

COMPANY REGISTRATION NUMBER: 06723644

**Met Film School Limited**  
**Financial Statements**  
**30 September 2019**

**Met Film School Limited**  
**Financial Statements**  
**Year ended 30 September 2019**

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# **Met Film School Limited**

## **Officers and Professional Advisers**

### **The board of directors**

J Persey  
D Howell  
G Roberts  
H Rabbatts  
J C Woodward  
T C Hoegh  
T F Theobalds

### **Company secretary**

C Cordon

### **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

## Corporate Governance Statement

### Year ended 30 September 2019

MetFilm School Ltd (MFS) is an independent provider of Higher Education and training courses and is a wholly owned subsidiary of Met Film Ltd. (MFL), in turn a wholly owned subsidiary of Met Media Ltd (Met Media, together with its subsidiary entities, the Met Group). Prior to January 2019, the governance arrangements for these entities have been coterminous. The existing governance committee structure referenced herein existed for all Met Group entities and reported into MFL and the Met Media Board of Directors (Met Media Board). Following an independent review of governance a new Governance Framework and Code of Conduct (the MFS Code) was adopted. From January 2019 all the committees and governance matters for which MFS has oversight shall be the sole focus of this MFS Code.

In order to safeguard the interests of a range of stakeholders including students and the taxpayer, an appropriate set of governance principles has been adopted by MFS, enshrined in this MFS Code. Such governance principles are based on the Committee of University Chairs' (CUC) Higher Education Code of Governance and informed by:

- The Institute of Directors' (IOD) 'Corporate Governance Guidelines and Principles for Unlisted Companies'; and
- The imperative of interfacing successfully with the then Higher Education Funding Council for England's 'Operating Framework', now implemented through the Office for Students (OfS).

The MFS Board is responsible for:

- The vision, mission and strategic plans of MFS;
- The educational character, portfolio and plans of MFS where possible and appropriate, benchmarked against other comparable institutions;
- The institutional governance structure including the composition and terms of reference of MFS Board committees and sub-committees;
- The conduct of business in accordance with best practice in educational and corporate governance congruent with the principles drawn up by the Committee on Standards in Public Life;
- Ensuring that proper accounting records are kept;
- The composition and terms of reference of the Executive Committee;
- Ensuring that MFS meets and where possible exceeds best practice in equality and diversity;
- Feeding up to the Met Media Board on overall staffing and resource plans;
- Overseeing and monitoring the management of the financial objectives, plans performance and the annual operating budgets of MFS including the authorisation of the annual Met Group accounts;
- The appointment of external auditors;
- Defining and discharging the Public Interest Disclosure Policy.

The MFS Board currently comprises eight Directors of which two, including the Chair, are independent members and the remainder are either Executive Directors or Investor Directors, the latter representing shareholder interest.

The CEO is the Accountable Officer throughout the year the CEO was assisted by the MetFilm School Executive

# **Met Film School Limited**

## **Corporate Governance Statement *(continued)***

**Year ended 30 September 2019**

### **Committees of the board**

#### **Audit Committee**

The Audit Committee is composed of a relevant mix of independent and executive members and receives and considers detailed reports, including: control and governance arrangements; risk management, processes for promoting value for money (VFM) through economy, efficiency and effectiveness; the management and quality assurance of data.

#### **MFS Executive Committee**

The MFS Executive committee receives and considers reports for health & safety, visa oversight group, technology steering group and prevent steering group. In addition the Executive Committee reviews business performance against budget and reports to the Board.

#### **Academic Board**

Academic Board receives and considers reports from the Academic Quality Committee, the Learning Teaching and Assessment Committee, the Screen Enterprise Group and the Student Senate.

#### **Register of Interests**

MetFilm School maintains a Register of Interests of Members of the Board. The Register may be consulted by arrangement with the Company Secretary.

#### **Company Secretary**

In accordance with the Articles of Association, MetFilm School has appointed a Company Secretary and, in that capacity, provides independent advice on matters of governance to all Board members. The Company Secretary has a key role to play in the operation and conduct of the Board and in ensuring that appropriate procedures are adhered to.

#### **Internal Control**

MFS Governing body acknowledges that it has a responsibility for ensuring that an effective system of internal control is maintained and operated, and that the effectiveness of these arrangements is reviewed. This responsibility takes account of the Regulatory Advice 9: Accounts Direction published by the Office for Students (OfS).

# Met Film School Limited

## Corporate Governance Statement *(continued)*

Year ended 30 September 2019

### **System of internal control**

The Board of Directors of MetFilm School exercise responsibility and guardianship over the use of company resources and ensure that said resources are managed, controlled and used appropriately in the pursuit of the company's legitimate objectives. The Board regularly reviews key performance indicators and financial results involving variance analysis reporting and forecasts.

This Risk Management Policy (the Policy) is promoted by the Board of Directors to contribute to the fulfilment of these objectives as part of the internal control and corporate governance arrangements of the Company

Risk Management is a process that demonstrates that MetFilm School is acting appropriately in order to avoid excessive risk, and that MetFilm School's response to risk - whether by insurance, active control measures or avoidance of risk - is proportionate and effective.

It is the policy of MetFilm School that Risk Management is not an isolated activity - it is one element, together with planning and performance management, of the governance and management of MetFilm School. Risk Management also forms a part of the structure of internal control, and in particular will drive activity undertaken as part of the internal audit process. Furthermore, Risk Management is an activity that should be carried out at every level of MetFilm School to shape the work of departments, teams and individuals.

MFS has an agreed scheme of delegation which states who has authority to make particular types of decisions within the school. This covers who has approval to commit to expenditure by value and type of spend.

The Board of Directors has responsibility for overseeing Risk Management within MetFilm School and is ultimately accountable for it. The risk register is updated through the audit committee and reported to the Board.

The Board of Directors shall exercise its responsibility through the commissioning of an annual review to provide assurance that MetFilm School is acting appropriately to identify risks and taking action to mitigate or eliminate them.

### **Review of Effectiveness**

MetFilm School has procedures in place to monitor the effectiveness of its risk management and control procedures. This review is informed by the work of the Audit Committee which oversees the work and the senior management within MFS who are responsible for the development and maintenance of the internal control framework.

### **Internal Control Issues**

No significant internal control weaknesses or failures were identified during the financial year or before the financial statements were signed.

# Met Film School Limited

## Corporate Governance Statement *(continued)*

Year ended 30 September 2019

This report was approved by the board of directors on 27/3/2020 and signed on behalf of the board by:

J Woodward  
Chair of Board of Directors



D Howell  
CEO



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

# Met Film School Limited

## Directors' Report

Year ended 30 September 2019

The directors present their report and the financial statements of the company for the year ended 30 September 2019.

### Directors

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

J Persey	
D Howell	(Appointed 2 January 2019)
G Roberts	(Appointed 13 February 2019)
H Rabbatts	(Appointed 13 February 2019)
J C Woodward	(Appointed 13 February 2019)
T C Hoegh	(Appointed 13 February 2019)
T F Theobalds	(Appointed 13 February 2019)
Met Film Limited	(Resigned 13 February 2019)

### Dividends paid and payable

Particulars of recommended dividends are detailed in note 8 to the financial statements.

### Directors' responsibilities statement

The directors are responsible for preparing the strategic report, 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 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 judgments 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.



# Met Film School Limited

## Directors' Report *(continued)*

Year ended 30 September 2019

### Auditor

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

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have 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.

This report was approved by the board of directors on 27/2/2020 and signed on behalf of the board by:

J Woodward  
Chair of Board of Directors



D Howell  
CEO



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

# **Met Film School Limited**

## **Independent Auditor's Report to the Members of Met Film School Limited**

**Year ended 30 September 2019**

### **Opinion**

We have audited the financial statements of Met Film School Limited (the 'company') for the year ended 30 September 2019 which comprise the statement of comprehensive income, statement of financial position, statement of changes in equity, statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 30 September 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### **Opinion on other matters required by the Office for Students**

In our opinion, in all material respects the requirements of the OfS's accounts direction have been met.

# Met Film School Limited

## Independent Auditor's Report to the Members of Met Film School Limited (continued)

Year ended 30 September 2019

### Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and

" the corporate governance report and the directors' report have 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 strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which 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.

### 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.

# **Met Film School Limited**

## **Independent Auditor's Report to the Members of Met Film School Limited** *(continued)*

**Year ended 30 September 2019**

### **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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

# Met Film School Limited

## Independent Auditor's Report to the Members of Met Film School Limited (continued)

Year ended 30 September 2019

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### 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.



Stewart Jell (Senior Statutory Auditor)

For and on behalf of  
Shipleys LLP  
Chartered accountants & statutory auditor  
10 Orange Street  
Haymarket  
London  
WC2H 7DQ

27/02/2020

**Met Film School Limited**  
**Statement of Comprehensive Income**  
**Year ended 30 September 2019**

	Note	2019 £	2018 £
<b>Turnover</b>	<b>4</b>	7,415,207	7,077,830
Cost of sales		<u>2,677,858</u>	<u>3,132,541</u>
<b>Gross profit</b>		4,737,349	3,945,289
Administrative expenses		<u>3,935,079</u>	<u>3,703,395</u>
<b>Operating profit</b>	<b>5</b>	802,270	241,894
<b>Profit before taxation</b>		<u>802,270</u>	<u>241,894</u>
Tax on profit		<u>-</u>	<u>-</u>
<b>Profit for the financial year and total comprehensive income</b>		<u><u>802,270</u></u>	<u><u>241,894</u></u>

All the activities of the company are from continuing operations.

The notes on pages 16 to 23 form part of these financial statements.

**Met Film School Limited**  
**Statement of Financial Position**  
**30 September 2019**

	Note	2019 £	2018 £
<b>Fixed assets</b>			
Intangible assets	9	81,085	166,885
Tangible assets	10	23,503	31,824
		<u>104,588</u>	<u>198,709</u>
<b>Current assets</b>			
Debtors	11	14,855,079	17,299,348
Cash at bank and in hand		1,040,239	1,119,076
		<u>15,895,318</u>	<u>18,418,424</u>
<b>Creditors: amounts falling due within one year</b>	12	10,706,303	9,104,032
<b>Net current assets</b>		5,189,015	9,314,392
<b>Total assets less current liabilities</b>		5,293,603	9,513,101
<b>Creditors: amounts falling due after more than one year</b>	13	-	3,045,768
<b>Net assets</b>		<u>5,293,603</u>	<u>6,467,333</u>
<b>Capital and reserves</b>			
Called up share capital	15	1	1
Profit and loss account	16	5,293,602	6,467,332
<b>Shareholders funds</b>		<u>5,293,603</u>	<u>6,467,333</u>

These financial statements were approved by the board of directors and authorised for issue on 27/2/2020, and are signed on behalf of the board by:

J Woodward  
Chair of Board of Directors

D Howell  
CEO

Company registration number: 06723644

The notes on pages 16 to 23 form part of these financial statements.

**Met Film School Limited**  
**Statement of Changes in Equity**  
**Year ended 30 September 2019**

	Called up share capital £	Profit and loss account £	Total £
<b>At 1 October 2017</b>	1	6,225,438	6,225,439
Profit for the year	—	241,894	241,894
<b>Total comprehensive income for the year</b>	<u>—</u>	<u>241,894</u>	<u>241,894</u>
<b>At 30 September 2018</b>	1	6,467,332	6,467,333
Profit for the year	—	802,270	802,270
<b>Total comprehensive income for the year</b>	<u>—</u>	<u>802,270</u>	<u>802,270</u>
Dividends paid and payable	—	—	—
<b>Total investments by and distributions to owners</b>	<u>—</u>	<u>(1,976,000)</u>	<u>(1,976,000)</u>
	<b>8</b>	<b>(1,976,000)</b>	<b>(1,976,000)</b>
<b>At 30 September 2019</b>	<u>1</u>	<u>5,293,602</u>	<u>5,293,603</u>

The notes on pages 16 to 23 form part of these financial statements.



**Met Film School Limited**  
**Statement of Cash Flows**  
**Year ended 30 September 2019**

	2019 £	2018 £
<b>Cash flows from operating activities</b>		
Profit for the financial year	802,270	241,894
<i>Adjustments for:</i>		
Depreciation of tangible assets	16,850	26,726
Amortisation of intangible assets	90,701	124,073
Tax on profit	1,440	—
Accrued expenses	863,442	968,636
<i>Changes in:</i>		
Trade and other debtors	(393,053)	(45,609)
Trade and other creditors	(1,445,617)	29,056
Cash generated from operations	<u>(63,967)</u>	<u>1,344,776</u>
Tax paid	(1,440)	—
Net cash (used in)/from operating activities	<u>(65,407)</u>	<u>1,344,776</u>
<b>Cash flows from investing activities</b>		
Purchase of tangible assets	(8,529)	—
Purchase of intangible assets	(4,901)	—
Proceeds from sale of intangible assets	—	(11,400)
Net cash used in investing activities	<u>(13,430)</u>	<u>(11,400)</u>
<b>Cash flows from financing activities</b>		
Proceeds from loans from group undertakings	—	(944,487)
Net cash used in financing activities	<u>—</u>	<u>(944,487)</u>
<b>Net (decrease)/increase in cash and cash equivalents</b>	(78,837)	388,889
<b>Cash and cash equivalents at beginning of year</b>	1,119,076	730,187
<b>Cash and cash equivalents at end of year</b>	<u>1,040,239</u>	<u>1,119,076</u>

The notes on pages 16 to 23 form part of these financial statements.

# Met Film School Limited

## Notes to the Financial Statements

Year ended 30 September 2019

### 1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Building A, Ealing Studios, Ealing Green, Ealing, London, W5 5EP.

### 2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

### 3. Accounting policies

#### Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities.

The financial statements are prepared in sterling, which is the functional currency of the entity.

#### Disclosure exemptions

The company satisfies the criteria of being a qualifying entity as defined in FRS 102. Its financial statements are consolidated into the financial statements of Met Media Limited which can be obtained from Building A Ealing Studios, Ealing, London, W5 5EP. As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102:

- (a) Disclosures in respect of each class of share capital have not been presented.
- (b) No disclosure has been given for the aggregate remuneration of key management personnel.

#### Consolidation

The company has taken advantage of the option not to prepare consolidated financial statements contained in Section 398 of the Companies Act 2006 on the basis that the company and its subsidiary undertakings comprise a small group.

#### Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

#### Revenue recognition

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.

# Met Film School Limited

## Notes to the Financial Statements *(continued)*

Year ended 30 September 2019

### 3. Accounting policies *(continued)*

#### Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

#### Intangible assets

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses.

#### Amortisation

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

Goodwill	-	5 years straight line
Development costs	-	3 years straight line

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

#### Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

#### Depreciation

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

Film making equipment	-	7 years straight line
Fixtures & fittings	-	10 years straight line
Computers	-	4 years straight line

# Met Film School Limited

## Notes to the Financial Statements *(continued)*

Year ended 30 September 2019

### 3. 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 company 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 statement of financial position. Finance costs and gains or losses relating to financial liabilities are included in the statement of income and retained earnings. 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.

#### Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the year in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

### 4. Turnover

Turnover arises from:

	2019	2018
	£	£
Course fees	5,810,899	5,223,103
Rendering of services	1,604,308	1,854,727
	<u>7,415,207</u>	<u>7,077,830</u>

The turnover is attributable to the one principal activity of the company. An analysis of turnover by the geographical markets that substantially differ from each other is given below:

	2019	2018
	£	£
United Kingdom	6,784,650	6,335,234
Overseas	630,557	742,596
	<u>7,415,207</u>	<u>7,077,830</u>

# Met Film School Limited

## Notes to the Financial Statements *(continued)*

Year ended 30 September 2019

### 5. Operating profit

Operating profit or loss is stated after charging/crediting:

	2019	2018
	£	£
Amortisation of intangible assets	90,701	124,073
Depreciation of tangible assets	16,849	26,726
Impairment of trade debtors	(162,694)	17,064
Foreign exchange differences	1,998	(4,308)
	<u>          </u>	<u>          </u>

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

### 6. Staff costs

The average number of persons employed by the company during the year, including the directors, amounted to:

	2019	2018
	No.	No.
Administrative staff	67	68
	<u>          </u>	<u>          </u>

The aggregate payroll costs incurred during the year, relating to the above, were:

	2019	2018
	£	£
Wages and salaries	2,638,832	2,684,832
Social security costs	309,044	313,127
Other pension costs	172,319	121,818
	<u>3,120,195</u>	<u>3,119,777</u>

Total amount paid to staff for compensation for loss of office was £150,606

Number of people to whom compensation for loss of office was paid was 5

	Number of staff (2018-19)	Number of staff (2017-18)
	£	£
£115,000-£119,999	1	
£120,000-£124,999	1	1
£125,000-£129,999		
£130,000-£134,999		1

### 7. Directors' remuneration

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

	2019	2018
	£	£
Remuneration	<u>329,400</u>	<u>444,281</u>

# Met Film School Limited

## Notes to the Financial Statements *(continued)*

Year ended 30 September 2019

### 7. Directors' remuneration *(continued)*

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

	2019 £	2018 £
Head of Provider Remuneration		
C Maples (1/10/2017 to 1/7/2018)		
Base Salary	–	125,000
Pension - defined contribution	–	1,250
Benefits in kind	–	1,015
Total	–	127,265
J Persey (1/8/2018 to 31/12/2018)		
Base Salary	33,150	22,100
Pension - defined contribution	995	663
Benefits in kind	368	1,499
Total	34,512	24,262
D Howell (1/1/2019 to 30/09/2019)		
Base Salary	90,000	
Bonus	20,000	
Pension - defined contribution	1,800	
Benefit in kind	182	
Total	111,982	
	2019 £	2018 £
Severance payments for head of provider		
Compensation for loss of office	78,606	
Benefit in kind	1,975	
Total	80,581	–

#### Justification of the head of provider's remuneration:

The fair remuneration of all staff, including the Chief Executive Officer, Director and his/her immediate team, is an important part of ensuring sustainability whilst protecting the reputation of the institution. Accordingly, the governing body is considering establishing a Remuneration and General Purposes Committee to consider and determine, as a minimum, the emoluments of the Chief Executive Officer (Accountable Officer), Director and other senior staff as prescribed in constitutional documents or by the governing body.

The Board considers the CEO's current remuneration as justified given the size of the organisation and represents value for money compared to similar organisations in the sector. The Board also considers the head of provider's basic salary at 3.8 times the median pay of staff not excessive.

#### Pay multiple

The head of provider's basic salary is 3.8 times the median pay of staff, where the median pay is calculated on a full-time equivalent basis for the salaries paid by the provider to its staff

The head of provider's total remuneration is 3.8 times the median total remuneration of staff,

# Met Film School Limited

## Notes to the Financial Statements *(continued)*

### Year ended 30 September 2019

**7. Directors' remuneration *(continued)***

where the median total remuneration is calculated on a full-time equivalent basis for the total remuneration by provider of its staff.

**8. Dividends paid and payable**

	2019 £	2018 £
Dividends paid during the year	1,976,000	—

**9. Intangible assets**

	Goodwill £	Development costs £	Total £
<b>Cost</b>			
At 1 October 2018	100,000	586,313	686,313
Additions	—	4,901	4,901
<b>At 30 September 2019</b>	<u>100,000</u>	<u>591,214</u>	<u>691,214</u>
<b>Amortisation</b>			
At 1 October 2018	100,000	419,428	519,428
Charge for the year	—	90,701	90,701
<b>At 30 September 2019</b>	<u>100,000</u>	<u>510,129</u>	<u>610,129</u>
<b>Carrying amount</b>			
<b>At 30 September 2019</b>	<u>—</u>	<u>81,085</u>	<u>81,085</u>
At 30 September 2018	<u>—</u>	<u>166,885</u>	<u>166,885</u>

**10. Tangible assets**

	Film Making Equipment £	Fixtures and fittings £	Computers £	Total £
<b>Cost</b>				
At 1 October 2018	80,414	12,166	57,442	150,022
Additions	3,310	220	4,999	8,529
<b>At 30 September 2019</b>	<u>83,724</u>	<u>12,386</u>	<u>62,441</u>	<u>158,551</u>
<b>Depreciation</b>				
At 1 October 2018	58,922	5,815	53,461	118,198
Charge for the year	11,980	1,494	3,376	16,850
<b>At 30 September 2019</b>	<u>70,902</u>	<u>7,309</u>	<u>56,837</u>	<u>135,048</u>
<b>Carrying amount</b>				
<b>At 30 September 2019</b>	<u>12,822</u>	<u>5,077</u>	<u>5,604</u>	<u>23,503</u>
At 30 September 2018	<u>21,492</u>	<u>6,351</u>	<u>3,981</u>	<u>31,824</u>

# Met Film School Limited

## Notes to the Financial Statements *(continued)*

Year ended 30 September 2019

### 11. Debtors

	2019 £	2018 £
Trade debtors	2,511,929	2,189,310
Amounts owed by group undertakings	8,812,261	8,832,164
Prepayments and accrued income	3,284,328	6,116,094
Other debtors	246,561	161,780
	<u>14,855,079</u>	<u>17,299,348</u>

### 12. Creditors: amounts falling due within one year

	2019 £	2018 £
Trade creditors	203,648	194,095
Accruals and deferred income	10,407,879	8,415,454
Social security and other taxes	93,435	493,133
Other creditors	1,341	1,350
	<u>10,706,303</u>	<u>9,104,032</u>

### 13. Creditors: amounts falling due after more than one year

	2019 £	2018 £
Accruals and deferred income	—	<u>3,045,768</u>

### 14. Employee benefits

#### Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £172,319 (2018: £121,818).

### 15. Called up share capital

#### Issued, called up and fully paid

	2019		2018	
	No.	£	No.	£
Ordinary shares of £1 each	<u>1</u>	<u>1.00</u>	<u>1</u>	<u>1.00</u>

### 16. Reserves

Profit and loss account - This reserve records retained earnings and accumulated losses.

### 17. Related party transactions

No transactions with related parties were undertaken such as are required to be disclosed under Financial Reporting Standard 102.



# Met Film School Limited

## Notes to the Financial Statements *(continued)*

Year ended 30 September 2019

### 18. Controlling party

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