LAFAYETTE (FILM) LIMITED

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

PAGES FOR FILING WITH REGISTRAR

Company Registration No. 01769268 (England and Wales)

Alan Cooper Saunders Angel
Chartered Accountants
Kenton House
666 Kenton Road
Harrow, Middlesex
HA3 9QN

LAFAYETTE (FILM) LIMITED

COMPANY INFORMATION

Directors	Mr J N Broomfield Mrs S L Hinton
Secretary	Mr B Broomfield
Company number	01769268
Registered office	Kenton House 666 Kenton Road Harrow Middlesex HA3 9QN
Accountants	Alan Cooper Saunders Angel Kenton House 666 Kenton Road Harrow, Middlesex HA3 9QN

LAFAYETTE (FILM) LIMITED

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LAFAYETTE (FILM) LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2016

		2016		2015	
	Notes	£	£	£	£
Fixed assets					
Intangible assets	4		3,491		3,741
Tangible assets	5		28,783		38,377
			32,274		42,118
Current assets					
Debtors	6	138,985		131,441	
Cash at bank and in hand		63,860		34,682	
		202,845		166,123	
Creditors: amounts falling due within one year	7	(33,720)		(54,288)	
Net current assets			169,125		111,835
Total assets less current liabilities			201,399		153,953
Capital and reserves					
Called up share capital	8		100		100
Profit and loss reserves			201,299		153,853
Total equity			201,399		153,953

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 December 2016 the company was entitled to exemption from audit under section 477 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the special provisions relating to companies subject to the small companies' regime within Part 15 of the Companies Act 2006.

The financial statements were approved by the board of directors and authorised for issue on Ay 21 2017 and are signed on its behalf by:

....
Mr J N Broomfield
Director

Company Registration No. 01769268

LAFAYETTE (FILM) LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	Share capital	Profit and loss reserves	Total
		£	£	£
Balance at 1 January 2015		100	150,436	150,536
Year ended 31 December 2015:				
Profit and total comprehensive income for the year		-	46,417	46,417
Dividends		-	(43,000)	(43,000)
Balance at 31 December 2015		100	153,853	153,953
Year ended 31 December 2016:				
Profit and total comprehensive income for the year		-	47,446	47,446
Balance at 31 December 2016		100	201,299	201,399

1 Accounting policies

Company information

Lafayette (Film) Limited is a private company limited by shares incorporated in England and Wales. The registered office is Kenton House, 666 Kenton Road, Harrow, Middlesex, HA3 9QN.

1.1 Accounting convention

The financial statements have been prepared under the historical cost convention in accordance with FRS 102 Section 1A - The Financial Reporting Standard applicable in the UK and Republic of Ireland and the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

These financial statements for the year ended 31 December 2016 are the first financial statements of Lafayette (Film) Limited prepared in accordance with FRS 102 Section 1A, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 Section 1A was 1 January 2015. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102 Section 1A.

1.2 Turnover

Turnover represents amounts receivable for goods and services, and exploitation of film rights held by the company during the year and is stated, net of VAT, other taxes and trade discounts, derived from the principal activities of the company being that of the making of films and documentaries for theatrical and television release.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

1.3 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date if the fair value can be measured reliably.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Film Rights	20 years straight line

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures, fittings & equipment	25% reducing balance

1 Accounting policies **(Continued)**

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

1 Accounting policies **(Continued)**

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.8 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.9 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all material timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1 Accounting policies (Continued)

1.10 Foreign exchange

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

1.11 Film Rights

The company possesses a range of intellectual rights over its film portfolio. The director considers that future income cannot be forecast with any degree of accuracy and therefore considers it appropriate to write off all film development and distribution costs as incurred.

1.12 Sale and leaseback

In 2007, the company entered into a Sale and Leaseback arrangement in relation to one of its films (Ghosts), whereby the physical Master Negative was sold.

Proceeds arising from the sale in excess of the company's profit share have been retained in a bank account held by the lessor and the funds, together with interest earned over the lease term of 15 years, will be used to exactly settle all obligations arising under the lease. The company's profits arising from the proceeds has been included in the Financial Statements for the year ended 31 December 2007.

In accordance with the prevailing film accounting practice, both the amount held in the account by the lessor and the lease obligation are excluded from the Financial Statements.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 2 (2015 - 2).

3 Taxation

	2016	2015
	£	£
Current tax		
UK corporation tax on profits for the current period	13,661	9,626
Adjustments in respect of prior periods	(37)	-
Total current tax	13,624	9,626

4 Intangible fixed assets

	Other
	£
Cost	
At 1 January 2016 and 31 December 2016	5,011
Amortisation and impairment	
At 1 January 2016	1,270
Amortisation charged for the year	250
At 31 December 2016	1,520
Carrying amount	
At 31 December 2016	3,491
At 31 December 2015	3,741

5 Tangible fixed assets

	Plant and machinery etc
	£
Cost	
At 1 January 2016 and 31 December 2016	188,351
Depreciation and impairment	
At 1 January 2016	149,974
Depreciation charged in the year	9,594
At 31 December 2016	159,568
Carrying amount	
At 31 December 2016	28,783
At 31 December 2015	38,377

6 Debtors

	2016	2015
Amounts falling due within one year:	£	£
Trade debtors	3,869	20,001
Corporation tax recoverable	13,258	14,653
Other debtors	121,858	96,787
	138,985	131,441

7 Creditors: amounts falling due within one year

	2016	2015
	£	£
Trade creditors	-	4,626
Corporation tax	13,661	9,603
Other taxation and social security	10,123	9,738
Other creditors	9,936	30,321
	33,720	54,288

8 Called up share capital

	2016	2015
	£	£
Ordinary share capital		
Issued and fully paid		
100 Ordinary shares of £1 each	100	100

9 Related party transactions

The company occupies premises owned by Mr. B. C. Broomfield, shareholder, under a formal licence to occupy agreement for the non-exclusive use of the property, at an annual normal commercial licence fee of £26,000 (2015: £36,000). The formal agreement commenced on the 19th October 2013.

At the balance sheet date, £Nil (2015: £12,138) was owed by the company to Mr. B. C. Broomfield.

At the balance sheet date, £45,208 (2015: £647) was owed to the company by Gospel & Beyond Limited, a company of which Mr. J.N. Broomfield is a director and controlling shareholder. The balance arose out of rechargeable production income and expenses. The balance is interest free and payable on demand.

At the balance sheet date £41,214 (2015: £41,214) was owed to the company by Nick Broomfield Inc. a company incorporated in the United States of America which Mr. J,N. Broomfield controls. The balance represents loans which were used by Nick Broomfield Inc. for working capital. Although the company reserves the right to charge interest as determined and agreed by both parties, no interest was charged in the year to 31 December 2016. The loans are included in other debtors to the financial statements and are repayable on demand.

The controlling party is Mr J N Broomfield, by virtue of his ownership of 94% of the issued share capital in the company.

10 Directors' transactions

During the year, a net movement of £19,519 was made to the director's current account and the balance due by him to the company and included in other debtors at the end of the financial year stood at £33,606 (2015: £53,125). The director's current account balance bears a commercial rate of interest at 3.5% per annum and is repayable on demand. Interest of £1,360 was charged by the company in the period to 31 December 2016.