

Company Television Productions Limited

Directors' report and financial statements

For the year ended 31 August 2013
Registered number 3733209

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Directors' report

The directors present their annual report and the audited financial statements for Company Television Productions Limited (the "company") for the year ended 31 August 2013.

Principal activities and review of the business

The principal activity of the company is a service company performing contracts for the parent. The directors do not anticipate any changes in those activities over the coming year.

Results and dividends

The company's profit for the financial year, amounted to £1,167 (2012:£9,188).

Future outlook

The commercial environment in which the company operates remains competitive, but the directors believe that the company's position as one of the leading television production companies will enable it to maintain its current position in the future.

Principal risks and uncertainties

The key business risks and uncertainties affecting the company relate to the general economic environment, competition from other television producers and success of the company's programming. Further discussion of these risks and uncertainties, in the context of the ALL3MEDIA Holdings Limited (the "group") as a whole, is provided in the group's annual report which does not form part of this report.

Financial risk management

Through its trading activities the company is exposed to certain levels of credit, interest rate, currency and liquidity risk. Main credit risk arises from customers not meeting payment terms however this is monitored closely by management. Interest risk arises as cash is subject to interest based on floating rates. Currency risk arises as certain transactions are denominated in foreign currency. The company does not hedge interest or currency risks. The company funds its operations from trading activities, equity and intercompany loans.

Key performance indicators ("KPIs")

The directors of ALL3MEDIA Holdings Limited manage the group's operations on a divisional basis. For this reason, the company's directors believe that analysis using key performance indicators for the company is not necessary or appropriate for an understanding of the development, performance or position of the business of Company Television Productions Limited. The development, performance and position of the ALL3MEDIA Holdings Limited, which includes the company, is discussed in the group's annual report which does not form part of this report.

Disclosure of information to auditors

Each of the persons who is a director at the date of approval of this report confirms that:

- (1) so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- (2) the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Directors' report (continued)

Directors

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

S Morrison
N Bright (appointed 31st August 2013)
A Jones (resigned 31st August 2013)
V Turton

Directors' indemnities

The Company maintains liability insurance for its directors and officers. Following shareholder approval, ALL3MEDIA Holdings Limited, the Company's ultimate parent undertaking, has also provided an indemnity for the Company's directors and officers, which is a qualifying third party indemnity provision for the purposes of the Companies Act 2006.

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 prepared 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:

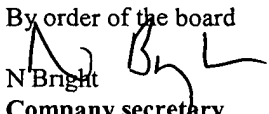
- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 are also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and are deemed reappointed in accordance with s487(2) of the Companies Act 2006.

By order of the board


N Bright
Company secretary

Date: 12 December 2013

Berkshire House
168-173 High Holborn
London
WC1V 7AA

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF COMPANY TELEVISION PRODUCTIONS LIMITED

We have audited the financial statements of Company Television Productions Limited for the year ended 31 August 2013 which comprise the profit and loss account, the reconciliation of movements in shareholders' funds, the balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Respective responsibilities of directors and auditors

As explained more fully in the statement of directors' responsibilities set out on page 2 the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report and financial statements to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 August 2013 and of its profit 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.

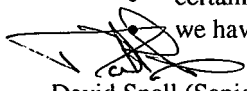
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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.



David Snell (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
12 December 2013

Profit and loss account for the year ended 31 August 2013

	<i>Note</i>	2013 £	2012 £
Turnover	2	13,742,504	10,650,787
Cost of sales		(13,742,504)	(10,650,592)
Gross profit		<u>-</u>	<u>195</u>
Administrative expenses		(1)	(1)
Operating (loss) / profit	3	<u>(1)</u>	<u>194</u>
Interest receivable and similar income	6	1,602	11,711
Profit on ordinary activities before taxation		<u>1,601</u>	<u>11,905</u>
Tax on profit on ordinary activities	7	(434)	(2,717)
Profit for the financial year	12	<u>1,167</u>	<u>9,188</u>

The turnover and operating profit for the year arises from the company's continuing operations.

The company has no recognised gains or losses other than those included in the profit for the financial year above, and therefore no separate statement of total recognised gains and losses has been presented.

There is no material difference between the profit on ordinary activities before taxation and the profit for the financial year stated above and their historical cost equivalents.

The notes on pages 7 to 11 form part of these financial statements.

Reconciliation of movements in shareholders' funds for the year ended 31 August 2013

	2013 £	2012 £
Profit for the financial year	1,167	9,188
Net change in shareholders' funds	<u>1,167</u>	<u>9,188</u>
Opening shareholders' funds	18,154	8,966
Closing shareholders' funds	<u><u>19,321</u></u>	<u><u>18,154</u></u>

Balance sheet at 31 August 2013

Registered number 3733209

	<i>Note</i>	2013 £	2012 £
Current assets			
Stocks	8	-	1,111,832
Debtors	9	1,688,042	2,164,804
Cash at bank and in hand		7,591,786	74,572
		<u>9,279,828</u>	<u>3,351,208</u>
Creditors: amounts falling due within one year	10	(9,260,507)	(3,333,054)
Net current assets		<u>19,321</u>	<u>18,154</u>
		<u>19,321</u>	<u>18,154</u>
Net assets		<u><u> </u></u>	<u><u> </u></u>
 Capital and reserves			
Called up share capital	11	2	2
Profit and loss account	12	19,319	18,152
Total shareholders' funds		<u>19,321</u>	<u>18,154</u>

These financial statements were approved by the board of directors on 12 December 2013 and were signed on its behalf by:



V Turton
Director

The notes on pages 7 to 11 form part of these financial statements.

Notes to the financial statements

1 Accounting policies

The following accounting policies have been applied in dealing with items which are considered material in relation to the company's financial statements:

Basis of preparation

The financial statements have been prepared on the going concern basis, under the historical cost convention and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the year, are set out below.

Cash flow statement

The company is a wholly owned subsidiary of All3Media Holdings Limited and is included in the consolidated financial statements of All3Media Holdings Limited which are publicly available. Consequently, the company has taken advantage of the exemption available under the Financial Reporting Standard 1 (revised 1996) 'Cash flow statements' from preparing its own cash flows.

Turnover and production costs

Turnover and attributable profit are recognised in accordance with the company's right to receive revenue based on the contracted position. The principal revenue recognition bases for commissioned TV programmes are:

- Factual/factual entertainment programmes – turnover and attributable profit are recognised in proportion to the stage of completion of the production at the relevant date unless the contractual position with the broadcaster does not entitle the company to recognise revenue until the final product is available for delivery.
- Provision is made for any overspends and losses as soon as identified. Any underspends are recognised once the programme has been completed and all related costs have been identified.
- Revenues on programmes distributed by third parties and other ancillary revenues are recognised once the company has been notified of sums due to it.

Stocks and work in progress

Stocks are valued at the lower of cost and net realisable value. Net realisable value is based on estimated selling price less any further costs expected to be incurred to completion.

Deferred production expenditure

Pre-contract production expenditure is written off in the year in which it is incurred except where it is related to a clearly defined contract, the outcome of which has been assessed with reasonable certainty as to its success and commercial viability. In such cases the expenditure is deferred to the extent that its recovery can be reasonably regarded as assured and the cost is written off against revenue over the period of the contract. The costs of abortive productions are taken directly to the profit and loss account.

Notes to the financial statements *(continued)*

1 Accounting policies *(continued)*

Translation of foreign currencies

Monetary assets and liabilities expressed in foreign currencies are translated into sterling at rates of exchange ruling at the date of the balance sheet or at the agreed contractual rate. Transactions in foreign currency are converted into sterling at the rate ruling at the date of the transaction. All differences are taken to the profit and loss account.

2 Turnover

The company's turnover was derived from its principal activity. All sales were made in the United Kingdom.

3 Operating (loss)/profit

Company Television Limited has borne the cost of the company's audit for the year and in the previous year. Company Television Limited is the company's immediate parent undertaking. The audit fee is disclosed in the Company Television Limited financial statements.

4 Directors' emoluments

Directors' remuneration in 2013 was £nil (2012: £nil).

The directors are remunerated by ALL3MEDIA Limited, and details of their emoluments and pension payments are available in the financial statements of that company.

5 Employee information

The company had no employees (2012: none) and incurred no staff costs during the year (2012: £nil).

	2013 £	2012 £
6 Interest receivable and similar income		
Bank interest receivable	<u>1,602</u>	<u>11,711</u>

Notes to the financial statements *(continued)*

7 Tax on profit on ordinary activities

	2013 £	2012 £
a) Tax on profit on ordinary activities		
The tax charge is made up as follows:		
Current tax:		
UK corporation tax	378	2,939
Adjustments in respect of prior year	56	(222)
	<u>434</u>	<u>2,717</u>

b) Factors affecting the tax charge for the current year

The tax charge for the year is higher (2012: lower) than the standard rate of corporation tax in the UK of 23.58% (2012: 25.17%). The differences are reconciled below:

Profit on ordinary activities before tax	1,601	11,905
	<u>378</u>	<u>2,995</u>
Current tax at 23.58% (2012: 25.17%)		
Effects of:		
Adjustments in respect of prior year	56	(222)
Marginal tax rate relief	-	(56)
	<u>434</u>	<u>2,717</u>
Current tax charge for the year		

(c) Factors affecting current and future tax charges:

The Finance Act 2012 was enacted in July 2012 and included legislation to reduce the main rate of corporation tax from 24% to 23% effective from 1 April 2013. The current tax rate for the period is therefore 23.58%.

Further reductions to the main rate of corporation tax were included within Finance Act 2013 which was enacted in July 2013, which further reduced the main rate of corporation tax from 23% to 21% effective from 1 April 2014, and reduce the rate further from 21% to 20% effective from 1 April 2015. These reductions supersede the reduction to 23% which had been included as part of Finance Act 2012.

The changes to the main rate of corporation tax disclosed above had been substantively enacted at the balance sheet date, and deferred taxes have been measured using the enacted rates within these financial statements.

Notes to the financial statements (continued)

8 Stocks

	2013 £	2012 £
Work in progress – deferred production expenditure	-	1,111,832

9 Debtors

	2013 £	2012 £
Trade debtors	-	199,600
Other debtors	2,709	280,561
Amounts owed by group undertakings	398,910	-
Prepayments and accrued income	1,286,423	1,684,643
	<u>1,688,042</u>	<u>2,164,804</u>

10 Creditors: amounts falling due within one year

	2013 £	2012 £
Bank overdrafts	1,050,789	1,359,706
Trade creditors	76,649	511,589
Amounts owed to group undertaking	965,442	1,014,344
UK corporation tax	434	2,717
Taxation and social security	-	22,389
Other creditors	6,665,446	114,249
Accruals and deferred income	501,747	308,060
	<u>9,260,507</u>	<u>3,333,054</u>

Amounts due to group undertakings are unsecured, interest free and repayable on demand.

11 Called up share capital

	2013 £	2012 £
Allotted and fully paid:		
2 ordinary shares of £1 each	<u>2</u>	<u>2</u>

Notes to the financial statements *(continued)*

12 Profit and loss account

	2013 £
1 September 2012	18,152
Profit for the financial year	1,167
At 31 August 2013	<u>19,319</u>

13 Contingent liabilities

The company is a participant in a group banking arrangement under which all surplus cash balances are held as collateral for bank facilities advanced to group members. In addition, the company has issued an unlimited guarantee to the bank to support these bank facilities. Details of these facilities are disclosed in the All3Media Intermediate Limited financial statements which are publicly available.

14 Related party transactions

The company has taken advantage of the exemption in Financial Reporting Standard 8 'Related party transactions' from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by the ultimate parent company.

15 Ultimate and immediate parent undertaking and controlling party

The company's immediate parent undertaking is Company Television Limited.

In the directors' opinion, the company's ultimate parent undertaking is ALL3MEDIA Holdings Limited. ALL3MEDIA Holdings Limited is the parent undertaking of the smallest and largest group to consolidate these financial statements at 31 August 2013. Copies of its group financial statements, which include the company, are available from Berkshire House, 168-173 High Holborn, London, WC1V 7AA.

The ultimate controlling party at the balance sheet date was Permira Holdings Limited, a company which owns Permira Europe III G.P. Limited, the general partner of Permira Europe III.