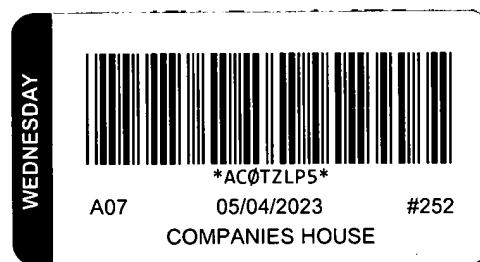


FOURTH WALL CREATIVE LIMITED

Financial statements

Information for filing with the registrar

for the year ended 30 September 2022



FOURTH WALL CREATIVE LIMITED
Registered number: 11641917

Balance sheet
as at 30 September 2022

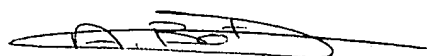
| | Note | 2022 £ | 2021 £ |
|---|------|-------------------|-------------------|
| Fixed assets | | | |
| Investments | 4 | 10,000,110 | 10,000,107 |
| | | <u>10,000,110</u> | <u>10,000,107</u> |
| Current assets | | | |
| Debtors: amounts falling due within one year | 5 | 999,724 | 1,297,267 |
| | | <u>999,724</u> | <u>1,297,267</u> |
| Creditors: amounts falling due within one year | 6 | (21,893) | (140,996) |
| | | <u></u> | <u></u> |
| Net current assets | | 977,831 | 1,156,271 |
| | | <u></u> | <u></u> |
| Total assets less current liabilities | | 10,977,941 | 11,156,378 |
| | | <u></u> | <u></u> |
| Creditors: amounts falling due after more than one year | 7 | (5,111,938) | (2,950,971) |
| | | <u></u> | <u></u> |
| Net assets | | 5,866,003 | 8,205,407 |
| | | <u><u></u></u> | <u><u></u></u> |
| Capital and reserves | | | |
| Called up share capital | 9 | 10,008,598 | 10,004,177 |
| Share premium account | | 2,941,733 | 2,496,154 |
| Profit and loss account | | (7,084,328) | (4,294,924) |
| | | <u>5,866,003</u> | <u>8,205,407</u> |
| | | <u><u></u></u> | <u><u></u></u> |

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

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



Mr A Botes
Director

Date: 31st March 2023

The notes on pages 2 to 5 form part of these financial statements.

FOURTH WALL CREATIVE LIMITED

Notes to the financial statements for the year ended 30 September 2022

1. General information

Fourth Wall Creative Limited is a private company limited by shares incorporated in England and Wales. The registered office is 2 Riverview Business Park, Shore Wood Road, Bromborough, Wirral, CH62 3RQ and the company registration number is 11641917.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

The financial statements are presented in Sterling which is the functional currency of the company and are stated to the nearest £1.

The following principal accounting policies have been applied:

2.2 Exemption from preparing consolidated financial statements

The Company, and the Group headed by it, qualify as small as set out in section 383 of the Companies Act 2006 and the parent and Group are considered eligible for the exemption to prepare consolidated accounts.

2.3 Going concern

The company is reliant upon the continuing support of the group to meet its financial obligations as they fall due. The company has received confirmation from the group that this financial support will be provided for a period not less than 12 months from the approval of these financial statements. As such the directors believe the company to be a going concern and the financial statements have been prepared on a going concern basis.

2.4 Taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

FOURTH WALL CREATIVE LIMITED

Notes to the financial statements for the year ended 30 September 2022

2. Accounting policies (continued)

2.5 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.6 Financial instruments

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

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

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

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

3. Employees

The average monthly number of employees, including directors, during the year was 7 (2021 - 6).

FOURTH WALL CREATIVE LIMITED

Notes to the financial statements for the year ended 30 September 2022

4. Fixed asset investments

| | Investments in subsidiary companies £ |
|--------------------------|---|
| Cost or valuation | |
| At 1 October 2021 | 10,000,107 |
| Additions | 3 |
| | <hr/> |
| At 30 September 2022 | 10,000,110 |
| Net book value | |
| At 30 September 2022 | 10,000,110 |
| | <hr/> |
| At 30 September 2021 | 10,000,107 |
| | <hr/> |

5. Debtors

| | 2022 £ | 2021 £ |
|------------------------------------|-----------|-----------|
| Amounts owed by group undertakings | 996,722 | 1,294,265 |
| Other debtors | 3,002 | 3,002 |
| | <hr/> | <hr/> |
| | 999,724 | 1,297,267 |
| | <hr/> | <hr/> |

6. Creditors: Amounts falling due within one year

| | 2022 £ | 2021 £ |
|-----------------|-----------|-----------|
| Other creditors | 21,893 | 140,996 |
| | <hr/> | <hr/> |

FOURTH WALL CREATIVE LIMITED

Notes to the financial statements for the year ended 30 September 2022

7. Creditors: Amounts falling due after more than one year

| | 2022 £ | 2021 £ |
|-----------------|------------------|------------------|
| Other creditors | <u>5,111,938</u> | <u>2,950,971</u> |

The company is committed to 8% per annum interest on loan notes issued in April 2019. Over the course of the five-year agreement with the investors the total interest to be paid amounts to £600,000.

The company is committed to 8% preference share dividends per annum. Over the course of the five-year agreement with the investors the total dividends to be paid amounts to £1,220,000.

8. Share capital

| | 2022 £ | 2021 £ |
|--|-------------------|-------------------|
| Allotted, called up and fully paid | | |
| 10,000,100 (2021: 10,000,100) Ordinary shares of £1.00 each | 10,000,100 | 10,000,100 |
| 8,267,015 (2021: 3,846,192) A Ordinary shares of £0.001 each | 8,267 | 3,846 |
| 230,771 (2021: 230,771) B Ordinary shares of £0.001 each | 231 | 231 |
| | <u>10,008,598</u> | <u>10,004,177</u> |

On 29 November 2021 4,420,823 A Ordinary shares were issued at a premium of £0.1 per share.

9. Related party transactions

The company has taken advantage of the exemption in section 33.1A of FRS 102 102 from closing transactions entered into between two or more members of a group, as all subsidiaries are wholly owned.

During the year the company wrote off an interest-free loan of £nil (2021: £322,308) due from a company under common control.

10. Auditors' information

The auditors' report on the financial statements for the year ended 30 September 2022 was unqualified.

The audit report was signed on 3/4/23 by James Bagley (Senior statutory auditor) on behalf of PKF Smith Cooper Audit Limited.