

Company Registration No. 02856604 (England and Wales)

AVALON TELEVISION LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019



17/7/20

101

151

AVALON TELEVISION LIMITED

COMPANY INFORMATION

Directors	R Allen-Turner R Aslett J Beresford J Mowll G Perkins J Thoday D Palmer-Brown J Taylor
Secretary	R Allen-Turner
Company number	02856604
Registered office	4a Exmoor Street London W10 6BD
Bankers	The Royal Bank of Scotland Plc 62/63 Threadneedle Street PO Box 412 London EC2R 8LA

AVALON TELEVISION LIMITED

CONTENTS

	Page
Strategic report	1
Directors' report	2 - 3
Statement of comprehensive income	4
Balance sheet	5
Statement of changes in equity	6
Notes to the financial statements	7 - 17

AVALON TELEVISION LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 30 JUNE 2019

The directors present the strategic report for the year ended 30 June 2019.

Review of the business

The company's principal business is that of the development and production of television and film projects.

The company achieved turnover of £29,651,287 (2018: £26,625,441), and delivered an operating profit of £3,380,453 (2018: £2,567,201).

Avalon Television's success is based on a strategy of developing and maximising the value of great brands. We do this by working with some of the best creative talent in the entertainment business, nurturing and developing new ideas and properties, delivering a strong television production slate, and by retaining rights to our programming. This strategy requires a significant level of reinvestment of profits back into the creative process. The high level of investment made over recent years is expected to lead to improved performance during the future period and beyond.

The Company has continued to maintain and develop a strong range of productions, and deliver a healthy performance in a challenging environment. The company continues to invest significantly in new TV developments and programming which is expected to lead to improved performance during the future period and beyond.

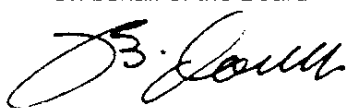
Principal risks

The principal risks faced by the company include competition from rival producers, retention and development of key talent, retention and exploitation of programming rights.

Key to the continued success of Avalon Television Limited is its ability to secure commission and re-commissions of its programmes. The Company tracks ratings undertaking further audience and market research where necessary and responds to rating performance by adapting programmes where required. The Company's creative relationships with third parties and key talent are important to the performance of the Company. These relationships are closely managed on a day to day basis.

The Directors feel confident that the financial risks thereof are managed appropriately.

On behalf of the Board



J Mowll

Director

26 June 2020

AVALON TELEVISION LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2019

The directors present their annual report and financial statements for the year ended 30 June 2019.

Principal activities

The principal activity of the company continued to be that of the development and production of television and film projects.

Development and performance

We are not aware of any trends or factors which are likely to have a significant impact on the future development, performance and position of the Company's business.

Directors

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

R Allen-Turner

R Aslett

J Beresford

J Mowll

G Perkins

J Thoday

D Palmer-Brown

(Appointed 13 August 2018)

J Taylor

(Appointed 1 July 2018)

Results and dividends

The results for the year are set out on page 4.

The directors do not recommend payment of an ordinary dividend (2018: £nil).

Post reporting date events

There have been no significant events affecting the company since year end.

AVALON TELEVISION LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2019

Director's Responsibilities Statement

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), including FRS 102 "The Financial Reporting Standard applicable in the UK and the Republic of Ireland".

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards, including FRS 102 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 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Disclosure of Audit Requirements

The Company is a wholly owned subsidiary of Avalon Entertainment Limited and of its ultimate parent Tiverton 2 Limited, and is included in the consolidated financial statements of Tiverton 2 Limited, which are publicly available.

Consequently, the company has taken advantage of the exemption from statutory audit according to The Companies and Limited Liability Partnership (Accounts and Audit Exemptions and Change of Accounting Framework) Regulations 2012.

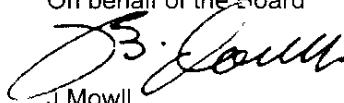
Small Companies Exemption

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

Going Concern

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in note 1 of the financial statements.

On behalf of the Board



J Mowll
Director

26 June 2020

AVALON TELEVISION LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2019

	Notes	2019 £	2018 £
Turnover	3	29,651,287	26,625,441
Cost of sales		(22,732,901)	(21,320,015)
Gross profit		6,918,386	5,305,426
Administrative expenses		(3,537,933)	(2,738,225)
Operating profit	4,5	3,380,453	2,567,201
Interest receivable and similar Income	8	9,458	23,117
Profit on ordinary activities before taxation		3,389,911	2,590,318
Taxation on profit on ordinary activities	9	(636,795)	(492,748)
Profit for the financial year		2,753,116	2,097,570

The Statement of Comprehensive Income has been prepared on the basis that all operations are continuing operations.

AVALON TELEVISION LIMITED

BALANCE SHEET

AS AT 30 JUNE 2019

	Notes	2019 £	£	2018 £	£
Fixed assets					
Tangible assets	10		3,284		-
Investments	11		9,013,243		8,413,243
			<u>9,016,527</u>		<u>8,413,243</u>
Current assets					
Debtors	14	26,210,294		12,461,103	
Cash at bank and in hand		2,084,978		386,305	
		<u>28,295,272</u>		<u>12,847,408</u>	
Creditors: amounts falling due within one year	15	(27,851,289)		(14,553,257)	
Net current assets/(liabilities)			<u>443,983</u>		<u>(1,705,849)</u>
Total assets less current liabilities			<u>9,460,510</u>		<u>6,707,394</u>
Capital and reserves					
Called up share capital	17		100		100
Profit and loss account			9,460,410		6,707,294
Total equity			<u>9,460,510</u>		<u>6,707,394</u>

The Notes on pages 7 to 17 are an integral part of these financial statements.

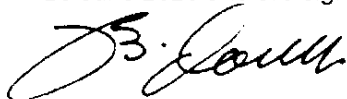
For the financial year ended 30 June 2019 the company was entitled to exemption from audit under section 479A of the Companies Act 2006.

No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.

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

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

The financial statements on pages 4 to 17 were approved by the Board of directors and authorised for issue on 26 June 2020 and are signed on its behalf by:



J Mowll
Director

Company Registration No. 02856604

AVALON TELEVISION LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2019

	Notes	Share capital £	Profit and loss account £	Total £
Balance at 1 July 2017		100	4,609,724	4,609,824
Year ended 30 June 2018:				
Profit and total comprehensive income for the year		-	2,097,570	2,097,570
		<hr/>	<hr/>	<hr/>
Balance at 30 June 2018		100	6,707,294	6,707,394
Year ended 30 June 2019:				
Profit and total comprehensive income for the year		-	2,753,116	2,753,116
		<hr/>	<hr/>	<hr/>
Balance at 30 June 2019	17	100	9,460,410	9,460,515
		<hr/>	<hr/>	<hr/>

AVALON TELEVISION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019

1 Accounting policies

1.1 General information

Avalon Television Limited develops and produces film and television projects.

Avalon Television Limited is a private company limited by shares incorporated in England and Wales. The registered office is 4a Exmoor Street, London, W10 6BD.

1.2 Statement of Compliance

The individual financial statements of Avalon Television Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

1.3 Summary of significant accounting policies

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

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price and costs directly attributable to bringing the asset to its working condition for its intended use. Depreciation is provided on all tangible fixed assets, other than investment properties and freehold land, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset over its expected useful life, as follows:

Production equipment	Straight line over 4 years
----------------------	----------------------------

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

Residual value is calculated on prices prevailing at the date of acquisition or revaluation.

1.5 Investments

Except as stated below, fixed asset investments are shown at cost less provision for impairment. Current asset investments are stated at the lower of cost and net realisable value.

In the company balance sheet, for investments in subsidiaries acquired for consideration including the issue of shares qualifying for merger relief, cost is measured by reference to the nominal value only of the shares issued. Any premium is ignored.

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.

AVALON TELEVISION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2019

1 Accounting policies

(Continued)

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.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.7 Cash and cash equivalents

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

1.8 Financial instruments

The company has chosen to adopt Sections 11 and 12 of FRS 102 in respect 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 and cash and bank balances, 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.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

AVALON TELEVISION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2019

1 Accounting policies

(Continued)

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 receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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.

Interest-bearing bank loans and overdrafts are recorded at the proceeds received, net of direct issue costs. Finance charges, including premiums payable on settlement or redemption and direct issue costs, are accounted for on an accruals basis in the profit or loss account using the effective interest method and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise.

1.9 Equity instruments

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

1.10 Taxation

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current tax

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Tax credits in relation to High-End Television Tax Relief, where successfully applied for, are included within cost of sales.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

AVALON TELEVISION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2019

1 Accounting policies

(Continued)

Deferred tax is not recognised when fixed assets are revalued unless by the balance sheet date there is a binding agreement to sell the revalued assets and the gain or loss expected to arise on sale has been recognised in the financial statements. Neither is deferred tax recognised when fixed assets are sold and it is more likely than not that the taxable gain will be rolled over, being charged to tax only if and when the replacement assets are sold.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

1.11 Retirement Benefits

Eligible Company employees are offered membership of a defined contribution pension scheme which is operated by Avalon Management Group Limited. Contributions payable to the Company's pension scheme are charged to the profit and loss account in the period to which they relate.

Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet. The assets of the plan are held separately from the Company in an independently administered funds.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

No material judgements or estimates have been used in the preparation of the Company's financial statements.

3 Turnover and other revenue

Turnover analysed by category

	2019 £	2018 £
Creation of television content	29,651,287	26,625,441

	2019 £	2018 £
UK	29,625,287	26,625,441

AVALON TELEVISION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2019

4 Operating profit

	2019	2018
	£	£
Operating profit for the year is stated after charging/(crediting):		
Exchange gains	(45,529)	(19,345)
Depreciation of owned tangible fixed assets	1,094	-

5 Auditor's remuneration

	2019	2018
	£	£
Fees payable to the company's auditor and associates:		
For other services		
All other non-audit services	20,850	9,229

6 Employees

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

	2019	2018
	Number	Number
Total	16	16

Their aggregate remuneration comprised:

	2019	2018
	£	£
Wages and salaries	1,440,160	924,574
Social security costs	179,341	115,958
Pension costs	18,532	31,472
	1,638,033	1,072,004

AVALON TELEVISION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2019

7 Directors' remuneration

	2019 £	2018 £
Remuneration for qualifying services	260,166	250,166
Company pension contributions to defined contribution schemes	5,156	5,156
	<u>260,116</u>	<u>255,322</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2018- 1)

8 Interest receivable and similar income

	2019 £	2018 £
Interest income		
Interest on bank deposits	9,458	23,117
	<u>9,458</u>	<u>23,117</u>

9 Taxation

(a) Tax expense included in profit and loss	2019 £	2018 £
Current tax		
UK corporation tax on profits for the current year	633,348	492,666
Adjustments in respect of prior year	3,447	-
Total current tax	<u>636,795</u>	<u>492,666</u>
Deferred tax		
Origination and reversal of timing differences	-	82
	<u>-</u>	<u>82</u>
Total tax on profit on ordinary activities	<u>636,795</u>	<u>492,748</u>

AVALON TELEVISION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2019

9 Taxation

(Continued)

(b) Reconciliation of tax charge

Tax assessed for the year is lower than the standard rate of corporation tax in the UK for the year ended 30 June 2019 of 19% (2018: 19%). The differences are explained below.

	2019 £	2018 £
Profit on ordinary activities before taxation	3,389,911	2,590,318
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2018: 19.00%)	644,083	492,160
Tax effect of expenses that are not deductible in determining taxable profit	2,234	-
Tax effect of income not taxable in determining taxable profit	(12,137)	-
Adjustments in respect of prior years	3,447	-
Non deductible expenses	-	506
Capital allowances	(832)	-
Short term timing differences	-	82
Tax charge for the year	636,795	492,748

(c) Tax rate changes

The standard rate of corporation tax in the UK changed from 20% to 19% with effect from 1 April 2017. The Finance Act 2016 has reduced this rate further to 17% from 1 April 2020.

10 Tangible fixed assets

	Fixtures, fittings & equipment £
Cost	
At 1 July 2018	-
Additions	4,378
At 30 June 2019	4,378
Depreciation and impairment	
At 1 July 2018	-
Depreciation charged in the year	1,094
At 30 June 2019	1,094
Carrying amount	
At 30 June 2019	3,284
At 30 June 2018	-

AVALON TELEVISION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2019

11 Fixed asset investments

	Notes	2019 £	2018 £
Investments in subsidiaries	12	9,013,243	8,413,243

Movements in fixed asset investments

	Shares in group undertakings £
Cost or valuation	
At 1 July 2018	8,413,243
Additions	600,000
At 30 June 2019	9,013,243
Carrying amount	
At 30 June 2019	9,013,243
At 30 June 2018	8,413,243

On 25th September 2018 Avalon Television acquired 2500 1p Z shares in Avalon Factual Limited for £600,000, taking its shareholding to 100%

12 Subsidiaries

Details of the company's subsidiaries at 30 June 2019 are as follows:

Name of undertaking and country of incorporation or residency	Nature of business	Class of shareholding	% Held Direct
Tinderbox Television Ltd 05278958	UK Dormant	Ordinary	100.00
Sketch Productions Ltd 05164675	UK Dormant	Ordinary	100.00
Brightwater Productions Ltd 03890352	UK Dormant	Ordinary	51.00
Avalon Factual Holdings Ltd 07923558	UK Intermediary holding company	Ordinary	100.00
Avalon Distribution 06641887	UK Television programme distribution	Ordinary	100.00
Avalon Television (Cymru) Ltd 05319921	UK Dormant	Ordinary	100.00
Liberty Bell Productions* 04454622	UK Television programme production	Ordinary	100.00
Topical Television Ltd* 02657408	UK Television programme production	Ordinary	100.00
Flame Television Production Ltd* 03863614	UK Television programme production	Ordinary	100.00

AVALON TELEVISION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2019

12 Subsidiaries

(Continued)

*Indirect holding

The registered office of all of the company's subsidiaries, detailed above, is 4a Exmoor Street, London, W10 6BD.

13 Financial instruments

	2019	2018
	£	£
Debt instruments measured at amortised cost	25,022,638	10,197,418
Equity instruments measured at cost less impairment	9,013,243	8,413,243

Carrying amount of financial liabilities

Measured at amortised cost	22,254,445	13,829,557
----------------------------	------------	------------

Financial assets measured at amortised cost comprise of trade debtors, other debtors, amounts owed by group undertakings, and accrued income.

Financial liabilities measured at amortised cost comprise of trade creditors, other creditors, accruals and amounts owed to group undertakings.

14 Debtors

	2019	2018
	£	£
Amounts falling due within one year:		
Trade debtors	1,748,747	1,728,920
Corporation tax recoverable	-	89,535
Amounts due from fellow group undertakings	17,267,510	7,594,069
Amounts due from associate undertakings	10,472	59,185
Other debtors	2,838,030	815,244
Prepayments and accrued income	4,345,535	2,174,150
	26,210,294	12,461,103
Deferred tax asset	-	-
	26,210,294	12,461,103

Amounts owed by group undertakings and related parties are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

AVALON TELEVISION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2019

15 Creditors: amounts falling due within one year

	Notes	2019 £	2018 £
Bank loans and overdrafts		1,851,957	-
Trade creditors		209,325	206,300
Amounts due to group undertakings		5,330,947	5,217,363
Amounts due to related parties		1,404,474	384,118
Corporation tax		137,364	-
Other taxation and social security		316,457	723,700
Other creditors		842	842
Accruals and deferred income		18,599,923	8,020,934
		<u>27,851,289</u>	<u>14,553,257</u>

Amounts due to group undertakings and related parties are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

A cross guarantee and debenture exists between the company, its ultimate parent company Tiverton 2 Limited and the following group companies: Tiverton Holdings Limited, Avalon Entertainment Limited, Avalon Factual Holdings Limited, Flame Television Production Limited, Liberty Bell Productions Limited, Topical Television Limited, Tinderbox Television Limited, Avalon Distribution Limited, and Avalon Promotions Limited to secure bank overdraft and loan facilities available to these companies.

16 Retirement benefit schemes

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

The charge to profit and loss in respect of defined contribution schemes was £18,532 (2018 - £31,472).

17 Share capital

	2019 £	2018 £
Ordinary share capital		
Issued and fully paid		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

There is a single class of ordinary shares. There are no restrictions on the distribution of dividends and the repayment of capital.

AVALON TELEVISION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2019

18 Control

The immediate parent undertaking is Avalon Entertainment Limited.

The ultimate parent undertaking and the smallest and largest group to consolidate these financial statements is Tiverton 2 Limited. Copies of consolidated financial statements can be obtained from Companies House, Crown Way, Maindy, Cardiff CF14 3UZ.

The ultimate controlling party is J Thoday.

19 Related party transactions

The company has taken advantage of the exemption available in FRS 102 "Related party disclosures" whereby it has not disclosed transactions with the ultimate parent company or any wholly owned subsidiary undertaking of the group.