

PKL Pictures Limited

Financial Statements

for the Year Ended 31 March 2018

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PKL Pictures Limited

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PKL Pictures Limited

Company Information

Directors	O Leontovych J C Woolf
Company secretary	B M Curley
Registered office	Wessex House 1 Chesham Street London SW1X 8ND
Auditors	Ernst & Young LLP 1 More London Place London SE1 2AF

PKL Pictures Limited

Directors' Report for the Year Ended 31 March 2018

The directors present their report and the financial statements for the year ended 31 March 2018.

Principal activity

The principal activity of the company is to receive income from past productions, whilst considering new areas for investment in the film and related industries, as well as investment in securities.

Directors of the company

The directors who held office during the year were as follows:

O Leontovych

J C Woolf

Results and dividends

The profit and loss for the year is set out on page 7. The directors recommend a final dividend payment of £nil (2017 - £nil) be made in respect of the financial year ended 31 March 2018.

Going concern

The company has net liabilities of £109,161 as 31 March 2018 (2017 - £724,480). Notwithstanding this, the financial statements have been prepared on a going concern basis on the assumption that continued financial support will be made available by Romulus Films Limited, related undertaking as described in note 13, to enable the company to meet its liabilities as and when they fall due. The directors have received a letter of support from the aforementioned related undertaking and have no reason to believe this financial support will not continue in the future and considers it appropriate to adopt a going concern basis. However, should Romulus Films Limited fail to provide such support, the going concern basis used in preparing the company's financial statements would be invalid and adjustments would have to be made to reduce the value of assets to their realisable amounts, to provide for any further liabilities which might arise and to reclassify fixed assets as current assets.

Disclosure of information to the auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report of which the auditor is unaware. Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that he is obliged to take as director in order to make himself aware of any relevant audit information and to establish that the auditor is aware of that information.

Reappointment of auditors

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of Ernst & Young LLP as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

Small companies provision statement

In preparing this Director's report, the director has taken advantage of the small companies' exemption under Section 415(A) of the Companies Act 2006. The director has also taken exemption under Section 414(B) not to prepare a Strategic Report.

Approved by the Board on 20/12/18 and signed on its behalf by:

.....
J C Woolf
Director



PKL Pictures Limited

Statement of Directors' Responsibilities

The directors acknowledge their responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and

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.

PKL Pictures Limited

Independent Auditor's Report to the Members of PKL Pictures Limited

Opinion

We have audited the financial statements of PKL Pictures Limited (the 'company') for the year ended 31 March 2018, which comprise the Profit and Loss Account, Balance Sheet, Statement of Changes in Equity, and Notes to the Financial Statements, 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 Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2018 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.

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 below. 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.

Other information

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

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.

PKL Pictures Limited

Independent Auditor's Report to the Members of PKL Pictures Limited

Opinion on other matter prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of 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 exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

PKL Pictures Limited

Independent Auditor's Report to the Members of PKL Pictures Limited

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.

Ernst & Young LLP

Louise Pennell (Senior Statutory Auditor)

For and on behalf of Ernst & Young LLP, Statutory Auditor

1 More London Place

London

SE1 2AF

Date: *20/12/18*

PKL Pictures Limited

Profit and Loss Account for the Year Ended 31 March 2018

	Note	2018 £	2017 £
Revenue	2	124,392	132,135
Employment costs		(61,473)	(57,815)
Other expenses		<u>(7,087)</u>	<u>(6,113)</u>
Operating profit	3	<u>55,832</u>	<u>68,207</u>
Gain/(loss) on financial assets at fair value through profit and loss account		552,087	(204,779)
Income from other fixed asset investments		90,986	93,813
Interest receivable and similar income	4	-	3,190
Interest payable and similar charges	5	<u>(83,586)</u>	<u>(91,300)</u>
		<u>559,487</u>	<u>(199,076)</u>
Profit/(loss) before tax		<u>615,319</u>	<u>(130,869)</u>
Profit/(loss) for the year		<u>615,319</u>	<u>(130,869)</u>

The company has no recognised gains or losses for the year other than the results above.

PKL Pictures Limited

(Registration number: 00635350)
Balance Sheet as at 31 March 2018

	Note	2018 £	2017 £
Fixed assets			
Investments in financial assets	9	4,035,227	3,833,609
Current assets			
Debtors	10	1,167	567,797
Cash at bank and in hand		<u>12,195</u>	<u>16,905</u>
		13,362	584,702
Creditors: Amounts falling due within one year	11	<u>(17,627)</u>	<u>(195,907)</u>
Net current (liabilities)/assets		<u>(4,265)</u>	<u>388,795</u>
Total assets less current liabilities		4,030,962	4,222,404
Creditors: Amounts falling due after more than one year	11	<u>(4,140,123)</u>	<u>(4,946,884)</u>
Net liabilities		<u>(109,161)</u>	<u>(724,480)</u>
Capital and reserves			
Called up share capital	12	50	50
Profit and loss account		<u>(109,211)</u>	<u>(724,530)</u>
Total equity		<u>(109,161)</u>	<u>(724,480)</u>

Small companies provision statement

In preparing this Director's report, the director has taken advantage of the small companies' exemption under Section 415(A) of the Companies Act 2006. The director has also taken exemption under Section 414(B) not to prepare a Strategic Report.

Approved and authorised by the Board on 20/12/18 and signed on its behalf by:

.....
J C Woolf
Director



PKL Pictures Limited

Statement of Changes in Equity for the Year Ended 31 March 2018

	Share capital £	Profit and loss account £	Total £
At 1 April 2017	50	(724,530)	(724,480)
Profit for the year	-	615,319	615,319
At 31 March 2018	<u>50</u>	<u>(109,211)</u>	<u>(109,161)</u>

	Share capital £	Profit and loss account £	Total £
At 1 April 2016	50	(593,661)	(593,611)
Loss for the year	-	(130,869)	(130,869)
At 31 March 2017	<u>50</u>	<u>(724,530)</u>	<u>(724,480)</u>

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

PKL Pictures Limited

Notes to the Financial Statements for the Year Ended 31 March 2018

1 Accounting policies

Statement of compliance

PKL Pictures Limited is a limited liability company incorporated in England. The registered office is Wessex House, 1 Chesham Street, London, SW1X 8ND.

The financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 – 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102'), and with the Companies Act 2006.

Basis of preparation

The financial statements have been prepared under the historical cost convention as modified to include the revaluation of investments and in accordance with United Kingdom company law and applicable accounting standards.

The financial statements are prepared in sterling which is the functional currency of the company and rounded to the nearest £1.

Going concern

The company has net liabilities of £109,161 as 31 March 2018 (2017 - £724,480). Notwithstanding this, the financial statements have been prepared on a going concern basis on the assumption that continued financial support will be made available by Romulus Films Limited, related undertaking as described in note 13, to enable the company to meet its liabilities as and when they fall due. The directors have received a letter of support from the aforementioned related undertaking and have no reason to believe this financial support will not continue in the future and considers it appropriate to adopt a going concern basis. However, should Romulus Films Limited fail to provide such support, the going concern basis used in preparing the company's financial statements would be invalid and adjustments would have to be made to reduce the value of assets to their realisable amounts, to provide for any further liabilities which might arise and to reclassify fixed assets as current assets. The going concern review period is 12 months from the date of account signing.

Revenue recognition

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discount, rebates, value added tax and other sales taxes.

On delivery of a film to its distributors, all rights are transferred to the distributors, save for the right to receive future revenues. Credit is taken for such revenues on an accruals basis when notified by the distributor.

All turnover arose in the UK in both the current and prior years.

Income from Investments

Dividends receivable on equity shares are recognised when the Company's right to receive payment is established.

Interest income on fixed interest securities is recognised on a time apportionment basis so as to reflect the effective interest rate of the security.

PKL Pictures Limited

Notes to the Financial Statements for the Year Ended 31 March 2018

Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded in the entity's functional currency by applying the spot exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date.

All differences are taken to the profit and loss account.

Tax

Taxation expense for the period comprise current and deferred tax recognised in the reporting period.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is the amount of tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements.

Deferred tax is recognised on all timing differences at the reporting date except for certain exceptions,. Unrelievable tax losses and other deferred tax assets are only recognised when 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 tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

Financial instruments

When a financial asset or financial liability is recognised initially, an entity shall measure it at its fair value, which is normally the transaction price (including transaction costs except in the initial measurement of financial assets and liabilities that are measured at fair value through profit or loss).

At the end of each reporting period, an entity shall measure all financial instruments within the scope of Section 12 at fair value and recognise changes in the fair value in profit or loss.

The Directors have elected to account for financial instruments in accordance with chapters 11 and 12 of FRS 102.

PKL Pictures Limited

Notes to the Financial Statements for the Year Ended 31 March 2018

Investments

Equity investments are recognised initially at fair value which is normally the transaction price and the transaction costs. Subsequently, they are measured at fair value through profit or loss except for those equity investments that are not publically traded and whose fair value cannot otherwise be measured reliably which are recognised at cost less impairment until a reliable measure of fair value becomes available. Including transaction costs in the initial recognition where the investment is subsequently measured at fair value through profit and loss is a departure from the requirements of FRS 102, 12.12.; the impact on the accounts is immaterial.

For investments that are actively traded in organised financial markets, fair value is determined by reference to quoted market bid prices or last traded prices, depending upon the convention of the exchange on which the investment is quoted.

If a reliable measure of fair value is no longer available, the equity instrument's fair value on the last date the instrument was reliably measured is treated as the cost of the instrument.

Exchange traded stock options are, until disposal, included under current assets or current liabilities with unrealised holding gains or losses treated as realised, and valued in accordance with the above fair value policy.

Gains or losses on disposals and revaluation of such options are included in the profit and loss account.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for services performed in the ordinary course of business. Trade debtors also include investment contracts entered into but unsettled at the balance sheet date.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

PKL Pictures Limited

Notes to the Financial Statements for the Year Ended 31 March 2018

2 Revenue

The analysis of the company's revenue for the year from continuing operations is as follows:

	2018	2017
	£	£
Provision of services	115,000	120,000
Royalties received	9,392	12,135
	<u>124,392</u>	<u>132,135</u>

3 Operating profit

Arrived at after charging/(crediting)

	2018	2017
	£	£
Auditor's remuneration - for audit services	3,680	3,477
Foreign exchange losses	757	1,091
	<u>4,437</u>	<u>4,568</u>

4 Other interest receivable and similar income

	2018	2017
	£	£
Interest income on bank deposits	-	1
Other finance income	-	3,189
	<u>-</u>	<u>3,190</u>

5 Interest payable and similar charges

	2018	2017
	£	£
Interest expense on other finance liabilities	83,586	91,300
	<u>83,586</u>	<u>91,300</u>

6 Staff costs

During the year the company had one employee (2017 - one). Another company provides administration services.

	2018	2017
	£	£
Wages and salaries	55,096	51,823
Social security costs	6,377	5,992
	<u>61,473</u>	<u>57,815</u>

7 Directors' remuneration

The director's remuneration for the year was £55,897 (2017 - £51,824).

One of the directors is also a director in office of an associated undertaking, Remus Films Ltd, and is remunerated by that corporation.

PKL Pictures Limited

Notes to the Financial Statements for the Year Ended 31 March 2018

8 Taxation

The tax on profit before tax for the year is lower than the standard rate of corporation tax in the UK (2017 - higher than the standard rate of corporation tax in the UK) of 19% (2017 - 20%).

The differences are reconciled below:

	2018 £	2017 £
Profit/(loss) before tax	615,319	(130,869)
Corporation tax at standard rate	116,911	(26,174)
Effect of revenues exempt from taxation	(16,097)	(16,917)
Tax increase from effect of unrelieved tax losses carried forward	4,083	2,135
Tax increase from effect of indexation allowance on capital gains	16,065	4,555
Non-taxable revaluation of investments	(120,962)	36,401
Total tax charge/(credit)	-	-

Deferred tax assets in respect of tax losses of £667,980 have not been recognised as there is insufficient certainty that there will be suitable future taxable profits to recover these deferred tax assets.

9 Investments in other financial assets

	2018 £	2017 £
Investments at fair value through profit and loss	3,936,012	3,734,394
Investments in Enterprise Zone Trust at fair value	99,215	99,215
	4,035,227	3,833,609

The fair value of the listed investments at 31 March 2018 was £3,934,492 (2017 - £3,732,874); the remaining balance of £1,520 (2017 -£1,520) relates to an unlisted investment. Included in the fair value of the investments is £3,114,117 (2017 - £2,728,813) which is denominated in US dollars valued at \$4,377,203 (2017 - \$3,425,473) and converted to sterling at an exchange rate of 1.4056 (2017 - 1.2506).

PKL Pictures Limited

Notes to the Financial Statements for the Year Ended 31 March 2018

Investments at fair value through profit and loss account

	2018	2017
	£	£
Value at the beginning of the year	3,734,394	3,916,473
Additions	108,626	56,867
Disposals	(437,124)	(56,867)
Fair value adjustment	530,116	(182,079)
Value at the end of the year	<u>3,936,012</u>	<u>3,734,394</u>

Investments in Enterprise Zone Trust at fair value

	2018	2017
	£	£
Value at the beginning of the year	99,215	112,000
Disposals	-	(12,785)
Value at the end of the year	<u>99,215</u>	<u>99,215</u>

10 Debtors

	Note	2018	2017
		£	£
Amounts owed by related parties	13	-	566,491
Other debtors		<u>1,167</u>	<u>1,306</u>
		<u>1,167</u>	<u>567,797</u>

11 Creditors

	Note	2018	2017
		£	£
Due within one year			
Other creditors		12,372	41,980
Accrued expenses		3,680	3,572
Social security and other taxes		1,575	1,498
Amounts due to related parties	13	<u>-</u>	<u>148,857</u>
		<u>17,627</u>	<u>195,907</u>
Due after one year			
Loans and borrowings > 1 year and < 5 years	13	<u>4,140,123</u>	<u>4,946,884</u>

Included within other creditors is a liability on unexpired put options totalling £12,372 (2017 - £41,980).

PKL Pictures Limited

Notes to the Financial Statements for the Year Ended 31 March 2018

12 Share capital

Allotted, called up and fully paid shares

	2018		2017	
	No.	£	No.	£
Ordinary of £1 each	<u>50</u>	<u>50</u>	<u>50</u>	<u>50</u>

Ordinary shares have voting rights, are entitled to participate in dividends from distributable profits and, in the event of the winding up of the company, to the return of capital and surplus assets.

PKL Pictures Limited

Notes to the Financial Statements for the Year Ended 31 March 2018

13 Related party transactions

At the balance sheet date, the company owes £3,969,017 (2017 - £3,316,837) to Romulus Films Limited. This amount is included within "Creditors: Amounts due to related parties" (note 11). Debit Interest was charged on the balance at 2% (2017 - 2%) per annum. The interest expense was £83,586 (2017 - £65,163). Mr J C Woolf is a director of Romulus Films Limited.

At the balance sheet date, the company was owed £nil (2017 - £1,484) by Romulus Real Estate Limited. This amount is included in "Debtors: Amounts owed by related parties" (note 10). Interest was charged on the balance at 2% (2017 - 2%) per annum. The interest income was £nil (2017 - £29). Mr J C Woolf is a director of Romulus Real Estate Limited.

At the balance sheet date, the company was owed £nil (2017 - £14,139) by Geminion Investments Limited. This amount is included in "Debtors: Amounts owed by related parties" (note 10). Interest was charged on the balance at 2% (2017 - 2%) per annum. The interest income was £nil (2017 - £277). Mr J C Woolf is a director of Geminion Investments Limited.

At the balance sheet date, the company was owed £nil (2017 - £148,028) by Romulus (Fine Art) Limited. This amount is included in "Debtors: Amounts owed by related parties" (note 10). The company charged Romulus (Fine Art) Limited £nil (2017 - £2,881) of interest on the loan at 2% (2017 - 2%) per annum. Mr J C Woolf is a director of Romulus (Fine Art) Limited.

At the balance sheet date, the company owes £nil (2017 - £104,554) to Wessex Film Features Limited. This amount is included within "Creditors: Amounts due to related parties" (note 11). Debit interest was charged on the balance at 2% (2017 - 2%) per annum. The interest expense was £nil (2017 - £3,227). During the year services with a value of £nil (2017 - £60,000) were provided to Wessex Film Features Limited by the company. Mr J C Woolf is a director of Wessex Film Features Limited.

At the balance sheet date, the company was owed £nil (2017 - £60,000) by Mayflower Pictures Limited. This amount is included within "Debtors: Amounts owed by related parties" (note 10). During the year services with a value of £nil (2017 - £60,000) were provided to Mayflower Pictures Limited by the company. Mr J C Woolf is a director of Mayflower Pictures Limited.

At the balance sheet date, the company owes £nil (2017 - £1,160,404) to Remus Films Limited. This amount is included within "Creditors: Amounts due to related parties" (note 11). Debit interest was charged on the balance at 2% (2017 - 2%) per annum. The interest expense was £nil (2017 - £22,909). During the year services with a value of £115,000 (2017 - £nil) were provided to Remus Films Limited by the company. Mr J C Woolf is a director of Remus Films Limited.

14 Controlling party

In the directors' opinion, the company's controlling party is Mr J C Woolf, a director and shareholder of the company.

PKL Pictures Limited

Notes to the Financial Statements for the Year Ended 31 March 2018

15 Non adjusting events after the financial period

As at 31 March 2018, Geron Corporation made up £2,272,907 (68%) of the overall value in "Investments in financial assets" (£4,035,227- Note 9).

On 27 September, Geron Corporation unexpectedly announced the discontinuation of its collaboration agreement with Janssen Biotech Inc (a unit of Johnson & Johnson) for the development of Geron's oncology drug, Imetelstat, currently in clinical trials for two hematologic (blood) cancer indications, Myelofibrosis (MF) and Myelodysplastic Syndrome (MDS). Janssen's decision follows a strategic review and prioritisation of assets within its portfolio. Geron now regains full ownership of all rights and clinical trial data to Imetelstat previously assigned to Janssen.

As a result, the Geron Corporation share price has fallen from \$4.25 as at 31 March 2018, to \$1.58 as at 21 November 2018, which would cause a £1,427,920 decrease in the value of the Company balance sheet. Management deems this decrease in valuation temporary and not material to the going concern of the Company.