

Alphaville Limited

REPORT AND FINANCIAL STATEMENTS

31 December 2013

THURSDAY



L3H5I6RU

L10

25/09/2014

#146

COMPANIES HOUSE

Company number: 4109183

Alphaville Limited

DIRECTORS AND ADVISERS

DIRECTORS

C Bavasso
C O'Reilly

SECRETARY

C Bavasso

REGISTERED OFFICE

c/o Withers LLP
16 Old Bailey
London
EC4M 7EG

AUDITOR

Grant Thornton UK LLP
Grant Thornton House
Melton Street
Euston Square
London
NW1 2EP

BANKERS

Barclays Bank Plc
Soho Square
27 Soho Square
London
W1D 3QR

Alphaville Limited

DIRECTORS' REPORT

The Directors submit their report and the financial statements of Alphaville Limited for the year ended 31 December 2013.

DIVIDENDS

The Directors have not proposed a final dividend for 2013 (2012: £Nil). An interim dividend of £720,000 (2012: £225,000) was declared and paid in January 2014.

DIRECTORS

The following directors have held office since 1 January 2013:

C Bavasso
C O'Reilly

INFORMATION INCLUDED WITHIN THE STRATEGIC REPORT

The directors have included details of the company's financial risk management and future developments within the Strategic Report.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO THE AUDITOR

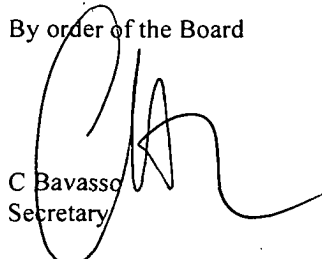
The directors who were in office on the date of approval of these financial statements have confirmed that, as far as they are aware, there is no relevant audit information of which the auditor is unaware. Each of the directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

AUDITOR

The auditor Grant Thornton UK LLP will be proposed for re-appointment in accordance with Section 485 of the Companies Act 2006.

By order of the Board

C Bavasso
Secretary



22/04/14

Alphaville Limited

STRATEGIC REPORT

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

Alphaville Limited ("the Company") is a holding company that owns and operates joint venture production companies ("the Group Companies") that produce music videos, title and other film/TV sequences, short films and other digital content.

The results for the Company are shown on pages 6 to 24. This was a more successful year than 2012 and the Directors are satisfied with the Group's overall results and positioning for the future.

The Company also engages in research and development activities in order to both keep abreast of and enhance recent developments in its field.

GROUP DEVELOPMENT AND FUTURE OUTLOOK

2013 saw a continuation of the previous years' strategic developments within the Group's companies, enabling them to continue to increase the type and breadth of work they are able to produce.

RISKS AND UNCERTAINTIES

The commercials marketplace continues to be extremely competitive, particularly in these times of economic uncertainty. The Group continues to see an increase in advertising being designed for interactive media and therefore its ongoing investment in this area is enabling it to increase both the amount of services it can provide and its client base.

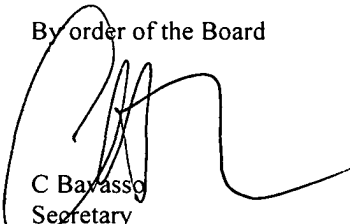
As has been the case over several years, the Group's wide geographical client base means it must mitigate risks involved in foreign currency transactions. The Group continues not only to put in place hedging structures when contracting in non-Sterling currencies in order to lower its exposure to exchange rate movements but also to regularly review its non-Sterling currency balances to achieve the same reduction in exposure.

KEY PERFORMANCE INDICATORS

The Group continuously monitors project performance against budget to ensure that the financial performance of its projects are in line with projections.

The Group also monitors its headcount to ensure that this is reflective of overall income and volume of work carried out.

By order of the Board



C Barasso
Secretary

22/04/14

Alphaville Limited

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have 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 directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and the company and of the profit or loss of the group for that year.

In preparing these financial statements, the directors are required to:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgments and estimates that are reasonable and prudent;
- c. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are 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 them to ensure that the financial statements comply with the Companies Act 2006. They are 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALPHAVILLE LIMITED

We have audited the financial statements of Alphaville Limited for the year ended 31 December 2013 which comprise the consolidated profit and loss account, the consolidated and parent company balance sheets, the consolidated cash flow statement, the consolidated statement of total recognised gains and losses and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members 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 and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2013 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Grant Thornton UK LLP

Christine Corner
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP,
Statutory Auditor, Chartered Accountants
London

Date: *22nd September 2014*

Alphaville Limited

CONSOLIDATED PROFIT AND LOSS ACCOUNT

for year ended 31 December 2013

	Notes	£	2013 £	2012 £
Turnover (including share of joint ventures)		11,358,707		8,647,623
Less: share of joint ventures' turnover	1	(891,691)		(798,939)
GROUP TURNOVER	1		10,467,016	7,848,684
Cost of sales			(8,202,986)	(6,250,914)
GROSS PROFIT			2,264,030	1,597,770
Administrative expenses			(1,083,349)	(1,089,314)
Other operating income			8,612	14,991
GROUP OPERATING PROFIT			1,189,293	523,447
Share of operating profit of joint venture			249,381	289,465
TOTAL OPERATING PROFIT			1,438,674	812,912
Interest receivable and similar income	2		2,140	794
Interest payable and similar charges	3		(33,592)	(34,706)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	4		1,407,222	779,000
Taxation	7		(297,830)	(243,274)
Profit on ordinary activities after taxation			1,109,392	535,726
Attributable to equity minority interests			(185,189)	-
RETAINED PROFIT ATTRIBUTABLE TO ALPHAVILLE LIMITED			924,203	535,726

The profit for the above financial years arises from the group's continuing operations.

Alphaville Limited

CONSOLIDATED STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES for year ended 31 December 2013

	2013 £	2012 £
Profit for the financial year	924,203	535,726
Currency translation gains and losses on retranslation of overseas subsidiaries	(194,600)	(17,581)
Total recognised gains and losses relating to the year	<u>729,703</u>	<u>518,145</u>

Alphaville Limited
CONSOLIDATED BALANCE SHEET
31 December 2013

	Notes	2013 £	£	2012 £	£
FIXED ASSETS					
Intangible assets	9	-		-	
Negative goodwill	9	-		-	
Tangible assets	10		2,773,607		2,797,400
Investments in joint ventures:					
Share of gross assets		548,612		485,890	
Share of gross liabilities		(48,775)		(37,200)	
			499,837		448,690
			<u>3,273,444</u>		<u>3,246,090</u>
CURRENT ASSETS					
Debtors	12	1,901,856		2,170,668	
Cash at bank and in hand		2,180,034		1,871,299	
		<u>4,081,890</u>		<u>4,041,967</u>	
CREDITORS: Amounts falling due within one year	13	(2,380,103)		(2,956,763)	
NET CURRENT ASSETS			<u>1,701,787</u>		<u>1,085,204</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>4,975,231</u>		<u>4,331,294</u>
CREDITORS: Amounts falling due after more than one year	14		(1,838,267)		(1,929,122)
NET ASSETS			<u><u>3,136,964</u></u>		<u><u>2,402,172</u></u>
CAPITAL AND RESERVES					
Called up share capital	15		2		2
Profit and loss account	16		2,951,773		2,402,170
SHAREHOLDERS' FUNDS	17		<u>2,951,775</u>		<u>2,402,172</u>
Equity minority interests			185,189		-
			<u><u>3,136,964</u></u>		<u><u>2,402,172</u></u>

The financial statements on pages 6 to 24 were approved by the board of directors and authorised for issue on 22 September 2014 and are signed on its behalf by


C Bavasso Director


C O'Reilly Director

Alphaville Limited
COMPANY BALANCE SHEET
31 December 2013

Company number: 4109183

	Notes	2013 £	£	2012 £	£
FIXED ASSETS					
Investments	11		3,969		3,969
CURRENT ASSETS					
Debtors	12	2		2	
CREDITORS: Amounts falling due within one year	13	(3,969)		(3,969)	
NET CURRENT LIABILITIES			(3,967)		(3,967)
NET ASSETS			2		2
CAPITAL AND RESERVES					
Called up share capital	15		2		2
Profit and loss account	16		-		-
SHAREHOLDERS' FUNDS	17		2		2

The financial statements on pages 6 to 24 were approved by the board of directors and authorised for issue on 22 September 2014 and are signed on its behalf by

C Bavasso

Director

C O'Reilly

Director

Alphaville Limited
CONSOLIDATED CASH FLOW STATEMENT
for the year ended 31 December 2013

	<i>Notes</i>	2013 £	£	2012 £	£
NET CASH INFLOW FROM OPERATING ACTIVITIES	18		818,232		988,257
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE					
Interest received		2,140		794	
Interest paid		(33,592)		(34,706)	
NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			(31,452)		(33,912)
TAXATION			(98,612)		(38,558)
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT					
Purchase of tangible fixed assets		(108,578)		(111,257)	
NET CASH INFLOW FROM CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT			(108,578)		(111,257)
EQUITY DIVIDENDS PAID			(180,000)		(5,600)
NET CASH OUTFLOW BEFORE FINANCING			399,590		798,930
FINANCING					
Repayments of bank loan		(90,855)		(89,339)	
Drawdown of bank loan				-	
NET CASH OUTFLOW FROM FINANCING			(90,855)		(89,339)
INCREASE IN CASH IN THE YEAR	19		308,735		709,591

Alphaville Limited

ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

GOING CONCERN

The directors confirm that they are satisfied that the Group has adequate resources to continue in business for the foreseeable future. They have taken into account the group's trading performance and available facilities and have reviewed the forecast cash flows for the 12 months from date of signing these financial . The directors continue to adopt the going concern basis in preparing the financial statements.

BASIS OF CONSOLIDATION

The consolidated financial statements incorporate those of Alphaville Limited and all of its subsidiary undertakings using the acquisition method. Their results are incorporated from the date that control passes. The difference between the cost of acquisition of shares in subsidiaries and the fair value of the separable net assets acquired is capitalised as purchased goodwill and amortised through the profit and loss account over its estimated economic life. Provision is made for any impairment. All financial statements are made up to 31 December 2013.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

JOINT VENTURES

Undertakings in which the group has a long term interest and shares control under a contractual arrangement are defined as joint ventures. Joint ventures are accounted for using the gross equity method.

PURCHASED GOODWILL

Negative goodwill is amortised over 3 years in line with the intangible and tangible fixed assets associated with it.

INTANGIBLE AND TANGIBLE FIXED ASSETS

Depreciation and amortisation is provided on tangible and intangible fixed assets at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows:-

Leasehold improvements	over the length of the lease
Computer equipment	33% straight line
Fixtures, fittings and office equipment	25% straight line
Trademarks and patents	33% straight line
Freehold buildings	2% straight line

INVESTMENTS

Fixed asset investments are stated at cost in the company balance sheet. Provision is made for any impairment in the value of fixed asset investments.

FOREIGN CURRENCIES

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

Assets, liabilities, and results of overseas subsidiaries are translated at the rate ruling at the balance sheet date. Exchange differences arising are dealt with through reserves.

Alphaville Limited

ACCOUNTING POLICIES

DEFERRED TAXATION

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

PENSIONS

Contributions are paid to the personal pension schemes of certain employees.

TURNOVER

Turnover is derived from the Group's principal activity and is recognised net of VAT. Production turnover is recognised over the period of the production. Gross profit on production activity is recognised based upon the stage of completion of the production and in accordance with the underlying contract. Overspends are recognised as they arise and underspends are recognised upon completion and delivery of the production.

OPERATING AND FINANCE LEASES

Where assets are financed by leasing agreements that give rights approximating to ownership ("finance leases"), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable during the lease term. The corresponding leasing commitments are shown as obligations to the lessor.

Lease payments are treated as consisting of capital and interest elements, and the interest is charged to the profit and loss account in proportion to the remaining balance outstanding.

All other leases are "operating leases" and the annual rentals are charged to the profit and loss account on a straight line basis over the lease term.

RESEARCH AND DEVELOPMENT

Research and development expenditure is written off in the profit and loss account in the period in which it is incurred.

Alphaville Limited

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2013

1	TURNOVER	2013 £	2012 £
	The turnover represents goods supplied to third parties (excluding VAT).		
	The geographical analysis of turnover is as follows:		
	United Kingdom	3,782,605	3,447,162
	United States of America	5,645,678	3,469,549
	Other Europe	456,556	282,795
	Rest of the world	582,177	649,178
	Group turnover	<u>10,467,016</u>	<u>7,848,684</u>
	Share of joint ventures' turnover - Australia	<u>891,691</u>	<u>798,939</u>
2	INTEREST RECEIVABLE AND SIMILAR INCOME	2013 £	2012 £
	Bank interest	<u>2,140</u>	<u>794</u>
3	INTEREST PAYABLE AND SIMILAR CHARGES	2013 £	2012 £
	Bank loans	33,491	34,706
	Other	101	-
		<u>33,592</u>	<u>34,706</u>

Alphaville Limited

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2013

4	PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	2013 £	2012 £
	Profit on ordinary activities before taxation is stated after (crediting)/charging:		
	Depreciation:		
	Charge for the year on owned assets	129,101	129,461
	Loss on disposal of fixed assets	3,270	-
	Operating leases:		
	Plant and machinery	2,247	2,819
	Fees payable to the company's auditor for the audit of the company's annual accounts		
	Fees payable to the company's auditor for		
	- audit of the company's subsidiaries pursuant to legislation	12,350	10,850
	- other services	5,650	5,650
	Exchange (gains)/losses	20,715	11,835
		<u> </u>	<u> </u>
5	EMPLOYEES	2013 No	2012 No
	The average monthly number of persons (including directors) employed by the Group during the year was:		
	Production	29	26
	Administration	4	4
		<u> </u>	<u> </u>
		33	30
		<u> </u>	<u> </u>
		2013 £	2012 £
	Staff costs for above persons:		
	Wages and salaries	2,315,266	2,209,724
	Social security costs	287,854	267,606
		<u> </u>	<u> </u>
		2,603,120	2,477,330
		<u> </u>	<u> </u>

Alphaville Limited

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2013

6	DIRECTORS' REMUNERATION	2013 £	2012 £
	Emoluments	214,624	215,638
		<u> </u>	<u> </u>
	The highest paid director received the following	2013 £	2012 £
	Emoluments	152,532	152,860
		<u> </u>	<u> </u>
	No directors are accruing retirement benefits under money purchase schemes (2012: Nil).		
7	TAX ON PROFIT ON ORDINARY ACTIVITIES	2013 £	2012 £
	UK Corporation tax:		
	Current tax on profits of the year	273,283	152,608
	Adjustments in respect of prior year	(46,938)	-
		<u>226,345</u>	<u>152,608</u>
	Foreign tax:		
	Current tax on profits of the year	3,300	-
	Total current tax	<u>229,645</u>	<u>152,608</u>
	Deferred tax:		
	Origination and reversal of timing differences	23,739	83
	Impact of change in deferred tax rate	(3,893)	(2,595)
	Total deferred tax (credit)/charge	<u>19,846</u>	<u>(2,512)</u>
	Group tax on profit/(loss) on ordinary activities	<u>249,491</u>	<u>150,096</u>
	Share of joint venture's tax	48,339	93,178
	Total taxation charge	<u>297,830</u>	<u>243,274</u>

Alphaville Limited

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2013

7 TAX ON PROFIT ON ORDINARY ACTIVITIES (continued)

The tax for the period is higher than the standard effective rate of corporation tax in the UK for the year ended 31 December 2013 of 23.25% (2012: 24.5%). The differences are explained below:

	2013 £	2012 £
Profit on ordinary activities before tax	1,407,272	779,000
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 23.25% (2012: 24.5%)	327,142	190,855
Effects of:		
Expenses not deductible for tax	35,461	33,171
Depreciation in excess of capital allowances	(27,593)	(82)
Small companies relief	-	-
Profits charged at higher/(lower) rate of tax	(454)	(417)
Share of joint venture's profit	(57,973)	(70,919)
Adjustment in respect of prior year tax charge	(46,938)	-
Total current tax	229,645	152,608

8 DIVIDENDS

A dividend of £180,000 was paid during the year (2012: £5,600). On 30 January 2014 the company paid a dividend of £720,000. The dividend has not been included as a liability in these financial statements as it was declared post year end.

9 INTANGIBLE FIXED ASSETS

<u>Group</u>	Trademarks and patents £	Purchased negative goodwill £	Total £
Cost			
At 1 January and 31 December 2013	46,192	(64,272)	(18,080)
Amortisation			
At 1 January and 31 December 2013	46,192	(64,272)	(18,080)
Net book value:			
At 1 January and 31 December 2013	-	-	-

Alphaville Limited

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2013

10 TANGIBLE FIXED ASSETS

Group	Freehold buildings £	Computer equipment £	Fixtures, fittings and office equipment £	Total £
Cost				
1 January 2013	3,016,811	661,859	67,227	3,745,897
Additions	-	102,850	5,728	108,578
Disposals	-	(117,761)	-	(117,761)
31 December 2013	3,016,811	646,948	72,955	3,736,714
Depreciation				
1 January 2013	339,501	552,671	56,325	948,497
Charged in the year	60,336	64,452	4,313	129,101
Disposals	-	(114,491)	-	(114,491)
31 December 2013	399,837	502,632	60,638	963,107
Net book value:				
31 December 2013	2,616,974	144,316	12,317	2,773,607
31 December 2012	2,677,310	109,188	10,902	2,797,400

Alphaville Limited

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2013

11 INVESTMENTS

Company

Investments in unlisted subsidiary undertakings

Cost and net book value:	£
At 1 January 2013 and 31 December 2013	3,969

Subsidiary companies

	Principal activity	Group interest in ordinary share capital	Country of Incorporation
Held directly by Alphaville Limited:			
Nexus Productions Limited	Production of animated commercials, music videos and the provision of animated production services	80%	England
Nexus (Paris) SARL	Production of animated commercials, music videos and the provision of animated production services	100%	France

Joint ventures

	Principal activity	Group interest in ordinary share capital	Country of Incorporation
Held directly by Alphaville Limited:			
Mighty Nice Pty Limited	Production of animated commercials, music videos and the provision of animated production services	50%	Australia

Alphaville Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2013

Principal joint ventures

The following information is given in respect of the Group's share of its joint ventures on an aggregate basis:

Profit and loss account	2013 £	2012 £
Gross turnover (before elimination of Group transactions with joint ventures)	891,691	798,939
Profit on ordinary activities before interest and taxation	248,581	291,918
Interest and other finance costs	800	(2,454)
Taxation	(48,339)	(93,178)
Profit after taxation	201,042	196,286

Balance sheet	2013 £	2012 £
Fixed assets	26,664	36,351
Current assets	539,482	470,408
	566,146	506,759
Liabilities due within one year	(66,309)	(58,069)
Net assets	499,837	448,690

Alphaville Limited

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2013

12	DEBTORS	Group		Company	
		2013	2012	2013	2012
		£	£	£	£
	Trade debtors	1,752,474	1,889,812	-	-
	Other debtors	9,888	8,028	-	-
	Prepayments and accrued income	139,492	272,826	-	-
	Unpaid share capital	2	2	2	2
		<u>1,901,856</u>	<u>2,170,668</u>	<u>2</u>	<u>2</u>
13	CREDITORS: Amounts falling due within one year	Group		Company	
		2013	2012	2013	2012
		£	£	£	£
	Bank loans	89,339	89,339	-	-
	Trade creditors	346,972	639,406	-	-
	Amount due to group companies	-	-	3,948	3,948
	Amount due to joint venture	21	21	21	21
	Other taxes and social security	183,965	230,977	-	-
	Other creditors	105,760	35,718	-	-
	Accruals and deferred income	1,370,355	1,808,694	-	-
	Corporation tax	283,691	152,608	-	-
		<u>2,380,103</u>	<u>2,956,763</u>	<u>3,969</u>	<u>3,969</u>

A deferred tax provision of £41,179 (2012: £29,848) is included within other creditors.

<u>Group</u>	2013 £	2012 £
Deferred tax provision:		
1 January 2013	29,846	32,358
Profit and loss account	11,333	(2,512)
31 December 2013	<u>41,179</u>	<u>29,846</u>
Provision for deferred tax is made up as follows:	2013 £	2012 £
Accelerated capital allowances	<u>41,179</u>	<u>29,846</u>

Alphaville Limited

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2013

14	CREDITORS: Amounts falling due after more than one year	2013 £	2012 £
	<u>Group</u>		
	Bank loan	1,838,267	1,929,122
		<u>1,838,267</u>	<u>1,929,122</u>
	Analysis of debt maturity		
	Amounts payable:		
	In one year or less or on demand	89,339	89,339
	In more than one year but not more than two years	89,339	89,339
	In more than two years but not more than five years	268,017	268,017
	In five years or more	1,480,911	1,571,766
		<u>1,927,606</u>	<u>2,018,461</u>

The bank loan is secured by a mortgage over the company's freehold buildings.

The bank loan is repayable over a period of 23 years and 5 months from February 2009. The loan is subject to an interest rate equal to the Base Rate plus 1.2%.

15	SHARE CAPITAL	2013 £	2012 £
	Authorised:		
	2 ordinary shares of £1 each (equity)	2	2
		<u>2</u>	<u>2</u>
	Allotted, called up and unpaid:		
	2 ordinary shares of £1 each	2	2
		<u>2</u>	<u>2</u>

Alphaville Limited

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2013

16	PROFIT AND LOSS ACCOUNT	Group		Company	
		2013 £	2012 £	2013 £	2012 £
	1 January 2013	2,402,170	1,889,625	-	-
	Profit for the financial year	924,203	535,726	180,000	5,600
	Exchange adjustment on consolidation	(194,600)	(17,581)	-	-
	Dividends	(180,000)	(5,600)	(180,000)	(5,600)
	31 December 2013	<u>2,951,773</u>	<u>2,402,170</u>	<u>-</u>	<u>-</u>
17	RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS	Group		Company	
		2013 £	2012 £	2013 £	2012 £
	Profit for the financial year	924,203	535,726	180,000	5,600
	Dividends	(180,000)	(5,600)	(180,000)	(5,600)
	Exchange adjustment on consolidation	(194,600)	(17,581)	-	-
	Net addition/(decrease in) to shareholders' funds	<u>549,603</u>	<u>512,545</u>	<u>-</u>	<u>-</u>
	Shareholders' funds at 1 January 2013	2,402,172	1,889,627	2	2
	Shareholders' funds at 31 December 2013	<u>2,951,775</u>	<u>2,402,172</u>	<u>2</u>	<u>2</u>
18	RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES			2013	2012
				£	£
	Operating profit			1,189,293	523,447
	Depreciation			129,101	129,461
	(Increase)/decrease in debtors			268,812	(1,677,600)
	Increase/(decrease) in creditors			(707,743)	2,011,992
	Foreign exchange differences			(61,231)	957
	Net cash inflow from operating activities			<u>818,232</u>	<u>988,257</u>

Alphaville Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2013

19 RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	2013 £	2012 £
Increase in cash in the year	308,735	709,591
Cash outflow due to repayment of bank loan	90,855	89,339
Cash outflow due to repayment of finance leases	-	-
Movement in net debt in the year	<u>399,590</u>	<u>798,930</u>
Net debt at 1 January	(147,162)	(946,092)
Net debt at 31 December	<u>252,428</u>	<u>(147,162)</u>

20 ANALYSIS OF CHANGES IN NET DEBT

	At 1 January 2013 £	Cashflow £	At 31 December 2013 £
Cash at bank and in hand	1,871,299	308,735	2,180,034
	<u>1,871,299</u>	<u>308,735</u>	<u>2,180,034</u>
Bank loan	(2,018,461)	90,855	(1,927,606)
Finance leases	-	-	-
Change in net debt	<u>(147,162)</u>	<u>399,590</u>	<u>252,428</u>

21 COMMITMENTS UNDER OPERATING LEASES

At 31 December 2013 the group had annual commitments under non-cancellable leases as follows:

	2013 £	2012 £
Plant and machinery: Expiring between two and five years	1,944	1,808
	<u>1,944</u>	<u>1,808</u>

22 FORWARD CONTRACTS

At 31 December 2013 a balance of \$90,000 (2012: \$334,648) was hedged via forward contracts, with related unrealised foreign exchange gains of £11 (2012: £1,623).

Alphaville Limited

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2013

23 CAPITAL COMMITMENTS

The directors have confirmed that there were no capital commitments at 31 December 2013

24 RELATED PARTY TRANSACTIONS

During the year Mighty Nice Pty Limited, a joint venture of the group, provided animation services of £118,946 (2012: £173,789) to Nexus Productions Limited.

25 TRANSACTIONS WITH DIRECTORS

Dividends payable to the directors were as follows:

	2013 £	2012 £
Final:		
C Bavasso	90,000	2,800
C O'Reilly	90,000	2,800
	<u>180,000</u>	<u>5,600</u>

26 COMPANY PROFIT AND LOSS ACCOUNT

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account.

27 ULTIMATE CONTROLLING PARTY

The company is jointly controlled by C Bavasso and C O'Reilly, directors of the company.