ended 16 November 2019

Energy consumption used to calculate emissions (kWh): 11,781,155

Energy consumption breakdown (kWh):

- Gas	6,240,982
- Electricity	1,104,412
- Transport fuel	4,435,761

Scope 1 - Emissions in metric tonnes CO2e:

Gas consumption	1,512
Transport	4
Total	1,516

Scope 2 - Emissions in metric tonnes CO2e:

Purchased electricity	282
-----------------------	-----

Scope 3 - Emissions in metric tonnes CO2e:

Vehicles - total mileage reimbursed	1,268
-------------------------------------	-------

Total gross emissions in metric tonnes CO2e: 3,067

Intensity ratio - tonnes CO2e per production shooting day (60 days): 51

Quantification and reporting methodology

The company has followed the 2019 HM Government Environmental Reporting Guidelines. It has also used the GHG Reporting Protocol - Corporate Standard and the 2020 UK Government's Conversion Factors for Company Reporting.

Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2e per production shooting day, the most appropriate measure for the company's principal activity of motion picture production.

Measures taken to improve energy efficiency

There has been an increased focus on recycling in the period. Romanoff Productions UK Limited has a 98% landfill diversion rate, has recycled 9,041 reams of paper, and has donated 1,388 meals. Water bottle usage has also been kept to a minimum and the company has avoided the use of 196,400 plastic water bottles.

Romanoff Productions UK Limited

Directors' report (continued)

For the period ended 16 November 2019

On behalf of the board

Nigel Cook

Director

12 November 2020

Romanoff Productions UK Limited

Directors' responsibilities statement

For the period ended 16 November 2019

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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

Romanoff Productions UK Limited

Independent auditor's report

To the member of Romanoff Productions UK Limited

Opinion

We have audited the financial statements of Romanoff Productions UK Limited (the 'company') for the period ended 16 November 2019 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity 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 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 16 November 2019 and of its profit for the period 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.

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.

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.

Romanoff Productions UK Limited

Independent auditor's report (continued)

To the member of Romanoff Productions UK 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 period 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, 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.

Romanoff Productions UK Limited

Independent auditor's report (continued)

To the member of Romanoff Productions UK Limited

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.

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.

Use of our report

This report is made solely to the company's member 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 member 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 member for our audit work, for this report, or for the opinions we have formed.

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

12 November 2020

Chartered Accountants
Statutory Auditors

71 Queen Victoria Street
London
EC4V 4BE

Romanoff Productions UK Limited

**Statement of comprehensive income
For the period ended 16 November 2019**

		Period ended 16 November 2019 £	Period ended 30 June 2019 £
	Notes		
Turnover	2	67,286,244	47,557,754
Cost of sales		(84,600,544)	(57,910,250)
Gross loss		(17,314,300)	(10,352,496)
Administrative expenses		(21,500)	(21,500)
Other operating income		39,400	-
Loss before taxation		(17,296,400)	(10,373,996)
Tax on loss	5	17,324,193	10,391,766
Profit for the financial period		<u>27,793</u>	<u>17,770</u>

The income statement has been prepared on the basis that all operations are continuing operations.

Romanoff Productions UK Limited

Statement of financial position

As at 16 November 2019

		2019	2019
	Notes	£	£
Current assets			
Debtors	6	40,188,357	14,448,522
Cash at bank and in hand		773,937	8,066,048
		<u>40,962,294</u>	<u>22,514,570</u>
Creditors: amounts falling due within one year	7	(40,916,730)	(22,496,799)
Net current assets		<u>45,564</u>	<u>17,771</u>
Capital and reserves			
Called up share capital	8	1	1
Profit and loss reserves		<u>45,563</u>	<u>17,770</u>
Total equity		<u>45,564</u>	<u>17,771</u>

The financial statements were approved by the board of directors and authorised for issue on 12 November 2020 and are signed on its behalf by:

Nigel Cook
Director

Company Registration No. 10766358

Romanoff Productions UK Limited

**Statement of changes in equity
For the period ended 16 November 2019**

	Share capital	Profit and loss reserves	Total
	£	£	£
Balance at 1 April 2018	1	-	1
Period ended 30 June 2019:			
Profit and total comprehensive income for the period	-	17,770	17,770
	<u>1</u>	<u>17,770</u>	<u>17,771</u>
Balance at 30 June 2019	1	17,770	17,771
Period ended 16 November 2019:			
Profit and total comprehensive income for the period	-	27,793	27,793
	<u>1</u>	<u>45,563</u>	<u>45,564</u>
Balance at 16 November 2019	<u>1</u>	<u>45,563</u>	<u>45,564</u>

Romanoff Productions UK Limited

Notes to the financial statements

For the period ended 16 November 2019

1 Accounting policies

Company information

Romanoff Productions UK Limited is a private company limited by shares incorporated in England and Wales. The registered office is 3 Queen Caroline Street, Hammersmith, London, W6 9PE.

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.

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.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 33 'Related Party Disclosures': Compensation for key management personnel and transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

The financial statements of the company are consolidated in the financial statements of The Walt Disney Company. These consolidated financial statements are available from its registered office, 500 Buena Vista Street, Burbank, California 91521, USA.

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 Reporting period

The financial statements are prepared for the period 1 July 2019 to 16 November 2019. The accounting reference date was changed in the period to align with the stage of production.

1 Accounting policies (continued)

1.4 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 period 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.

1.5 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 statement of financial position 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.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

1 Accounting policies (continued)

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

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

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 Accounting policies (continued)

Other financial liabilities

Other financial liabilities, including debt instruments that do not meet the definition of a basic financial instrument, are measured at fair value through profit or loss.

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.6 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.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

1.7 Taxation

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

Current tax

The tax currently recoverable is based on relievable losses arising in the period as a result of film tax credit relief legislation. Relievable losses differ from net losses as reported in the statement of comprehensive income because they include an additional deduction relating to qualifying film development expenditure and exclude items of income or expense that are taxable or deductible in other periods, as well as items that are never taxable or deductible. The company's tax position is calculated using tax rates that have been enacted or substantively enacted by the reporting end date,

1 Accounting policies (continued)

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 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.

1.9 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 income statement for the period.

2 Turnover and other revenue

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

	2019	2019
	£	£
Turnover analysed by class of business		
Sale of film rights	67,258,451	47,539,984
Production services fee	27,793	17,770
	<hr/>	<hr/>
	67,286,244	47,557,754
	<hr/>	<hr/>

Romanoff Productions UK Limited

Notes to the financial statements (continued)

For the period ended 16 November 2019

2 Turnover and other revenue (continued)

	2019	2019
	£	£
Turnover analysed by geographical market		
United States of America	67,286,244	47,557,754

3 Operating loss

	2019	2019
	£	£
Operating loss for the period is stated after charging:		
Fees payable to the company's auditor for the audit of the company's financial statements	17,000	17,000
Fees payable to the company's auditor for non-audit services	4,500	4,500

4 Employees

The average monthly number of persons (including directors) employed by the company during the period was:

	2019	2019
	Number	Number
Production staff	397	60

Their aggregate remuneration comprised:

	2019	2019
	£	£
Wages and salaries	6,138,774	2,059,716
Social security costs	715,590	239,224
Pension costs	47,713	14,495
	6,902,077	2,313,435

No director received any remuneration for his services in the period (30 June 2019: no remuneration). The directors are remunerated through other group companies.

Romanoff Productions UK Limited

Notes to the financial statements (continued)

For the period ended 16 November 2019

5 Taxation

	2019	2019
	£	£
Current tax		
UK corporation tax on profits for the current period	(17,324,193)	(10,391,766)
	<u> </u>	<u> </u>

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

	2019	2019
	£	£
Loss before taxation	(17,296,400)	(10,373,996)
	<u> </u>	<u> </u>
Expected tax credit based on the standard rate of corporation tax in the UK of 19.00% (2019: 19.00%)	(3,286,316)	(1,971,059)
Enhanced losses arising from the film tax credit	(12,572,703)	(15,257,446)
Difference between the rate of corporation tax and the rate of relief under the film tax credit	(4,157,807)	(2,494,024)
Losses carried forward	2,692,633	9,330,763
	<u> </u>	<u> </u>
Taxation credit for the period	(17,324,193)	(10,391,766)
	<u> </u>	<u> </u>

6 Debtors

	2019	2019
	£	£
Amounts falling due within one year:		
Corporation tax recoverable	27,715,959	10,391,766
Amounts owed by group undertakings	3,100,727	-
Other debtors	9,338,629	3,902,274
Prepayments and accrued income	33,042	154,482
	<u> </u>	<u> </u>
	40,188,357	14,448,522
	<u> </u>	<u> </u>

Romanoff Productions UK Limited

Notes to the financial statements (continued)

For the period ended 16 November 2019

7 Creditors: amounts falling due within one year

	2019	2019
	£	£
Trade creditors	1,790,734	5,314,660
Amounts owed to group undertakings	36,199,866	7,303,880
Taxation and social security	590,754	1,874,851
Other creditors	-	680,912
Accruals and deferred income	2,335,376	7,322,496
	<u>40,916,730</u>	<u>22,496,799</u>

8 Share capital

	2019	2019
	£	£
Ordinary share capital		
Issued and fully paid		
1 Ordinary Share of £1 each	1	1
	<u>1</u>	<u>1</u>

9 Events after the reporting date

Substantive information came to light in early 2020 regarding the virus now identified as COVID-19. Given that production on the film was approaching completion at this time, the directors do not expect this to have a significant impact on the company's ability to continue as a going concern. The release date of the film was postponed due to the closure of cinemas resulting from the COVID-19 outbreak, but the directors expect that the film will be released in due course.

10 Related party transactions

The company has taken advantage of the exemption under paragraph 33.1a of FRS 102 from disclosing transaction 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 Ultimate controlling party

The company's immediate parent undertaking is MVL Productions, LLC, a company incorporated in the United States of America.

The directors consider the ultimate parent company to be The Walt Disney Company, a company incorporated in the United States of America.

The largest group for which the accounts are prepared and of which the company is a member is The Walt Disney Company. Copies of group accounts of The Walt Disney Company can be obtained from 500 Buena Vista Street, Burbank, California 91521, USA.

The directors are unable to identify the ultimate controlling party of The Walt Disney Company, if any.

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.