

Registration number 2852812

Cosgrove Hall Films Limited

Annual Report and Unaudited Financial Statements

for the Year Ended 31 December 2015



Cosgrove Hall Films Limited

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Cosgrove Hall Films Limited

Directors' Report for the Year Ended 31 December 2015

The Directors present their report and the unaudited financial statements for the year ended 31 December 2015

Principal activity

The principal activity of the Company was the production of animated films for television for UK broadcasters. On 26 October 2009, the directors took the decision to cease trading as a result of continuing losses and increasing difficulties within children's programming.

Directors of the Company

The directors who held office during the year were as follows

John Whiston

Maxine Gardner

Directors' liabilities

The Directors benefit from third party insurance provisions in place during the financial year and at the date of this report

Business review

The results for the Company show a loss before tax for the year of £26,602 (year to 31 December 2014 loss of £34,411). At 31 December 2015 the Company had net liabilities of £1,719,575 (31 December 2014 £1,704,973).

Developments during the year

During the year the Company adopted Financial Reporting Standard 101 (FRS 101) - Reduced Disclosure Framework and has taken advantage of the disclosure exemptions allowed under this standard. The Company's ultimate parent undertaking, ITV plc was notified of and did not object to the use of the reduced disclosure framework in preparation of these accounts.

Dividends

The Directors recommend a final dividend payment of £Nil be made in respect of the financial year ended 31 December 2015 (2014 £Nil).

Going concern

The Directors have a reasonable expectation that the Company has adequate resources to continue in operation for at least twelve months from the date of this report. Accordingly, the Company continues to adopt the going concern basis in preparing its financial statements (see note 1).

Audit Exemption

Cosgrove Hall Films Limited, a guaranteed subsidiary of ITV plc, has met the criteria set out in ss 479A-479C of the Companies Act 2006, and is claiming exemption from the audit of their individual accounts afforded by those sections for the year ended 31 December 2015.

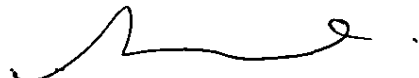
Cosgrove Hall Films Limited

Directors' Report for the Year Ended 31 December 2015

Small companies' provision statement

This report has been prepared in accordance with the small companies regime under the Companies Act 2006

Approved by the Board on 29/9/16 and signed on its behalf by



Maxine Gardner
Director

Registered office The London Television Centre
Upper Ground
London
SE1 9LT

Cosgrove Hall Films Limited

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 'Reduced Disclosure Framework'

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,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Cosgrove Hall Films Limited

Profit and Loss Account for the Year Ended 31 December 2015

	Note	2015 £ 000	2014 £ 000
Administrative expenses		<u>(27)</u>	<u>(34)</u>
Operating loss		<u>(27)</u>	<u>(34)</u>
Loss before tax		(27)	(34)
Tax on loss on ordinary activities	5	<u>12</u>	<u>(12)</u>
Loss for the year		<u><u>(15)</u></u>	<u><u>(46)</u></u>

The above results were derived from continuing operations

The Company has no recognised gains or losses for the year other than the above

The notes on pages 7 to 17 form an integral part of these financial statements

Cosgrove Hall Films Limited

(Registration number: 2852812)
Balance Sheet as at 31 December 2015

	Note	2015 £ 000	2014 £ 000
Current assets			
Trade and other receivables (including £nil (2014 £nil) due over one year)	6	324	325
Current liabilities			
Trade and other payables (including £nil (2014 £nil) due over one year)	7	(2,044)	(2,018)
Total assets less current liabilities		(1,720)	(1,693)
Deferred tax liability		-	(12)
Net liabilities		(1,720)	(1,705)
Capital and reserves			
Share capital	8	1	1
Share premium		299	299
Other reserves		8,296	8,296
Retained earnings		(10,316)	(10,301)
		(1,720)	(1,705)

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime

For the financial year ending 31 December 2015 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies

Directors' responsibilities

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476, and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts

Approved by the Board on 29/9/16 and signed on its behalf by



Maxine Gardner
Director

Cosgrove Hall Films Limited

Statement of Changes in Equity for the Year Ended 31 December 2015

	Share capital	Share premium	Other reserves	Retained earnings	Total
	£'000	£'000	£'000	£'000	£'000
As at 1 January 2015	1	299	8,296	(10,301)	(1,705)
Loss for the year	-	-	-	(15)	(15)
As at 31 December 2015	1	299	8,296	(10,316)	(1,720)

	Share capital	Share premium	Other reserves	Retained earnings	Total
	£'000	£'000	£'000	£'000	£'000
As at 1 January 2014	1	299	8,296	(10,255)	(1,659)
Loss for the year	-	-	-	(46)	(46)
As at 31 December 2014	1	299	8,296	(10,301)	(1,705)

The notes on pages 7 to 17 form an integral part of these financial statements

Cosgrove Hall Films Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2015

1 Accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation

The Company transitioned from old UK GAAP to Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) for all periods presented. The Company's transition date is 1 January 2014.

There were no material amendments on the adoption of FRS 101 other than those mentioned in note 13.

The Company is a qualifying entity as it is a member of the ITV plc group where ITV plc, the ultimate parent, prepares publicly available consolidated financial statements.

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework and on a historical cost basis.

Summary of disclosure exemptions

The Company is taking advantage of the following disclosure exemptions under FRS 101:

- A Cash Flow Statement and related notes,
- Comparative period reconciliations for share capital, tangible fixed assets, intangible assets and investment properties
- Disclosures in respect of transactions with wholly owned subsidiaries,
- Disclosures in respect of capital management,
- The effects of new but not yet effective IFRSs,
- An additional balance sheet for the beginning of the earliest comparative period following the retrospective change in accounting policy, (see note 1),
- Disclosures in respect of the compensation of Key Management Personnel, and
- Disclosures of transactions with a management entity that provides key management personnel services to the Company.

As the consolidated financial statements of ITV plc include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- IFRS 2 Share Based Payments in respect of group settled share based payments
- Certain disclosures required by IFRS 13 Fair Value Measurement and the disclosures required by IFRS 7 Financial Instrument Disclosures

The Company proposes to continue to apply the reduced disclosure framework of FRS 101 in its next financial statements.

Cosgrove Hall Films Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2015

1 Accounting policies (continued)

Going Concern

The Company does not have a bank account and therefore cash receipts and payments are accounted for on the Company's behalf by fellow subsidiaries and are reflected in the movement in amounts owed to / from group undertakings. The Company is dependent on its immediate parent undertaking for its funding. The Directors of the Company have no reason to believe that this financial support will not be forthcoming in the event that it is required. On this basis, and on their assessment of the Company's financial position, the Directors have a reasonable expectation that the Company has adequate resources to continue in operation for at least twelve months from the date of this report. Accordingly, the Company continues to adopt the going concern basis in preparing its financial statements.

Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the initial transaction dates.

Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

Tax

The tax charge for the period is recognised in the profit and loss account, the statement of comprehensive income and directly in equity, according to the accounting treatment of the related transaction. The tax charge comprises both current and deferred tax. The calculation of the Company's tax charge involves a degree of estimation and judgement in respect of certain items whose tax treatment cannot be fully determined until a resolution has been reached by the relevant tax authority.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year and any adjustment in respect of previous years.

The Company recognises liabilities for anticipated tax issues based on estimates of the additional taxes that are likely to become due, which require judgement. Amounts are accrued based on management's interpretation of specific tax law and the likelihood of settlement. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current tax and deferred tax provisions in the period in which such determination is made.

Cosgrove Hall Films Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2015

1 Accounting policies (continued)

Deferred tax arises due to certain temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and those for taxation purposes. The following temporary differences are not provided for:

- the initial recognition of goodwill,
- the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and
- differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future

The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities. Deferred tax is calculated using tax rates that are enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that sufficient taxable profit will be available to utilise the temporary difference. Recognition of deferred tax assets, therefore, involves judgement regarding the timing and level of future taxable income.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Share-based payments

The company operates an equity-settled, share-based compensation plan, under which the entity receives services from employees as consideration for equity instruments (options) of the entity. The fair value of the employee services received is measured by reference to the estimated fair value at the grant date of equity instruments granted and is recognised as an expense over the vesting period. The estimated fair value of the option granted is calculated using the Black Scholes option pricing model. The total amount expensed is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied.

The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

Cosgrove Hall Films Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2015

2 Operating profit

Arrived at after charging/(crediting)

	2015 £ 000	2014 £ 000
Foreign exchange gains	<u>(6)</u>	<u>(8)</u>

3 Staff costs

The aggregate payroll costs were as follows

	2015 £ 000	2014 £ 000
Wages and salaries	27	35
Social security costs	3	3
Pension costs, defined benefit scheme	3	4
Share-based payment expenses	-	2
	<u>33</u>	<u>44</u>

The average number of persons employed by the company (including directors) during the year, analysed by category was as follows

	2015 No.	2014 No.
Administration and support	<u>1</u>	<u>1</u>

The Company is a participating employer of the ITV Group Pension. ITV Services Limited is the Principal employer of the Scheme. The full disclosure relating to the ITV Group Pension scheme is publicly available in the Annual Report of ITV plc as well as the publicly available financial statements of ITV Services Limited.

4 Directors' remuneration

The Directors were remunerated by other ITV plc Group companies. The Directors received no remuneration in respect of their qualifying services to the Company (2014: £nil).

Cosgrove Hall Films Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2015

5 Current tax

Tax charged/(credited) in the profit and loss account

	2015 £ 000	2014 £ 000
Current taxation		
UK corporation tax	-	-
	-	-
Total current income tax	-	-
Deferred taxation		
Arising from origination and reversal of temporary differences	(12)	12
Tax (receipt)/expense in the profit and loss account	(12)	12

The tax on profit before tax for the year is lower than the standard rate of corporation tax in the UK (2014 - lower than the standard rate of corporation tax in the UK) of 20.25% (2014 - 21.5%)

The differences are reconciled below

	2015 £ 000	2014 £ 000
Loss before tax	(27)	(34)
Corporation tax at standard rate of 20.25% (2014 - 21.5%)	(5)	(7)
Effect of expense not deductible in determining taxable profit	11	-
Deferred tax expense (credit) from unrecognised temporary difference from a prior period	(12)	12
Group relief (claimed) / surrendered	(6)	7
Total tax (credit)/charge	(12)	12

The corporation tax rate of 20.25% reflects the reduction in the rate from 21% to 20% effective from 1 April 2015

The Finance Act 2015, which provides for a reduction in the main rate of corporation tax from 20% to 19% from 1 April 2017 and to 18% from 1 April 2020, was substantively enacted on 26 October 2015. These rate reductions have been reflected in the calculation of deferred tax at the balance sheet date.

Cosgrove Hall Films Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2015

5 Current tax (continued)

Deferred tax

Deferred tax movement during the year

	At 1 January 2015 £ 000	Recognised in income £ 000	At 31 December 2015 £ 000
Pension benefit obligations	<u>(12)</u>	<u>12</u>	<u>-</u>

Deferred tax movement during the prior year

	At 1 January 2014 £ 000	Recognised in income £ 000	At 31 December 2014 £ 000
Pension benefit obligations	<u>-</u>	<u>(12)</u>	<u>(12)</u>

There are £643,000 of unused tax losses (2014 - £714,000) for which no deferred tax asset is recognised in the statement of financial position

6 Trade and other receivables

	2015 £ 000	2014 £ 000
Amounts due from group undertakings	324	324
Other receivables	<u>-</u>	<u>1</u>
Total current trade and other receivables	<u>324</u>	<u>325</u>

Amounts due from group undertakings represent balances arising from trading activities. These balances have no associated interest and are repayable on demand.

The carrying value of trade and other receivables is considered to approximate fair value.

7 Trade and other payables

	2015 £ 000	2014 £ 000
Amounts due to group undertakings	<u>2,044</u>	<u>2,018</u>

Amounts due to group undertakings represent balances arising from trading activities. These balances have no associated interest and are repayable on demand.

The carrying value of trade and other payables is considered to approximate fair value.

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Notes to the Unaudited Financial Statements for the Year Ended 31 December 2015

8 Share capital

Allotted, called up and fully paid shares

	2015		2014	
	No. 000	£ 000	No. 000	£ 000
"A" Ordinary Shares of £0.01 each	25	-	25	-
"B" Ordinary Shares of £0.01 each	75	1	75	1
	<u>100</u>	<u>1</u>	<u>100</u>	<u>1</u>

Rights, preferences and restrictions

All A and B shares rank pari passu

9 Share-based payments

Scheme description

The Company utilises share award schemes as part of its employee remuneration packages, and therefore, operates a number of share-based compensation schemes, namely the Deferred Share Award (DSA), Performance Share Plan (PSP), Long Term Incentive Plan (LTP) and Save As You Earn (SAYE) schemes.

A transaction will be classed as share-based compensation where the Company receives services from employees and pays for these in shares or similar equity instruments. If the Company incurs a liability based on the price or value of the shares then this will also fall under a share-based transaction.

The fair value of the equity instrument granted is measured at grant date and is spread over the vesting period via a charge to the profit and loss account with a corresponding increase in equity. The fair value of share options and awards is measured using either market price at grant date or, for the Save As You Earn Scheme (SAYE) a Black-Scholes model taking into account the terms and conditions of the individual scheme.

Vesting conditions are limited to service conditions and performance conditions. For performance-based schemes, the relevant performance measures are projected to the end of the performance period in order to determine the number of options expected to vest. The estimate is then used to determine the option fair value, discounted to present value. The Company revises its estimates of the number of options that are expected to vest, including an estimate of forfeitures at each reporting date. The impact of the revision to original estimates, if any, are recognised in the profit and loss account, with a corresponding adjustment to equity.

Exercises of share options granted to employees can be satisfied by market purchase or issue of new shares. No new shares may be issued to satisfy the exercises under the terms of the DSA. During the year all exercises were satisfied by using shares purchased in the market and held in the ITV Employees' Benefit Trust.

The weighted average share price of share options exercised during the year was 16.65p (2014: 9.02p). The options outstanding at the year end have an exercise price in the range of nil to 206.83p and a weighted average contractual life of 1 year (2014: 1 year).

Share based compensation charges totalled £Nil in 2015 (2014: £2,830).

Cosgrove Hall Films Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2015

10 Contingent liabilities

Under a Group registration the Company is jointly and severally liable for the VAT at 31 December 2015 of £59 million (2014 £58 million)

11 Parent of group in whose consolidated financial statements the company is consolidated

The name of the parent of the group in whose consolidated financial statements the Company's financial statements are consolidated is ITV plc

These financial statements are available upon request from The London Television Centre, Upper Ground, London, SE1 9LT

12 Parent and ultimate parent undertaking

The Company's immediate parent is ITV Studios Limited

The ultimate parent is ITV plc

The most senior parent entity producing publicly available financial statements is ITV plc. These financial statements are available upon request from The London Television Centre, Upper Ground, London, SE1 9LT

The ultimate controlling party is ITV plc

13 Transition to FRS 101

For all periods up to and including the year ended 31 December 2014, the Company prepared its financial statements in accordance with previously extant United Kingdom generally accepted accounting practice (UK GAAP). These financial statements, for the year ended 31 December 2015, are the first the Company has prepared in accordance with FRS 101. Accordingly, the Company has prepared financial statements which comply with FRS 101 applicable for periods beginning on or after 1 January 2014 and the significant accounting policies meeting those requirements are described in the relevant notes.

In preparing these financial statements, the Company has started from an opening balance sheet as at 1 January 2014, the Company's date of transition to FRS 101, and made those changes in accounting policies and other restatements required for the first-time adoption of FRS 101. As such, this note explains the principal adjustments made by the Company in restating its balance sheet as at 1 January 2014 prepared under previously extant UK GAAP and its previously published UK GAAP financial statements for the year ended 31 December 2014.

On transition to FRS 101, the Company has applied the requirements of IFRS 1 First time adoption of International Financial Reporting Standards.

Cosgrove Hall Films Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2015

13 Transition to FRS 101 (continued)

Balance sheet at 1 January 2014

	Note	As originally reported £ 000	FRS 101 remeasurement £ 000	As restated £ 000
Current assets				
Trade and other receivables		317	-	317
Current Liabilities				
Trade and Other Payables		<u>(1,976)</u>	<u>-</u>	<u>(1,976)</u>
Net liabilities		<u>(1,659)</u>	<u>-</u>	<u>(1,659)</u>
Capital and reserves				
Share capital		1	-	1
Share premium		299	-	299
Other reserves		8,296	-	8,296
Retained earnings		<u>(10,255)</u>	<u>-</u>	<u>(10,255)</u>
Total equity		<u>(1,659)</u>	<u>-</u>	<u>(1,659)</u>

Cosgrove Hall Films Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2015

13 Transition to FRS 101 (continued)

Balance sheet at 31 December 2014

	Note	As originally reported £ 000	FRS 101 remeasurement £ 000	As restated £ 000
Current assets				
Trade and other receivables		325	-	325
Current liabilities				
Trade and other payables		<u>(2,075)</u>	<u>57</u>	<u>(2,018)</u>
Total assets less current liabilities		(1,750)	57	(1,693)
Deferred tax liability		<u>-</u>	<u>(12)</u>	<u>(12)</u>
Net liabilities		<u>(1,750)</u>	<u>45</u>	<u>(1,705)</u>
Capital and reserves				
Share capital		1	-	1
Share premium		299	-	299
Other reserves		8,296	-	8,296
Retained earnings		<u>(10,346)</u>	<u>45</u>	<u>(10,301)</u>
Total equity		<u>(1,750)</u>	<u>45</u>	<u>(1,705)</u>

FRS 101 Remeasurement

Remeasurement of £57k Current Liabilities relates to defined benefit pension funding costs being recharged to ITV Services Limited on transition to FRS 101. The opposite side of this adjustment sits within retained earnings.

The remeasurement adjustment of £12k relates to deferred tax recognised on transitional adjustments re pension costs.

Cosgrove Hall Films Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2015

13 Transition to FRS 101 (continued)

Profit and loss account for the year ended 31 December 2014

Note	As originally reported £ 000	FRS 101 remeasurement £ 000	As restated £ 000
Administrative expenses	(91)	57	(34)
Operating profit/(loss)	(91)	57	(34)
Profit/(loss) before tax	(91)	57	(34)
Tax on profit on ordinary activities	-	(12)	(12)
Profit/(loss) for the financial year	(91)	45	(46)

FRS 101 Remeasurement

The remeasurement of £57k relates to defined benefit pension funding costs being recharged to ITV Services Limited on transition to FRS 101

The remeasurement adjustment of £12k relates to deferred tax recognised on transitional adjustments re pension costs