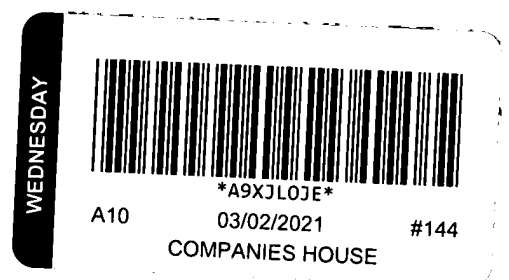


# **ATLANTIC PRODUCTIONS LIMITED**

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## **DIRECTOR'S REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**



## ATLANTIC PRODUCTIONS LIMITED

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### COMPANY INFORMATION

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<b>Directors:</b>	Anthony Geffen Claudia Perkins Maripat Gilligan
<b>Registered number:</b>	02764420
<b>Registered office:</b>	Brook Green House 4 Rowan Road London W6 7DU
<b>Independent auditor:</b>	RSM UK Audit LLP Third Floor, One London Square Cross Lanes, Guildford GU1 1UN

## **ATLANTIC PRODUCTIONS LIMITED**

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# ATLANTIC PRODUCTIONS LIMITED

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## DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2020

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The directors present their report and the financial statements for the year ended 31 March 2020.

### Principal activities

The principal activity of the company is the production of media content across multiple formats.

### Directors

The directors who served during the year and up to the date of the report were:

Anthony Geffen  
Claudia Perkins  
Maripat Gilligan  
Ian Syder (resigned: 14 June 2019)  
Ian Gray (resigned: 30 November 2019)  
Chris Ellis (resigned: 29 May 2020)

### 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). 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 and the profit and 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 judgements and accounting estimates that are reasonable and prudent;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to 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.

### Disclosure of information to auditor

The directors confirm that:

- So far as each director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- The directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

# ATLANTIC PRODUCTIONS LIMITED

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## DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2020

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### COVID-19

At the time of approval of these financial statements the recent outbreak and escalation of 'COVID-19' has given rise to additional risk and uncertainty. The directors have considered these risks and taken steps and actions they consider appropriate to minimise the associated impact. These include, and are not limited to, preparation of business continuity plans, including risk assessment and readiness evaluations covering all business functions. Regular communications have been made to staff and the company's stakeholders to minimise disruption.

### Going concern

At the time of approval of these financial statements the recent outbreak and escalation of 'COVID-19' has given rise to significant material uncertainty. The directors have considered these risks and taken steps and actions they consider appropriate to minimise the associated impact. These include, and are not limited to, preparation of business continuity plans, including risk assessment and implementing cost savings throughout the business for the remainder of the year, including a headcount freeze and making use of Government business support measures, such as the CJRS grant. Other cost savings have resulted naturally due to the lockdown, including the reduced spend on travel and entertainment. Measures have been taken to monitor and reduce the risk of Covid-19 in the workplace, such as increased health and safety practices and enabling staff to work from home when possible. Regular communications have been made to staff and the company's stakeholders to minimise disruption.

Despite many productions having been postponed during the lockdown and post-lockdown period, many have resumed and new programmes have been commissioned in the second half of the year. Furthermore, there is a number of new media projects in the pipeline that utilise the extensive good quality archive material belonging to the group. Additionally, the company's cash position remains strong and the directors have obtained written confirmation of the ongoing support of the group, for a period of at least 12 months from the date of signing of these financial statements.

On the basis of the above, at the time of approving the financial statements, the directors have considered forecasts of trading and cash flows for the Group and have determined that the company has, or can expect to have, sufficient working capital for its needs for at least the next 12 months from the date of approval of these financial statements.

In view of this the directors consider it appropriate to prepare the accounts on the going concern basis.

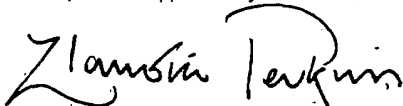
### Auditor

During the year, RSM UK Audit LLP were appointed as auditors and have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditors in the absence of an Annual General Meeting.

### Small companies note

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

This report was approved by the board and signed on its behalf.



Claudia Perkins

Director

Date: 19/11/21

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ATLANTIC PRODUCTIONS LIMITED**

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### **Opinion**

We have audited the financial statements of Atlantic Productions Limited (the 'company') for the year ended 31 March 2020 which comprise the statement of comprehensive income, the statement of financial position, the 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 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 31 March 2020 and of its loss 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.

### **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.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ATLANTIC PRODUCTIONS LIMITED**

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### **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 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 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 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a strategic report or in preparing the directors' report.

### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement set out on page 1, 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: <http://www.frc.org.uk/auditorsresponsibilities> This description forms part of our auditor's report.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ATLANTIC PRODUCTIONS LIMITED

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### 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.

*RSM UK Audit LLP*

Caroline Watson (Senior Statutory Auditor)  
For and on behalf of RSM UK Audit LLP, Statutory Auditor  
Chartered Accountants  
Third Floor, One London Square,  
Cross Lanes,  
Guildford,  
GU1 1UN  
Date: 25 January 2021



# ATLANTIC PRODUCTIONS LIMITED

## STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2020

	Note	2020 £	2019 £
Turnover		5,296,366	4,869,658
Cost of sales		(3,776,831)	(3,503,104)
<b>Gross profit</b>		<b>1,519,535</b>	<b>1,366,553</b>
Administrative expenses		(1,931,538)	(1,937,710)
<b>Operating loss</b>	3	<b>(412,003)</b>	<b>(571,156)</b>
Interest receivable and similar income	4	3,137	5,638
Interest payable and expenses	5	(209,319)	(196,245)
<b>Loss before taxation</b>		<b>(618,185)</b>	<b>(761,764)</b>
Tax on loss	8	401,495	200,105
<b>Loss for the financial year</b>		<b>(216,690)</b>	<b>(561,659)</b>

There was no other comprehensive income for 2020 (2019: £nil).

There were no recognised gains and losses for 2020 or 2019 other than those included in the statement of comprehensive income.

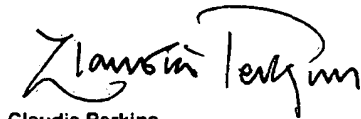
The notes on pages 9 - 18 form part of these financial statements.

**ATLANTIC PRODUCTIONS LIMITED****REGISTERED NUMBER: 02764420****STATEMENT OF FINANCIAL POSITION  
FOR THE YEAR ENDED 31 MARCH 2020**

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Tangible assets	9	126,854	181,001
Intangible assets	10	<u>66,361</u>	<u>-</u>
		<b>193,215</b>	<b>181,001</b>
<b>Current assets</b>			
Work in progress	11	217,783	157,256
Debtors: amounts falling due within one year	12	975,820	1,393,944
Cash at bank and in hand	13	<u>340,277</u>	<u>795,097</u>
		<b>1,533,880</b>	<b>2,346,296</b>
Creditors: amounts falling due within one year	14	<u>(1,499,612)</u>	<u>(1,161,057)</u>
<b>Net current assets</b>		<b>34,268</b>	<b>1,185,240</b>
<b>Total assets less current liabilities</b>		<b>227,483</b>	<b>1,366,241</b>
Creditors: amounts falling due after more than one year	15	(2,668,869)	(3,514,038)
<b>Provisions for liabilities</b>			
Deferred taxation	16	<u>148,469</u>	<u>71,571</u>
		<b>148,469</b>	<b>71,571</b>
<b>Net liabilities</b>		<b>(2,292,917)</b>	<b>(2,076,227)</b>
<b>Capital and reserves</b>			
Share capital	17	100	100
Retained earnings	18	<u>(2,293,017)</u>	<u>(2,076,327)</u>
		<b>(2,292,917)</b>	<b>(2,076,227)</b>

The financial statements have been prepared and in accordance with provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



Claudia Perkins  
Director

Date: 10/1/21

The notes on pages 9 - 18 form part of these financial statements.

# ATLANTIC PRODUCTIONS LIMITED

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2020

	Share Capital	Retained Earnings	Total Equity
	£	£	£
At 1 April 2019	100	(2,076,327)	(2,076,227)
Comprehensive income for the year			
Loss for the year	-	(216,690)	(216,690)
Total comprehensive income for the year	-	(216,690)	(216,690)
At 31 March 2020	100	(2,293,017)	(2,292,917)

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2019

	Share Capital	Retained Earnings	Total Equity
	£	£	£
At 1 April 2018	100	(1,514,668)	(1,514,568)
Comprehensive income for the year			
Loss for the year	-	(561,659)	(561,659)
Total comprehensive income for the year	-	(561,659)	(561,659)
At 31 March 2019	100	(2,076,327)	(2,076,227)

The notes on pages 9 - 18 form part of these financial statements.

# ATLANTIC PRODUCTIONS LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

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### 1. General information

Atlantic Productions Limited is a private company, limited by shares and is incorporated in England. The company's registered office is Brook Green House, 4 Rowan Road, London, W6 7DU.

### 2. Accounting policies

#### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with the provision of Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared with application of the FRS 102 Triennial Review 2017 amendments in full.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

The following principal accounting policies have been applied:

#### 2.2 Going concern

At the time of approval of these financial statements the recent outbreak and escalation of 'COVID-19' has given rise to significant material uncertainty. The directors have considered these risks and taken steps and actions they consider appropriate to minimise the associated impact. These include, and are not limited to, preparation of business continuity plans, including risk assessment and implementing cost savings throughout the business for the remainder of the year, including a headcount freeze and making use of Government business support measures, such as the CJRS grant. Other cost savings have resulted naturally due to the lockdown, including the reduced spend on travel and entertainment. Measures have been taken to monitor and reduce the risk of Covid-19 in the workplace, such as increased health and safety practices and enabling staff to work from home when possible. Regular communications have been made to staff and the company's stakeholders to minimise disruption.

While at the balance sheet date there were net liabilities of £2,292,917, the company is supported by a long-term loan by its parent undertaking of £2,668,869 and the directors have obtained written confirmation of the ongoing support of the group, for a period of at least 12 months from the date of signing of these financial statements. In addition to that, the company's cash position remains strong and there is reasonable expectation that the company has adequate resources to continue its operations for the foreseeable future.

Despite many productions having been postponed during the lockdown and post-lockdown period, many have resumed and new programmes have been commissioned in the second half of the year. Furthermore, there is a number of new media projects in the pipeline that utilise the extensive good quality archive material belonging to the Group.

On the basis of the above, at the time of approving the financial statements, the directors have considered forecasts of trading and cash flows for the Group and have determined that the company has, or can expect to have, sufficient working capital for its needs for at least the next 12 months from the date of approval of these financial statements.

In view of this the directors consider it appropriate to prepare the accounts on the going concern basis.

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## ATLANTIC PRODUCTIONS LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

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#### 2.3 Turnover

Amounts receivable for work carried out in producing media content is recognised on the basis of the value of costs incurred related to the production activity. Gross profit on production activity is recognised based upon the stage of completion of the production and in accordance with the underlying contract. Overspends are recognised as soon as they arise and underspends are recognised on completion of the production.

Production advances receivable from other group companies are recognised on a systematic basis and in line with the other group companies' recognition of the amortisation charges, when those amounts payable are recognised as intangible assets.

Royalty income is recognised on a receivable basis, in so far as it can be reliably measured.

#### 2.4 Tangible fixed assets and depreciation

Tangible fixed assets, are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives.

Depreciation is provided on the following basis:

Land and buildings leasehold - 10 years

Plant & machinery - 3 to 5 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date. Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

#### 2.5 Intangible Fixed Assets

Intangible fixed assets are recognised at cost and subsequently measure at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised so as to write-off the cost of the assets less any accumulated impairment losses over their useful lives on the following basis:

Immersive experiences - straight line over 3 years

Amortisation is recognised in administrative expenses in the statement of comprehensive income.

#### 2.6 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets and are depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of Comprehensive Income so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

#### 2.7 Work in progress

Work in progress on productions is valued at the lower of cost and net realisable value.

## ATLANTIC PRODUCTIONS LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

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#### 2.8 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operate and generate income.

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

#### 2.9 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the reporting date. Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. All differences are taken to the Statement of Comprehensive Income.

#### 2.10 High-end Television Tax Relief, Film Tax Relief and Video Games Tax Relief

Claims for UK High-end Television Tax Relief, Film Tax Relief and Video Games Tax Relief are recorded as a reduction against cost of sales.

#### 2.11 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

#### 2.12 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

#### 2.13 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

## ATLANTIC PRODUCTIONS LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

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#### 2.14 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income. For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Group would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### 2.15 Finance costs

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

#### 2.16 Pensions

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

#### 2.17 Interest income

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

#### 2.18 Borrowing costs

All borrowing costs are recognised in the Statement of Comprehensive Income in the year in which they are incurred.

# ATLANTIC PRODUCTIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

### 3 Operating loss

The operating loss is stated after charging:

	2020	2019
	£	£
Depreciation of tangible fixed assets	75,109	92,559
Amortisation of intangible fixed assets	22,120	-
Auditor's remuneration	15,000	13,500
Auditor's remuneration - non-audit services	2,795	3,500
Foreign exchange	(24,369)	(73)

### 4 Interest receivable

	2020	2019
	£	£
Bank interest receivable	3,137	5,638
	<u>3,137</u>	<u>5,638</u>

### 5 Interest payable

	2020	2019
	£	£
On loans from group undertakings	209,281	195,692
Hire purchase interest	38	538
Bank interest payable	-	15
	<u>209,319</u>	<u>196,245</u>

### 6 Directors' remuneration

	2020	2019
	£	£
Directors' emoluments	206,615	466,362
Company contributions to pension schemes	573	1,497

During the year retirement benefits were accruing to 1 director (2019 - 1) in respect of defined contribution pension schemes.

### 7 Employees

The average monthly number of employees, including the directors, during the year was as follows:

	2020	2019
	No.	No.
Office and administration	-	1
Development and production	20	19
	<u>20</u>	<u>20</u>



# ATLANTIC PRODUCTIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

### 8 Taxation

	2020	2019
	£	£
<b>Corporation tax</b>		
Current tax on profits for the year	(49,443)	-
Group taxation relief	(190,839)	(129,212)
Adjustments in respect of previous periods	(86,554)	-
Double taxation relief	2,239	-
	<u>(324,597)</u>	<u>(129,212)</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	(68,477)	(70,893)
Effect of decreased tax rate on opening balance	(8,421)	-
<b>Total deferred tax</b>	<u>(76,898)</u>	<u>(70,893)</u>
<b>Taxation on loss on ordinary activities</b>	<u>(401,495)</u>	<u>(200,105)</u>

### Factors affecting tax charge for the year

The tax assessed for the year is higher than (2019 - higher than) the standard rate of corporation tax in the UK of 19% (2019 - 19%). The differences are explained below:

Loss on ordinary activities before tax	<u>(618,185)</u>	<u>(761,764)</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 19% (2019 - 19%)	(117,455)	(144,735)
<b>Effects of:</b>		
Difference between capital allowances and depreciation	568	708
Non-deductible expenses	5,036	4,670
Other permanent differences	(6,510)	-
Overseas tax	2,239	-
Adjustments to tax charge in respect of previous periods	(86,554)	-
Difference in tax rates	(24,507)	1,068
Television tax credits	(37,577)	-
Deferred tax not recognised	<u>(136,735)</u>	<u>(61,816)</u>
<b>Total tax credit for the year</b>	<u>(401,495)</u>	<u>(200,105)</u>

### Factors that may affect future tax charges

The deferred tax asset has been calculated at 19% (2019 - 17%). A corporation tax rate of 19% was substantively enacted from 17 March 2020, with the previously enacted reduction to 17% no longer taking place.

# ATLANTIC PRODUCTIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

### 9 Tangible fixed assets

	Land and buildings leasehold	Plant and machinery	Total
	£	£	£
<b>Cost</b>			
At 1 April 2019	848,462	502,467	1,350,929
Additions	-	24,766	24,766
Disposals	-	(32,087)	(32,087)
<b>At 31 March 2020</b>	<b>848,462</b>	<b>495,146</b>	<b>1,343,608</b>
<b>Depreciation</b>			
At 1 April 2019	757,386	412,542	1,169,928
Charge for the year	23,428	51,680	75,108
Disposals	-	(28,282)	(28,282)
<b>At 31 March 2020</b>	<b>780,814</b>	<b>435,940</b>	<b>1,216,754</b>
<b>Net book value</b>			
<b>At 31 March 2020</b>	<b>67,648</b>	<b>59,206</b>	<b>126,854</b>
<i>At 31 March 2019</i>	<i>91,076</i>	<i>89,925</i>	<i>181,001</i>

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2020	2019
	£	£
Plant and machinery	-	2,102

# ATLANTIC PRODUCTIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

### 10 Intangible fixed assets

	Immersive experiences £
<b>Cost</b>	
At 1 April 2019	-
Additions	88,481
<b>At 31 March 2020</b>	<b>88,481</b>
<b>Amortisation</b>	
At 1 April 2019	-
Charge for the year	22,120
<b>At 31 March 2020</b>	<b>22,120</b>
<b>Net book value</b>	
<b>At 31 March 2020</b>	<b>66,361</b>
<i>At 31 March 2019</i>	<i>-</i>

### 11 Work in progress

	2020	2019
	£	£
Work in progress	217,783	157,256

### 12 Debtors: amounts falling due within one year

	2020	2019
	£	£
Trade debtors	379,635	488,715
Amounts owed by group undertakings	263,251	265,689
VAT	7,131	-
Corporation tax	135,996	-
Prepayments and accrued income	189,807	639,541
	<b>975,820</b>	<b>1,393,944</b>

Amounts owed by group undertakings are unsecured and repayable on demand. Interest is charged per annum at 5% above the Bank of England base rate.

# ATLANTIC PRODUCTIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

### 13 Cash and cash equivalents

	2020	2019
	£	£
Cash at bank and in hand	<u>340,277</u>	<u>795,097</u>

### 14 Creditors: amounts falling due within one year

	2020	2019
	£	£
Trade creditors	40,029	70,835
Other taxation and social security	-	81,680
Net obligations under finance lease and hire purchase contracts	-	1,460
VAT	-	18,127
Corporation tax	-	1
Other creditors	628	8,314
Accruals and deferred income	<u>1,458,955</u>	<u>980,640</u>
	<u>1,499,612</u>	<u>1,161,057</u>

### 15 Creditors: amounts falling due after more than one year

	2020	2019
	£	£
Amounts owed to group undertakings - long term	<u>2,668,869</u>	<u>3,514,038</u>

Amounts owed to group undertakings are unsecured and repayable on 1 April 2022. Interest is charged per annum at 5% above the Bank of England base rate.

### 16 Deferred taxation

	2020	2019
	£	£
At the beginning of the year	71,571	678
Charged to profit or loss	<u>76,898</u>	<u>70,893</u>
At the end of the year	<u>148,469</u>	<u>71,571</u>

The deferred tax asset is made up as follows:

	2020	2019
	£	£
Accelerated capital allowances	6,301	2,098
Other timing differences	-	1,552
Tax losses carried forward	<u>142,168</u>	<u>67,921</u>
	<u>148,469</u>	<u>71,571</u>

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## ATLANTIC PRODUCTIONS LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

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#### 17 Share capital

	2020	2019
	£	£
<b>Allotted, called up and fully paid</b>		
100 (2019:100) Ordinary shares of £1 each	<u>100</u>	<u>100</u>

#### 18 Reserves

##### Retained earnings

Includes all current and prior period retained profit and losses.

#### 19 Related party transactions

The group and company have taken advantage of the exemptions provided by Section 33 of FRS 102 'Related Party Disclosures' and have not disclosed transactions entered into between two or more members of a group, provided that any subsidiary undertaking which is party to the transaction is wholly owned by a member of that group.

During the year the company made sales of £417,201 (2019: £1,028,294) to Alchemy VR Limited and incurred net recharges of £nil (2019: £23,460). At the year end the company was owed £420 (2019: £nil) by Alchemy VR Limited. Alchemy VR Limited is a related party by virtue of a common director.

During the year the company paid rent of £24,000 (2019: £24,000) for the use of a property owned by Anthony Geffen and Claudia Perkins.

During the year the company paid caretaker service charges of £5,000 (2019: £5,000) to Grange Farm Partnership, a business held in partnership by Anthony Geffen and Claudia Perkins.

#### 20 Ultimate parent undertaking and controlling party

The company's immediate and ultimate parent undertaking is Atlantic Holdings Limited, a company incorporated in the United Kingdom. Atlantic Holdings Limited is the parent undertaking of the smallest and largest group to consolidate these financial statements at 31 March 2020. Copies of its consolidated financial statements, which include the company, are publicly available from its registered office, Brook Green House, 4 Rowan Road, London.

The company's ultimate controlling party is Anthony Geffen by virtue of his majority shareholding in Atlantic Holdings Limited.