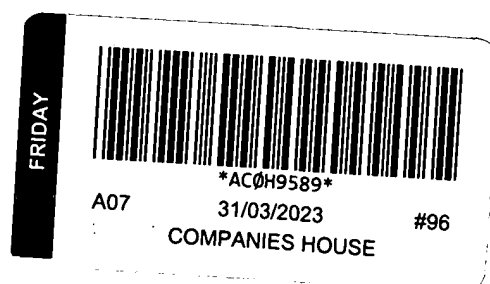


Company Registration No. 06906545 (England and Wales)

SUNDOG PICTURES LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED
30 JUNE 2022
PAGES FOR FILING WITH REGISTRAR



SUNDOG PICTURES LIMITED**STATEMENT OF FINANCIAL POSITION****AS AT 30 JUNE 2022**

| | | 2022 | | 2021 | |
|--|-------|------------|--------------|------------|--------------|
| | Notes | £'000 | £'000 | £'000 | £'000 |
| Non-current assets | | | | | |
| Investments | 4 | | 2,294 | | 2,294 |
| Current assets | | | | | |
| Trade and other receivables | 5 | 173 | | 100 | |
| Cash and cash equivalents | | 216 | | 224 | |
| | | <u>389</u> | | <u>324</u> | |
| Current liabilities | 6 | (391) | | (501) | |
| Net current liabilities | | | (2) | | (177) |
| Total assets less current liabilities | | | 2,292 | | 2,117 |
| Non-current liabilities | 7 | | (33) | | - |
| Net assets | | | <u>2,259</u> | | <u>2,117</u> |
| Equity | | | | | |
| Called up share capital | 8 | | - | | - |
| Share premium account | | | 4,425 | | 4,425 |
| Capital contribution reserve | | | 1,423 | | 1,423 |
| Retained earnings | | | (3,589) | | (3,731) |
| Total equity | | | <u>2,259</u> | | <u>2,117</u> |

The directors of the company have elected not to include a copy of the income statement within the financial statements.

For the financial period ended 30 June 2022 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 27/03/23 and are signed on its behalf by:

j a webb

J A Webb

Director

SUNDOG PICTURES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2022

1 Accounting policies

Company information

Sundog Pictures Limited is a private company limited by shares and is registered and incorporated in England and Wales. The registered office is 66 Porchester Road, London, W2 6ET.

Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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 £1,000.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The company has taken advantage of the exemption under section 399 of the Companies Act 2006 not to prepare consolidated accounts, on the basis that the group of which this is the parent qualifies as a small group. The financial statements present information about the company as an individual entity and not about its group.

Going concern

The Company has net current liabilities. The financial statements have been prepared on a going concern basis in view of the fact that the majority shareholder, Sam Branson, has formally indicated that it is his present intention to provide sufficient funding to the Company, to enable it to meet its liabilities as they fall due, for at least the next twelve months.

The directors have no reason to believe that the majority shareholder will not be in a position to provide the support referred to above and, accordingly, they have prepared the financial statements on a going concern basis.

Reporting period

The financial statements are presented for a 15 month period ending 30 June 2022. The company extended its year end to 30 June 2022 to align its accounting period with its subsidiary. As such, the comparative amounts presented are not entirely comparable.

Revenue

Revenue is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

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 it is probable will be recovered.

SUNDOG PICTURES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 JUNE 2022

1 Accounting policies (Continued)

Non-current investments

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

Cash and cash equivalents

Cash and cash equivalents are basic financial instruments 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.

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 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 trade and other receivables 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 financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

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 trade and other payables and bank loans, 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.

Equity instruments

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

SUNDOG PICTURES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 JUNE 2022

1 Accounting policies (Continued)

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or non-current assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Retirement benefits

For defined contribution schemes the amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

2 Employees

The only employees are the directors who received no benefits from the company during the current period.

3 Directors' remuneration

| | Period ended 30 June 2022 £'000 | Year ended 31 March 2021 £'000 |
|--------------------------------|--|---|
| Remuneration paid to directors | - | 35 |

SUNDOG PICTURES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 JUNE 2022

4 Fixed asset investments

| | 2022 £'000 | 2021 £'000 |
|--|---------------|---------------|
| Shares in group undertakings and participating interests | 2,294 | 2,294 |

Movements in non-current investments

| | Shares in group undertakings £'000 |
|--------------------------------|---|
| Cost or valuation | |
| At 1 April 2021 & 30 June 2022 | 2,294 |
| Carrying amount | |
| At 30 June 2022 | 2,294 |
| At 31 March 2021 | 2,294 |

5 Trade and other receivables

| | 2022 £'000 | 2021 £'000 |
|---|---------------|---------------|
| Amounts falling due within one year: | | |
| Trade receivables | 112 | 71 |
| Amounts owed by group undertakings | 61 | - |
| Other receivables | - | 29 |
| | 173 | 100 |

6 Current liabilities

| | 2022 £'000 | 2021 £'000 |
|------------------------------|---------------|---------------|
| Bank loans | 10 | 50 |
| Trade payables | 3 | 7 |
| Taxation and social security | 4 | - |
| Other payables | 374 | 444 |
| | 391 | 501 |

7 Non-current liabilities

| | 2022 £'000 | 2021 £'000 |
|---------------------------|---------------|---------------|
| Bank loans and overdrafts | 33 | - |

Bank loans relate to the Bounce Back Loan Scheme. The UK Government guarantees the finance to the lender, and pays interest and any fees for the first 12 months.

SUNDOG PICTURES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 JUNE 2022

8 Called up share capital

| | 2022 | 2021 | 2022 | 2021 |
|-------------------------|---------------|---------------|----------|----------|
| | Number | Number | £'000 | £'000 |
| Ordinary share capital | | | | |
| Ordinary A of 0.1p each | 5,700 | 5,700 | - | - |
| Ordinary B of 0.1p each | 300 | 300 | - | - |
| Tracker of 0.1p each | 48,000 | 40,000 | - | - |
| | <u>54,000</u> | <u>46,000</u> | <u>-</u> | <u>-</u> |

During May 2021, 8,000 tracker shares with a nominal value of 0.1p each were issued at par.

9 Events after the reporting date

With effect from 25 November 2022 and as filed with Companies House, the Company's share premium was reduced by £3,625,000.

With effect from 30 November 2022, the Company bought back and cancelled 10,000 Tracker shares of 0.1p each for a total aggregate consideration of £11,536.

10 Related party transactions

Transactions with related parties

The company has taken advantage of the exemptions provided by paragraph 1AC.35 of FRS 102 and has not disclosed transactions entered into between two or more members of a group, provided that any subsidiary undertaking which is party to the transaction is a wholly owned member of that group.

The following amounts were outstanding at the reporting end date:

| | 2022 | 2021 |
|--|--------------|----------|
| | £'000 | £'000 |
| Amounts due from related parties | | |
| Entities with control, joint control or significant influence over the company | <u>3,082</u> | <u>-</u> |