
PARK CIRCUS FILM CO. LTD.

FINANCIAL STATEMENTS
INFORMATION FOR FILING WITH THE REGISTRAR
FOR THE YEAR ENDED 31 DECEMBER 2019



PARK CIRCUS FILM CO. LTD.
REGISTERED NUMBER: SC543736

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2019

	Note	2019 £000	2018 £000
Current assets			
Debtors: amounts falling due within one year	6	18	20
Cash at bank and in hand	7	10	19
		<u>28</u>	<u>39</u>
Creditors: amounts falling due within one year	8	(8)	(36)
Net current assets		<u>20</u>	<u>3</u>
Total assets less current liabilities		<u>20</u>	<u>3</u>
Net assets		<u>20</u>	<u>3</u>
Capital and reserves			
Profit and loss account		<u>20</u>	<u>3</u>
		<u>20</u>	<u>3</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 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 on
3/12/2020

Mark Hirzberger-Taylor

Mark Hirzberger-Taylor
Director

The notes on pages 3 to 7 form part of these financial statements.

PARK CIRCUS FILM CO. LTD.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

1. General information

Park Circus Film Co. Limited is a private company limited by shares and incorporated in Scotland, registered number SC543736. Its registered head office is located at 15 Woodside Crescent, Glasgow, G3 7UL.

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 preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The functional and presentational currency of the company is sterling (£).

The following principal accounting policies have been applied:

2.2 Going concern

The financial statements have been prepared on a going concern basis which assumes adequate finance will be available for the foreseeable future. The company novated all of its contracts across the fellow Group company, Park Circus Limited on 1 July 2018. The company has sufficient assets to cover its liabilities and is not expected to generate any further cashflows outside this. As such the going concern basis is considered appropriate.

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Income is recognised in the accounts on an accruals basis in line with the screening date of the event or film.

The majority of the Company income is recognised on the basis of the Company acting as Principal for the reasons outlined below:

- The Company has full ownership of the licenses it is granted by studios
- The Company is the contractual counterparty with the licensees
- The Company maintains flexibility to determine and negotiate sales terms with licensees
- The Company carries a sufficient level of the credit risk in each transaction

The only exception to the above recognition policy is where the Company is named as a non-exclusive agent within an agreement with the rights holder with no license granted to the Company; in this instance revenue is recognised on an agency basis.

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**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Profit and loss account £000	Total equity £000
At 1 January 2019	3	3
Comprehensive income for the year		
Profit for the year	17	17
Other comprehensive income for the year	-	-
Total comprehensive income for the year	17	17
Total transactions with owners	-	-
At 31 December 2019	20	20

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Profit and loss account £000	Total equity £000
At 1 January 2018	(266)	(266)
Comprehensive income for the year		
Profit for the year	269	269
Other comprehensive income for the year	-	-
Total comprehensive income for the year	269	269
Total transactions with owners	-	-
At 31 December 2018	3	3

The notes on pages 3 to 7 form part of these financial statements.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

2. Accounting policies (continued)

2.8 Taxation

Tax is recognised in the Statement of Comprehensive Income, 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 reporting date in the countries where the Company operates and generates income.

2.9 Research and development tax credits

Any R&D tax credit is recognised as receivable on an accruals basis.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

As stated in note 2.3 it is the opinion of the Directors that the company is acting as principal in the transactions with licencees. The main factors in reaching this decision are the company retains effective control over the content and price of licenses, as well as retaining the significant risks and rewards associated with the transactions.

Going concern

The Company believes that a major judgement applied is the use of the going concern principle which supports the valuation of assets included in the Statement of Financial Position.

4. Auditor's remuneration

The audit fee for the audit of these financial statements has been borne by Park Circus Group Limited and the amounts paid are disclosed within that entity's accounts.

5. Employees

The Company has no employees other than the directors, who did not receive any remuneration (2018: £Nil).

Staff costs recharged from other group entities in the year totalled £Nil (2018: £Nil).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

2. Accounting policies (continued)

2.4 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.5 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.6 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.7 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of Comprehensive Income within 'other operating income'.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

10. Post balance sheet events

Since 31 December 2019, the spread of COVID-19 has severely impacted many local economies around the globe. In many countries, businesses are being forced to cease or limit operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown.

Governments and central banks have responded with monetary and fiscal interventions to stabilise economic conditions. The Company has determined that these events are non-adjusting subsequent events. Accordingly, the financial position and results of operations as of and for the year ended 31 December 2019 have not been adjusted to reflect their impact. The duration and impact of the COVID-19 pandemic, as well as the effectiveness of government and central bank responses, remains unclear at this time. It is not possible to reliably estimate the duration and severity of these consequences, as well as the impact on the financial position and results of the Company for future periods.

On 28 July 2020, Park Circus Limited secured an offer of bank funding in the amount of £350,000 to support the on-going funding requirements of all companies within the Park Circus Group Limited group.

11. Controlling party

The immediate parent company is Park Circus Limited. Its registered address is 15 Woodside Crescent, Glasgow, G3 7UL. In the opinion of the directors, the ultimate controlling party is Goran Private Limited. Its registered address is c/o Hamilton Trust Company Limited, 2 Reid Street, Hamilton, HM 11, Bermuda.

The only consolidated financial statements in which the company is included is that of Park Circus Group Limited. These consolidated financial statements are available to the public and can be obtained from 5 Young Street, London, W8 5EH.

12. Auditor's information

The auditor's report on the financial statements for the year ended 31 December 2019 was unqualified.

The audit report was signed on 3/12/2020 by James Andersen (Senior Statutory Auditor) on behalf of Grant Thornton UK LLP.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

6. Debtors

	2019	2018
	£000	£000
Trade debtors	-	19
Prepayments and accrued income	18	1
	<u>18</u>	<u>20</u>

7. Cash and cash equivalents

	2019	2018
	£000	£000
Cash at bank and in hand	10	19
	<u>10</u>	<u>19</u>

8. Creditors: Amounts falling due within one year

	2019	2018
	£000	£000
Amounts owed to group undertakings	6	34
Accruals and deferred income	2	2
	<u>8</u>	<u>36</u>

9. Related party transactions

The company is a wholly owned subsidiary of Park Circus Limited which are a wholly owned subsidiary of Park Circus Group Limited, the consolidated accounts of which are publicly available from the Registrar of Companies. Accordingly the company has taken advantage of the exemption within FRS 102 section 33 from disclosing transactions with members of the Park Circus Group.