

Company registration number 09063134 (England and Wales)

INGENIOUS MEDIA FINANCE LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021
PAGES FOR FILING WITH REGISTRAR

INGENIOUS MEDIA FINANCE LIMITED

CONTENTS

	Page
Statement of financial position	1
Notes to the financial statements	2 - 7

INGENIOUS MEDIA FINANCE LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Current assets					
Debtors	5	17,576,742		26,646,570	
Cash at bank and in hand		386,414		2,092,058	
		<u>17,963,156</u>		<u>28,738,628</u>	
Creditors: amounts falling due within one year	6	<u>(18,797,512)</u>		<u>(28,367,842)</u>	
Net current (liabilities)/assets			(834,356)		370,786
			<u></u>		<u></u>
Capital and reserves					
Called up share capital	7		-		-
Profit and loss reserves	8		(834,356)		370,786
			<u></u>		<u></u>
Total equity			(834,356)		370,786
			<u></u>		<u></u>

The directors of the company have elected not to include a copy of the income statement within the 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 16 December 2022 and are signed on its behalf by:

Ms C Conan
Director

Company Registration No. 09063134

INGENIOUS MEDIA FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Company information

Ingenious Media Finance Limited is a private company limited by shares incorporated in England and Wales. The registered office is 15 Golden Square, London, United Kingdom, W1F 9JG.

The principal activity of the company continued to be that of generating returns for its shareholder through the issue of commercial loans and credit services to borrowers for the purpose of funding the development, production and exploitation of television programmes, films and other media projects.

In assessing which counterparties to issue commercial loans to, the Company benefits from its relationship with Ingenious Capital Management Limited to facilitate the sourcing of suitable opportunities.

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 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 £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

We draw attention to the current Covid-19 pandemic and the potential economic impact the virus will have in the coming months. The directors have considered the cash balance held by the company, and the projected administrative and other costs for the forthcoming 12 months from the date of signing of the financial statements, and consider there to be adequate resources in place. The company has support of its immediate parent undertaking in not repaying the short term loan other than if cashflow permits. On this basis, the company is considered to be a going concern.

The company made a loss for the year of £1,205,142 (2020: £12,914 profit) and at 31 December 2021 held net current liabilities of £834,356 (2020: £370,786 net assets). The net current liability position at 31 December 2021 is the result of a general reduction in trade throughout the financial year.

1.3 Turnover

Arrangement fee income and interest income, on financial assets that are classified as trade loans, is determined using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial asset or liability and of allocating the interest income over the expected life of the asset or liability. The effective interest rate is a rate that exactly discounts the estimated future cash flows to the instrument's initial carrying amount. Calculation of the effective interest rate takes into account fees receivable, that are an integral part of the instrument yield and transaction costs. All contractual terms of a financial instrument are considered when estimating future cash flows.

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.

INGENIOUS MEDIA FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

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 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.

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.

1.6 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 income statement 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.

INGENIOUS MEDIA FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

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. Deferred tax is charged or credited in the income statement, 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.

1.7 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

1.8 Loans

Non-derivative financial liabilities with fixed or determinable repayments that are not quoted in an active market are classified as loans. Loans are initially recognised at fair value of the consideration received plus directly related transaction costs. They are subsequently measured at amortised cost using the effective interest method. Arrangement fees and interest payable on financial liabilities that are classified as loans, are charged to the profit and loss accounts.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating the interest payable over the expected life of the liability. The effective interest rate is the rate that exactly discounts estimated future cashflows to the instrument's initial carrying amount. Calculation of the effective interest rate takes into account fees payable, that are an integral part of the instrument yield and transaction costs. All contractual terms of a financial instrument are considered when estimating future cash flows.

A financial liability is removed from the balance sheet when the obligation is discharged, or cancelled or expires.

INGENIOUS MEDIA FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are 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.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Impairment of financial assets

For financial assets measured at amortised cost, where a full recovery is estimated as being unlikely to be received, an impairment loss is measured as the difference between its carrying amount and the adjusted present value of estimated future cash flows received over the life of the project discounted at the asset's original effective interest rate.

3 Auditor's remuneration

	2021	2020
	£	£
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the company	4,500	4,500

4 Employees

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

	2021	2020
	Number	Number
Total	-	-

5 Debtors

	2021	2020
	£	£
Amounts falling due within one year:		
Trade debtors	15,286,423	23,586,145
Other debtors	704,376	276,293
	15,990,799	23,862,438
	2021	2020

INGENIOUS MEDIA FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

5 Debtors	(Continued)	
Amounts falling due after more than one year:	£	£
Trade debtors	1,585,943	2,784,132
Total debtors	17,576,742	26,646,570

6 Creditors: amounts falling due within one year	2021	2020
	£	£
Amounts owed to group undertakings	18,547,576	25,593,570
Corporation tax	-	3,029
Other creditors	249,936	2,771,243
	18,797,512	28,367,842

Amounts owed to group undertakings are owed to Ingenious Estate Planning Limited. The loan is unsecured, repayable on demand and interest is charged at 2% plus the Bank of England base rate per annum.

During the year ended 31 December 2021, a revolving credit facility was repaid to Ingenious Project Finance Limited, and interest was charged at 3.75% above the Bank of England base rate per annum.

Contained within other creditors is a balance of £32,605 (2020 : £238,328 other debtors) in relation to foreign exchange contracts held at fair value. During the year, £270,933 was charged (2020 : £150,814) to the profit and loss in respect of these.

7 Called up share capital	2021	2020	2021	2020
	Number	Number	£	£
Ordinary share capital				
Issued and fully paid				
Ordinary of 10p each	1	1	-	-
	1	1	-	-

8 Profit and loss reserves	2021	2020
	£	£
At the beginning of the year	370,786	357,872
(Loss)/profit for the year	(1,205,142)	12,914
At the end of the year	(834,356)	370,786

The profit and loss account represents cumulative profits or losses, net of dividends paid and other adjustments.

INGENIOUS MEDIA FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

9 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

Senior Statutory Auditor:	Joseph Kinton
Statutory Auditor:	Shipleys LLP

10 Parent company

During the year, the company was a wholly-owned subsidiary of Ingenious Estate Planning Limited, registered at 15 Golden Square, London, W1F 9JG.

No consolidated financial statements are prepared for the parent undertaking as they have taken the exemption for consolidation on the grounds set out in paragraph 9.9(b) of FRS 102 relating to subsidiaries held as part of an investment portfolio, at fair value through profit or loss.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.