

Company Registration No. 08182650 (England and Wales)

Our Kind of Traitor Limited

**Annual report and financial statements
for the year ended 30 September 2016**



Our Kind of Traitor Limited

Company information

Director	Sandrine Legrand
Company number	08182650
Registered office	50 Marshall Street London England W1F 9BQ
Independent auditors	Saffery Champness 71 Queen Victoria Street London EC4V 4BE

Our Kind of Traitor Limited

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Our Kind of Traitor Limited

Director's report

For the year ended 30 September 2016

The director presents her annual report and financial statements for the year ended 30 September 2016.

Principal activities

The principal activity of the company was that of a film production company.

During the year the company was involved in paying ongoing costs for the film it is currently engaged to produce.

Director

The director who held office during the year and up to the date of signature of the financial statements was as follows:

Simon Cornwell	(Resigned 22 September 2016)
Sandrine Legrand	
Rebecca Leigh	(Resigned 22 September 2016)
Gail Egan	(Resigned 22 September 2016)

Results and dividends

The results for the year are set out on page 5.

No ordinary dividends were paid. The director does not recommend payment of a final dividend.

Going concern

The financial statements have been prepared on a basis other than that of a going concern. There is no difference in the carrying value of the assets and liabilities and their break up value.

Auditor

Saffery Champness have expressed their willingness to remain in office as auditor of the company.

Our Kind of Traitor Limited

Director's report (continued)

For the year ended 30 September 2016

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 she 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:

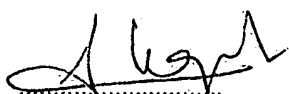
- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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 them to ensure that the financial statements comply with the Companies Act 2006. She 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.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board



Sandrine Legrand

Director

16/3/2017

Our Kind of Traitor Limited

Independent auditors' report

To the members of Our Kind of Traitor Limited

We have audited the financial statements of Our Kind of Traitor Limited for the year ended 30 September 2016 set out on pages 5 to 16. 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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 auditors' 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 director and auditor

As explained more fully in the Director's Responsibilities Statement set out on pages 1 - 2, the director is 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 Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the director; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 September 2016 and of its 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 matters prescribed by the Companies Act 2006

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

Our Kind of Traitor Limited

Independent auditors' report (continued)

To the members of Our Kind of Traitor Limited

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, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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; or
- the company is not entitled to claim exemption in preparing a strategic report due to it being a member of an ineligible group.



John Graydon (Senior Statutory Auditor)
for and on behalf of Saffery Champness

16/3/2017

Chartered Accountants
Statutory Auditors

71 Queen Victoria Street
London
EC4V 4BE

Our Kind of Traitor Limited

**Statement of comprehensive income
For the year ended 30 September 2016**

		Year ended 30 September 2016 £	Period ended 30 September 2015 £
	Notes		
Turnover	3	15,842	845,571
Cost of sales		(11,842)	(1,278,669)
Gross profit/(loss)		4,000	(433,098)
Administrative expenses		(4,000)	(8,266)
Loss before taxation		-	(441,364)
Taxation	6	-	441,364
Result for the financial year		-	-

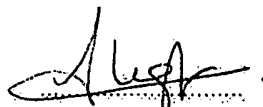
The income statement has been prepared on the basis that all operations are continuing operations.

Our Kind of Traitor Limited

**Statement of financial position
As at 30 September 2016**

			2016		2015
	Notes	£	£	£	£
Current assets					
Debtors	7	24,903		836,008	
Cash at bank and in hand		11,760		86,026	
		<u>36,663</u>		<u>922,034</u>	
Creditors: amounts falling due within one year	8	(24,061)		(909,432)	
Net current assets			<u>12,602</u>		<u>12,602</u>
Capital and reserves					
Called up share capital	11		2		2
Profit and loss reserves			<u>12,600</u>		<u>12,600</u>
Total equity			<u>12,602</u>		<u>12,602</u>

The financial statements were approved by the board of directors and authorised for issue on 16/12/2017 and are signed on its behalf by:



Sandrine Legrand
Director

Company Registration No. 08182650

Our Kind of Traitor Limited

Notes to the financial statements For the year ended 30 September 2016

1 Accounting policies

Company information

Our Kind of Traitor Limited is a company limited by shares incorporated in England and Wales. The registered office is 50 Marshall Street, London, England, W1F 9BQ.

1.1 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.

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 £.

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

These financial statements for the year ended 30 September 2016 are the first financial statements of Our Kind of Traitor Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 6 September 2014. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument.

The financial statements of the company are consolidated in the financial statements of Vivendi S.A. These consolidated financial statements are available from 42 Avenue Friedland, 75380 Paris, Cedex 08, France.

1.2 Going concern

The financial statements have been prepared on a basis other than that of a going concern. There is no difference in the carrying value of the assets and liabilities and their break up value.

1 Accounting policies (continued)

1.3 Turnover

In respect of long-term contracts and contracts for on-going services, turnover represents the value of work done in the year, including estimates of amounts not invoiced. Value of work done in respect of long-term contracts and contracts for on-going services is determined by reference to stage of completion.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

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.

1.4 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.

1.5 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 statement of financial position 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, 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.

Notes to the financial statements (continued)
For the year ended 30 September 2016

1 Accounting policies (continued)

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publically traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

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.

1 Accounting policies (continued)

Basic financial liabilities

Basic financial liabilities, including trade and other 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. Accounts payable are classified as 'creditors: amounts falling due within one year' if payment is due within one year or less. If not, they are presented as 'creditors: amounts falling due after more than one year'. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Other financial liabilities, including debt instruments that do not meet the definition of a basic financial instrument, are measured at fair value through profit or loss.

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.6 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.

1.7 Taxation

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

1 Accounting policies (continued)

Current tax

The tax currently recoverable is based on relievable losses arising in the period as the result of film tax relief legislation. Relievable losses differ from net losses as reported in the statement of comprehensive income because they include an additional deduction relating to qualifying film development expenditure and exclude items of income or expense that are taxable or deductible in other periods, as well as items that are never taxable or deductible. The company's tax position 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 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. Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income. 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.

1.8 Foreign currency translation

Where a transaction denominated in a foreign currency is to be settled at a contracted rate of exchange, the transaction is recorded at the rate fixed under the terms of that contract. Where a trading transaction is covered by a related or matching contract, the rate of exchange specified in that contract is used. In cases where there is not a contracted rate than transactions are recorded at the rates of exchange ruling at the dates of the transactions or at the average rate for the period if the rates do not fluctuate significantly.

Monetary assets and liabilities are translated at period end exchange rates or, where appropriate, at rates of exchange fixed under the terms of the relevant transaction. The resulting exchange rate differences are charged to the profit and loss account.

Notes to the financial statements (continued)
For the year ended 30 September 2016

2 Critical accounting judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the director is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2016 £	2015 £
Turnover		
Sale of film rights	15,842	845,571

Turnover analysed by geographical market

	2016 £	2015 £
France	15,842	845,571

4 Operating profit/(loss)

	2016 £	2015 £
Operating profit/(loss) for the period is stated after charging:		
Fees payable to the company's auditor for the audit of the company's financial statements	2,500	5,926

Our Kind of Traitor Limited

Notes to the financial statements (continued)
For the year ended 30 September 2016

5 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2016	2015
	Number	Number
Production staff	-	3
Directors	4	4
	<u>4</u>	<u>7</u>

Their aggregate remuneration comprised:

	2016	2015
	£	£
Wages and salaries	-	106,348
Social security costs	-	11,905
	<u>-</u>	<u>118,253</u>

6 Taxation

	2016	2015
	£	£
Current tax		
UK corporation tax on profits for the current period	<u>-</u>	<u>(441,364)</u>

Our Kind of Traitor Limited

Notes to the financial statements (continued)

For the year ended 30 September 2016

6 Taxation (continued)

The actual credit for the year can be reconciled to the expected credit for the year based on the profit or loss and the standard rate of tax as follows:

	2016 £	2015 £
Profit/(loss) before taxation	-	(441,364)
Expected tax credit based on the standard rate of corporation tax in the UK of 20.00% (2015: 20.53%)	-	(90,612)
Enhanced losses arising from the film tax credit	-	(403,227)
Difference between the rate of corporation tax and the rate of relief under the film tax credit	-	(78,916)
Losses carried forward	-	131,391
Taxation for the period	-	(441,364)

7 Debtors

	2016 £	2015 £
Amounts falling due within one year:		
Corporation tax recoverable	-	441,364
Amount due from group undertaking	15,478	2
Other debtors	9,425	394,642
	24,903	836,008

8 Creditors: amounts falling due within one year

	Notes	2016 £	2015 £
Bank loans and overdrafts	9	61	-
Trade creditors		-	79,315
Amounts due to group undertakings		-	760,686
Accruals and deferred income		24,000	69,431
		24,061	909,432

Our Kind of Traitor Limited

Notes to the financial statements (continued)
For the year ended 30 September 2016

9 Loans and overdrafts

	2016	2015
	£	£
Bank overdrafts	61	-
	<u>61</u>	<u>-</u>
Payable within one year	61	-
	<u>61</u>	<u>-</u>

10 Charges

A charge is held by Studio Canal S.A. over the assets held and generated by the company in the course of producing the motion picture.

11 Share capital

	2016	2015
	£	£
Ordinary share capital		
Issued and fully paid		
2 Ordinary shares of £1 each	2	2
	<u>2</u>	<u>2</u>

12 Related party transactions

The company was under the control of Studiocanal Films Limited, a company incorporated in England and Wales, throughout the year. Studiocanal Films Limited owns 100% of the issued shares of the company. Studiocanal Films Limited does not prepare consolidated financial statements.

During the year the following related party transactions took place. All transactions arose on an arm's length basis through the normal course of business:

£nil (2015: £140,582) of costs were recharged by Potboiler Productions Limited, a company of which G Egan is a director, representing £nil (2015: £100,582) of production costs incurred by Potboiler Productions Limited and rechargeable to the film, and producer fees of £nil (2015: £40,000) for the services of the directors for production services on the film. £nil (2015: £69,678) remained due to Potboiler Productions Limited at the year end.

£nil (2015: £120,000) was paid to The Ink Factory Limited, a company of which S Cornwell is a director, representing producer fees of £nil (2015: £120,000) for the services of the directors for production services on the film. £nil (2015: £nil) remained due to The Ink Factory Limited at the year end.

£20,000 (2015: £20,000) remained due to D Cornwell at the year end in relation to fees for producer services on the film and film rights. D Cornwell is a close family member of a former director.

The company has taken advantage of the exemption available in FRS 102 section 33 "Related party disclosures" whereby it has not disclosed transactions with the ultimate parent company or any wholly owned subsidiary undertaking of the group.

13 Control

In the opinion of the directors, the ultimate parent company and controlling party is Vivendi SA, a company incorporated in France. Vivendi SA is publicly quoted and is under no overall control.

Vivendi SA is the parent undertaking of the largest and smallest group for which group accounts are drawn up and of which the company is a member. Group accounts are publicly available from 42 Avenue de Friedland, 75380 Paris Cedex 08, France.