

Registered number 03927900

Lion Cubs Limited

Unaudited Report and Financial Statements

31 December 2022

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Lion Cubs Limited

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Lion Cubs Limited

Company information

Directors A McMullen
 R Bradley
 S Geater
 V Turton

Registered office Berkshire House
 168-173 High Holborn
 London
 WC1V 7AA

Lion Cubs Limited

Strategic report for the year ended 31 December 2022

The Directors present their Strategic report for the year ended 31 December 2022.

Principal activities and review of the business

The principal activity of the company is the development and production of television programmes.

The result for the financial year amounted to £nil (financial year ended 31 December 2021: profit of £653,913).

As at 31 December 2022 total shareholders' funds were £829,191 (31 December 2021: £829,191).

Future developments

The Directors do not anticipate any changes in the principal activities of the business in the future.

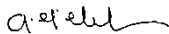
Principal risks and uncertainties

The key business risks and uncertainties affecting the company relate to the general economic environment, competition from other television producers and the success of the company's programming. Further discussion of these risks and uncertainties, in the context of the DLG Acquisitions Limited group (the "group") as a whole, is provided in the group's financial statements which do not form part of this report. DLG Acquisitions Limited is the ultimate parent entity of Lion Cubs Limited.

Key performance indicators ("KPIs")

The Directors of DLG Acquisitions 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 Lion Cubs Limited. The development, performance and position of DLG Acquisitions Limited group, which includes the company, are discussed in the group's financial statements which do not form part of this report.

Approved by the Board on 11 September 2023 and signed on its behalf by:



A McMullen
Director

Berkshire House
168-173 High
Holborn
London
WC1V 7AA

Lion Cubs Limited

Directors' report for the year ended 31 December 2022

The Directors present their Directors' Report and the unaudited Report and Financial Statements for the year ended 31 December 2022.

Future Outlook

An indication of the likely future developments of the business is included in the Strategic Report on page 2.

Dividends

An interim dividend of £nil (2021: £nil) per £1 ordinary share amounting to £nil (2021: £nil) was paid during the year. The Directors do not recommend any final dividend is paid for the year ended 31 December 2022 (2021: £nil).

Financial Risk Management

The Company funds its operations through trading activities. Through its trading activities the Company is exposed to certain levels of credit risk. The company's credit risk is attributable to its receivables with a fellow group undertaking. As at the balance sheet date there was no significant credit risk that the directors of the Company were aware of.

Details of the group's policy on financial risk management through the use of financial instruments are given within the group's annual report, refer to note 12 for details of the ultimate parent undertaking.

Directors of the company

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

A McMullen
S Geater
V Turton
R Bradley

As permitted by the articles of association of the company, the Directors and other officers have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force during the year and up to the date of the financial statements. The company also purchases and maintains liability insurance for itself, its Directors and officers and associated companies. The Company maintains liability insurance for its directors and officers.

Lion Cubs Limited

Directors' report for the year ended 31 December 2022 (continued)

Statement of Directors' responsibilities

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

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, comprising FRS 101 "Reduced Disclosure Framework", 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 the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; 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 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 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.

Approved by the Board on 11 September 2023 and signed on its behalf by:



A McMullen
Director

Berkshire House
168-173 High
Holborn
London
WC1V 7AA

Lion Cubs Limited

Profit and loss account for the year ended 31 December 2022

		Year ended 31 December 2022	Year ended 31 December 2021
	Note	£	£
Turnover	5	-	3,288,783
Cost of Sales		-	(3,288,783)
Gross result		-	-
Administrative expenses		-	-
Result before taxation		-	-
Tax on result	6	-	653,913
Result/profit for the financial year		-	653,913

The above results were derived from continuing operations.

The notes on pages 9 to 14 form an integral part of these financial statements.

Lion Cubs Limited

Statement of comprehensive income for the year ended 31 December 2022

	Year ended 31 December 2022	Year ended 31 December 2021
	£	£
Result/profit for the financial year	-	653,913
Total comprehensive result/income for the year	-	653,913

The notes on pages 9 to 14 form an integral part of these financial statements.

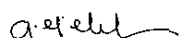
Lion Cubs Limited
(Registration number: 03927900)

Balance sheet as at 31 December 2022

		31 December 2022	31 December 2021
	Note	£	£
Current assets			
Debtors	7	3,497,933	4,157,933
Cash at bank and in hand		12,364	12,333
		<u>3,510,297</u>	<u>4,170,266</u>
Creditors: amounts falling due within one year	8	<u>(2,681,106)</u>	<u>(3,341,075)</u>
Net current assets		<u>829,191</u>	<u>829,191</u>
Net assets		<u>829,191</u>	<u>829,191</u>
Capital and reserves			
Called up share capital	9	2	2
Profit and loss account	10	<u>829,189</u>	<u>829,189</u>
Total shareholders' funds		<u>829,191</u>	<u>829,191</u>

For the year ending 31 December 2022 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies. The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476. The Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been approved and authorised for issue by the board on 11 September 2023 and were signed on behalf by:



A McMullen
Director

The notes on pages 9 to 14 form an integral part of these financial statements.

Lion Cubs Limited

Statement of changes in equity for the year ended 31 December 2022

	Share capital £	Profit and loss account £	Total shareholders' funds £
As at 1 January 2021	2	175,276	175,278
Profit and total comprehensive income for the financial year	-	653,913	653,913
As at 31 December 2021	2	829,189	829,191
As at 1 January 2022	2	829,189	829,191
Result and total comprehensive result for the financial year	-	-	-
As at 31 December 2022	2	829,189	829,191

The notes on pages 9 to 14 form an integral part of these financial statements.

Lion Cubs Limited

Notes to the financial statements for the year ended 31 December 2022

1. General information

Lion Cubs Limited is a private limited company, limited by shares and incorporated and domiciled in England and Wales under the Companies Act.

The address of the registered office is:

Berkshire House
168-173 High Holborn
London
WC1V 7AA

The nature of the company's operations and principal activities are set out in the Strategic report on page 2.

2. Accounting policies

2.1 Summary of significant 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 periods presented, unless otherwise stated.

Basis of preparation

The financial statements of Lion Cubs Limited have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101). The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006. Historical cost is generally based on the fair value of the consideration given in exchange for the goods and services.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies.

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- Paragraph 38 of IAS 1, 'Presentation of financial statements' comparative information requirement in respect of:
 - (i) Paragraph 79(a)(iv) of IAS 1;
 - (ii) Paragraph 73(e) of IAS 16 Property, plant and equipment;
 - (iii) Paragraph 118(e) of IAS 38 Intangible assets (reconciliations between the carrying amount at the beginning and end of the year);
 - (iv) Paragraphs 76 and 79(d) of IAS 40 Investment Property.
- The following paragraphs of IAS 1, 'Presentation of financial statements':
 - 10(d), (statement of cash flows)
 - Paragraph 10(f) (a statement of financial position as at the beginning of the preceding period when an entity applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements, or when it reclassifies items in its financial statements)
 - 16 (statement of compliance with all IFRS),
 - 38A (requirement for minimum of two primary statements, including cash flow statements),
 - 38B-D (additional comparative information),
 - 111 (cash flow statement information),

Lion Cubs Limited

Notes to the financial statements for the year ended 31 December 2022 (continued)

2. Accounting policies (continued)

2.1 Summary of significant accounting policies (continued)

Basis of preparation (continued)

- Paragraph 40A-D (requirements for a third statement of financial position)
- 134-136 (capital management disclosures)
- IAS 7, 'Statement of cash flows'
- IFRS 7, 'Financial Instruments: Disclosure'
- Paragraph 30 and 31 of IAS 8 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective)
- Paragraph 17 of IAS 24, 'Related party disclosures' (key management compensation)
- The requirements in IAS 24, 'Related party disclosures' to disclose related party transactions entered into between two or more members of a group.
- Exemptions available for the requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15, 'Revenue from contracts with Customers'
- Paragraphs 91 to 99 of IFRS 13, 'Fair value measurement' (disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities)
- Paragraphs 45(b) and 46 to 52 of IFRS 2, 'Share-based payment' (details of the number and weighted average exercise prices of share options, and how the fair value of goods or services received was determined)

Where required equivalent disclosures are given in the group financial statements of DLG Acquisitions Limited. The group financial statements of DLG Acquisitions Limited are available to the public and can be obtained as set out in note 12.

Going concern

Based on the Company's net current asset position, along with future projections, the directors have verified that the Company has sufficient resources to maintain operations for the foreseeable future.

Through the analysis performed the directors have verified that the Company and the Group have sufficient cash flow resources to maintain operations for the foreseeable future. The directors therefore continue to adopt the going concern basis in preparing the annual financial statements.

Turnover

Turnover relates to the production of the children's television series entitled "Horrible Histories series 9". It represents the value of the work done in the period, including estimates of amounts not invoiced and is stated after trade discounts, other taxes and net of VAT.

Turnover from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period provided that the outcome can be reliably estimated. When the outcome cannot be reliably estimated, turnover is recognised only to the extent that expenses recognised are recoverable

Lion Cubs Limited

Notes to the financial statements for the year ended 31 December 2022 (continued)

2. Accounting policies (continued)

2.1 Summary of significant accounting policies (continued)

Income Tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Financial Instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Intra-group borrowings are debt instruments and are initially measured at present value of the future cash flows and subsequently at amortised cost using an effective interest method.

Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

2.2 Critical accounting estimates and judgements

Given there are limited transactions within the company there are no critical accounting estimates and judgements which impact the financial statements.

2.3 Changes in accounting policy and disclosures

No new standards were adopted in the year. There were no material changes to the accounting standards applied in the financial year to 31 December 2022 from that applied in the previous year.

3. Operating profit

No audit was undertaken in the financial year ended 31 December 2022 and no charge has been apportioned from any other group entity. The audit fee in the year ended 31 December 2021 was £5,000.

The company had no employees during the year (2021: none).

Lion Cubs Limited

Notes to the financial statements for the year ended 31 December 2022 (continued)

4. Directors' remuneration

Directors' remuneration in 2022 was £nil (year ended 31 December 2021: £nil) for services to this company. The directors are remunerated by All3media Limited and Lion Television Limited and details of their emoluments and pension payments are available in the financial statements of that company. No recharge in respect of these amounts has been made and it is not possible to make an accurate apportionment of their emoluments in respect of each of the subsidiaries (2021: £nil). All3media Limited is a fellow group undertaking to Lion Cubs Limited.

Benefits are accruing to £nil (2021: £nil) directors under the defined contribution pension scheme.

5. Turnover

The whole of the turnover figure in the current and prior year is attributable to the principal activity of the Company and is wholly undertaken in the United Kingdom.

6. Tax on result

(a) Tax expense included in profit or loss

	Year ended 31 December 2022	Year ended 31 December 2021
	£	£
Current taxation		
UK corporation tax on profits for the year	-	(653,913)
Total current income tax	-	(653,913)
Total tax on result	-	(653,913)

(b) Factors affecting the tax credit for the current year

The tax on result for the year is the same (2021: lower) as the standard rate of corporation tax in the UK of 19% (2021: 19%). The differences are explained below:

	Year ended 31 December 2022	Year ended 31 December 2021
	£	£
Result before taxation	-	-
Corporation tax at standard rate 19% (2021: 19%)	-	-
Children's television tax relief	-	(653,913)
Total tax for the year	-	(653,913)

Lion Cubs Limited

Notes to the financial statements for the year ended 31 December 2022 (continued)

6. Tax on result (continued)

(c) Factors affecting the tax charge or credit for the future periods

The main rate of corporation tax is currently 19% but this will increase to 25% from 1 April 2023. The rate increase has been substantively enacted and therefore the deferred tax balances have been recognised at the rate they are expected to reverse.

7. Debtors

	31 December 2022	31 December 2021
	£	£
Trade debtors	-	10,000
Amounts owed by group undertakings	3,492,706	2,580,603
Prepayments and accrued income	-	536,345
Corporation tax recoverable	-	653,913
VAT recoverable	1,005	370,659
Other debtors	4,222	6,413
	<u>3,497,933</u>	<u>4,157,933</u>

Amounts owed by group undertakings are interest-free, unsecured and repayable on demand.

8. Creditors: amounts falling due within one year

	31 December 2022	31 December 2021
	£	£
Trade creditors	162	547,156
Other taxation and social security	1,829	1,489
Other creditors	1	148
Bank overdraft	2,679,114	2,630,670
Accruals and deferred income	-	161,612
	<u>2,681,106</u>	<u>3,341,075</u>

9. Called up share capital

Authorised, allotted, called up and fully paid

	31 December 2022		31 December 2021	
	No.	£	No.	£
Ordinary Shares of £1 each	2	2	2	2

Lion Cubs Limited

Notes to the financial statements for the year ended 31 December 2022 (continued)

10. Profit and loss account

	2022 £	2021 £
Balance at 1 January	829,189	175,276
Result/profit for the financial year	-	653,913
Balance at 31 December	829,189	829,189

11. Related party transactions

As permitted by FRS 101, the company has taken advantage of the exemption available under that standard in relation to "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.

12. Parent and ultimate parent undertaking

The company's immediate parent undertaking is *Lion Television Limited*, a company incorporated in England and Wales.

The ultimate parent undertaking is *DLG Acquisitions Limited*. *DLG Acquisitions Limited* is the parent undertaking of the smallest and the largest group to consolidate these financial statements at 31 December 2022. 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 parties at the balance sheet date are *Liberty Global plc* and *Warner Bros. Discovery Inc*, which own *LGCI HoldCo I B.V.* and *Discovery International UK Holdings Limited* respectively, which are joint owners of *DLG Acquisitions Limited*.