Company Registration No. 09989708 (England and Wales)

# Apple Tree House Series 1 Limited

## Annual report and unaudited financial statements for the period ended 28 February 2017



**Apple Tree House Series 1 Limited**

**Company information**

| | | |
|---|---|---|
| **Directors** | Gregory Boardman | (Appointed 5 February 2016) |
| | Maria Timotheou | (Appointed 5 February 2016) |
| **Company number** | 09989708 | |
| **Registered office** | 3rd Floor Premier House<br>12-13 Hatton Garden<br>London<br>EC1N 8AN | |

**Apple Tree House Series 1 Limited**

**Directors' report**
**For the period ended 28 February 2017**

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The directors present their annual report and financial statements for the period ended 28 February 2017.

**Principal activities**
The company was incorporated on 5 February 2016 and began trading on the same date.

The principal activity of the company was that of motion picture production.

**Directors**
The directors who held office during the period and up to the date of signature of the financial statements were as follows:

| | |
|---|---|
| Gregory Boardman | (Appointed 5 February 2016) |
| Maria Timotheou | (Appointed 5 February 2016) |

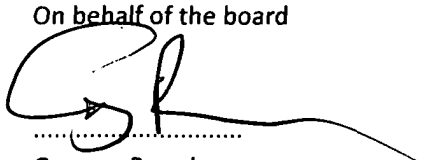
The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

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

On behalf of the board



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Gregory Boardman
**Director**
19.04.2017

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**Apple Tree House Series 1 Limited**

**Profit and loss account**
**For the period ended 28 February 2017**

| | Notes | Period ended 28 February 2017 £ |
|---|---|---|
| **Turnover** | | 2,023,411 |
| Cost of sales | | (2,498,871) |
| **Gross loss** | | (475,460) |
| Administrative expenses | | (7,500) |
| **Loss before taxation** | | (482,960) |
| Taxation | 4 | 492,960 |
| **Profit for the financial period** | | 10,000 |

**Apple Tree House Series 1 Limited**

**Balance sheet**
**As at 28 February 2017**

| | Notes | £ | 2017<br>£ |
|---|---|---|---|
| **Current assets** | | | |
| Debtors | 5 | 647,166 | |
| Cash at bank and in hand | | 13,055 | |
| | | 660,221 | |
| **Creditors: amounts falling due within one year** | 6 | (650,121) | |
| **Net current assets** | | | 10,100 |
| **Capital and reserves** | | | |
| Called up share capital | 7 | | 100 |
| Profit and loss reserves | | | 10,000 |
| **Total equity** | | | 10,100 |

For the financial period ended 28 February 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the period in question in accordance with section 476.

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

The financial statements were approved by the board of directors and authorised for issue on 19.04.2017. and are signed on its behalf by:

.....
Gregory Boardman
**Director**

**Company Registration No. 09989708**

## 1 Accounting policies

### Company information

Apple Tree House Series 1 Limited is a private company limited by shares incorporated in England and Wales. The registered office is 3rd Floor Premier House, 12-13 Hatton Garden, London, EC1N 8AN.

### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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 under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

### 1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

## 1 Accounting policies (continued)

### 1.3 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

### 1.4 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

***Basic financial assets***

Basic financial assets, which include debtors, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

***Classification of financial liabilities***

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

***Basic financial liabilities***

Basic financial liabilities, including trade and other creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

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 'creditors: amounts falling due within one year' if payment is due within one year or less. If not, they are presented as 'creditors: amounts falling due after more than one year'. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

## 1 Accounting policies (continued)

### 1.5 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

### 1.6 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

*Current tax*

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

*Deferred tax*

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

### 1.7 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

## 2 Employees

The average monthly number of persons (including directors) employed by the company during the period was 10.

## 3 Directors' remuneration

| | 2017<br>£ |
|---|---|
| Director's remuneration for producing services | 69,000 |

## 4 Taxation

| | 2017<br>£ |
|---|---|
| **Current tax** | |
| UK corporation tax on profits for the current period | (492,960) |

The actual credit for the period can be reconciled to the expected credit for the period based on the profit or loss and the standard rate of tax as follows:

| | 2017<br>£ |
|---|---|
| Loss before taxation | (482,960) |
| Expected tax credit based on the standard rate of corporation tax in the UK of 20.00% | (96,592) |
| Enhanced losses arising from the high end children's television tax credit | (393,495) |
| Difference between the rate of corporation tax and the rate of relief under the high end children's television tax credit | (98,592) |
| Unutilised tax losses carried forward | 95,719 |
| Taxation for the period | (492,960) |

## 5 Debtors

| | 2017 |
|---|---|
| **Amounts falling due within one year:** | **£** |
| Corporation tax recoverable | 492,960 |
| Other debtors | 154,206 |
| | 647,166 |

## 6 Creditors: amounts falling due within one year

| | 2017 |
|---|---|
| | £ |
| Bank loans and overdrafts | 400,000 |
| Amounts due to group undertakings | 103,685 |
| Other creditors | 146,436 |
| | 650,121 |

## 7 Called up share capital

| | 2017 |
|---|---|
| | £ |
| 100 Ordinary shares of £1 each | 100 |

On incorporation, 100 ordinary shares of £1 were issued at par for cash.

## 8 Financial commitments, guarantees and contingent liabilities

Coutts & Co holds a fixed and floating charge over all property or undertaking of the company which is related to or used in connection with the television programme currently in production.

## 9 Related party transactions

The company has taken advantage of the exemption under paragraph 33.1a of FRS 102 from disclosing transactions entered into between two or more members of a group, where any subsidiary undertaking which is party to the transaction is wholly owned by a member of a group.

During the period, the company paid £60,000 for producing services and £85,000 for executive producer services to Fable Pictures Limited for the services of Eugenio Perez. Eugenio Perez is a related party by virtue of his shareholding in the parent company. There is no balance outstanding at the period end.

## 10 Parent company

The immediate parent company is Five Apples Limited, a company registered in England and Wales.

The ultimate controlling parties are Eugenio Perez and Gregory Boardman by virtue of their shareholdings in the parent company.