

Wessex Film Features Limited

Abbreviated Accounts

31 March 2014

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COMPANIES HOUSE

Wessex Film Features Limited

Registered No. 545588

Director

J C Woolf

Secretary

B M Curley

Auditors

Ernst & Young LLP
1 More London Place
London SE1 2AF

Registered Office

Wessex House
1 Chesham Street
London SW1X 8ND

Independent auditor's report

to Wessex Film Features Limited under section 449 of the Companies Act 2006

We have examined the company's abbreviated accounts which comprise the abbreviated balance sheet and the related notes 1 to 9, together with the financial statements of Wessex Film Features Limited for the year ended 31 March 2014 prepared under section 396 of the Companies Act 2006.

This report is made solely to the company in accordance with Section 449 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company 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 as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of director and auditors

The director is responsible for preparing the abbreviated accounts in accordance with section 444 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 444(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the regulation made under that section.

Ernst & Young LLP

Nicholas Jacques (Senior statutory auditor)
For and on behalf of Ernst & Young LLP, Statutory Auditor
London

29 December 2014

Abbreviated balance sheet

at 31 March 2014

	<i>Notes</i>	<i>2014</i> £	<i>2013</i> £
Fixed assets			
Investments	2	259,360	168,359
Current assets			
Debtors – due after more than one year	3	5,696	157,370
– due within one year	3	155,172	–
Cash at bank and in hand		4,127	3,475
Creditors: amounts falling due within one year	4	164,995 (126,258)	160,845 (665,403)
Net current assets/(liabilities)		38,737	(504,558)
Total assets less current liabilities		298,097	(336,199)
Creditors: amounts falling due after more than one year	5	(579,043)	(32,523)
Net liabilities		(280,946)	(368,722)
Capital and reserves			
Called up share capital	6	24,505	24,505
Revaluation reserve	7	(707,120)	(798,121)
Profit and loss account	8	401,669	404,894
Shareholders' deficit	9	(280,946)	(368,722)

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 applicable to small companies.

Approved by the board on 22 December 2014 and signed on its behalf

J C Woolf
Director



Notes to the abbreviated accounts

at 31 March 2014

1. Accounting policies

Basis of preparation

The unqualified audited financial statements, from which these abbreviated financial statements have been extracted, have been prepared under the historical cost convention, as modified by the revaluation of investments, and in accordance with applicable accounting standards.

Going concern

The financial statements have been prepared on a going concern basis as the company has net liabilities of £280,946 (2013 – £368,722) on the assumption that continued financial support will be made available by Romulus Films Limited and Remus Films Limited, related undertakings as described in note 15, to enable the company to meet its liabilities as and when they fall due. The director has received a letter of support from the aforementioned related undertakings and has no reason to believe this financial support will not continue in the future and considers it appropriate to adopt a going concern basis. However, should Romulus Films Limited or Remus Films Limited fail to provide such support, the going concern basis used in preparing the company's financial statements would be invalid and adjustments would have to be made to reduce the value of assets to their realisable amounts, to provide for any further liabilities which might arise and to reclassify fixed assets as current assets.

Investments

Fixed asset investments are included at valuation, of which unlisted investments are at the director's latest valuation. The unrealised surplus or deficit arising on revaluation is taken to a revaluation reserve.

Listed investments are classified as available-for-sale in accordance with FRS26. Available-for-sale financial investments are valued at market value with unrealised gains or losses recognised in the revaluation reserve until the investment is disposed of, at which time the cumulative gain or loss is recognised in profit and loss account, or determined to be impaired, at which time the cumulative loss is recognised in the profit and loss account and removed from the unrealised gains and losses reserve.

Derivatives

The company uses derivative financial instruments such as put options to hedge the risks associated with share price fluctuations. In accordance with FRS26, derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently valued at fair value. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

The fair value of put option contracts is determined by reference to market values. Any gains or losses arising from changes in the fair value of derivatives are taken to the profit and loss account, to the extent that they are not considered effective hedges.

Statement of cash flows

The company has taken advantage of the exemption from the requirement to prepare a cash flow statement conferred by Financial Reporting Standard 1 (revised) on small companies.

Deferred taxation

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or right to pay less or to receive more tax, with the following exceptions:

- Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, or gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

Notes to the abbreviated accounts

at 31 March 2014

1. Accounting policies

Deferred taxation (continued)

- Deferred tax assets are recognised only to the extent that the director considers that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Turnover

Turnover is revenue net of VAT received from the distribution of films produced by the company. Credit is taken for such revenues on an accruals basis when notified by the distributor. All turnover arose in the UK in both the current and prior years.

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account.

2. Investments

(a) Summary

	2014	2013
	£	£
Investments – listed (note 2(b))	222,560	130,259
Investments – unlisted (note 2(c))	36,800	38,100
Value at 31 March	259,360	168,359

(b) Investments – listed

	2014	2013
	£	£
Value at the beginning of the year	130,259	189,416
Revaluation surplus/(deficit) for the year	92,301	(59,157)
Value at the end of the year	222,560	130,259
Cost of listed investments	716,480	716,480

Listed investments comprise:

	Market value		Cost	
	2014	2013	2014	2013
	£	£	£	£
Listed on a UK recognised investment exchange	1,530	2,963	14,577	14,577
Listed outside Great Britain	221,030	127,296	701,903	701,903
	222,560	130,259	716,480	716,480

Notes to the abbreviated accounts

at 31 March 2014

2. Investments (continued)

(c) Unlisted investments

	<i>Units in enterprise zone trust £</i>
Valuation at 1 April 2013	38,100
Deficit on revaluation	(1,300)
Valuation at 31 March 2014	<u>36,800</u>
Cost at 31 March 2014 and 1 April 2013	<u>250,000</u>

The following investments represent at least 20% of the book value of assets of the company at the balance sheet date:

<i>Name of company</i>	<i>Country of incorporation</i>	<i>Type of shares</i>	<i>No. of units/ shares held</i>	<i>Proportion of share capital held</i>	<i>Holding £</i>
Seventh Downing EZT	UK	£1,000 Units	250	Less than 3%	36,800
Geron Corporation Inc	USA	0.001 USD Common stock	176,300	Less than 1%	221,030

3. Debtors

	<i>2014 £</i>	<i>2013 £</i>
Other debtors	157,719	154,570
Deferred tax asset (see note 5)	3,149	2,800
	<u>160,868</u>	<u>157,370</u>

Included in debtors are amounts of £155,172 which are due after more than one year (2013 –£nil).

Notes to the abbreviated accounts

at 31 March 2014

4. Creditors: amounts falling due within one year

	2014	2013
	£	£
Trade creditors	115,253	110,514
Other creditors	2,640	2,520
Amounts owed to related undertakings	6,140	550,110
Taxation and social security	—	134
Accruals and deferred income	2,225	2,125
	<u>126,258</u>	<u>665,403</u>

5. Creditors: amounts falling due after more than one year

	2014	2013
	£	£
Amounts owed to related undertakings	546,520	—
Secured loan	32,423	32,423
Preference shares (note 6)	100	100
	<u>579,043</u>	<u>32,523</u>

The secured loan outstanding is repayable with interest at 6% only out of the proceeds of distribution of a completed film.

Redeemable non-cumulative participating preference shares

At 31 March 2014 and 2013, there were 100 redeemable non-cumulative participating preference shares in issue. Each share has a nominal value of £1 and may be redeemed at par at the company's option at any time with at least 3 months notice to the registered holders. The preference shares carry a dividend of 5% (3.5% net) per annum and also 1% of any dividend declared or paid on the 'A' ordinary shares. The dividend rights are non-cumulative.

6. Issued share capital

	<i>Allotted, called-up and fully paid 2014 and 2013</i>	
	No.	£
Ordinary shares of £1 each	100	100
Non-voting 'A' ordinary shares of £1 each	24,405	24,405
	<u>24,505</u>	<u>24,505</u>

The ordinary shares have the right to vote, to receive dividends and to participate in any surplus assets in the event the company is wound up. The 'A' ordinary shares rank pari passu with the ordinary shares save that they are non-voting.

Please refer to note 5 for redeemable non-cumulative participating preference shares.

Notes to the abbreviated accounts

at 31 March 2014

7. Revaluation reserve

	£
At 1 April 2013	(798,121)
Revaluation surplus for the year on listed investments (note 2b)	92,301
Revaluation deficit for the year on unlisted investments (note 2c)	(1,300)
	<u>(707,120)</u>
At 31 March 2014	<u>(707,120)</u>

8. Profit and loss account

	£
At 1 April 2013	404,894
Loss for the year	(3,221)
Preference dividend paid	(4)
	<u>401,669</u>
At 31 March 2014	<u>401,669</u>

9. Reconciliation of shareholders' funds and movements on reserves

	2014 £	2013 £
Loss for the financial year	(3,221)	(2,505)
Other recognised gains/(losses) relating to the year	91,001	(75,357)
Preference dividend paid	(4)	(4)
	<u>87,776</u>	<u>(77,866)</u>
Net increase/(decrease) in shareholders' funds	(368,722)	(290,856)
Opening shareholders' deficit		
	<u>(280,946)</u>	<u>(368,722)</u>