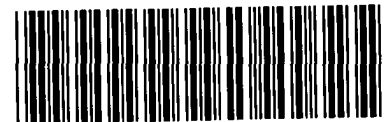


Registered number: 11365206

MC1 PRODUCTIONS LTD

FINANCIAL STATEMENTS
INFORMATION FOR FILING WITH THE REGISTRAR
FOR THE PERIOD ENDED 30 JUNE 2019

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COMPANIES HOUSE

MC1 PRODUCTIONS LTD
REGISTERED NUMBER:11365206

BALANCE SHEET
AS AT 30 JUNE 2019

	Note	2019 £
Fixed assets		
Intangible assets	5	172,266
		<u>172,266</u>
Current assets		
Debtors: amounts falling due within one year	6	14,116
Cash at bank and in hand	7	2,901
		<u>17,017</u>
Creditors: amounts falling due within one year	8	<u>(231,137)</u>
Net current liabilities		(214,120)
Total assets less current liabilities		<u>(41,854)</u>
Net liabilities		<u>(41,854)</u>
Capital and reserves		
Called up share capital		1
Profit and loss account		(41,855)
		<u>(41,854)</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

The Company has opted not to file the statement of comprehensive income 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 on 26 June 2020.

Chris Kingsley

C R Kingsley
 Director

The notes on pages 2 to 7 form part of these financial statements.

MC1 PRODUCTIONS LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2019**

1. General information

MC1 Productions Ltd is a private company limited by shares & incorporated in England and Wales. Registered number 11365206. Its registered head office is located at Riverside House, Osney Mead, Oxford, Oxfordshire, OX2 0ES.

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 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.

These financial statements are presented in Sterling (£).

The following principal accounting policies have been applied:

2.2 Going concern

In assessing whether the going concern assumption is appropriate, the directors have considered all relevant available information regarding the expected future trading and cash flows of the wider group headed by Rebellion Group Ltd for which forecasts are prepared.

Despite the impact of the COVID-19 pandemic, the directors strongly believe the Company is a going concern having carried out extensive analysis of the group's 12 month forecasts and beyond, which show cash headroom, and project that the strong performance during the pandemic to date will continue post lockdown.

The Directors consider it is appropriate to prepare the financial statements on the going concern basis due to the commitment by the parent company, Rebellion Entertainment Holdings Ltd, to provide any necessary financial support required to enable the Company to discharge its liabilities, and therefore continue as a going concern, for at least 12 months from the date of the approving the financial statements.

MC1 PRODUCTIONS LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2019**

2. Accounting policies (continued)

2.3 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

Sale of goods

Turnover from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of turnover can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Turnover from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of turnover can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

MC1 PRODUCTIONS LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2019**

2. Accounting policies (continued)

2.4 Taxation

Tax is recognised in the Profit and Loss Account, 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 Balance Sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date.

2.5 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

As the development costs held are not yet being commercialised, the asset is not yet being amortised.

2.6 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.

2.7 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.

MC1 PRODUCTIONS LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2019**

2. Accounting policies (continued)

2.8 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.

2.9 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 Profit and Loss Account.

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 Company would receive for the asset if it were to be sold at the Balance Sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet 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.

3. Employees

The average monthly number of employees, including directors, during the period was 2. The Directors do not receive any remuneration during the period for services to the Company.

MC1 PRODUCTIONS LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2019**

4. Auditor's remuneration

Fees payable to the Company's auditor for the audit of the Company's annual financial statements totalled £1,545.

5. Intangible assets

	Development expenditure £
Cost	
Additions	172,266
At 30 June 2019	<u>172,266</u>
Net book value	
At 30 June 2019	<u><u>172,266</u></u>

6. Debtors

	2019 £
Other debtors	193
Prepayments	13,923
	<u>14,116</u>

7. Cash and cash equivalents

	2019 £
Cash at bank and in hand	<u><u>2,901</u></u>

MC1 PRODUCTIONS LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2019**

8. Creditors: Amounts falling due within one year

	2019 £
Amounts owed to group undertakings	227,150
Accruals	3,987
	<u>231,137</u>

9. Related party transactions

The Company has taken advantage of exemption, under the terms of Financial Reporting Standards 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with other companies that are wholly owned within the Group, headed by Rebellion Group Ltd.

10. Controlling party

During the period the controlling parties were the Directors C R Kingsley and J J Kingsley, and the ultimate parent company was Rebellion Group Ltd.

11. Financial commitments

The Company is party to a composite guarantee arrangement with the other companies in the group headed by Rebellion Group Ltd to jointly and severally agree to satisfy the bank on demand of all amounts owing by any of the companies. The financial commitment of the company at 30 June 2019 was £12,066,398.

12. Post balance sheet events

Since 30 June 2019, the spread of COVID-19 has severely impacted many local economies around the globe. The directors have determined that these events are non-adjusting subsequent events. Accordingly, the financial position and results of operations as of and for the year ended 30 June 2019 have not been adjusted to reflect their impact. The duration and impact of the COVID-19 pandemic, as well as the effectiveness of government and central bank responses, remains unclear at this time. It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial position and results of the Company for future periods.

13. Auditor's information

The auditor's report on the financial statements for the period ended 30 June 2019 was unqualified.

The audit report was signed on 29 June 2020 by Amrish Shah BSc FCA (Senior Statutory Auditor) on behalf of Grant Thornton UK LLP.