

Company Registration No. 10159788 (England and Wales)

2.9 Film Holding Limited

**Annual report and financial statements
for the year ended 31 December 2020**

2.9 Film Holding Limited

Company information

Directors	Elisabeth Guery Aton Soumache
Secretary	Fieldfisher Secretaries Limited
Company number	10159788
Registered office	Fieldfisher Riverbank House, 2 Swan Lane London EC4R 3TT
Independent auditor	Saffery Champness LLP 71 Queen Victoria Street London EC4V 4BE

2.9 Film Holding Limited

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Directors' report

For the year ended 31 December 2020

The directors present their annual report and financial statements for the year ended 31 December 2020.

Principal activities

The principal activity of the company continues to be that of motion picture commissioning.

Directors

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

Moritz Bormann	(Resigned 9 February 2021)
Elisabeth Guery	
Bahman Naraghi	(Resigned 9 February 2021)
Aton Soumache	

Auditor

The auditor, Saffery Champness LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

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.

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

On behalf of the board

Elisabeth Guery

Director

14 March 2022

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Directors' responsibilities statement For the year ended 31 December 2020

The directors are responsible for preparing the annual 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 company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are 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 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.

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Independent auditor's report

To the members of 2.9 Film Holding Limited

Opinion

We have audited the financial statements of 2.9 Film Holding Limited (the 'company') for the year ended 31 December 2020 which comprise the income statement, the statement of financial position, the statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2020 and of its loss 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

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Independent auditor's report (continued)

To the members of 2.9 Film Holding Limited

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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 remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

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Independent auditor's report (continued)

To the members of 2.9 Film Holding Limited

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the company's financial statements to material misstatement and how fraud might occur, including through discussions with the directors, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the company by discussions with directors and by updating our understanding of the sector in which the company operates.

Laws and regulations of direct significance in the context of the company include The Companies Act 2006 and UK Tax legislation.

Audit response to risks identified

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

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Independent auditor's report (continued)

To the members of 2.9 Film Holding Limited

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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.

Moses Nyachae (Senior Statutory Auditor)
For and on behalf of Saffery Champness LLP

14 March 2022

Chartered Accountants
Statutory Auditors

71 Queen Victoria Street
London
EC4V 4BE

2.9 Film Holding Limited

Income statement

For the year ended 31 December 2020

		2020	2019
	Notes	£	as restated £
Turnover	2	50,142	31,283,909
Cost of sales		(210,208)	(34,231,192)
Gross loss		(160,066)	(2,947,283)
Administrative expenses		(258,592)	(2,540,979)
Operating loss	4	(418,658)	(5,488,262)
Interest payable and similar expenses		(2,949)	(41,840)
Loss before taxation		(421,607)	(5,530,102)
Tax on loss		-	-
Loss for the financial year		(421,607)	(5,530,102)

2.9 Film Holding Limited

Statement of financial position As at 31 December 2020

		2020		2019 as restated	
	Notes	£	£	£	£
Fixed assets					
Investments	5		1		1
Current assets					
Debtors	6	3,217,302		3,629,275	
Cash at bank and in hand		10,622		16,077	
		<u>3,227,924</u>		<u>3,645,352</u>	
Creditors: amounts falling due within one year	7	<u>(9,667,381)</u>		<u>(9,663,200)</u>	
Net current liabilities			<u>(6,439,457)</u>		<u>(6,017,848)</u>
Net liabilities			<u>(6,439,456)</u>		<u>(6,017,847)</u>
Capital and reserves					
Called up share capital	8		1,679		1,679
Profit and loss reserves			<u>(6,441,135)</u>		<u>(6,019,526)</u>
Total equity			<u>(6,439,456)</u>		<u>(6,017,847)</u>

These financial statements have been prepared 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 14 March 2022 and are signed on its behalf by:

Elisabeth Guery
Director

Company Registration No. 10159788

2.9 Film Holding Limited

Statement of changes in equity For the year ended 31 December 2020

	Share capital	Profit and loss reserves	Total
	£	£	£
As restated for the period ended 31 December 2019:			
Balance at 1 January 2019	1,679	(489,424)	(487,745)
Year ended 31 December 2019:			
Loss and total comprehensive income for the year	-	(5,530,102)	(5,530,102)
Balance at 31 December 2019	1,679	(6,019,526)	(6,017,847)
Year ended 31 December 2020:			
Loss and total comprehensive income for the year	-	(421,607)	(421,607)
Balance at 31 December 2020	1,679	(6,441,135)	(6,439,456)

2.9 Film Holding Limited

Notes to the financial statements For the year ended 31 December 2020

1 Accounting policies

Company information

2.9 Film Holding Limited is a private company limited by shares incorporated in England and Wales. The registered office is Fieldfisher Riverbank House, 2 Swan Lane, London, EC4R 3TT.

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 freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Turnover

Turnover 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.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

1.3 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities 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.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

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Notes to the financial statements (continued)

For the year ended 31 December 2020

1 Accounting policies (continued)

1.4 Cash at bank and in hand

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.

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 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.

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Notes to the financial statements (continued)

For the year ended 31 December 2020

1 Accounting policies (continued)

1.6 Equity instruments

Equity instruments issued by the company are recorded at the 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.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

1.7 Taxation

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

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.

1.8 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 fixed 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.

1.9 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.

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Notes to the financial statements (continued)

For the year ended 31 December 2020

2 Turnover and other revenue

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

	2020	2019
	£	£
Turnover analysed by class of business		
Sale of film rights	-	28,281,016
Licensing	50,142	3,002,893
	<u>50,142</u>	<u>31,283,909</u>
	<u><u>50,142</u></u>	<u><u>31,283,909</u></u>
	2020	2019
	£	£
Turnover analysed by geographical market		
United Kingdom	-	28,281,016
Europe	50,142	3,002,893
	<u>50,142</u>	<u>31,283,909</u>
	<u><u>50,142</u></u>	<u><u>31,283,909</u></u>

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was 0 (2019: 0)

No directors received remuneration from the company for their services (2019: £nil).

4 Operating loss

	2020	2019
	£	£
Operating loss for the year is stated after charging:		
Fees payable to the company's auditor for the audit of the company's financial statements	38,973	18,407
Exchange losses	216,927	2,122,884
	<u>216,927</u>	<u>2,122,884</u>

5 Fixed asset investments

	2020	2019
	£	£
Shares in group undertakings and participating interests	1	1
	<u>1</u>	<u>1</u>

2.9 Film Holding Limited

Notes to the financial statements (continued) For the year ended 31 December 2020

6 Debtors

	2020	2019
	£	£
Amounts falling due within one year:		
Trade debtors	-	2
Amounts owed by group undertakings	543,204	817,341
Other debtors	2,674,098	2,811,932
	<u>3,217,302</u>	<u>3,629,275</u>

7 Creditors: amounts falling due within one year

	2020	2019
	£	£
Bank loans and overdrafts	17,057	1,737
Trade creditors	1,255	23,714
Amounts owed to group undertakings	4,270,156	3,571,092
Other creditors	5,378,913	6,066,657
	<u>9,667,381</u>	<u>9,663,200</u>

8 Called up share capital

	2020	2019
	£	£
Ordinary share capital		
Issued and fully paid		
1,679 Ordinary share of £1 each	<u>1,679</u>	<u>1,679</u>

9 Financial commitments, guarantees and contingent liabilities

The following charges have been lodged against the company:

Natixis Coficine SA and National Bank of Canada hold two fixed charges, one floating charge and two negative pledges in respect of the property and assets of the company. Both were satisfied post year end.

Prosight Syndicate 1110 at Lloyd's of London hold a fixed and floating charge and a negative pledge in respect of the property and assets of the company.

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Notes to the financial statements (continued) For the year ended 31 December 2020

10 COVID-19

Substantive information came to light in early 2020 regarding the virus now identified as COVID-19. At the time of the emergence the film had been completed, delivered and exhibited theatrically therefore there has been little impact on the company and its ability to operate.

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus, the directors consider that the going concern basis of accounting in preparing the financial statements remains appropriate.

11 Related party transactions

The company has taken advantage of the exemption under paragraph 33.1a of FRS102 from disclosing transactions entered into between two or more members of a group, where any subsidiary undertaking which is a party to the transaction is wholly owned by a member of that group.

12 Parent company

The company's parent undertaking is On Entertainment. The registered office of the parent company is 141 Boulevard Ney, Paris, France, 75018.

The smallest and largest group for which accounts are prepared and in which the results of the company are consolidated is On Entertainment. Copies of the group accounts for On Entertainment can be obtained from 141 Boulevard Ney, Paris, France, 75018.

The directors cannot identify the ultimate controlling party of the company, if any.

13 Prior period adjustment

The prior year adjustment relates to errors in the recognition in the prior year of costs. As a result, a prior year adjustment has been raised to correct the recognition of these balances in the financial statements.

Changes to the statement of financial position

	As previously reported	Adjustment	As restated at 31 Dec 2019
	£	£	£
Creditors due within one year			
Other creditors	(8,298,210)	(1,363,253)	(9,661,463)
	=====	=====	=====
Capital and reserves			
Profit and loss reserves	(4,656,273)	(1,363,253)	(6,019,526)
	=====	=====	=====

2.9 Film Holding Limited

Notes to the financial statements (continued)

For the year ended 31 December 2020

13 Prior period adjustment (continued)

Changes to the income statement

	As previously reported	Adjustment	As restated
Period ended 31 December 2019	£	£	£
Cost of sales	(32,867,939)	(1,363,253)	(34,231,192)
Loss for the financial period	(4,166,849)	(1,363,253)	(5,530,102)

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.