

COMPANY REGISTRATION NUMBER 06723644

**MET FILM SCHOOL LIMITED
FINANCIAL STATEMENTS
30 SEPTEMBER 2014**

MET FILM SCHOOL LIMITED
FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2014

CONTENTS	PAGE
Officers and professional advisers	1
Directors' report	2
Independent auditor's report to the shareholders	4
Profit and loss account	6
Statement of total recognised gains and losses	7
Balance sheet	8
Cash flow statement	9
Notes to the financial statements	10

MET FILM SCHOOL LIMITED
OFFICERS AND PROFESSIONAL ADVISERS

The board of directors

J Persey
Met Film Limited
J J Fletcher

Registered office

Building A
Ealing Studios
Ealing Green
Ealing
London
W5 5EP

Auditor

Shipleys LLP
Chartered Accountants
& Statutory Auditor
10 Orange Street
Haymarket
London
WC2H 7DQ

MET FILM SCHOOL LIMITED

DIRECTORS' REPORT

YEAR ENDED 30 SEPTEMBER 2014

The directors present their report and the financial statements of the company for the year ended 30 September 2014.

PRINCIPAL ACTIVITIES

The principal activities of the company are the provision of accredited film making courses at undergraduate and postgraduate level.

DIRECTORS

The directors who served the company during the year were as follows:

J S Thomson
J Persey
Met Film Limited
J J Fletcher

J J Fletcher was appointed as a director on 31 October 2013.

J S Thomson resigned as a director on 31 October 2013.

DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Directors' 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 year.

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.

Each of the persons who is a director at the date of approval of this report confirm that:

- so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware; and

MET FILM SCHOOL LIMITED

DIRECTORS' REPORT *(continued)*

YEAR ENDED 30 SEPTEMBER 2014

- each director has taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

SMALL COMPANY PROVISIONS

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

Registered office:
Building A
Ealing Studios
Ealing Green
Ealing
London
W5 5EP

Signed on behalf of the directors



J J Fletcher
Director

Approved by the directors on *19th June 2015*

MET FILM SCHOOL LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
MET FILM SCHOOL LIMITED
YEAR ENDED 30 SEPTEMBER 2014

We have audited the financial statements of Met Film School Limited for the year ended 30 September 2014. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's shareholders, 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 shareholders 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

As explained more fully in the Directors' Responsibilities Statement set out on page 2, the directors are 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 directors; 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 2014 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

MET FILM SCHOOL LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF MET FILM SCHOOL LIMITED *(continued)*

YEAR ENDED 30 SEPTEMBER 2014

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 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.



STEWART JELL (Senior Statutory Auditor)

For and on behalf of
SHIPLEYS LLP
Chartered Accountants
& Statutory Auditor

10 Orange Street
Haymarket
London
WC2H 7DQ

29/6/15

MET FILM SCHOOL LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 30 SEPTEMBER 2014

	2014	2013 <i>(restated)</i>
	£	£
TURNOVER	7,323,631	5,393,920
Cost of sales	(2,401,081)	(1,854,701)
GROSS PROFIT	<u>4,922,550</u>	<u>3,539,219</u>
Administrative expenses	(2,404,854)	(1,758,064)
Other operating income	2 13,447	82,046
OPERATING PROFIT	3 <u>2,531,143</u>	<u>1,863,201</u>
Interest payable and similar charges	(11,621)	(5,353)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	<u>2,519,522</u>	<u>1,857,848</u>
Tax on profit on ordinary activities	-	(274,223)
PROFIT FOR THE FINANCIAL YEAR	<u><u>2,519,522</u></u>	<u><u>1,583,625</u></u>

The notes on pages 10 to 18 form part of these financial statements.

MET FILM SCHOOL LIMITED
STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
YEAR ENDED 30 SEPTEMBER 2014

	2014	2013 <i>(restated)</i>
	£	£
Profit for the financial year attributable to the shareholders	2,519,522	1,583,625
Total recognised gains and losses relating to the year	<u>2,519,522</u>	<u>1,583,625</u>
Prior year adjustment (see note 5)	908,643	—
Total gains and losses recognised since the last annual report	<u>3,428,165</u>	<u>1,583,625</u>

The notes on pages 10 to 18 form part of these financial statements.

MET FILM SCHOOL LIMITED

BALANCE SHEET

30 SEPTEMBER 2014

	Note	2014		2013 (restated)
		£	£	£
FIXED ASSETS				
Intangible assets	6		182,744	237,401
Tangible assets	7		150,547	127,638
			<u>333,291</u>	<u>365,039</u>
CURRENT ASSETS				
Debtors	8	14,457,930		10,940,662
Cash at bank		480,362		267,949
		<u>14,938,292</u>		<u>11,208,611</u>
CREDITORS: Amounts falling due within one year	9	<u>(7,585,134)</u>		<u>(6,277,793)</u>
NET CURRENT ASSETS			<u>7,353,158</u>	<u>4,930,818</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>7,686,449</u>	<u>5,295,857</u>
CREDITORS: Amounts falling due after more than one year	10		<u>(1,936,995)</u>	<u>(2,065,925)</u>
			<u>5,749,454</u>	<u>3,229,932</u>
CAPITAL AND RESERVES				
Called-up equity share capital	14		1	1
Profit and loss account	15		5,749,453	3,229,931
SHAREHOLDERS' FUNDS			<u>5,749,454</u>	<u>3,229,932</u>

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 by the directors and authorised for issue on 19th Dec 2015 and are signed on their behalf by:



J J Fletcher
Director

Company Registration Number: 06723644

The notes on pages 10 to 18 form part of these financial statements.

MET FILM SCHOOL LIMITED
CASH FLOW STATEMENT
YEAR ENDED 30 SEPTEMBER 2014

		2014		2013
	Note	£	£	(restated) £
NET CASH INFLOW FROM OPERATING ACTIVITIES	16		282,816	374,133
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	16		(11,621)	(5,353)
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT	16		(58,782)	(167,284)
INCREASE IN CASH	16		<u>212,413</u>	<u>201,496</u>

The notes on pages 10 to 18 form part of these financial statements.

MET FILM SCHOOL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2014

1. ACCOUNTING POLICIES

Basis of accounting

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

Turnover

The Company recognises revenue on an accruals basis, when the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the Company. School revenue includes amounts deferred and accrued during the year and is stated after trade discounts, other taxes and net of VAT and is recognised in line with directly attributable costs.

Change in Accounting Policy

In accordance with FRS 5 - Reporting the Substance of Transactions the company has changed the revenue recognition policy with respect to school fee revenue during the year. Revenue is now recognised on the basis of all directly attributable costs over the duration of the student's course. The directors have considered the change in revenue recognition policy to be a prudent application of FRS 5. The prior year balances have been restated to ensure consistent application of this policy on the financial results presented. The impact of the change in accounting policy on the reported 2013 year is an increase of £908,643 to revenue with a corresponding reduction in deferred income.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Goodwill	-	60 months straight line
Course Programme	-	36 months straight line

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Fixtures & Fittings	-	4 years straight line
Computers	-	4 years straight line
Film making Equipment	-	3.5 years straight line

The directors consider that the company does not immediately consume assets on acquisition and that it is more appropriate to commence depreciation after 12 months.

MET FILM SCHOOL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2014

1. ACCOUNTING POLICIES *(continued)*

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

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.

MET FILM SCHOOL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2014

1. ACCOUNTING POLICIES *(continued)*

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.

2. OTHER OPERATING INCOME

	2014	2013 <i>(restated)</i>
	£	£
Other operating income	<u>13,447</u>	<u>82,046</u>

3. OPERATING PROFIT

Operating profit is stated after charging:

	2014	2013 <i>(restated)</i>
	£	£
Staff pension contributions	11,243	–
Amortisation of intangible assets	59,657	20,694
Depreciation of owned fixed assets	<u>30,873</u>	<u>799</u>

The audit fee for the group, consolidated under Met Media Limited, was borne in full by Met Film Limited.

4. DIRECTORS' REMUNERATION

The directors' aggregate remuneration in respect of qualifying services were:

	2014	2013 <i>(restated)</i>
	£	£
Aggregate remuneration	<u>271,714</u>	<u>208,467</u>

MET FILM SCHOOL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2014

4. DIRECTORS' REMUNERATION *(continued)*

The above remuneration relates to director services for the Met Media Group of companies.

5. PRIOR YEAR ADJUSTMENT

The prior year balances have been restated to ensure consistent application, as per the turnover policy above, on the financial results presented. The impact of the change in accounting policy on the reported 2013 year is an increase of £908,643 to revenue with a corresponding reduction in deferred income.

6. INTANGIBLE FIXED ASSETS

	Goodwill £	Course Programme £	Total £
COST			
At 1 October 2013	100,000	163,384	263,384
Additions	–	5,000	5,000
At 30 September 2014	<u>100,000</u>	<u>168,384</u>	<u>268,384</u>
AMORTISATION			
At 1 October 2013	–	25,983	25,983
Charge for the year	20,000	39,657	59,657
At 30 September 2014	<u>20,000</u>	<u>65,640</u>	<u>85,640</u>
NET BOOK VALUE			
At 30 September 2014	<u>80,000</u>	<u>102,744</u>	<u>182,744</u>
At 30 September 2013	<u>100,000</u>	<u>137,401</u>	<u>237,401</u>

MET FILM SCHOOL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2014

7. TANGIBLE FIXED ASSETS

	Fixtures & Fittings £	Computers £	Film Making Equipment £	Total £
COST				
At 1 October 2013	5,753	53,085	70,382	129,220
Additions	224	52,837	721	53,782
At 30 September 2014	<u>5,977</u>	<u>105,922</u>	<u>71,103</u>	<u>183,002</u>
DEPRECIATION				
At 1 October 2013	–	1,561	21	1,582
Charge for the year	312	11,271	19,290	30,873
At 30 September 2014	<u>312</u>	<u>12,832</u>	<u>19,311</u>	<u>32,455</u>
NET BOOK VALUE				
At 30 September 2014	<u>5,665</u>	<u>93,090</u>	<u>51,792</u>	<u>150,547</u>
At 30 September 2013	<u>5,753</u>	<u>51,524</u>	<u>70,361</u>	<u>127,638</u>

8. DEBTORS

	2014 £	2013 (restated) £
Trade debtors	633,136	565,758
Amounts owed by group undertakings	8,876,746	7,257,753
Other debtors	226	144,043
Called up share capital not paid	1	1
Prepayments and accrued income	4,947,821	2,973,107
	<u>14,457,930</u>	<u>10,940,662</u>

9. CREDITORS: Amounts falling due within one year

	2014 £	2013 (restated) £
Trade creditors	155,817	125,211
Amounts owed to group undertakings	1,850,501	1,740,041
PAYE and social security	73,803	57,151
VAT	19,131	93,423
Other creditors	49,916	44,284
Accruals and deferred income	5,435,966	4,217,683
	<u>7,585,134</u>	<u>6,277,793</u>

MET FILM SCHOOL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2014

10. CREDITORS: Amounts falling due after more than one year

	2014	2013 <i>(restated)</i>
	£	£
Accruals and deferred income	1,933,036	2,053,855
Other creditors	3,959	12,070
	<u>1,936,995</u>	<u>2,065,925</u>

11. GUARANTEES

The company has provided guarantees over equipment leases amounting to £nil (2013: £588,524) of which £nil (2013: £262,435) is still outstanding at year end. Met Film Operations is the lessee. The leases are for 3 years.

12. COMMITMENTS UNDER OPERATING LEASES

At 30 September 2014 the company had aggregate annual commitments under non-cancellable operating leases as set out below.

	2014	2013 <i>(restated)</i>
	£	£
Operating leases which expire:		
Less than 1 year	24,562	-
Within 2 to 5 years	-	89,678
	<u>-</u>	<u>89,678</u>

13. RELATED PARTY TRANSACTIONS

During the prior year, Executive Finance Director Solutions Ltd, a company under the control of J S Thomson, invoiced an amount of £90,547 as a retainer for potential future director services to the Met Media Group. This amount is being paid in monthly instalments of £4,000 and attracts interest of 17.5% per annum. £51,525 was outstanding at the date of the balance sheet and is included in Other creditors.

No other transactions with related parties were undertaken such as are required to be disclosed under Financial Reporting Standard 8.

MET FILM SCHOOL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2014

14. SHARE CAPITAL

Allotted and called up:

	2014		2013 <i>(restated)</i>	
	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:

	2014	2013 <i>(restated)</i>
	£	£
Ordinary shares	<u>1</u>	<u>1</u>

15. PROFIT AND LOSS ACCOUNT

	2014	2013 <i>(restated)</i>
	£	£
Balance brought forward as previously reported	2,321,288	1,646,306
Prior year adjustment (see note 5)	<u>908,643</u>	<u>—</u>
Balance brought forward restated	3,229,931	1,646,306
Profit for the financial year	<u>2,519,522</u>	<u>1,583,625</u>
Balance carried forward	<u>5,749,453</u>	<u>3,229,931</u>

16. NOTES TO THE CASH FLOW STATEMENT

RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2014	2013 <i>(restated)</i>
	£	£
Operating profit	2,531,143	1,863,201
Amortisation	59,657	20,694
Depreciation	30,873	799
Increase in debtors	(3,517,268)	(2,416,648)
Increase in creditors	<u>1,178,411</u>	<u>906,087</u>
Net cash inflow from operating activities	<u>282,816</u>	<u>374,133</u>

RETURNS ON INVESTMENTS AND SERVICING OF FINANCE

	2014	2013 <i>(restated)</i>
	£	£
Interest paid	<u>(11,621)</u>	<u>(5,353)</u>
Net cash outflow from returns on investments and servicing of finance	<u>(11,621)</u>	<u>(5,353)</u>

MET FILM SCHOOL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2014

CAPITAL EXPENDITURE

	2014	2013 <i>(restated)</i>
	£	£
Payments to acquire intangible fixed assets	(5,000)	(60,930)
Payments to acquire tangible fixed assets	(53,782)	(107,315)
Receipts from sale of fixed assets	—	961
Net cash outflow from capital expenditure	<u>(58,782)</u>	<u>(167,284)</u>

MET FILM SCHOOL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2014

16. NOTES TO THE CASH FLOW STATEMENT *(continued)*

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	2014		2013 <i>(restated)</i>
	£	£	£
Increase in cash in the period	212,413		201,496
Change in net debt		-	-
Net debt at 1 October 2013		-	-
Net debt at 30 September 2014		-	-

ANALYSIS OF CHANGES IN NET DEBT

	At 1 Oct 2013	Cash flows	At 30 Sep 2014
	£	£	£
Net cash:			
Cash in hand and at bank	267,949	212,413	480,362
Debt:			
Debt due after 1 year	-	-	-
Net debt	-	-	-

17. ULTIMATE PARENT COMPANY

At the period end, the company's parent was Met Media Limited, a company incorporated in England and Wales.