Wessex Film Features Limited

Unaudited Annual Report and Financial Statements

for the Year Ended 31 March 2021

Wessex Film Features Limited

Contents

Wessex Film Features Limited

Company Information

Director	J C Woolf
Company secretary	B M Curley
Registered office	Wessex House 1 Chesham Street London SW1X 8ND

Wessex Film Features Limited

Directors Report for the Year Ended 31 March 2021

The director presents his report and the financial statements for the year ended 31 March 2021.

Principal activity
The principal activity of the company during the year continued to be the exploitation of film rights and investment in securities.

Director of the company
The director who held office during the year was as follows:

J C Woolf

Results and dividends
The profit and loss for the year is set out on page 4. The director recommends a final dividend payment of £4 (2020 - £4) be made in respect of the financial year ended 31 March 2021.

Going concern
The financial statements have been prepared on a going concern basis.

At the balance sheet date the Company had net liabilities of £235,842 (2020 - £284,473). As a result of this, and to enable the Company to continue to meet its liabilities as they fall due, the Company's related undertakings as described in note 13, Romulus Films Limited and Remus Films Limited, have provided confirmation of their continued financial support for at least 12 months from the date of signing of these financial statements.

The COVID-19 worldwide pandemic continues to impact companies in a number of industries, including markets in which the Company holds investments. Whilst the markets remain volatile, there has been a steady recovery since the pandemic was declared in March 2020. Due to the nature of the business there is an inherent uncertainty regarding future performance due to the exposure to the macroeconomic environment on performance of the assets held.

In event of financial support being withdrawn by Romulus Films Limited and Remus Films Limited, the Company's related undertakings (as described in note 13), the Company may not remain a going concern. Should financial support be withdrawn, adjustments would need to be made to the financial statements such as to reduce the value of assets to their realisable amounts to reflect the financial statements being prepared on a basis other than going concern. The director has no reason to believe that this financial support will not continue and relationships with its related undertakings cease. On this basis, the director has concluded that there are no material uncertainties that may cast doubt over the Company's ability to continue as a going concern. Consequently, the director has prepared these financial statements on the going concern basis.

Small companies provision statement
In preparing this Director's report, the director has taken advantage of the small companies' exemption under Section 415(A) of the Companies Act 2006. The director has also taken exemption under Section 414(B) not to prepare a Strategic Report.

Approved by the Board on 20/12/21 and signed on its behalf by:

....
J C Woolf
Director

Statement of Director's Responsibilities

The director is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is 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 director is required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.

The director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

Wessex Film Features Limited

Profit and Loss Account for the Year Ended 31 March 2021

	Note	2021 £	2020 £
Revenue	2	18,100	4,600
Other expenses		(3,252)	(1,908)
Operating profit	3	14,848	2,692
Gain/(loss) on financial assets at fair value through profit and loss account		35,603	(57,965)
Income from other fixed asset investments		3,060	2,650
Interest payable and similar charges	4	(4,876)	(9,625)
		33,787	(64,940)
Profit/(loss) before tax		48,635	(62,248)
Profit/(loss) for the year		48,635	(62,248)

The company has no recognised gains or losses for the year other than the results above.

Wessex Film Features Limited

(Registration number: 00545588)
Balance Sheet as at 31 March 2021

	Note	2021 £	2020 £
Fixed assets			
Investments in financial assets	7	262,627	227,025
Current assets			
Debtors	8	18,000	6,310
Cash at bank and in hand		2,842	4,784
		20,842	11,094
Creditors: Amounts falling due within one year	9	(486,788)	(10)
Net current (liabilities)/assets		(465,946)	11,084
Total assets less current liabilities		(203,319)	238,109
Creditors: Amounts falling due after more than one year	9	(32,523)	(522,582)
Net liabilities		(235,842)	(284,473)
Capital and reserves			
Called up share capital	11	24,505	24,505
Profit and loss account		(260,347)	(308,978)
Total equity		(235,842)	(284,473)

For the financial year ending 31 March 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

Approved and authorised by the director on 20/12/21

....

J C Woolf
Director

The notes on pages 7 to 14 form an integral part of these financial statements.

Wessex Film Features Limited

Statement of Changes in Equity for the Year Ended 31 March 2021

	Share capital £	Profit and loss account £	Total £
At 1 April 2019	24,505	(246,726)	(222,221)
Loss for the year	-	(62,248)	(62,248)
Dividends	-	(4)	(4)
At 31 March 2020	24,505	(308,978)	(284,473)

	Share capital £	Profit and loss account £	Total £
At 1 April 2020	24,505	(308,978)	(284,473)
Profit for the year	-	48,635	48,635
Dividends	-	(4)	(4)
At 31 March 2021	24,505	(260,347)	(235,842)

The notes on pages 7 to 14 form an integral part of these financial statements.

1 Accounting policies

Statement of compliance
Wessex Film Features Limited is a limited liability company incorporated in England. The registered office is Wessex House, 1 Chesham Street, London, SW1X 8ND.

The financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 - 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102') and with the Companies Act 2006.

Basis of preparation
The financial statements have been prepared using the historical cost convention as modified to include the revaluation of investments and in accordance with United Kingdom company law and applicable accounting standards.

The financial statements are prepared in sterling which is the functional currency of the company and rounded to the nearest £1.

Going concern
The financial statements have been prepared on a going concern basis.

At the balance sheet date the Company had net liabilities of £235,842 (2020 - £284,473). As a result of this, and to enable the Company to continue to meet its liabilities as they fall due, the Company's related undertakings as described in note 13, Romulus Films Limited and Remus Films Limited, have provided confirmation of their continued financial support for at least 12 months from the date of signing of these financial statements.

The COVID-19 worldwide pandemic continues to impact companies in a number of industries, including markets in which the Company holds investments. Whilst the markets remain volatile, there has been a steady recovery since the pandemic was declared in March 2020. Due to the nature of the business there is an inherent uncertainty regarding future performance due to the exposure to the macroeconomic environment on performance of the assets held.

In event of financial support being withdrawn by Romulus Films Limited and Remus Films Limited, the Company's related undertakings (as described in note 13), the Company may not remain a going concern. Should financial support be withdrawn, adjustments would need to be made to the financial statements such as to reduce the value of assets to their realisable amounts to reflect the financial statements being prepared on a basis other than going concern. The director has no reason to believe that this financial support will not continue and relationships with its related undertakings cease. On this basis, the director has concluded that there are no material uncertainties that may cast doubt over the Company's ability to continue as a going concern. Consequently, the director has prepared these financial statements on the going concern basis.

Revenue recognition

Turnover 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. Turnover is measured as the fair value of the consideration received or receivable, excluding discount, rebates, value added tax and other sales taxes.

On delivery of a film to its distributors, all rights are transferred to the distributors, save for the right to receive future revenues. 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.

Income from Investments

Dividends receivable on equity shares are recognised when the Company's right to receive payment is established.

Interest income on fixed interest securities is recognised on a time apportionment basis so as to reflect the effective interest rate of the security.

Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded in the entity's functional currency by applying the spot exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date.

All difference are taken to the profit and loss account.

Tax

Taxation expense for the period comprise current and deferred tax recognised in the reporting period.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is the amount of tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These 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 recognised on all timing differences at the reporting date except for certain exceptions,. Unrelievable tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

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.

Financial instruments
When a financial asset or financial liability is recognised initially, an entity shall measure it at its fair value, which is normally the transaction price (including transaction costs except in the initial measurement of financial assets and liabilities that are measured at fair value through profit or loss).

At the end of each reporting period, an entity shall measure all financial instruments within the scope of Section 12 at fair value and recognise changes in the fair value in profit or loss.

The Director has elected to account for financial instruments in accordance with chapters 11 and 12 of FRS 102.

Investments
Equity investments are recognised initially at fair value which is normally the transaction price and the transaction costs. Subsequently, they are measured at fair value through profit or loss except for those equity investments that are not publically traded and whose fair value cannot otherwise be measured reliably which are recognised at cost less impairment until a reliable measure of fair value becomes available. Including transaction costs in the initial recognition where the investment is subsequently measured at fair value through profit and loss is a departure from the requirements of FRS 102, 12.12.; the impact on the accounts is immaterial.

For investments that are actively traded in organised financial markets, fair value is determined by reference to quoted market bid prices or last traded prices, depending upon the convention of the exchange on which the investment is quoted.

If a reliable measure of fair value is no longer available, the equity instrument's fair value on the last date the instrument was reliably measured is treated as the cost of the instrument.

Exchange traded stock options are, until disposal, included under current assets or current liabilities with unrealised holding gains or losses treated as realised, and valued in accordance with the above fair value policy.

Gains or losses on disposals and revaluation of such options are included in the profit and loss account.

Cash and cash equivalents
Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade Debtors
Trade debtors are amounts due from customers for services performed in the ordinary course of business. Trade debtors also include investment contracts entered into but unsettled at the balance sheet date.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables.

Trade Creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

2 Revenue

The analysis of the company's revenue for the year from continuing operations is as follows:

	2021 £	2020 £
Film revenue	100	100
Provision of services	18,000	4,500
	18,100	4,600

3 Operating profit

Arrived at after charging/(crediting):

	2021 £	2020 £
Foreign exchange losses/(gains)	1	(2)

4 Interest payable and similar charges

	2021 £	2020 £
Interest expense on other finance liabilities	4,876	9,625

5 Staff costs

During the year the company had no employees (2020 - nil). Another company provided administration services. The director received no emoluments for the year (2020 - £nil).

The director in office during the year was also an officer of an associate undertaking, Remus Films Ltd, and is remunerated by that entity.

6 Taxation

The tax on profit before tax for the year is lower than the standard rate of corporation tax in the UK (2020 - higher than the standard rate of corporation tax in the UK) of 19% (2020 - 19%).

The differences are reconciled below:

	2021 £	2020 £
Profit/(loss) before tax	48,635	(62,248)
Corporation tax at standard rate	9,241	(11,827)
Effect of tax losses brought forward and utilised in the current period	(2,476)	-
Tax increase from effect of unrelieved tax losses carried forward	-	814
Revaluation of Investments	(6,765)	11,013
Total tax charge/(credit)	-	-

Deferred tax assets in respect of tax losses of £146,563 (2020 - £157,708) have not been recognised as there is insufficient certainty that there will be suitable future taxable profits to recover these deferred tax assets.

7 Investments in financial assets

	2021 £	2020 £
Investments at fair value through profit and loss	221,448	183,683
Investments in Enterprise Zone Trust at fair value	41,168	43,330
Investments at cost less impairment	11	12
	262,627	227,025

Investments at fair value through profit and loss account

	2021 £	2020 £
Value at the beginning of the year	183,683	241,523
Disposals	-	-
Fair value adjustment	37,765	(57,840)
Value at the end of the year	221,448	183,683

Investments in Enterprise Zone Trust at fair value

	2021	2020
	£	£
Value at the beginning of the year	43,330	43,455
Fair value adjustment	(2,162)	(125)
Value at the end of the year	41,168	43,330

Investments at cost less impairment

	2021	2020
	£	£
Value at the begining of the year	12	152
Revaluation deficit movement	(1)	(140)
Value at the end of the year	11	12

8 Debtors

	Note	2021 £	2020 £
Amounts owed by related parties	13	18,000	6,310
		18,000	6,310

9 Creditors

	Note	2021 £	2020 £
Due within one year			
Amounts due to related parties	13	485,878	-
Social security and other taxes		910	10
		486,788	10
Due after one year			
Loans and borrowings	10	32,523	522,582

10 Loans and borrowings

	Note	2021 £	2020 £
Non-current loans and borrowings			
Redeemable non-cumulative preference shares		100	100
Secured loan against future film proceeds		32,423	32,423
Loans from related parties, > 1 year and < 5 years	13	-	490,059
		32,523	522,582

Redeemable preference shares

The redeemable non-cumulative participating preference shares are redeemable at the option of the company. They are redeemable at £1 per share and carry no voting rights. On a winding up of the company the holders of the shares have a right to receive the preference share capital together with any accrued preference dividend for that year with no further entitlement to participate in the profits or surplus assets.

11 Share capital

Allotted, called up and fully paid shares

	2021		2020	
	No.	£	No.	£
Ordinary shares of £1 each	100	100	100	100
Non-voting 'A' ordinary shares of £1 each	24,405	24,405	24,405	24,405
	24,505	24,505	24,505	24,505

Share capital rights

Ordinary shares have the following rights, preferences and restrictions:
Ordinary shares have voting rights and are entitled to participate in profits available for distribution after the non-cumulative preference dividend has been paid.

Non-voting 'A' ordinary shares have the following rights, preferences and restrictions:
'A' ordinary shares do not have voting rights but otherwise rank pari passu with the ordinary shares.

12 Dividends

The director is proposing a final dividend of £0.04 (2020 - £0.04) per preference share totalling £4.00 (2020 - £4.00).

13 Related party transactions

At the balance sheet date, the company was owed £18,000 (2020 - £6,310) by 'The Mayflower' Pictures Corporation Limited. This amount is included within "Debtors: Amounts owed by related parties" (note 8). During the year services with a value of £18,000 (2020 - £4,500) were provided by the company to 'The Mayflower' Pictures Corporation Limited. During the year Romulus Films Ltd settled a balance of £7,210 (2020 - £nil) owed by 'The Mayflower' Pictures Corporation Limited to the company. Mr J C Woolf is a director of 'The Mayflower' Pictures Corporation Limited.

At the balance sheet date, the company owes £485,878 (2020 - £490,059) to Romulus Films Limited. This amount is included within "Due after one year: Loans and borrowings" (note 9) and "Non-current loans and borrowings: Loans from related parties, > 1 year and 5 < years" (note 10). Interest was charged on the balance at 1% (2020 - 2%). The interest expense was £4,855 (2020 - £9,594). During the year Romulus Films Ltd settled a balance of £7,210 (2020 - £nil) owed by 'The Mayflower' Pictures Corporation Limited to the company. During the year Romulus Films settled a balance of £2 (2020 - £2) owed to Remus Films Limited by the company. During the year Romulus Films Ltd settled a balance of £1,250 (2020 - £nil) owed to PKL Pictures Limited by the company. Romulus Films Limited owns 50% of the ordinary shares and 50% of the participating preference shares of Wessex Film Features Limited. Mr. J C Woolf is a director of Romulus Films Limited.

During the year Romulus Films Ltd settled a balance of £2 (2020 - £2) owed to Remus Films Limited by the company. Remus Films Limited owns 50% of the ordinary shares and 50% of the participating preference shares of Wessex Film Features Limited. Mr. J C Woolf is a director of Remus Films Limited.

During the year Romulus Films Ltd settled a balance of £1,250 (2020 - £nil) owed to PKL Pictures Limited by the company. Mr J C Woolf is a majority shareholder and director of PKL Pictures Limited.

14 Parent and ultimate parent undertaking

In the director's opinion, the company does not have a controlling party.