

FPF Finance Plc
Strategic Report, Directors' Report and
Financial Statements
for the period
23 October 2020 to 31 October 2021

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FPF Finance Plc

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for the period 23 October 2020 to 31 October 2021**

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FPF Finance Plc
Company Information
for the period 23 October 2020 to 31 October 2021

Directors:	G Regev I Zaitseva M Pavlovs
Secretaries:	I Zaitseva Qcf Secretaries Limited
Registered office:	71-75 Shelton Street Covent Garden London WC2H 9JQ
Registered number:	12971760 (England and Wales)
Auditors:	CBW Audit Limited 66 Prescott Street London E1 8NN

FPF Finance Plc

Strategic Report for the period 23 October 2020 to 31 October 2021

FPF Finance PLC will issue bonds on Luxembourg stock exchange, and all the proceeds will be forwarded to the Forma pro films production LLC entity as target loan for movie productions.

The company was established in 2021. Directors are

Iuliia Zaitseva

Maksims Pavlovs

Subscriber(s):

FORMA PRO FILMS LLC 100%

FPF Finance PLC is special Forma Pro Films entity. Forma Pro Films has over 15 years' experience in facilitating production services providing end-to-end solutions for the international TV & film production like SURVIVE starring SOPHIE TURNER, Oscar winner ANNA PAQUIN and MARCIA GAY HARDEN starring in THE COURAGEOUS HEART OF IRENA SENDLER, and PARIS SONG with ABBIE CORNISH; FPF Studio main activity is filmmaking, content production and distribution. FPF Studio activity involves a number of complex and discrete stages including an initial story, idea, or commission, through screenwriting, casting, shooting, sound recording and post-production, editing, and sales the finished product to the audience worldwide.

Review of business

The period to October 2021 is the first period of trade and as such has just been a formation period for planning and set up.

In the coming year the company will issue bonds on the Luxembourg stock exchange.

Principal risks and uncertainties

Risk is everywhere and sometimes arrives uninvited, e.g., Coronavirus. Due to the pandemic-induced shutdown of most cinemas across the world, major Hollywood studios have seemingly limited options for their movies. In 2020 all the content productions was stopped for 8-9 month, as the result in 2021 - 2023 will be lack of media content on the global market. Today streaming services are hunting for exclusive content and offers more highest bids for independent movies than ever before.

The number of subscriptions to online video streaming services around the world reached 1.1 billion in 2020, according to data released by the Motion Picture Association - a new milestone marked amid the Covid-19 pandemic that kept people locked down, seeking their entertainment at home. Revenues from direct-to-consumer offerings, which includes streaming and online rentals, jumped to \$61.8 billion last year, up from \$47.2 billion in 2019.

Currency risk

The company has been exposed to extreme foreign currency fluctuations in the past. The majority of the international sales are mainly in US dollars. The production of the content in EUR. Since EUR/USD today very favorable, we see minimum currency risks.

Credit risk

Forma Pro Films works in cooperation with top sales companies. Sales companies communicate with distributors on behalf of FPF, collaborate with marketing managers and publicists. <https://www.highlandfilmgroup.com/about/> Sales companies negotiate with the distributors, based on the sales estimates and detailed assessment of the production commercial value.

Before each project in the slate greenlighted, Forma Pro Films receives solid sales estimates from the several reputable sales companies, and makes the recoupment analytics. Each project needs to reach at least 145% ROI forecast in order to proceed to the production process.

Price risk

Streaming has never been more popular, and cinemas are facing an existential threat unlike anything they experienced before. When the world eventually emerges from the COVID-19 outbreak, it's not an exaggeration to say the film landscape will never look the same.

The math in selling to streamers is - worldwide rights go to the highest bidder. Streaming services (Netflix, Amazon Studios, Hulu, Disney, etc.) usually pay a flat amount, allowing Forma Pro Films studio to shell out upfront to recoup the investments much faster than traditional worldwide distribution.

Development and performance

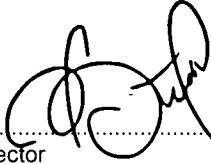
The Directors see a positive future and solid returns on investments for the coming years and whilst strengthening its internal core future expansion will continue to be at the forefront.

Strategic Report
for the period 23 October 2020 to 31 October 2021

Key performance indicators

As 2021 was a formation and set up year, there have been no KPIs to assess.

On behalf of the board:



.....
I Zaitseva - Director

Date: 23.08.2022

FPF Finance Plc
Directors' Report
for the period 23 October 2020 to 31 October 2021

The directors present their report with the financial statements of the company for the period 23 October 2020 to 31 October 2021.

Incorporation

The company was incorporated on 23 October 2020.

Principal activity

The principal activity of the company in the year under review was that of buying and selling of own real estate.

Events since the end of the period

Information relating to events since the end of the period is given in the notes to the financial statements.

Directors

The directors who have held office during the period from 23 October 2020 to the date of this report are as follows:

G Regev - appointed 23 October 2020
I Zaitseva - appointed 23 October 2020

M Pavlovs was appointed as a director after 31 October 2021 but prior to the date of this report.

Statement of directors' responsibilities

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Statement as to disclosure of information to auditors

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

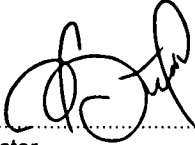
The auditors, CBW Audit Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

FPF Finance Plc

**Directors' Report
for the period 23 October 2020 to 31 October 2021**

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

On behalf of the board:



.....
I Zaitseva - Director

Date: 23.08.2022

**Independent Auditors' Report to the Members of
FPF Finance Plc**

Opinion

We have audited the financial statements of FPF Finance Plc (the 'company') for the period ended 31 October 2021 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement 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 Financial Reporting Standard 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 31 October 2021 and of its loss 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Directors' Report, but does not include the financial statements and our Auditors' 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 themselves. 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 Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

**Independent Auditors' Report to the Members of
FPF Finance Plc**

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 or 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; or
- the directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Directors' Report.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities, 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 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.

**Independent Auditors' Report to the Members of
FPF Finance Plc**

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

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 extent to which our procedures capable of detecting irregularities, including fraud, is detailed below.

We gained an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates, and considered the risk of acts by the company that were contrary to applicable laws and regulations, including fraud. We discussed with the Directors the policies and procedures in place regarding compliance with laws and regulations. We discussed amongst the audit team the identified laws and regulations, and remained alert to any indications of non-compliance.

During the audit we focussed on laws and regulations which could reasonably be expected to give rise to a material misstatement in the financial statements including, but not limited to, the Companies Act 2006, Financial Conduct Authority Rules and UK tax legislation. Our tests included agreeing the financial statement disclosures to underlying supporting documentation and enquiries with management.

Our procedures in relation to fraud included but were not limited to: inquiries of management whether they have any knowledge of any actual, suspected or alleged fraud, and discussions amongst the audit team regarding risk of fraud such as opportunities for fraudulent manipulation of financial statements. We determined that the principal risks related to posting manual journal entries to manipulate financial performance and management bias through judgements in accounting estimates. We also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

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Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

CBW Audit Limited

Daniel Howarth (Senior Statutory Auditor)
for and on behalf of CBW Audit Limited
66 Prescott Street
London
E1 8NN

Date: 23/08/2022

FPF Finance Plc
Income Statement
for the period 23 October 2020 to 31 October 2021

	Notes	£
Turnover		-
Administrative expenses		<u>(40,961)</u>
Operating loss and Loss before taxation		(40,961)
Tax on loss	4	<u>-</u>
Loss for the financial period		<u>(40,961)</u>

The notes form part of these financial statements

FPF Finance Plc

Other Comprehensive Income
for the period 23 October 2020 to 31 October 2021

	Notes	£
Loss for the period		(40,961)
Other comprehensive income		-
Total comprehensive income for the period		<u>(40,961)</u>

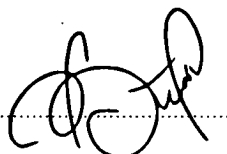
The notes form part of these financial statements

Balance Sheet
31 October 2021

	Notes	£
Current assets		
Debtors	5	36,199
Cash at bank		18
		<u>36,217</u>
Creditors		
Amounts falling due within one year	6	27,178
		<u>9,039</u>
Net current assets		<u>9,039</u>
Total assets less current liabilities		<u><u>9,039</u></u>
Capital and reserves		
Called up share capital	7	50,000
Retained earnings	8	(40,961)
		<u>9,039</u>
Shareholders' funds		<u><u>9,039</u></u>

The financial statements were approved by the Board of Directors and authorised for issue on
23.08.2022..... and were signed on its behalf by:

.....
 I Zaitseva - Director



The notes form part of these financial statements

FPF Finance Plc

Statement of Changes in Equity
for the period 23 October 2020 to 31 October 2021

	Called up share capital £	Retained earnings £	Total equity £
Changes in equity			
Issue of share capital	50,000	-	50,000
Total comprehensive income	-	(40,961)	(40,961)
Balance at 31 October 2021	<u>50,000</u>	<u>(40,961)</u>	<u>9,039</u>

The notes form part of these financial statements

FPF Finance Plc

Cash Flow Statement
for the period 23 October 2020 to 31 October 2021

	Notes	£
Cash flows from operating activities		
Cash generated from operations	12	<u>(49,982)</u>
Net cash from operating activities		<u>(49,982)</u>
Cash flows from financing activities		
Share issue		<u>50,000</u>
Net cash from financing activities		<u>50,000</u>
Increase in cash and cash equivalents		<u>18</u>
Cash and cash equivalents at beginning of period	13	-
Cash and cash equivalents at end of period	13	<u><u>18</u></u>

The notes form part of these financial statements

**Notes to the Financial Statements
for the period 23 October 2020 to 31 October 2021**

1. Statutory information

FPF Finance Plc is a private company, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. Accounting policies

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Critical accounting judgements and key sources of estimation uncertainty

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

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

Critical judgements in applying the Company's accounting policies

The directors have reviewed the judgements in regards to revenue recognition and other areas of financial statements but concluded that there were no material judgements that require separate disclosure.

Key sources of estimation uncertainty

The directors have reviewed the estimates at 31 October 2021 and while, as described above, there are numerous estimates made by the directors, none are considered sufficiently material to require separate disclosure.

Financial instruments

Financial assets and financial liabilities are recognised in the balance sheet when the company becomes a party to the contractual provisions of the instrument.

Trade and other debtors and creditors are classified as basic financial instruments and measured at initial recognition at transaction price. Debtors and creditors are subsequently measured at amortised cost using the effective interest rate method. A provision is established when there is objective evidence that the company will not be able to collect all amounts due.

Cash and cash equivalents are classified as basic financial instruments and comprise cash in hand and at bank and bank overdrafts which are an integral part of the company's cash management.

Financial liabilities and equity instruments issued by the company are classified in accordance with the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs.

Taxation

Taxation for the period comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Notes to the Financial Statements - continued
for the period 23 October 2020 to 31 October 2021

2. Accounting policies - continued

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Going concern

The financial statements have been prepared on a going concern basis. The directors have reviewed and considered relevant information, including the annual budget and cash flow forecasts in making their assessment. Based on these assessments, the directors have concluded that they can continue to adopt the going concern basis in preparing the annual report and accounts. This assumes continued support from the parent company for the foreseeable future.

3. Operating loss

The operating loss is stated after charging/(crediting):

	£
Auditors' remuneration	10,000
Foreign exchange differences	(147)
	<u> </u>

4. Taxation

Analysis of the tax charge

No liability to UK corporation tax arose for the period.

Reconciliation of total tax charge included in profit and loss

The tax assessed for the period is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	£
Loss before tax	(40,961)
Loss multiplied by the standard rate of corporation tax in the UK of 19%	(7,783)
Effects of:	
Loss carried forward	7,783
Total tax charge	<u> </u>

5. Debtors: amounts falling due within one year

	£
Amounts owed by group undertakings	35,399
VAT	800
	<u>36,199</u>

Notes to the Financial Statements - continued
for the period 23 October 2020 to 31 October 2021

6. Creditors: amounts falling due within one year

	£
Trade creditors	6,913
Accrued expenses	20,265
	<u>27,178</u>

7. Called up share capital

Allotted and issued:			
Number:	Class:	Nominal value:	£
50,000	Share capital 1	£1	<u>50,000</u>

50,000 Ordinary shares of £1 each were allotted at par during the period.

8. Reserves

	Retained earnings £
Deficit for the period	<u>(40,961)</u>
At 31 October 2021	<u>(40,961)</u>

9. Ultimate parent company

FORMA PRO FILMS SIA (incorporated in Latvia) is regarded by the directors as being the company's ultimate parent company.

10. Related party disclosures

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

11. Post balance sheet events

There are no subsequent events post year end that need to be disclosed or adjusted for in the accounts.

12. Reconciliation of loss before taxation to cash generated from operations

	£
Loss before taxation	(40,961)
Increase in trade and other debtors	(36,199)
Increase in trade and other creditors	27,178
Cash generated from operations	<u>(49,982)</u>

13. Cash and cash equivalents

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Period ended 31 October 2021

	31/10/21	23/10/20
	£	£
Cash and cash equivalents	<u>18</u>	<u>-</u>

Notes to the Financial Statements - continued
for the period 23 October 2020 to 31 October 2021

14. Analysis of changes in net funds

	At 23/10/20 £	Cash flow £	At 31/10/21 £
Net cash			
Cash at bank	-	18	18
	<u>-</u>	<u>18</u>	<u>18</u>
	-	18	18
	<u>-</u>	<u>18</u>	<u>18</u>
Total	-	18	18
	<u>-</u>	<u>18</u>	<u>18</u>

FPF Finance Plc

Detailed Profit and Loss Account
for the period 23 October 2020 to 31 October 2021

	£	£
Income		-
Expenditure		
Accountancy	3,000	
Legal and professional fees	23,598	
Auditors' remuneration	10,000	
Foreign exchange losses	(147)	
		<u>36,451</u>
		(36,451)
Finance costs		
Bank charges		<u>4,510</u>
Net loss		<u>(40,961)</u>

This page does not form part of the statutory financial statements