

AVA FILMS LTD
UNAUDITED ACCOUNTS
30 JUNE 2014

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AVA FILMS LTD

ACCOUNTS

PERIOD FROM 25 OCTOBER 2013 TO 30 JUNE 2014

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AVA FILMS LTD
OFFICERS AND PROFESSIONAL ADVISERS

The director	A Macdonald
Company secretary	J Smith
Registered office	10 Orange Street Haymarket London England WC2H 7DQ

AVA FILMS LTD

DIRECTOR'S REPORT

PERIOD FROM 25 OCTOBER 2013 TO 30 JUNE 2014

The director presents his report and the unaudited accounts of the company for the period from 25 October 2013 to 30 June 2014.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company during the year was the development and production of theatrical feature films.

During the period the company completed production of a film entitled 'Ex Machina'.

DIRECTOR

The director who served the company during the period was as follows:

A Macdonald

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

Signed by

A handwritten signature in black ink, appearing to be 'A Macdonald', written over a dotted line.

A MACDONALD
Director

Approved by the director on 31/10/14

AVA FILMS LTD
PROFIT AND LOSS ACCOUNT
PERIOD FROM 25 OCTOBER 2013 TO 30 JUNE 2014

	Note	Period from 25 Oct 13 to 30 Jun 14 £	Period from 8 Nov 12 to 24 Oct 13 £
TURNOVER		1,586,020	6,146,657
Cost of sales		(3,363,389)	(6,146,657)
GROSS LOSS		(1,777,369)	—
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(1,777,369)	—
Tax on loss on ordinary activities	3	648,900	1,128,469
(LOSS)/PROFIT FOR THE FINANCIAL PERIOD		(1,128,469)	1,128,469
Balance brought forward		1,128,469	—
Balance carried forward		—	1,128,469

The notes on pages 5 to 7 form part of these accounts.

AVA FILMS LTD

BALANCE SHEET

30 JUNE 2014

	Note	30 Jun 14 £	£	24 Oct 13 £	£
CURRENT ASSETS					
Debtors	4	737,795		2,418,732	
Cash at bank		87,508		624,245	
		825,303		3,042,977	
CREDITORS: Amounts falling due within one year	5	(825,302)		(1,914,507)	
NET CURRENT ASSETS			1		1,128,470
TOTAL ASSETS LESS CURRENT LIABILITIES			1		1,128,470
CAPITAL AND RESERVES					
Called-up equity share capital	7		1		1
Profit and loss account			-		1,128,469
SHAREHOLDERS' FUNDS			1		1,128,470

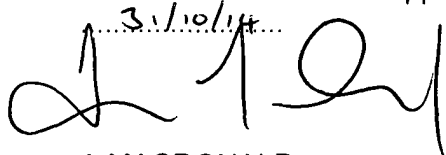
For the period from 25 October 2013 to 30 June 2014 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's responsibilities:

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

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

These accounts were approved and signed by the director and authorised for issue on

31/10/14


A MACDONALD
Director

Company Registration Number: 08286958

The notes on pages 5 to 7 form part of these accounts.

AVA FILMS LTD

NOTES TO THE ACCOUNTS

PERIOD FROM 25 OCTOBER 2013 TO 30 JUNE 2014

1. ACCOUNTING POLICIES

Basis of accounting

The accounts have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Cash flow statement

The company has taken advantage of the exemption in Financial Reporting Standard No. 1 'Cash flow Statements' from the requirement to produce a cash flow statement on the grounds that it is a small company.

Turnover

Turnover relates to the production of the film entitled 'Ex Machina'. It represents the value of the work done in the period, including estimates of the amounts not invoiced and is stated after trade discounts, other taxes and net of VAT.

The value of the work done in relation to long-term contracts and continuing services is determined by the reference to the stage of completion of the relevant project.

Foreign currencies

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

Financial instruments

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 entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

AVA FILMS LTD

NOTES TO THE ACCOUNTS

PERIOD FROM 25 OCTOBER 2013 TO 30 JUNE 2014

2. OPERATING LOSS

Operating loss is stated after crediting:

	Period from 25 Oct 13 to 30 Jun 14 £	Period from 8 Nov 12 to 24 Oct 13 £
Director's remuneration	-	-

3. TAXATION ON ORDINARY ACTIVITIES

(a) Analysis of charge in the period

	Period from 25 Oct 13 to 30 Jun 14 £	Period from 8 Nov 12 to 24 Oct 13 £
Current tax:		
UK Corporation tax based on the results for the period	(648,900)	(1,128,469)
Total current tax	<u>(648,900)</u>	<u>(1,128,469)</u>

(b) Factors affecting current tax charge

	Period from 25 Oct 13 to 30 Jun 14 £	Period from 8 Nov 12 to 24 Oct 13 £
Loss on ordinary activities before taxation	<u>(1,777,369)</u>	-
Profit on ordinary activities by rate of tax	-	-
Film Tax relief	(648,900)	(1,128,469)
Total current tax (note 3(a))	<u>(648,900)</u>	<u>(1,128,469)</u>

4. DEBTORS

	30 Jun 14 £	24 Oct 13 £
Trade debtors	521	25,752
VAT recoverable	87,761	310,292
Corporation tax recoverable	648,900	1,128,469
Other debtors	612	585,669
Called up share capital not paid	1	1
Prepayments and accrued income	-	368,549
	<u>737,795</u>	<u>2,418,732</u>

AVA FILMS LTD

NOTES TO THE ACCOUNTS

PERIOD FROM 25 OCTOBER 2013 TO 30 JUNE 2014

5. CREDITORS: Amounts falling due within one year

	30 Jun 14	24 Oct 13
	£	£
Trade creditors	272,047	180,657
Production loan	—	1,128,469
Other creditors	2,384	13,921
Accruals and deferred income	550,871	591,460
	<u>825,302</u>	<u>1,914,507</u>

6. RELATED PARTY TRANSACTIONS

During the period the following related-party transactions took place. All transactions related to the production of the film 'Ex Machina' and arose on an arm's length basis through the normal course of business.

- £82,243 (2013: £129,032) was paid to DNA Films Ltd, a company of which A MacDonald is a director, for the services of A MacDonald as a producer of the film.

- In addition to the above, £nil (2013: £518,786) was paid to DNA Films Ltd for production costs incurred by that company on behalf of AVA Films Ltd. At the period end, £180,000 (2013: £180,000) of these costs were outstanding.

No further transactions with related parties were undertaken such as are required to be disclosed under the Financial Reporting Standard for Smaller Entities (effective April 2008).

7. SHARE CAPITAL

Allotted and called up:

	30 Jun 14		24 Oct 13	
	No	£	No	£
Ordinary shares of £1 each	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

The amounts of paid up share capital for the following categories of shares differed from the called up share capital stated above due to unpaid calls and were as follows:

	30 Jun 14	24 Oct 13
	£	£
Ordinary shares	<u>1</u>	<u>1</u>

8. ULTIMATE PARENT COMPANY

In the opinion of the directors the immediate and ultimate parent undertaking is DNA Films Ltd, a company incorporated in England and Wales.