
THE SECOND MEZZANINE FILM FUND LLP

FINANCIAL STATEMENTS
INFORMATION FOR FILING WITH THE REGISTRAR
FOR THE YEAR ENDED 5 APRIL 2018



THE SECOND MEZZANINE FILM FUND LLP
REGISTERED NUMBER: OC303945

BALANCE SHEET
AS AT 5 APRIL 2018

	Note		2018 £	2017 £
Current assets				
Debtors: amounts falling due within one year	4	839	1,688,268	
Cash at bank and in hand	5	39,227	34,842	
		<u>40,066</u>	<u>1,723,110</u>	
Creditors: Amounts Falling Due Within One Year	6	(74,665)	(1,706,752)	
Net current (liabilities)/assets			(34,599)	16,358
Total assets less current liabilities			(34,599)	16,358
Net (liabilities)/assets			(34,599)	16,358
Represented by:				
Loans and other debts due to members within one year				
Members' other interests				
Members' capital classified as equity		(34,599)	16,358	
			(34,599)	16,358
Total members' interests			(34,599)	16,358
Members' other interests			(34,599)	16,358

THE SECOND MEZZANINE FILM FUND LLP
REGISTERED NUMBER: OC303945

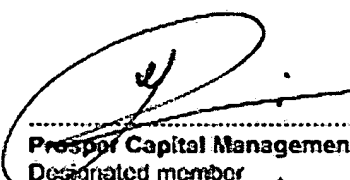
BALANCE SHEET (CONTINUED)
AS AT 5 APRIL 2018

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small LLPs regime.

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

The entity has opted not to file the statement of comprehensive income in accordance with the provisions applicable to entities subject to the small LLPs regime.

The financial statements were approved and authorised for issue by the members and were signed on their behalf by:



Prosper Capital Management Limited
Designated member

Date:

24/11/19

The notes on pages 4 to 6 form part of these financial statements.

THE SECOND MEZZANINE FILM FUND LLP

**RECONCILIATION OF MEMBERS' INTERESTS
FOR THE YEAR ENDED 5 APRIL 2018**

	EQUITY		
	Members' capital (classified as equity) £	Members' other interests Other reserves £	Total £
Balance at 6 April 2016	4,304,185	(4,188,601)	115,584
Members' interests after profit for the year	4,304,185	(4,188,601)	115,584
Other division of losses	(4,287,827)	4,188,601	(99,226)
Balance at 5 April 2017	16,358	-	16,358
Members' interests after profit for the year	16,358	-	16,358
Allocation of losses	(50,957)	-	(50,957)
Balance at 5 April 2018	(34,599)	-	(34,599)

There are no existing restrictions or limitations which impact the ability of the members of the LLP to reduce the amount of Members' other interests.

THE SECOND MEZZANINE FILM FUND LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2018

1. General information

The Second Mezzanine Film Fund LLP is a members limited liability partnership, incorporated in England and Wales. The registered office is 4th Floor, 50 Mark Lane, London, EC3R 7QR.

The principal activity of the LLP in the year under review was that of acquiring and leasing films for exploitation.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Limited Liability Partnership Statement of Recommended Practice, March 2006, which have been applied consistently (except as otherwise stated).

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 and the requirements of the Statement of Recommended Practice "Accounting by Limited Liability Partnerships".

As noted in the Members Report, the LLP is due to cease activity and move to dissolution from 5 April 2020 in line with the Partnership Agreement. The financial statements have therefore been prepared on the going concern basis, given that the LLP will continue to operate in the normal course. The members consider that if the financial statements were prepared on an alternative basis there would be no material difference to these financial statements, as the only adjustments would be to account for the dissolution costs.

The following principal accounting policies have been applied:

2.2 Turnover

Turnover represents income received by way of finance lease charges. Turnover is recognised in the period once the right to the income is earned.

2.3 Recognition of capital

The financial statements have been prepared in accordance with the requirements of FRS 102 as applied to limited liability partnerships by the applicable SORP. Since the profits of the limited liability partnership are automatically distributed, FRS 102 requires members' capital to be disclosed as a liability, rather than equity. It is for this reason only that the members' capital has been presented as a liability. Under the terms of the Partnership Deed, there is no entitlement for members to draw out, or receive back at any time while they are members of the limited liability partnership, the amounts contributed by them as capital.

2.4 Amounts recoverable in respect of finance leases

Once a film has been leased to the producer, the value attributable to the lease is included in the balance sheet as an amount recoverable contract. The amount of that attributable value is the net present value of the minimum lease payments under the contract. Each year the net present value is recomputed and the reduction in value of the lease is set off against the rental income and treated as a recovery of the leasing debt. This computation is carried out on a consistent basis year on year.

THE SECOND MEZZANINE FILM FUND LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2018

2. Accounting policies (continued)

2.5 Other income and expenses

Income and expenses of the LLP which are not associated directly with a particular film are credited or charged to the profit and loss account in the year in which they arise and to which they relate. Where contractual arrangements exist for costs of the LLP to be reimbursed by a third party, the costs are included as gross amounts, and the total reimbursements are set against them.

2.6 Taxation

The taxation payable on partnership profits is the personal liability of the members during the period and consequently neither taxation nor related deferred taxation are accounted for in the financial statements. Amounts retained for tax are treated in the same way as other profits of the partnership and are included in "Members' interests" or in "Loans and other debts due to Members" depending on whether or not division of profit has occurred.

2.7 Capital contributions

Where capital contributions by partners are unpaid at the balance sheet date, but a binding commitment to contribute that capital has been given by the partner, the capital contribution is recognised as such, and the amount unpaid is shown as a debtor.

3. Employees

The entity has no employees.

THE SECOND MEZZANINE FILM FUND LLP

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2018

4. Debtors

	2018 £	2017 £
Trade debtors	-	1,685,608
Other debtors	565	2,660
Prepayments and accrued income	274	-
	<u>839</u>	<u>1,688,268</u>

5. Cash and cash equivalents

	2018 £	2017 £
Cash at bank and in hand	39,227	34,842
	<u>39,227</u>	<u>34,842</u>

6. Creditors: Amounts falling due within one year

	2018 £	2017 £
Bank loans	-	1,646,487
Trade creditors	9,430	9,000
Other creditors	63,495	49,625
Accruals and deferred income	1,740	1,640
	<u>74,665</u>	<u>1,706,752</u>

7. Auditor's information

In accordance with section 444A of the Companies Act 2006, the LLP is subject to the small LLP's regime and as such the Members have not delivered to the Registrar a copy of the Statement of Comprehensive Income or a copy of the Members' Report. The accounts have been prepared in accordance with the provisions applicable to companies subject to the small LLP's regime and in accordance with the provisions of FRS102 section 1A - small entities.

The financial statements of the company were audited by Hillier Hopkins LLP (Registered Auditor). The Auditor's Report was unqualified and signed by Jonathan Franks FCA as Senior Statutory Auditor for and on behalf of Hillier Hopkins LLP.