

Company Registration No. 11165181 (England and Wales)

Huron Productions Limited

**Annual report and financial statements
for the year ended 31 December 2021**

Huron Productions Limited

Company information

Director	Emily Mackintosh
Secretary	Abogado Nominees Limited
Company number	11165181
Registered office	100 New Bridge Street London EC4V 6JA
Independent auditor	Saffery Champness LLP 71 Queen Victoria Street London EC4V 4BE

Huron Productions Limited

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Huron Productions Limited

Director's report

For the year ended 31 December 2021

The director presents her annual report and audited financial statements of the Company for the year ended 31 December 2021.

Principal activities

The principal activity of the Company during the year was the production of broadcast content for distribution throughout the world.

Results and dividends

The results for the year are set out on page 7.

No ordinary dividends were paid (2020: £nil). The director does not recommend payment of a final dividend (2020: £nil).

Directors

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

Emily Mackintosh

Going concern

It is the intention of the director to close the Company in the next 12 months. As a consequence the financial statements have been prepared on a basis other than that of a going concern. There is no difference in the carrying value of assets and liabilities of the Company and their break up value.

COVID-19

The full extent of the impact of the COVID-19 pandemic on our business, operations and financial results will depend on numerous evolving factors that we may not be able to accurately predict. While most of our productions have resumed, certain of our productions continue to experience disruption. Production disruptions and new health and safety protocols and requirements can result in additional costs including additional pay to cast and crew and use of testing.

We will continue to actively monitor the issues raised by the COVID-19 pandemic and may take further actions that alter our business operations as may be required by authorities, or that we determine are in the best interests of our employees and partners. It is not clear what the potential effects of any such alterations or modifications may have on our business, including the effects on our suppliers or vendors, or on our financial results.

Future developments

No changes are expected to the Company's principal activities.

Auditor

Pursuant to s487 of the Companies Act 2006, Saffery Champness LLP were deemed to have been reappointed as external auditor for the audit of the financial statements for the year ending 31 December 2021.

Huron Productions Limited

Director's report (continued) For the year ended 31 December 2021

Statement of director's responsibilities

The director is responsible for preparing the Director's Report and the financial statements in accordance with UK law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards comprising FRS 101 'reduced disclosure framework' and applicable law). Under company law the director must not approve the financial statements unless she is 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 director is 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The director is 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. She is 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.

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 director individually has taken all the necessary steps that they ought to have taken as director in order to make themselves aware of all relevant audit information and to establish that the Company's auditor is aware of that information.

Small companies exemption

In preparing this report, the director has taken advantage of the small companies exemption provided by section 415A of the Companies Act 2006.

The director has also taken advantage of the small companies exemptions provided by section 414B of the Companies Act 2006 and has not prepared a strategic report.

On behalf of the board

Emily Mackintosh
Director

30 September 2022

Huron Productions Limited

Independent auditor's report

To the members of Huron Productions Limited

Opinion

We have audited the financial statements of Huron Productions Limited (the 'Company') for the year ended 31 December 2021 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 significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 'Reduced Disclosure Framework' (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 31 December 2021 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.

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.

Emphasis of matter - financial statements prepared on a basis other than going concern

We draw attention to Note 1.2 to the financial statements which explains that the director intends to dissolve the Company and therefore does not consider it to be appropriate to adopt the going concern basis of accounting in preparing the financial statements. Accordingly the financial statements have been prepared on a basis other than going concern as described in Note 1.2. Our opinion is not modified in respect of this matter.

Huron Productions Limited

Independent auditor's report (continued)

To the members of Huron Productions Limited

Other information

The director is 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 this gives rise to 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 the audit:

- the information given in the Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Director's Report has 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 Director's 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 remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the director was not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a Strategic Report and in preparing the Director's Report.

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Independent auditor's report (continued)

To the members of Huron Productions Limited

Responsibilities of director

As explained more fully in the director's responsibilities statement on page 2, the director is 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 director determines 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 director is 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 director either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the Company's financial statements to material misstatement and how fraud might occur, including through discussions with the director, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the Company by discussions with director and by updating our understanding of the sector in which the Company operates.

Laws and regulations of direct significance in the context of the Company include The Companies Act 2006 and UK Tax legislation, specifically relating to creative industry tax credits.

Audit response to risks identified

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the Company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the Company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance. We have reviewed management's assessment of how the Company, and production, comply with the relevant laws and regulations governing access to the creative industry tax credits.

Huron Productions Limited

Independent auditor's report (continued)

To the members of Huron Productions Limited

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://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.

Nigel Walde (Senior Statutory Auditor)

For and on behalf of Saffery Champness LLP

30 September 2022

Chartered Accountants

Statutory Auditors

71 Queen Victoria Street
London
EC4V 4BE

Huron Productions Limited

Statement of comprehensive income
For the year to 31 December 2021

		Year ended 31 December 2021 £	Year ended 31 December 2020 £
	Notes		
Revenue	2.1	22,326	88,660
Cost of sales		11,189	(1,244,599)
Gross profit/(loss)		33,515	(1,155,939)
Administrative expenses		(19,717)	(15,000)
Other operating income		-	42,110
Operating profit/(loss)	2.2	13,798	(1,128,829)
Tax on profit/(loss)	2.4	200,371	1,136,529
Profit and total comprehensive income for the financial year		214,169	7,700

There were no recognised gains and losses for the year other than those included in the Statement of Comprehensive Income.

The Statement of Comprehensive Income has been prepared on the basis that all operations are continuing operations.

The notes on pages 10 to 19 form an integral part of these financial statements

Huron Productions Limited

Statement of financial position
As at 31 December 2021

		31 December 2021 £	31 December 2020 £
	Notes		
Current assets			
Trade and other receivables	3.2	264,203	56,518
Current tax recoverable		6,932	1,136,529
Cash and cash equivalents	3.1	-	-
		<u>271,135</u>	<u>1,193,047</u>
Current liabilities			
Trade and other payables	3.3	22,054	1,158,135
		<u>249,081</u>	<u>34,912</u>
Net current assets			
		<u>249,081</u>	<u>34,912</u>
Total assets less current liabilities			
		<u>249,081</u>	<u>34,912</u>
Net assets			
		<u>249,081</u>	<u>34,912</u>
Equity			
Called up share capital	4.1	1	1
Retained earnings		249,080	34,911
		<u>249,081</u>	<u>34,912</u>
Total equity		<u>249,081</u>	<u>34,912</u>

The financial statements were approved and signed by the director and authorised for issue on 30 September 2022

Emily Mackintosh
Director

Company Registration No. 11165181

The notes on pages 10 to 19 form an integral part of these financial statements

Huron Productions Limited

**Statement of changes in equity
For the year to 31 December 2021**

		Share capital	Retained earnings	Total
	Notes	£	£	£
Balance at 1 January 2020		1	27,211	27,212
Year ended 31 December 2020:				
Profit and total comprehensive income for the year		-	7,700	7,700
Balances at 31 December 2020		1	34,911	34,912
Year ended 31 December 2021:				
Profit and total comprehensive income for the year		-	214,169	214,169
Balances at 31 December 2021	4.1	1	249,080	249,081

The notes on pages 10 to 19 form an integral part of these financial statements

Huron Productions Limited

Notes to the financial statements For the year ended 31 December 2021

1 About this report

1.1 Activities

Huron Productions Limited (hereafter 'the Company') is a private limited liability company limited by shares. The Company is part of the Netflix group, one of the world's leading entertainment services. The main activity of the Company is that of the production of broadcast content for distribution throughout the world.

Netflix Studios, LLC, a company incorporated in the United States of America, is the direct parent of the Company. The ultimate parent and ultimate controlling party of the Company is Netflix, Inc., a company incorporated in the United States of America. The registered office of Netflix, Inc., is located at 100 Winchester Circle, Los Gatos, California 95032, United States of America and the consolidated financial statements are available at this address.

The Company is incorporated in England and Wales and has its registered office at 100 New Bridge Street, London, EC4V 6JA. The Companies House registration number is 11165181.

The Company's financial year covers the period from 1 January through to 31 December of each year.

1.2 Going concern assumption

It is the intention of the director to close the Company in the next 12 months. As a consequence, the financial statements have been prepared on a basis other than that of a going concern. There is no difference in the carrying value of assets and liabilities of the Company and their break up value.

1.3 Basis of preparation

The financial statements have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and in accordance with applicable accounting standards.

In preparing the financial statements, the Company applies the recognition, measurement and disclosure requirement of International Financial Reporting Standards as adopted by the EU ("adopted IFRSs"), but makes amendments where necessary in order to comply with the Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The Company is a qualifying entity for the purposes of FRS 101. Note 1.1 gives details of the Company's parent and from where its consolidated financial statements prepared in accordance with US GAAP may be obtained.

Notes to the financial statements (continued)
For the year ended 31 December 2021

1 About this report (continued)

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures;
- the requirements in IAS 24 Related Party Disclosures to disclose related party 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;
- disclosure of information in relation to new standards not yet applied; and
- disclosures in respect of capital management.

Details of the Company's accounting policies are included within the relevant note where applicable, or disclosed in Note 4.2.

1.4 Basis of measurement

These financial statements have been prepared on a historical cost basis, unless otherwise stated.

1.5 Functional and presentation currency

These financial statements are presented in British Pound Sterling (GBP), which is the Company's functional currency.

1.6 Current or non-current classification

Current assets include assets that are consumed or realised as part of the normal operating cycle, being 12 months, other assets are classified as non-current. Current liabilities include all liabilities unless the Company has a contractual or unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

1.7 Critical accounting estimates and judgements

In preparing these financial statements, management has made judgements and estimates that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Details of the judgements and estimates made are included in the following notes:

- Note 2.1 Revenue
- Note 2.4 Income Tax Expense

Huron Productions Limited

Notes to the financial statements (continued) For the year ended 31 December 2021

2 Business Performance

2.1 Revenue

Revenue arises principally from the sale of programme rights. The classification and geographical analysis of revenue is as follows:

	31 December 2021	31 December 2020
	£	£
Revenue analysed by class of business		
Sale of programme rights	12,326	80,960
Production service fee	10,000	7,700
	<u>22,326</u>	<u>88,660</u>
	<u><u>22,326</u></u>	<u><u>88,660</u></u>
	31 December 2021	31 December 2020
	£	£
Revenue analysed by geographical market		
United States of America	22,326	88,660
	<u>22,326</u>	<u>88,660</u>
	<u><u>22,326</u></u>	<u><u>88,660</u></u>

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable, and represents amounts receivable for the sale of programme rights, stated net of discounts, returns and value added taxes. The Company recognised revenue over time as the relevant performance obligation is satisfied. There is one performance obligation with the customer, being the production of broadcast content.

The transaction price is allocated in full to the single distinct performance obligation and is set out in the contract between the Company and the customer. Payment is received before or as work is completed and therefore no discounting is required.

As the Company's activity creates and enhances the programme that the customer controls, revenue is recognised over time as the Company satisfies performance obligations by transferring the promised rights to its customer in accordance with paragraph 35(b) of IFRS 15. The amount of revenue to recognise is determined based on the input method that calculates actual costs incurred relative to the estimated total costs for the project based upon a "percentage of completion" calculation.

Notes to the financial statements (continued)
For the year ended 31 December 2021

2 Business Performance (continued)

Estimates of revenues, costs or the extent of progress towards completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in the statement of comprehensive income in the period in which the circumstances that give rise to the revision become known.

The Company has only one operating segment, the whole of revenue is attributable to this segment. All revenues are from related parties.

Estimation uncertainty of revenue

There are a number of judgements in respect of the recognition of revenue on contracts with customers, including:

- The determination of the number of distinct separate performance obligations in a contract. This is based upon judgement around whether the customer can benefit from the use of the service on its own or together with other resources that are readily available to it, and also whether the promise to transfer the rights is separately identifiable from other promises in the contract. As explained in the accounting policy for revenue, there is generally one distinct performance obligation, being the production of broadcast content;
- Whether the Company transfers control of the programme over time, and therefore satisfies the performance obligation and recognises revenue over time. This requires judgement as to whether the customer controls the programme as it is created and enhanced. As the customer approves the production of the programme as it progresses, and is involved in directing the production activity, it is generally considered that control is transferred over time and revenue is recognised accordingly;
- Recognition over time is determined based upon judgement and estimates on the overall contract margin and percentage of completion of the contract at each period end. These judgements are based on contract value, historical experience and forecasts of future outcomes. These include specific judgement in respect of contracts for which variations may be in the process of being negotiated, and so the contracts are accounted for on the basis of the best estimate of the revenue expected to be received on the contract.

2.2 Operating profit/(loss)

	31 December 2021	31 December 2020
	£	£
Operating profit/(loss) for the year is stated after charging/(crediting):		
Fees payable to the Company's auditor for the audit of the Company's financial statements	11,217	10,500
Fees payable to the Company's auditor for non-audit services	8,500	4,500
Other operating income	-	(42,110)

Huron Productions Limited

Notes to the financial statements (continued)

For the year ended 31 December 2021

2 Business Performance (continued)

2.3 Employees

	31 December 2021	31 December 2020
	£	£
Wages and salaries	-	35,404
Social security costs	-	3,737
Pension costs	-	640
	<u>-</u>	<u>39,781</u>

No directors remuneration (2020: £nil) was paid or is payable during the year for services provided to the Company. The director is remunerated by the ultimate parent as an employee, with no recharge to the Company.

The Company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Company in an independently administered fund.

During the year, the average monthly number of persons (excluding directors) employed by the Company was 0 (2020: 1).

2.4 Income tax expense

	31 December 2021	31 December 2020
	£	£
Current tax expense		
UK corporation tax on losses for current period	(6,932)	(1,136,529)
Adjustments in respect of prior periods	(193,439)	-
Total UK current tax	<u>(200,371)</u>	<u>(1,136,529)</u>

Huron Productions Limited

Notes to the financial statements (continued)

For the year ended 31 December 2021

2 Business Performance (continued)

The credit for the year can be reconciled to the profit/(loss) per the statement of comprehensive income as follows:

	31 December 2021	31 December 2020
	£	£
Profit/(loss) before tax	13,798	(1,128,829)
Change in income tax due to:		
Expected tax (credit)/charge based on corporation tax rate of 19%	2,622	(214,478)
Enhanced losses surrendered for television tax credit	(5,500)	1,136,529
Adjustment in respect of prior years	10,730	-
Adjustments to trading result in line with television production company tax rules	(1,664)	169,036
Deferred tax not provided for	(2,390)	45,442
Utilisation of deferred tax previously unrecognised	(204,169)	-
Income tax credit	(200,371)	(1,136,529)
Tax charged/(credited) in the financial statements	(200,371)	(1,136,529)

A key accounting estimate within the financial statements for this Company is the valuation of the High End Television tax credit available. The estimate is based on the assessment of the value of qualifying expenditure as per HMRC legislation and guidance plus assessment of the qualification of the underlying programme as eligible for the tax relief.

Current tax

Current tax is based on relievable losses arising as the result of high-end television 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 production expenditure and exclude items of income or expense that are 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 end date.

Huron Productions Limited

Notes to the financial statements (continued)

For the year ended 31 December 2021

2 Business Performance (continued)

Deferred tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Current and deferred tax assets and tax liabilities are offset only if certain criteria are met.

3 Operating assets and liabilities

3.1 Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, bank overdrafts, and amounts in transit from payment processors for credit card and debit card transactions.

All cash and cash equivalents are at the Company's free disposal.

3.2 Trade and other receivables

	31 December 2021	31 December 2020
	£	£
Other receivables	-	6,720
VAT recoverable	-	49,798
Amounts owed by fellow group undertakings	264,203	-
	<u>264,203</u>	<u>56,518</u>

Other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less a provision for impairment when applicable.

The receivables are short-term in nature.

The receivables due from group companies bear no interest, are short-term in nature and are periodically settled.

Huron Productions Limited

Notes to the financial statements (continued)

For the year ended 31 December 2021

3 Operating assets and liabilities (continued)

3.3 Trade and other payables

	31 December 2021	31 December 2020
	£	£
Trade payables	-	99,239
Amounts owed to fellow group undertakings	-	867,731
Accruals	22,054	191,099
Other payables	-	66
	<u>22,054</u>	<u>1,158,135</u>

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost.

The payables due to group companies bear no interest, are short-term in nature and are periodically settled.

4 Other

4.1 Equity

The authorised share capital of the Company of £1 is divided into 1 ordinary share, fully paid-up, with a par value of £1 each.

Ordinary shares issued by the Company are classified as equity and 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.

Notes to the financial statements (continued)
For the year ended 31 December 2021

4 Other (continued)

4.2 Significant accounting policies and new accounting standards

Financial assets

Financial assets are recognised in the Company's statement of financial position when the Company becomes party to the contractual provisions of the instrument.

Financial assets are classified into specified categories. The classification depends on the nature and purpose of the financial assets and is determined at the time of recognition.

Financial assets are initially measured at fair value plus transaction costs, other than those classified as fair value through profit and loss, which are measured at fair value.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

Financial liabilities

Basic financial liabilities, including trade and other payables, 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 receipts discounted at a market rate of interest.

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

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is due within one period or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the Company's obligations are discharged, cancelled, or they expire.

Foreign exchange

Monetary assets and liabilities denominated in foreign currencies are translated into British Pound Sterling (GBP) at the rates of exchange ruling at the date of the Statement of Financial Position. Trading results are translated at the average rate over the period in which the transactions were incurred. Foreign exchange differences are dealt with through the statement of comprehensive income.

The exchange rates ruling at the date of the Statement of Financial Position were \$1= £0.7420 (2020: \$1= £0.7327).

Huron Productions Limited

Notes to the financial statements (continued)

For the year ended 31 December 2021

4 Other (continued)

Cost of sales

Production costs incurred are recognised in the statement of comprehensive income as cost of sales in the period in which they are incurred.

Value-added tax (VAT)

Revenues, expenses and assets are recognised net of the associated VAT, unless the tax incurred is not recoverable from the relevant tax authority. In this case, it is recognised as part of the cost of acquisition of the asset or part of the expense. Receivables and payables are stated inclusive of the amount of VAT receivable or payable. The net amount of VAT recoverable from, or payable to, the tax authority is included within other receivables or payables in the balance sheet.

4.3 Events after the reporting date

No events after the reporting date have occurred that are deemed material to the users of these financial statements.

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.