

Company Registration No. 06777362 (England and Wales)

Cloud Eight Films Limited

**Annual report and unaudited financial statements
for the year ended 31 March 2022**



Cloud Eight Films Limited

Company information

Director	Christian Colson
Company number	06777362
Registered office	71 Queen Victoria Street London EC4V 4BE

Cloud Eight Films Limited

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Cloud Eight Films Limited

Director's report

For the year ended 31 March 2022

The director presents his annual report and financial statements for the year ended 31 March 2022.

Principal activities

The principal activity of the company continued to be that of the development of motion pictures and video production.

Director

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

Christian Colson

Results and dividends

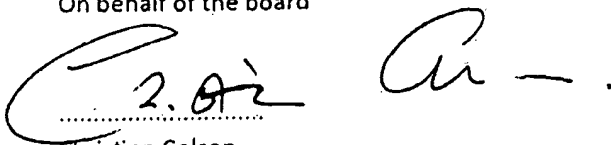
Ordinary dividends were paid amounting to £35,000 (2021: £30,000). The director does not recommend payment of a further dividend.

Going Concern

At the time of approving the financial statements, the director has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the director continues to adopt the going concern basis of accounting in preparing the financial statements.

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

On behalf of the board


.....
Christian Colson
Director

Date: 19/12/2022
.....

Cloud Eight Films Limited

Profit and loss account

For the year ended 31 March 2022

	2022	2021
	£	£
Turnover	144,315	74,879
Administrative expenses	(35,159)	(84,933)
	<hr/>	<hr/>
Operating profit/(loss)	109,156	(10,054)
 Interest receivable and similar income	 28,065	 15,943
	<hr/>	<hr/>
Profit before taxation	137,221	5,889
 Tax on profit	 -	 -
	<hr/>	<hr/>
Profit for the financial year	137,221	5,889
	<hr/> <hr/>	<hr/> <hr/>

Cloud Eight Films Limited

Balance sheet

As at 31 March 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Investments	5		643,324		415,259
Current assets					
Debtors	8	106,665		208,895	
Cash at bank and in hand		162,919		189,759	
		<u>269,584</u>		<u>398,654</u>	
Creditors: amounts falling due within one year	9	(22,984)		(26,211)	
Net current assets			246,600		372,443
Total assets less current liabilities			<u>889,924</u>		<u>787,702</u>
Capital and reserves					
Called up share capital	10		1		1
Profit and loss reserves			889,923		787,701
Total equity			<u>889,924</u>		<u>787,702</u>

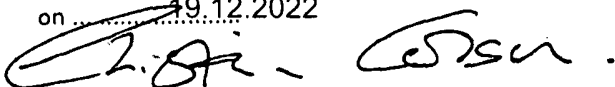
For the financial year ended 31 March 2022 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The member has not required the company to obtain an audit of its financial statements for the year 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 and signed by the director and authorised for issue on 19.12.2022



Christian Colson
Director

Company Registration No. 06777362

**Notes to the financial statements
For the year ended 31 March 2022**

1 Accounting policies

Company information

Cloud Eight Films Limited is a private company limited by shares incorporated in England and Wales. The registered office is 71 Queen Victoria Street, London, EC4V 4BE.

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. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the director has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the director continues to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

The turnover shown in the profit and loss account represents the value of all services sold during the year, exclusive of Value Added Tax.

Turnover attributable to long-term contracts represents the value of work done in the year and is determined by reference to the stage of completion of the contract.

1.4 Research and development expenditure

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

1.5 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

Notes to the financial statements (continued)
For the year ended 31 March 2022

1 Accounting policies (continued)

1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Where a reasonable and consistent basis of allocation can be identified, assets are allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

1.7 Cash at bank and in hand

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.

1.8 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.

Notes to the financial statements (continued)

For the year ended 31 March 2022

1 Accounting policies (continued)

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 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. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.9 Equity instruments

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

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

1.10 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.

Notes to the financial statements (continued)

For the year ended 31 March 2022

1 Accounting policies (continued)

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.

1.11 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.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Employees

The average number of persons (including directors) employed by the company during the year was 1 (2021: 1).

3 Director's remuneration

	2022	2021
	£	£
Remuneration paid to directors	13,173	52,658

Notes to the financial statements (continued)
For the year ended 31 March 2022

4 Dividends

	2022 £	2021 £
Final paid	35,000	30,000

5 Fixed asset investments

	2022 £	2021 £
Investments	643,324	415,259

Movements in fixed asset investments

	Shares in group undertakings and participating interests £	Loans to group undertakings £	Other investments other than loans £	Total £
Cost or valuation				
At 1 April 2021	31	-	415,228	415,259
Additions	-	-	200,000	200,000
Valuation changes	-	-	28,065	28,065
At 31 March 2022	31	-	643,293	643,324
Carrying amount				
At 31 March 2022	31	-	643,293	643,324
At 31 March 2021	31	-	415,228	415,259

Notes to the financial statements (continued)
For the year ended 31 March 2022

6 Subsidiaries

Details of the company's subsidiaries at 31 March 2022 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct
Selma Films Limited	55 Cambridge Grove, London, W6 0LB	Motion picture and video production	Ordinary	100

Under the provision of Section 399 of the Companies Act 2006 the company is exempt from preparing consolidated accounts and has not done so, therefore the accounts show information about the company as an individual entity.

7 Associates

Details of the company's associates at 31 March 2022 are as follows:

Name of undertaking	Registered office	Class of shares held	% Held Direct
TS2 Productions Limited	10 Orange Street, London, WC2H 7DQ	Ordinary	25

8 Debtors

	2022	2021
Amounts falling due within one year:	£	£
Trade debtors	-	6,391
Other debtors	106,665	202,504
	<u>106,665</u>	<u>208,895</u>

Notes to the financial statements (continued)

For the year ended 31 March 2022

9 Creditors: amounts falling due within one year

	2022	2021
	£	£
Trade creditors	450	600
Taxation and social security	600	408
Other creditors	21,934	25,203
	<u>22,984</u>	<u>26,211</u>

10 Called up share capital

	2022	2021	2022	2021
	Number	Number	£	£
Ordinary share capital Issued and fully paid				
Ordinary shares of 1p each	100	100	1	1
	<u>100</u>	<u>100</u>	<u>1</u>	<u>1</u>

11 Directors' transactions

Advances or credits have been granted by the company to its directors as follows:

The balance of £nil (2021: £92,746) is included within other debtors. Interest has not been charged on the outstanding balance.