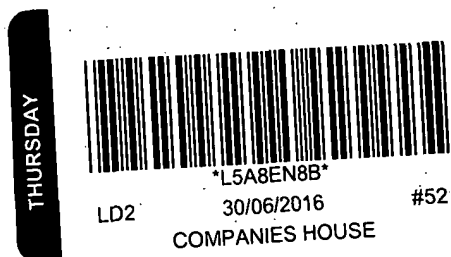


COMPANY REGISTRATION NUMBER 06723644

MET FILM SCHOOL LIMITED
FINANCIAL STATEMENTS
30 SEPTEMBER 2015



MET FILM SCHOOL LIMITED
FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2015

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MET FILM SCHOOL LIMITED

STRATEGIC REPORT

YEAR ENDED 30 SEPTEMBER 2015

FAIR REVIEW OF THE BUSINESS

The Directors of the business are satisfied with the results for the year ended 30 September 2015.

The principal activity of the company continued to be the provision of accredited film making courses at undergraduate and postgraduate level. The company's revenue has increased during the year by £897,720 to £8,221,351 (2014: £7,323,631), through increased student numbers. This has led to a corresponding increase in gross margin.

PRINCIPAL RISKS AND UNCERTAINTIES

The majority of the company's revenue is from student fees through an annual recruitment process and consequently the principal operational risk the group faces is student recruitment and retention. This risk is managed by continually reviewing student recruitment strategy whilst ensuring that educational quality and experience of students is at the forefront of the company's programmes.

The principal financial risk inherent in the industry is the continued availability of student loans to students who meet the qualifying requirements

Signed on behalf of the directors

J Fletcher
Director



Approved by the directors on 30/6/16

MET FILM SCHOOL LIMITED

DIRECTORS' REPORT

YEAR ENDED 30 SEPTEMBER 2015

The directors present their report and the financial statements of the company for the year ended 30 September 2015.

RESULTS AND DIVIDENDS

The profit for the year amounted to £3,183,989. The directors have not recommended a dividend.

FINANCIAL INSTRUMENTS

The company's principal financial instruments comprise bank balances, trade debtors and trade creditors.

Due to the nature of the financial instruments used by the company, there is no exposure to price risk. The group's approach to managing other risks applicable to the financial instruments concerned is shown below.

In respect of bank balances, the liquidity risk is managed by maintaining a balance between the continuity of funding and flexibility.

Trade debtors are managed in respect of credit and cash flow risk by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit limits.

Trade creditors and accruals liquidity risk is managed by ensuring that sufficient funds are available to meet amounts due.

DIRECTORS

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

J Persey
Met Film Limited
J Fletcher

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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 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.

MET FILM SCHOOL LIMITED

DIRECTORS' REPORT *(continued)*

YEAR ENDED 30 SEPTEMBER 2015

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.

STRATEGIC REPORT

A Strategic report is included in these accounts in accordance with section 414C(11) of the Companies Act 2006.

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
- 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.

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

Signed on behalf of the directors



J Fletcher
Director

Approved by the directors on 30/6/16

MET FILM SCHOOL LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF MET FILM SCHOOL LIMITED

YEAR ENDED 30 SEPTEMBER 2015

We have audited the financial statements of Met Film School Limited for the year ended 30 September 2015. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 pages 2 to 3, 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 2015 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 Strategic Report and 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 2015

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.



STEWART JELL (Senior Statutory Auditor)

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

10 Orange Street
Haymarket
London
WC2H 7DQ

..... 30/6/16

MET FILM SCHOOL LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 30 SEPTEMBER 2015

	Note	2015 £	2014 £
TURNOVER	2	8,221,351	7,323,631
Cost of sales		(2,461,256)	(2,401,081)
GROSS PROFIT		<u>5,760,095</u>	<u>4,922,550</u>
Administrative expenses		(2,558,991)	(2,404,854)
Other operating income	3	4,713	13,447
OPERATING PROFIT	4	<u>3,205,817</u>	<u>2,531,143</u>
Interest receivable		262	-
Interest payable and similar charges	7	(22,090)	(11,621)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>3,183,989</u>	<u>2,519,522</u>
Tax on profit on ordinary activities		-	-
PROFIT FOR THE FINANCIAL YEAR		<u><u>3,183,989</u></u>	<u><u>2,519,522</u></u>

All of the activities of the company are classed as continuing.

The notes on pages 10 to 17 form part of these financial statements.

MET FILM SCHOOL LIMITED
STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
YEAR ENDED 30 SEPTEMBER 2015

	2015	2014
	£	£
Profit for the financial year attributable to the shareholders	3,183,989	2,519,522
Total recognised gains and losses relating to the year	<u>3,183,989</u>	<u>2,519,522</u>
Prior year adjustment	-	908,643
Total gains and losses recognised since the last annual report	<u>3,183,989</u>	<u>3,428,165</u>

RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2015	2014
	£	£
Profit for the financial year	3,183,989	2,519,522
Opening shareholders' funds	5,749,454	2,321,289
Prior year adjustment	-	908,643
Closing shareholders' funds	<u>8,933,443</u>	<u>5,749,454</u>

The notes on pages 10 to 17 form part of these financial statements.

MET FILM SCHOOL LIMITED

BALANCE SHEET

30 SEPTEMBER 2015

	Note	2015 £	£	2014 £
FIXED ASSETS				
Intangible assets	8		274,180	182,744
Tangible assets	9		95,931	150,547
			<u>370,111</u>	<u>333,291</u>
CURRENT ASSETS				
Debtors	10	18,812,865		14,457,930
Cash at bank			622,258	480,362
			<u>19,435,123</u>	<u>14,938,292</u>
CREDITORS: Amounts falling due within one year	11	<u>(7,884,083)</u>		<u>(7,585,134)</u>
NET CURRENT ASSETS			<u>11,551,040</u>	<u>7,353,158</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			11,921,151	7,686,449
CREDITORS: Amounts falling due after more than one year	12		(2,987,708)	(1,936,995)
			<u>8,933,443</u>	<u>5,749,454</u>
CAPITAL AND RESERVES				
Called up equity share capital	15		1	1
Profit and loss account	16		8,933,442	5,749,453
SHAREHOLDERS' FUNDS			<u>8,933,443</u>	<u>5,749,454</u>

These accounts were approved by the directors and authorised for issue on 30/6/16, and are signed on their behalf by:



J Fletcher
Director

Company Registration Number: 06723644

The notes on pages 10 to 17 form part of these financial statements.

MET FILM SCHOOL LIMITED
CASH FLOW STATEMENT
YEAR ENDED 30 SEPTEMBER 2015

	Note	2015 £	£	2014 £
NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES	17		331,837	282,816
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	17		(10,060)	(11,621)
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT	17		(179,881)	(58,782)
CASH (OUTFLOW)/INFLOW BEFORE FINANCING			<u>141,896</u>	<u>212,413</u>
FINANCING	17		-	-
INCREASE IN CASH	17		<u>141,896</u>	<u>212,413</u>

The notes on pages 10 to 17 form part of these financial statements.

MET FILM SCHOOL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2015

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention.

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.

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 Development	-	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	-	7 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.

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.

MET FILM SCHOOL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2015

1. ACCOUNTING POLICIES *(continued)*

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.

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.

MET FILM SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2015

2. TURNOVER

The turnover and profit before tax are attributable to the one principal activity of the company.

An analysis of turnover is given below:

	2015 £	2014 £
United Kingdom	7,604,277	6,732,806
Overseas	617,074	590,825
	<u>8,221,351</u>	<u>7,323,631</u>

3. OTHER OPERATING INCOME

	2015 £	2014 £
Other operating income	4,713	13,447

4. OPERATING PROFIT

Operating profit is stated after charging:

	2015 £	2014 £
Amortisation of intangible assets	82,589	59,657
Depreciation of owned fixed assets	33,244	30,873
Loss on disposal of fixed assets	27,228	-

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

5. PARTICULARS OF EMPLOYEES

The average number of staff employed by the company during the financial year amounted to:

	2015 No	2014 No
Administrative staff	62	57

The aggregate payroll costs of the above were:

	2015 £	2014 £
Wages and salaries	2,263,514	2,204,010
Social security costs	286,899	259,613
Other pension costs	79,675	11,243
	<u>2,630,088</u>	<u>2,474,866</u>

MET FILM SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2015

6. DIRECTORS' REMUNERATION

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

	2015 £	2014 £
Remuneration receivable	<u>246,226</u>	<u>271,714</u>

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

7. INTEREST PAYABLE AND SIMILAR CHARGES

	2015 £	2014 £
Other similar charges payable	<u>22,090</u>	<u>11,621</u>

8. INTANGIBLE ASSETS

	Goodwill £	Course Development £	Total £
COST			
At 1 October 2014	100,000	168,384	268,384
Additions	–	174,025	174,025
At 30 September 2015	<u>100,000</u>	<u>342,409</u>	<u>442,409</u>
AMORTISATION			
At 1 October 2014	20,000	65,640	85,640
Charge for the year	20,000	62,589	82,589
At 30 September 2015	<u>40,000</u>	<u>128,229</u>	<u>168,229</u>
NET BOOK VALUE			
At 30 September 2015	<u>60,000</u>	<u>214,180</u>	<u>274,180</u>
At 30 September 2014	<u>80,000</u>	<u>102,744</u>	<u>182,744</u>

MET FILM SCHOOL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2015

9. TANGIBLE ASSETS

	Fixtures & Fittings £	Computers £	Film Making Equipment £	Total £
COST				
At 1 October 2014	5,977	105,922	71,103	183,002
Additions	5,484	263	109	5,856
Disposals	–	(51,603)	–	(51,603)
At 30 September 2015	<u>11,461</u>	<u>54,582</u>	<u>71,212</u>	<u>137,255</u>
DEPRECIATION				
At 1 October 2014	312	12,832	19,311	32,455
Charge for the year	1,081	23,687	8,476	33,244
On disposals	–	(24,375)	–	(24,375)
At 30 September 2015	<u>1,393</u>	<u>12,144</u>	<u>27,787</u>	<u>41,324</u>
NET BOOK VALUE				
At 30 September 2015	<u>10,068</u>	<u>42,438</u>	<u>43,425</u>	<u>95,931</u>
At 30 September 2014	<u>5,665</u>	<u>93,090</u>	<u>51,792</u>	<u>150,547</u>

10. DEBTORS

	2015 £	2014 £
Trade debtors	287,169	633,136
Amounts owed by group undertakings	11,459,242	8,876,746
Other debtors	39,242	226
Called up share capital not paid	1	1
Prepayments and accrued income	7,027,211	4,947,821
	<u>18,812,865</u>	<u>14,457,930</u>

11. CREDITORS: Amounts falling due within one year

	2015 £	2014 £
Trade creditors	234,738	155,817
Amounts owed to group undertakings	1,993,753	1,850,501
Other taxation and social security	–	92,934
Other creditors	98,633	49,916
Accruals and deferred income	5,556,959	5,435,966
	<u>7,884,083</u>	<u>7,585,134</u>

MET FILM SCHOOL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2015

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

	2015	2014
	£	£
Other creditors	–	3,959
Student advance payments due	2,987,708	1,933,036
	<u>2,987,708</u>	<u>1,936,995</u>

13. COMMITMENTS UNDER OPERATING LEASES

At 30 September 2015 the company had annual commitments under non-cancellable operating leases as set out below.

	Land and buildings	
	2015	2014
	£	£
Operating leases which expire:		
Within 1 year	<u>40,937</u>	<u>24,562</u>

14. 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 (2014: 51,525) 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. £4,586 (2014: £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.

15. SHARE CAPITAL

Allotted and called up:

	2015		2014	
	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:

	2015	2014
	£	£
Ordinary shares	<u>1</u>	<u>1</u>

MET FILM SCHOOL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2015

16. PROFIT AND LOSS ACCOUNT

	2015	2014
	£	£
Balance brought forward as previously reported	5,749,453	2,321,288
Prior year adjustment	–	908,643
Balance brought forward restated	<u>5,749,453</u>	<u>3,229,931</u>
Profit for the financial year	<u>3,183,989</u>	<u>2,519,522</u>
Balance carried forward	<u><u>8,933,442</u></u>	<u><u>5,749,453</u></u>

17. NOTES TO THE CASH FLOW STATEMENT

RECONCILIATION OF OPERATING PROFIT TO NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES

	2015	2014
	£	£
Operating profit	3,194,048	2,531,143
Amortisation	82,589	59,657
Depreciation	33,245	30,873
Loss on disposal of fixed assets	27,228	–
Increase in debtors	(1,773,438)	(3,517,268)
Increase in creditors	(1,231,835)	1,178,411
Net cash (outflow)/inflow from operating activities	<u><u>(331,837)</u></u>	<u><u>282,816</u></u>

RETURNS ON INVESTMENTS AND SERVICING OF FINANCE

	2015	2014
	£	£
Interest received	262	–
Interest paid	<u>(10,322)</u>	<u>(11,621)</u>
Net cash outflow from returns on investments and servicing of finance	<u><u>(10,060)</u></u>	<u><u>(11,621)</u></u>

CAPITAL EXPENDITURE

	2015	2014
	£	£
Payments to acquire intangible fixed assets	(174,025)	(5,000)
Payments to acquire tangible fixed assets	<u>(5,856)</u>	<u>(53,782)</u>
Net cash outflow from capital expenditure	<u><u>(179,881)</u></u>	<u><u>(58,782)</u></u>

MET FILM SCHOOL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2015

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

FINANCING

	2015 £	2014 £
Net inflow/(outflow) from other long-term creditors	—	—
Net cash inflow/(outflow) from financing	—	—

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	2015		2014
	£	£	£
Increase in cash in the period	141,896		212,413
Net cash (inflow) from/outflow from other long-term creditors	—		—
		141,896	212,413
Change in net debt		141,896	212,413
Net debt at 1 October 2014		480,362	267,949
Net debt at 30 September 2015		622,258	480,362

ANALYSIS OF CHANGES IN NET DEBT

	At 1 Oct 2014 £	Cash flows £	At 30 Sep 2015 £
Net cash:			
Cash in hand and at bank	480,362	141,896	622,258
Debt:			
Finance lease agreements	—	—	—
Net debt	480,362	141,896	622,258

18. ULTIMATE PARENT COMPANY

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