

Company Registration No. 11077406 (England and Wales)

Zephyr Special Couple Ltd.

**Annual report and unaudited financial statements
for the period ended 31 January 2020**



Zephyr Special Couple Ltd.

Company information

| | |
|--------------------------|--|
| Director | Christopher Curling |
| Company number | 11077406 |
| Registered office | 71 Queen Victoria Street London EC4V 4BE |

Zephyr Special Couple Ltd.

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Zephyr Special Couple Ltd.

Director's report

For the period ended 31 January 2020

The director presents his annual report and financial statements for the period ended 31 January 2020.

Principal activities

The principal activity of the company is that of motion picture production.

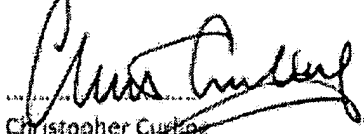
Director

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

Christopher Curling

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board



Christopher Curling

Director

Date: 15 Sept 2020

Zephyr Special Couple Ltd.

Income statement
For the period ended 31 January 2020

| | | Period ended 31 January 2020 | Period ended 30 November 2018 as restated |
|--|--------------|---|--|
| | Notes | £ | £ |
| Turnover | | 1,075,636 | 1,681,564 |
| Cost of sales | | (1,331,853) | (2,070,926) |
| Gross loss | | (256,217) | (389,362) |
| Administrative expenses | | (14,694) | (12,750) |
| Loss before taxation | | (270,911) | (402,112) |
| Tax on loss | 3 | 270,911 | 402,112 |
| Profit for the financial period | | - | - |

Zephyr Special Couple Ltd.

Statement of financial position
As at 31 January 2020

| | | 2020 | 2018 |
|--|-------|------------------|------------------|
| | | | as restated |
| | Notes | £ | £ |
| Current assets | | | |
| Debtors | 4 | 433,832 | 411,345 |
| Cash at bank and in hand | | 1,713,564 | 1,424,775 |
| | | <u>2,147,396</u> | <u>1,836,120</u> |
| Creditors: amounts falling due within one year | 5 | (2,147,395) | (1,836,119) |
| Net current assets | | <u>1</u> | <u>1</u> |
| Capital and reserves | | | |
| Called up share capital | 6 | <u>1</u> | <u>1</u> |

For the financial period ended 31 January 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

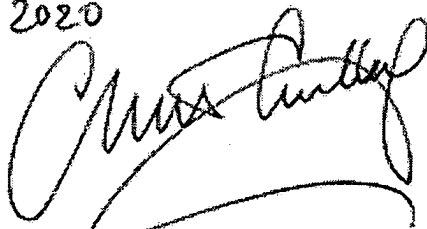
The director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The member has not required the company to obtain an audit of its financial statements for the period in question in accordance with section 476.

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

The financial statements were approved and signed by the director and authorised for issue on 15th Sept 2020

.....
Christopher Curling
Director



Company Registration No. 11077406

1 Accounting policies

Company information

Zephyr Special Couple Ltd. is a private company limited by shares incorporated in England and Wales. The registered office is 71 Queen Victoria Street, London, EC4V 4BE.

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, 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 Reporting period

The period end was extended to align with the completion of the production. The current period of accounts are presented for a period of 14 months from 1 December 2018 to 31 January 2020 and therefore are not correctly comparable to the prior period of accounts.

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 they will be recovered.

1.4 Cash and cash equivalents

Cash and cash equivalents 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 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 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.

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.

1.6 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.

Notes to the financial statements (continued)

For the period ended 31 January 2020

1 Accounting policies (continued)

Current tax

The tax currently recoverable is based on relievable losses arising in the year as the result of film tax relief legislation. Relievable losses differ from net losses as reported in the profit and loss account 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 years, 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 date.

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 Employees

The average monthly number of persons (including directors) employed by the company during the period was 0 (2018 - 11).

3 Taxation

| | 2020 | 2018 |
|--|-------------------|-------------------|
| | £ | £ |
| Current tax | | |
| UK corporation tax on profits for the current period | (270,911) | (402,112) |
| | <u> </u> | <u> </u> |

Notes to the financial statements (continued)

For the period ended 31 January 2020

3 Taxation (continued)

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:

| | 2020 £ | 2018 £ |
|--|-----------|-----------|
| Loss before taxation | (270,911) | (402,112) |
| Expected tax credit based on the standard rate of corporation tax in the UK of 19.00% (2018: 19.00%) | (51,473) | (76,401) |
| Enhanced losses arising from the film tax credit | (230,533) | (279,446) |
| Difference between the rate of corporation tax and the rate of relief under the film tax credit | (65,019) | (96,507) |
| Losses carried forward | 76,114 | 50,242 |
| Taxation credit for the period | (270,911) | (402,112) |

4 Debtors

| | 2020 £ | 2018 £ as restated |
|--------------------------------------|-----------|--------------------------|
| Amounts falling due within one year: | | |
| Corporation tax recoverable | 270,911 | 402,112 |
| Amounts owed by parent company | 1 | 1 |
| Other debtors | 162,920 | 9,232 |
| | 433,832 | 411,345 |

5 Creditors: amounts falling due within one year

| | 2020 £ | 2018 £ |
|-----------------|-----------|-----------|
| Trade creditors | - | 6,689 |
| Other creditors | 2,147,395 | 1,829,430 |
| | 2,147,395 | 1,836,119 |

Notes to the financial statements (continued)
For the period ended 31 January 2020

6 Called up share capital

| | 2020 | 2018 |
|-------------------------------|----------|----------|
| | £ | £ |
| Ordinary share capital | | |
| Issued and fully paid | | |
| 1 Ordinary share of £1 each | 1 | 1 |
| | <u>1</u> | <u>1</u> |

7 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.

8 Prior period adjustment

The prior year adjustment relates to grant income that was incorrectly recognised as a debtor in the prior year when the amount had been settled prior to the period end. This has been corrected in the current year comparatives for the statement of financial position but has no impact on the prior period income statement account or on retained earnings.

Changes to the statement of financial position

| | <i>As previously reported</i> | <i>Adjustment</i> | <i>As restated at 30 Nov 2018</i> |
|-----------------------------|-------------------------------|-------------------|-----------------------------------|
| | £ | £ | £ |
| Current assets | | | |
| Debtors due within one year | 711,345 | (300,000) | 411,345 |
| Bank and cash | 1,124,775 | 300,000 | 1,424,775 |
| Net assets | 1 | - | 1 |
| | <u>1</u> | <u>-</u> | <u>1</u> |
| Capital and reserves | | | |
| Total equity | 1 | - | 1 |
| | <u>1</u> | <u>-</u> | <u>1</u> |