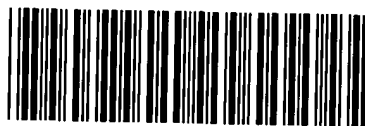


Romulus Films Limited

Financial Statements

for the Year Ended 31 March 2018

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Romulus Films Limited

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Romulus Films Limited

Company Information

Directors	J C Woolf S R Levine
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

Romulus Films 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 continues to be film production and distribution and exploitation of film rights, as well as investment in securities and properties.

Directors of the company

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

J C Woolf

S R Levine

Results and Dividends

The profit and loss for the year is set out on page 6. The directors recommend a final dividend payment of £nil (2017 - £nil) be made in respect of the financial year ended 31 March 2018.

Charitable Donations

During the year, the company made charitable donations of £191,493 (2017 - £146,147) to The Woolf Charitable Trust. Among its activities, the Charity sponsors visits to schools, hospitals, children's care homes and hospices by the theatrical group, Magical Quests.

Going concern

The assets of the company consist mainly of securities that are readily realisable and, accordingly, the company has adequate financial resources to continue its operational existence for the foreseeable future. At the time of approving the financial statements, the directors therefore believe that it is appropriate to continue to adopt the going concern basis in preparing the accounts.

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 directors have taken advantage of the small companies' exemption under Section 415(A) of the Companies Act 2006. The directors have also taken exemption under Section 414(B) not to prepare a Strategic Report.

Romulus Films Limited

Directors' Report for the Year Ended 31 March 2018

Approved by the Board on 20/3/18 and signed on its behalf by:

.....
J C Woolf
Director

A handwritten signature in black ink, appearing to be 'JC Woolf', written over a dotted line.

Romulus Films Limited

Statement of Directors' Responsibilities

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

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.

Romulus Films Limited

Independent Auditor's Report to the Members of Romulus Films Limited

Opinion

We have audited the financial statements of Romulus Films 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 the related notes 1-20, 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 loss 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.

Romulus Films Limited

Independent Auditor's Report to the Members of Romulus Films Limited

We have nothing to report in this regard.

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 4, 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.

Romulus Films Limited

Independent Auditor's Report to the Members of Romulus Films 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

Romulus Films Limited

Profit and Loss Account for the Year Ended 31 March 2018

	Note	2018 £	2017 £
Revenue	2	68,166	72,945
Production costs		(2,321)	-
Distribution costs		(11,535)	(10,620)
Administrative expenses		(828,290)	(828,111)
Operating loss	3	(773,980)	(765,786)
Loss on financial assets at fair value through profit and loss account		(1,751,073)	(185,926)
Income from participating interests		929,838	916,032
Income from other fixed asset investments		3,917	47,355
Income from investment property		272,684	202,566
Interest receivable and similar income	4	563,473	543,233
Interest payable and similar charges	5	(189,873)	(178,870)
Foreign currency gains		(865,828)	1,170,343
		<u>(1,036,862)</u>	<u>2,514,733</u>
(Loss)/profit before tax		(1,810,842)	1,748,947
Taxation	8	478,404	(93,054)
(Loss)/profit for the financial year		<u>(1,332,438)</u>	<u>1,655,893</u>

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

Romulus Films Limited

(Registration number: 00473841)

Balance Sheet as at 31 March 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	10	3,213,351	3,216,263
Investment property		2,860,900	2,860,900
Investments in participating interests	12	15,238,937	12,419,219
Investments in other financial assets	13	9,111,441	11,377,167
		<u>30,424,629</u>	<u>29,873,549</u>
Current assets			
Debtors	15	31,652,793	31,328,722
Cash at bank and in hand	14	1,181,309	2,247,832
		<u>32,834,102</u>	<u>33,576,554</u>
Creditors: Amounts falling due within one year	16	<u>(10,399,871)</u>	<u>(12,031,470)</u>
Net current assets		<u>22,434,231</u>	<u>21,545,084</u>
Total assets less current liabilities		<u>52,858,860</u>	<u>51,418,633</u>
Creditors: Amounts falling due after more than one year	16	<u>(3,251,070)</u>	-
Provisions for liabilities	9	<u>(723,036)</u>	<u>(1,201,441)</u>
Net assets		<u>48,884,754</u>	<u>50,217,192</u>
Capital and reserves			
Called up share capital	18	280,000	280,000
Profit and loss account		<u>48,604,754</u>	<u>49,937,192</u>
Total equity		<u>48,884,754</u>	<u>50,217,192</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



The notes on pages 11 to 25 form an integral part of these financial statements.

Romulus Films Limited

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

	Share capital	Profit and loss	Total
	£	account	£
		£	
At 1 April 2017	280,000	49,937,192	50,217,192
Loss for the year	-	(1,332,438)	(1,332,438)
At 31 March 2018	<u>280,000</u>	<u>48,604,754</u>	<u>48,884,754</u>

	Share capital	Profit and loss	Total
	£	account	£
		£	
At 1 April 2016	280,000	48,281,299	48,561,299
Profit for the year	-	1,655,893	1,655,893
At 31 March 2017	<u>280,000</u>	<u>49,937,192</u>	<u>50,217,192</u>

The notes on pages 11 to 25 form an integral part of these financial statements.

Romulus Films Limited

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

1 Accounting policies

Statement of compliance

Romulus Films 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.

The company has not prepared consolidated financial statements on the basis that it satisfies the criteria as set out in section 399 of the Companies Act 2006 to qualify as a small group.

Going concern

The assets of the company consist mainly of securities that are readily realisable and, accordingly, the company has adequate financial resources to continue its operational existence for the foreseeable future. At the time of approving the financial statements, the directors therefore believe that it is appropriate to continue to adopt the going concern basis in preparing the accounts.

Key sources of estimation uncertainty

Investment properties are stated at Director's valuation. In accordance with FRS 102, investment properties are measured at fair value and changes are recognised in profit or loss. No depreciation is provided in respect of freehold investment properties. The carrying amount is £2,860,900 (2017 -£2,860,900).

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 readily measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, 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.

Romulus Films Limited

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

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.

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.

Tangible assets

Tangible assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price, costs directly attributable to bringing the asset to its working condition for its intended use, dismantling and restoration costs and borrowing costs capitalised.

Depreciation

Property is not depreciated. Depreciation on other assets is calculated, using reducing balance methodology.

Asset class

Furniture, fixtures and fittings

Motor vehicles

Depreciation method and rate

reducing balance - 25%

reducing balance - 25%

Romulus Films Limited

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

Investment property

Investment properties are stated at Director's valuation. In accordance with FRS 102, investment properties are measured at fair value and changes are recognised in profit or loss. No depreciation is provided in respect of freehold investment properties.

Where possible the director has calculated the fair value given by current prices on an active market for similar property in the same location and condition and subject to similar lease and other contracts. In the absence of such information, the directors has considered current prices for properties of a different nature or subject to different conditions, recent prices on less active markets with adjustments to reflect changes in economic conditions

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.

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. 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. 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 determine by reference to quoted market bid 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.

Romulus Films Limited

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

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.

2 Revenue

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

	2018	2017
	£	£
Provision of services	-	49,530
Royalties received	52,690	6,538
Other revenue	15,476	16,877
	<u>68,166</u>	<u>72,945</u>

3 Operating loss

Arrived at after charging

	2018	2017
	£	£
Depreciation expense	3,012	3,428
Auditor's remuneration	<u>23,314</u>	<u>23,726</u>

Romulus Films Limited

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

4 Interest receivable and similar income

	2018	2017
	£	£
Interest income on bank deposits	18,955	42,032
Other finance income	544,518	501,201
	<u>563,473</u>	<u>543,233</u>

5 Interest payable and similar charges

	2018	2017
	£	£
Interest expense on other finance liabilities	170,972	136,898
Interest on obligations under finance leases	18,901	41,972
	<u>189,873</u>	<u>178,870</u>

6 Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

	2018	2017
	£	£
Wages and salaries	288,210	271,424
Social security costs	32,623	30,910
Pension costs, defined contribution scheme	27,694	44,151
	<u>348,527</u>	<u>346,485</u>

The average monthly number of employees during the year was 10 (2017 - 10), 2 directors and 8 administration.

7 Directors' remuneration

The directors in office during the year were also officers of an associated undertaking, Remus Films Ltd, and are remunerated by that corporation.

Romulus Films Limited

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

8 Taxation

Tax charged/(credited) in the income statement

	Note	2018 £	2017 £
Current taxation			
UK corporation tax		-	180,787
Deferred taxation			
Arising from origination and reversal of timing differences	9	(478,404)	(87,733)
Tax (receipt)/expense in the income statement		<u>(478,404)</u>	<u>93,054</u>

The tax on profit before tax for the year is lower than the standard rate of corporation tax in the UK (2016 - is lower than the standard rate of corporation tax in the UK) of 19% (2017 - 20%).

The differences are reconciled below:

	2018 £	2017 £
(Loss)/profit before tax	<u>(1,810,842)</u>	<u>1,748,947</u>
Corporation tax at standard rate	(344,060)	349,789
Effect of revenues exempt from taxation	(177,414)	(192,677)
Effect of expense not deductible in determining taxable profit (tax loss)	37,021	3,570
Effect of tax losses brought forward utilised in current period	-	(269,773)
Tax (decrease) from effect of capital allowances and depreciation	109	(17,080)
Tax increase from effect of unrelieved tax losses carried forward	244,674	-
Tax increase (decrease) from effect of indexation allowance on capital gains	(46,160)	43,236
Revaluation of investments	<u>(192,574)</u>	<u>175,989</u>
Total tax (credit)/charge	<u>(478,404)</u>	<u>93,054</u>

9 Deferred tax and other provisions

Chargeable gains

	£
At 1 April 2017	1,201,440
Additional provisions	<u>(478,404)</u>
At 31 March 2018	<u>723,036</u>

The Company has recognised its deferred tax balances at 17%. The UK corporation tax rate will fall to 17% from 1 April 2020.

Romulus Films Limited

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

10 Tangible assets

	Freehold land and buildings £	Furniture, fittings and equipment £	Motor vehicles £	Total £
Cost or valuation				
At 1 April 2017	3,190,051	113,399	37,314	3,340,764
Additions	-	100	-	100
At 31 March 2018	3,190,051	113,499	37,314	3,340,864
Depreciation				
At 1 April 2017	-	87,189	37,312	124,501
Charge for the year	-	3,012	-	3,012
At 31 March 2018	-	90,201	37,312	127,513
Carrying amount				
At 31 March 2018	3,190,051	23,298	2	3,213,351
At 31 March 2017	3,190,051	26,210	2	3,216,263

11 Investment properties

	2018 £
Cost or valuation	
At 1 April 2017	2,860,900
At 31 March 2018	2,860,900
	2018 £
Carrying amount	
At 31 March 2017	2,860,900
At 31 March 2018	2,860,900

Investment properties are carried at directors' valuation at 31 March 2018. Where possible the director has calculated the fair value given by current prices on an active market for similar property in the same location and condition and subject to similar lease and other contracts. In the absence of such information, the directors has considered current prices for properties of a different nature or subject to different conditions, recent prices on less active markets with adjustments to reflect changes in economic conditions

Romulus Films Limited

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

12 Investments in subsidiaries, joint ventures and associates

	2018	2017
	£	£
Investments in subsidiaries	360,079	360,079
Investments in associates	<u>14,878,858</u>	<u>12,059,140</u>
	<u>15,238,937</u>	<u>12,419,219</u>

Investments in Subsidiaries

The company owns 100% of the share capital of Romulus Fine Art Limited (2017 - 100%), a company incorporated in England. The principal activity of Romulus Fine Art Limited is dealing in works of art and holding of investments. During the year the company received nil dividends (2017 - nil) from Romulus Fine Art Limited. The financial year-end for Romulus Fine Art Limited is 31 March and as at 31 March 2018, Romulus Fine Art Limited had capital reserves of negative £60,775 (2017 - (£267,191) and reported a profit for the year to 31 March 2018 of £206,416 (2017 - £87,676).

Romulus (Fine Art) Limited owns 100% of the share capital of Romulus Fine Art AG (2017 - 100%), a company incorporated in Switzerland. The principal activity of Romulus (Fine Art) Limited is dealing in works of art and holding of investments. During the year Romulus (Fine Art) Limited received nil dividends (2017 - nil) from Romulus (Fine Art) AG. The financial year-end for Romulus (Fine Art) AG is 31 March and as at 31 March 2018, Romulus Fine Art AG had capital reserves of SFr 74,899 (2017 - SFr 162,215) and reported a loss for the year to 31 March 2018 of SFr 121,595 (2017 - SFr 306,276).

Investments in associates

The company owns 27.61% (2017 - 27.61%) of the ordinary shares of British & American Investment Trust PLC, a company incorporated in England. British & American Investment Trust PLC is an investment trust listed on the London Stock Exchange. The financial year-end for British & American Investment Trust PLC is 31 December and as at 31 December 2017 British & American Investment Trust PLC had capital reserves of £22,682k (2016 - £30,211k) and reported a loss for the year to 31 December 2017 of £4,698k (2017 - loss £5,129k). Included in income from participating interests are dividends of £929,838 (2017 - £916,031) received from British & American Investment Trust PLC.

The company owns 50% (2017 - 50%) of the ordinary shares and 50% (2017 - 50%) of the preference shares of Remus Films Limited, a company incorporated in England. The principal activity of Remus Films Limited is exploitation of film rights and investment in securities. The financial year-end for Remus Films Limited is 31 March and as at 31 March 2018, Remus Films Limited had capital reserves of £24,681,401 (2017 - £23,231,631) and reported a profit for the year to 31 March 2018 of £1,449,770 (2016 - profit £503,298).

The company owns 50% (2017 - 50%) of the ordinary shares of American Films Corporation, a company incorporated in the United States. The principal activity of American Films Corporation is exploitation of film rights. The financial year-end for American Films Corporation is 31 March and as at 31 March 2017, American Films Corporation had capital reserves of \$274,394 (2017 - \$274,394) and reported a loss for the year to 31 March 2018 of \$4,763 (2017 - \$4,763).

Romulus Films Limited

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

The company owns 50% (2017 - 50%) of the ordinary shares of 'The Mayflower' Pictures Corporation Limited, a company incorporated in England. The principal activity of 'The Mayflower' Pictures Corporation Limited is investment in films and plays as well as investment in securities. The financial year-end for 'The Mayflower' Pictures Corporation Limited is 31 March and as at 31 March 2018, 'The Mayflower' Pictures Corporation Limited had capital reserves of £176,087 (2017 - £181,123) and reported a loss for the year to 31 March 2018 of £5,036 (2017 - profit £71,666).

The company owns 50% (2017 - 50%) of the ordinary shares and 50% (2017 - 50%) of the preference shares of Wessex Film Features Limited, a company incorporated in England. The principal activity of Wessex Film Features Limited is exploitation of film rights and investment in securities. The financial year-end for Wessex Film Features Limited is 31 March and as at 31 March 2018, Wessex Film Features Limited had capital reserves of negative £106,224 (2017 - £108,130) and reported a profit for the year to 31 March 2018 of £213,275 (2017 - loss £4,505). Included in income from participating interests is a dividend of £4 (2017 - £4) received from Wessex Film Features Limited.

Investment in subsidiaries

	2018	2017
	£	£
Value at the beginning of the year	360,079	360,079
Value at the end of the year	<u>360,079</u>	<u>360,079</u>

Investments in associates

	2018	2017
	£	£
Value at the beginning of the year	12,059,140	12,369,140
Fair value adjustment	2,819,718	(310,000)
Value at the end of the year	<u>14,878,858</u>	<u>12,059,140</u>

13 Investments in other financial assets

	2018	2017
	£	£
Investments at fair value through profit and loss	8,284,964	10,485,315
Investments at cost less impairment	15,610	15,610
Investments in Enterprise Zone Trust at fair value	<u>810,867</u>	<u>876,242</u>
	<u>9,111,441</u>	<u>11,377,167</u>

The fair value of the listed investments at 31 March 2018 was £8,277,364 (2017 - £10,477,714): the remaining balance of £7,600 (2017 - £7,601) relates to an unlisted investment.

Included in the fair value of listed investments is £7,948,816 (2017- £9,870,308) denominated in US dollars valued at \$11,172,856 (2017 - \$12,354,959) and converted to sterling at an exchange rate of 1.4056 (2017 - 1.2506) and £924 (2017 - £1,343) denominated in Hong Kong dollars valued at HK\$10,200 (2017 - HK\$13,050) at an exchange rate of 11.031 (2017 - 9.72).

Romulus Films 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	10,485,315	11,751,166
Additions	1,092,491	3,466,748
Disposals	(1,202,816)	(4,239,306)
Fair value adjustment	(2,090,026)	(493,293)
Value at the end of the year	<u>8,284,964</u>	<u>10,485,315</u>

Investments at cost less impairment

	2018	2017
	£	£
Value at the beginning of the year	15,610	15,610
Value at the end of the year	<u>15,610</u>	<u>15,610</u>

Investments in Enterprise Zone Trust at fair value

	2018	2017
	£	£
Value at the beginning of the year	876,242	964,202
Fair value adjustment	(65,375)	(87,960)
Value at the end of the year	<u>810,867</u>	<u>876,242</u>

14 Cash and cash equivalents

	Note	2018	2017
		£	£
Cash on hand		5,533	94
Cash at bank		27,492	527,080
Short-term deposits		<u>1,148,284</u>	<u>1,720,658</u>
Cash and cash equivalents		1,181,309	2,247,832
Bank overdrafts	16	<u>(362,549)</u>	<u>(1,762,184)</u>
		<u>818,760</u>	<u>485,648</u>

Romulus Films Limited

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

15 Debtors

	Note	2018 £	2017 £
Other debtors		2,570,686	9,181,500
Prepayments		86,620	71,347
Amounts owed by related parties	19	28,995,487	22,075,875
		<u>31,652,793</u>	<u>31,328,722</u>
Less debtors due after one year		<u>(13,920,646)</u>	<u>-</u>
Total current trade and other debtors		<u>17,732,147</u>	<u>31,328,722</u>

Included in "other debtors" is an asset on an unexpired put option totalling £1,737,852 (2017 - £3,450,144). Included in "debtors due after one year" are amounts owed by related parties of £13,398,647 (2017 - £11,088,088); the balance of "debtors due after one year" is included "other debtors".

16 Creditors

	Note	2018 £	2017 £
Due within one year			
Trade creditors		10,081	23,822
Accrued expenses		93,036	102,731
Social security and other taxes		19,997	23,878
Corporation tax liability		167,546	180,787
Loans and borrowings		362,549	2,258,830
Amounts due to related parties	19	9,571,999	8,702,867
Other payables		174,663	738,555
		<u>10,399,871</u>	<u>12,031,470</u>
Due after one year			
Amounts due to related parties > 1 year and < 5 years	19	<u>3,251,070</u>	<u>-</u>

	Note	2018 £	2017 £
Current loans and borrowings			
Finance lease liabilities	17	-	496,646
Bank overdrafts	14	<u>362,549</u>	<u>1,762,184</u>
		<u>362,549</u>	<u>2,258,830</u>

Included in the "cash at bank and short-term deposits" is £nil (2017 - £496,645) ring-fenced to meet future lease liabilities.

Romulus Films Limited

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

17 Obligations under finance lease

The total of future minimum lease payments is as follows:

	2018 £	2017 £
Not later than one year	-	496,646

18 Share capital

Allotted, called up and fully paid shares

	2018		2017	
	No.	£	No.	£
'A' ordinary shares of £1 each	40,000	40,000	40,000	40,000
Non-voting 'B' ordinary shares of £1 each	240,000	240,000	240,000	240,000
	<u>280,000</u>	<u>280,000</u>	<u>280,000</u>	<u>280,000</u>

Rights, preferences and restrictions

'A' ordinary shares have voting rights, are entitled to participate in dividends from distributable reserves, and on winding up of the company to the return of surplus assets in proportion to the total paid up capital of the company.

Non-voting 'B' ordinary shares do not have voting rights, they, otherwise, rank pari passu with the 'A' ordinary shares in respect of entitlement to dividends and, on the winding up of the company, the return of surplus assets.

Romulus Films Limited

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

19 Related party transactions

Summary of transactions with entities with joint control or significant interest

At the balance sheet date, the company owes Remus Films Limited £12,744,874 (2017 - £8,396,947). This amount is included in "Creditors: Amounts owed by related parties" (note 16). Debit interest was charged on the balance at 1% (2017 - 1%) per annum. The interest expense was £126,003 (2017 - £81,604). During the year the company settled liabilities of £270,060 (2017 - £197,014) on behalf of Remus Films Limited. During the year the company received cash receipts of £103,685 (2017 - £46,541) on behalf of Remus Films Limited. The company owns 50% of the ordinary shares and 50% of the 'B' shares of Remus Films Limited. Mr J C Woolf is a director of Remus Films Limited.

At the balance sheet date, the company owes £78,195 (2017 - £177,678) to 'The Mayflower' Pictures Corporation Limited. This amount is included in "Creditors: Amounts owed by related parties" (note 16). Debit interest was charged on the balance at 2% (2017 - 2%) per annum. The interest expense was £1,943 (2017 - £3,508). The company owns 50% of the share capital of 'The Mayflower Pictures Corporation Limited. Mr J C Woolf is a director of 'The Mayflower' Pictures Corporation Limited.

At the balance sheet date, the company was owed £475,653 (2017 - £209,710) by Wessex Film Features Limited. This amount is included in "Debtors: Amounts owed by related parties" (note 15). Interest was charged on the balance at 2% (2017 - 2%) per annum. The interest income was £9,044 (2016 - £4,188). The company owns 50% of the ordinary shares and 50% of the participating preference shares of Wessex Film Features Limited. Mr J C Woolf is a director of Wessex Film Features Limited.

Summary of transactions with subsidiaries

At the balance sheet date, the company was owed £11,253,704 (2017 - £10,987,786) by Romulus (Fine Art) Limited. This amount is included in "Debtors: Amounts owed by subsidiaries" (note 15). £8,971,766 (2017 - £9,520,587) of this balance relates to a Swiss Franc loan made by the company to Romulus (Fine Art) Limited to finance a loan by Romulus (Fine Art) Limited to its subsidiary, Romulus Fine Art AG. The Swiss Franc portion of the balance was converted to sterling at an exchange rate of 1.433571 (2017 - 1.24966). Interest was charged on the balance at 2% per annum. The interest income was £177,018 (2017 - £188,851). Currency exchange movement resulted in a FX loss of £612,546 (2017 - gain of £888,510). The company owns 100% of the share capital of Romulus (Fine Art) Limited. Mr J C Woolf is a director of Romulus (Fine Art) Limited.

Summary of transactions with other related parties

At the balance sheet date, the company was owed £3,969,017 (2017 - £3,316,837) by PKL Pictures Limited. This amount is included in "Debtors: Amounts owed by related parties" (note 15). Interest was charged on the balance at 2% (2017 - 2%) per annum. The interest income was £83,586 (2017 - £65,163). During the year the company settled liabilities of £91,507 (2017 - £84,462) on behalf of PKL Pictures Limited. Mr J C Woolf owns 100% of the share capital and is a director of PKL Pictures Limited.

At the balance sheet date, the company was owed £3,840,044 (2017 - £3,839,407) by Romulus Real Estate Limited. This amount is included in "Debtors: Amounts owed by related parties" (note 15). Interest was charged on the balance at 2% (2017 - 2%) per annum. The interest income was £75,040 (2017 - £74,864). During the year a property related charge of £17,200 (2017 - £17,200) were made to the company by Romulus Real Estate Limited. Mr J C Woolf is the majority shareholder and a director of Romulus Real Estate Limited.

Romulus Films Limited

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

At the balance sheet date, the company was owed £5,933,950 (2017 - £4,077,954) by Geminion Investments Limited. This amount is included in "Debtors: Amounts owed by related parties" (note 15). Interest was charged on the balance at 2% (2017 - 2%) per annum. The interest income was £117,023 (2017 - £79,729). During the year services with a value of £nil (2017 - £80,000) were provided by Geminion Investments Limited to the company. Mr J C Woolf is a director of Geminion Investments Limited.

At the balance sheet date, the company owes £nil (2017 - £128,242) to First Gem Investments Limited. This amount was previously included in "Creditors: Amounts owed by related parties" (note 16). During the year the creditor balance with First Gem Investments Limited was transferred to Remus Films Limited. Mr J C Woolf is a director of First Gem Investments Limited.

At the balance sheet date, the company was owed £706,287 (2017 - £691,252) by Second Gem Investments Limited. This amount is included in "Debtors: Amounts owed by related parties" (note 15). Interest was charged on the balance at 2% (2017 - 2%) per annum. The interest income was £22,870 (2017 - £22,479). Mr J C Woolf is a director of Second Gem Investments Limited.

At the balance sheet date, the company owed £21,030 (2017 - owed £30,671) to British & American Investment Trust PLC. This amount is included in "Creditors: Amounts owed by related parties" (note 16). During the year the company settled liabilities of £477,964 (2017 - £513,177) on behalf of British & American Investment Trust PLC. During the year a management charge of £13,369 (2017 - £15,104) was made to British & American Investment Trust PLC by the company. The company owns 27.61% of the ordinary shares and 100% of the convertible 3.5% preference shares of British & American Investment Trust PLC. Mr J C Woolf is a director of British & American Investment Trust PLC.

At the balance sheet date, the company was owed £2,804,467 (2017 - £3,093,009) by Geminion Capital Sprl, a company incorporated in Belgium. This amount is included in "Debtors: Amounts owed by related parties" (note 15). This amount is denominated in Swiss Franc and was converted to sterling at an exchange rate of 1.40374 (2017 - 1.2506). Interest was charged on the balance at 2% (2017 - 2%) per annum. The interest income was £48,887 (2017 - £54,686). Currency exchange movement resulted in a FX loss of £337,430 (2017 - gain of £395,678). Mr J C Woolf and the company are guarantors to First Gem Investments Limited and Second Gem Investments Limited the joint shareholders in Geminion Investments Sprl.

At the balance sheet date, the company was owed £20,935 (2017 - £20,935) by American Films Corporation, a company incorporated in the United States. This amount is included within "Debtors: Amounts owed by related parties" (note 15). The company owns 50% of the ordinary shares of American Films Corporation.

At the balance sheet date, the company was owed £5,000 (2017 - £5,000) by Film Quest Limited. This amount is included within "Debtors: Other debtors" (note 15). Mr J C Woolf is the majority shareholder and a director of Film Quest Limited.

At the balance sheet date, the company was owed £12,365 (2017 - £7,359) by British and American Films Limited. This amount is included within "Debtors: Amounts owed by related parties" (note 15). Mr J C Woolf is a director of British and American Films Limited.

During the year, the company made charitable donations of £191,493 (2017 - £146,147) to The Woolf Charitable Trust. Mr J C Woolf is a Trustee of The Woolf Charitable Trust. The Charity sponsors visits to children's care homes and hospices by the theatrical group, Magical Quests.

20 Parent and ultimate parent undertaking

In the director's opinion the company does not have a controlling party.

Romulus Films Limited

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

21 Non adjusting events after the financial period

As at 31 March 2018, Geron Corporation made up £4,557,200 (19%) of the overall value in "Investments in participating interests" and "Investments in other financial assets" (£24,350,378 - Note 12 and 13).

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 £2,862,994 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.