

COMPANY REGISTRATION NUMBER: 06723644

Met Film School Limited
Financial Statements
30 September 2016

FRIDAY



L69OWM76

LD7

30/06/2017

#341

COMPANIES HOUSE

Met Film School Limited
Officers and Professional Advisers

The board of directors

J Persey
Met Film Limited
J Fletcher

Registered office

Building A
Ealing Studios
Ealing Green
Ealing
London
W5 5EP

Auditor

Shipleys LLP
Chartered accountant & statutory auditor
10 Orange Street
Haymarket
London
WC2H 7DQ

Met Film School Limited

Directors' Report

Year ended 30 September 2016

The directors present their report and the financial statements of the company for the year ended 30 September 2016.

Directors

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

J Persey
Met Film Limited
J Fletcher

Directors' responsibilities statement

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 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.

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.

Small company provisions

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

Met Film School Limited

Directors' Report *(continued)*

Year ended 30 September 2016

This report was approved by the board of directors on 11/6/17 and signed on behalf of the board by:



J Fletcher
Director

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 2016

We have audited the financial statements of Met Film School Limited for the year ended 30 September 2016 which comprise the statement of income and retained earnings, statement of financial position, statement of cash flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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.

Respective responsibilities of directors and auditor

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. 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 directors' 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 2016 and of its profit 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.

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 Members of Met Film School Limited (continued)

Year ended 30 September 2016

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; and
- the directors were not entitled to 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.



Stewart Jell (Senior Statutory Auditor)

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

26/6/17

Met Film School Limited
Statement of Income and Retained Earnings
Year ended 30 September 2016

	Note	2016 £	2015 £
Turnover	4	7,213,471	8,221,351
Cost of sales		(2,265,443)	(2,461,256)
Gross profit		4,948,028	5,760,095
Administrative expenses		(2,606,677)	(2,558,991)
Other operating income	5	-	4,713
Operating profit	6	2,341,351	3,205,817
Intergroup debt foregiven	9	1,576,148	-
Other interest receivable and similar income	10	374	262
Interest payable and similar expenses	11	-	(22,090)
Profit before taxation		3,917,873	3,183,989
Tax on profit		-	-
Profit for the financial year and total comprehensive income		<u>3,917,873</u>	<u>3,183,989</u>
Dividends paid and payable	12	(7,341,924)	-
Retained earnings at the start of the year		8,933,442	5,749,453
Retained earnings at the end of the year		<u>5,509,391</u>	<u>8,933,442</u>

All the activities of the company are from continuing operations.

The notes on pages 9 to 15 form part of these financial statements.

Met Film School Limited
Statement of Financial Position
30 September 2016

	Note	2016 £	2015 £
Fixed assets			
Intangible assets	13	267,645	274,180
Tangible assets	14	76,450	95,931
		<u>344,095</u>	<u>370,111</u>
Current assets			
Debtors	15	14,182,619	18,812,865
Cash at bank and in hand		596,360	622,258
		<u>14,778,979</u>	<u>19,435,123</u>
Creditors: amounts falling due within one year	16	<u>(6,540,220)</u>	<u>(7,884,083)</u>
Net current assets		<u>8,238,759</u>	<u>11,551,040</u>
Total assets less current liabilities		<u>8,582,854</u>	<u>11,921,151</u>
Creditors: amounts falling due after more than one year	17	<u>(3,073,462)</u>	<u>(2,987,708)</u>
Net assets		<u>5,509,392</u>	<u>8,933,443</u>
Capital and reserves			
Called up share capital	19	1	1
Profit and loss account	20	5,509,391	8,933,442
Members funds		<u>5,509,392</u>	<u>8,933,443</u>

These financial statements were approved by the board of directors and authorised for issue on 11/6/17, and are signed on behalf of the board by:



J Fletcher
 Director

Company registration number: 06723644

The notes on pages 9 to 15 form part of these financial statements.

Met Film School Limited

Statement of Cash Flows

Year ended 30 September 2016

	2016 £	2015 £
Cash flows from operating activities		
Profit for the financial year	3,917,873	3,183,989
<i>Adjustments for:</i>		
Depreciation of tangible assets	23,656	33,244
Amortisation of intangible assets	107,582	82,589
Intergroup debt foregiven	(1,576,148)	–
Other interest receivable and similar income	(374)	(262)
Interest payable and similar expenses	–	22,090
Loss on disposal of tangible assets	–	27,228
Accrued expenses	93,400	120,993
<i>Changes in:</i>		
Trade and other debtors	(2,711,678)	(4,354,935)
Trade and other creditors	349,762	1,085,417
Cash generated from operations	204,073	200,353
Interest paid	–	(22,090)
Interest received	374	262
Net cash from operating activities	<u>204,447</u>	<u>178,525</u>
Cash flows from investing activities		
Purchase of tangible assets	(4,175)	(5,856)
Purchase of intangible assets	(101,047)	(174,025)
Dividends received	1,576,148	–
Net cash from/(used in) investing activities	<u>1,470,926</u>	<u>(179,881)</u>
Cash flows from financing activities		
Proceeds from loans from group undertakings	(1,701,271)	143,252
Net cash (used in)/from financing activities	<u>(1,701,271)</u>	<u>143,252</u>
Net (decrease)/increase in cash and cash equivalents	(25,898)	141,896
Cash and cash equivalents at beginning of year	622,258	480,362
Cash and cash equivalents at end of year	<u>596,360</u>	<u>622,258</u>

The notes on pages 9 to 15 form part of these financial statements.

Met Film School Limited
Notes to the Financial Statements
Year ended 30 September 2016

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'. The July 2015 amendments to the standard have been early adopted.

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 company.

Transition to FRS 102

The company transitioned from previous UK GAAP to FRS 102 as at 1 October 2014. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 23.

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) Disclosures in respect of share-based payments have not been presented.
- (c) 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.

Met Film School Limited

Notes to the Financial Statements *(continued)*

Year ended 30 September 2016

3. Accounting policies *(continued)*

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.

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.

Met Film School Limited

Notes to the Financial Statements *(continued)*

Year ended 30 September 2016

3. Accounting policies *(continued)*

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

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:

	2016	2015
	£	£
Course fees	5,606,136	5,912,909
Rendering of services	1,625,335	2,308,442
	<u>7,231,471</u>	<u>8,221,351</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:

	2016	2015
	£	£
United Kingdom	6,532,996	7,604,277
Overseas	680,475	617,074
	<u>7,213,471</u>	<u>8,221,351</u>

Met Film School Limited

Notes to the Financial Statements *(continued)*

Year ended 30 September 2016

5. Other operating income

	2016	2015
	£	£
Other operating income	—	<u>4,713</u>

6. Operating profit

Operating profit or loss is stated after charging:

	2016	2015
	£	£
Amortisation of intangible assets	107,582	82,589
Depreciation of tangible assets	23,656	33,244
Loss on disposal of tangible assets	—	<u>27,228</u>

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

7. Staff costs

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

	2016	2015
	No.	No.
Administrative staff	<u>60</u>	<u>62</u>

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

	2016	2015
	£	£
Wages and salaries	2,054,502	2,263,514
Social security costs	219,532	286,899
Other pension costs	79,404	79,675
	<u>2,353,438</u>	<u>2,630,088</u>

8. Directors' remuneration

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

	2016	2015
	£	£
Remuneration	<u>274,444</u>	<u>246,226</u>

9. Income from group undertakings

	2016	2015
	£	£
Intergroup debt foregiven	<u>1,576,148</u>	<u>—</u>

Met Film School Limited

Notes to the Financial Statements *(continued)*

Year ended 30 September 2016

10. Other interest receivable and similar income

	2016	2015
	£	£
Interest on cash and cash equivalents	374	262

11. Interest payable and similar expenses

	2016	2015
	£	£
Other interest payable and similar charges	–	22,090

12. Dividends

	2016	2015
	£	£
Dividends paid during the year	7,341,924	–

13. Intangible assets

	Goodwill	Development costs	Total
	£	£	£
Cost			
At 1 October 2015	100,000	342,409	442,409
Additions	–	101,047	101,047
At 30 September 2016	<u>100,000</u>	<u>443,456</u>	<u>543,456</u>
Amortisation			
At 1 October 2015	40,000	128,229	168,229
Charge for the year	20,000	87,582	107,582
At 30 September 2016	<u>60,000</u>	<u>215,811</u>	<u>275,811</u>
Carrying amount			
At 30 September 2016	<u>40,000</u>	<u>227,645</u>	<u>267,645</u>
At 30 September 2015	<u>60,000</u>	<u>214,180</u>	<u>274,180</u>

Met Film School Limited

Notes to the Financial Statements *(continued)*

Year ended 30 September 2016

14. Tangible assets

	Film Making Equipment £	Fixtures and fittings £	Computer Equipment £	Total £
Cost				
At 1 October 2015	71,212	11,461	54,582	137,255
Additions	2,004	124	2,047	4,175
At 30 September 2016	<u>73,216</u>	<u>11,585</u>	<u>56,629</u>	<u>141,430</u>
Depreciation				
At 1 October 2015	27,787	1,393	12,144	41,324
Charge for the year	8,861	1,366	13,429	23,656
At 30 September 2016	<u>36,648</u>	<u>2,759</u>	<u>25,573</u>	<u>64,980</u>
Carrying amount				
At 30 September 2016	<u>36,568</u>	<u>8,826</u>	<u>31,056</u>	<u>76,450</u>
At 30 September 2015	<u>43,425</u>	<u>10,068</u>	<u>42,438</u>	<u>95,931</u>

15. Debtors

	2016 £	2015 £
Trade debtors	867,045	287,169
Amounts owed by group undertakings	8,163,776	11,459,242
Called up share capital not paid	1	1
Prepayments and accrued income	5,127,012	7,027,211
Other debtors	24,785	39,242
	<u>14,182,619</u>	<u>18,812,865</u>

16. Creditors: amounts falling due within one year

	2016 £	2015 £
Trade creditors	230,517	234,738
Amounts owed to group undertakings	292,482	1,993,753
Accruals and deferred income	5,650,359	5,556,959
Social security and other taxes	364,512	-
Other creditors	2,350	98,633
	<u>6,540,220</u>	<u>7,884,083</u>

17. Creditors: amounts falling due after more than one year

	2016 £	2015 £
Student advance payments due	<u>3,073,462</u>	<u>2,987,708</u>

Met Film School Limited

Notes to the Financial Statements *(continued)*

Year ended 30 September 2016

18. Employee benefits

Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £79,404 (2015: £79,675).

19. Called up share capital

Issued, called up and fully paid

	2016		2015	
	No.	£	No.	£
Ordinary shares of £1 each	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

20. Reserves

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

21. Related party transactions

During a prior year, Executive Finance Director Solutions Ltd, a company under the control of J S Thomson, invoiced an amount of £90,547 (2015: £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. £nil (2015: £4,586) 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 102.

22. Controlling party

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

23. Transition to FRS 102

These are the first financial statements that comply with FRS 102. The company transitioned to FRS 102 on 1 October 2014.

No transitional adjustments were required in equity or profit or loss for the year.