

Company Number: 04719448

**COOLABI LICENSING LIMITED**

**DIRECTORS' REPORT**

**AND**

**FINANCIAL STATEMENTS**

**31 MARCH 2019**

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**Company information**

<b>Directors:</b>	J. Banks T. Ricketts
<b>Secretary:</b>	D. Glennon
<b>Registered office:</b>	4 <sup>th</sup> Floor 9 Kingsway London WC2B 6XF
<b>Company number:</b>	04719448
<b>Auditor:</b>	Grant Thornton UK LLP 30 Finsbury Square London EC2A 1AG

## **Directors' report**

The directors submit their report and financial statements for the year ended 31 March 2019.

### **Activities**

The principal activity of the company is the development of a portfolio of branded intellectual properties and their exploitation in licensing throughout the world.

### **Business review and future developments**

The results for the period are shown in the Statement of Comprehensive Income on page 6. The directors anticipate that there will be further development of these intellectual properties in future. The directors do not recommend the payment of a dividend.

### **Directors**

The directors who served during the period were:

J. Banks  
T. Ricketts

The directors had no beneficial interest in the shares of the company. The share interests of the directors in the parent company are shown in the report and accounts of that company.

### **Directors' responsibilities statement**

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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and 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 for the Company financial statements 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **Awareness of relevant audit information**

The directors know of no relevant audit information of which the auditors are unaware. The directors have also taken all the steps they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

### **Ultimate parent undertaking**

The company is a wholly owned subsidiary of Coolabi Group Limited, a company incorporated in England and Wales.

### **Auditors**

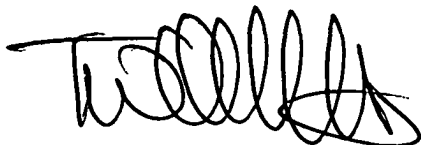
A resolution to reappoint Grant Thornton UK LLP as auditors for the ensuing year will be proposed at the Annual General Meeting.

**Directors' report continued**

**Small company exemptions**

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

**By order of the Board**

A handwritten signature in black ink, consisting of a series of loops and a horizontal line at the end, representing the signature of T. Ricketts.

**T. Ricketts**  
**Director**

Date: 9 October 2019

## **Independent auditor's report to the members of Coolabi Licensing Limited**

### **Opinion**

We have audited the financial statements of Coolabi Licensing Limited (the 'company') for the year ended 31 March 2019, which comprise the Statement of Financial Position, the Statement of Comprehensive Income, the Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### **Other information**

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report under the Companies Act 2006**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

## Independent auditor's report to the members of Coolabi Licensing Limited continued

### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and from the requirement to prepare a strategic report.

### Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement 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, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

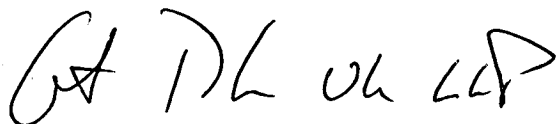
### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Paul Naylor  
Senior Statutory Auditor  
for and on behalf of Grant Thornton UK LLP  
Statutory Auditor, Chartered Accountants  
London

Date: 10 October 2019

**Statement of Comprehensive Income**  
For the year ended 31 March 2019

	<i>Note</i>	<b>2019 £</b>	<b>2018 £</b>
Turnover		13,156	-
Cost of sales		(2,306)	(4,880)
<b>Gross profit/(loss)</b>		<b>10,850</b>	<b>(4,880)</b>
Administrative expenses		(144,704)	(26,015)
<b>Operating loss</b>	<b>4</b>	<b>(133,854)</b>	<b>(30,895)</b>
Interest receivable		3	-
<b>Loss on ordinary activities before taxation</b>		<b>(133,851)</b>	<b>(30,895)</b>
Taxation	<b>5</b>	-	-
<b>Loss on ordinary activities after taxation</b>		<b>(133,851)</b>	<b>(30,895)</b>

All activities of the company were classed as continuing. There were no recognised gains or losses other than those shown above.

There was no other comprehensive income for the year (2018: £nil).

The notes and accounting policies on pages 9 to 14 form part of these financial statements.

## Statement of Financial Position

	Note	31 Mar 2019 £	31 Mar 2018 £
<b>Fixed assets</b>			
Intangible fixed assets	6	269,237	325,493
Tangible fixed assets	7	24,297	27,312
		<u>293,534</u>	<u>352,805</u>
<b>Current assets</b>			
Debtors	8	1,771,409	1,067,786
Cash at bank and in hand		8,100	5,991
		<u>1,779,509</u>	<u>1,073,777</u>
<b>Creditors: Amounts falling due within one year</b>	9	(1,288,789)	(508,477)
<b>Net current assets</b>		490,720	565,300
<b>Net assets</b>		<u><u>784,254</u></u>	<u><u>918,105</u></u>
<b>Capital and reserves</b>			
Share capital	10	2	2
Retained earnings	11	784,252	918,103
<b>Equity shareholders funds</b>		<u><u>784,254</u></u>	<u><u>918,105</u></u>

The notes and accounting policies on pages 9 to 14 form part of these financial statements.

These financial statements have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

Approved by the Board on 9 October 2019 and signed on its behalf by:



T. Ricketts - Director

Company number: 04719448



**Statement of Changes in Equity**  
For the year ended 31 March 2019

	Share capital £	Retained earnings £	Total Equity £
At 1 April 2018	2	918,103	918,105
<b>Comprehensive income for the year</b>			
Loss for the year	-	(133,851)	(133,851)
<b>Total comprehensive income for the year</b>	-	(133,851)	(133,851)
<b>At 31 March 2019</b>	<b>2</b>	<b>784,252</b>	<b>784,254</b>

**Statement of Changes in Equity**  
For the year ended 31 March 2018

	Share capital £	Retained earnings £	Total Equity £
At 1 April 2017	2	948,998	949,000
<b>Comprehensive income for the year</b>			
Loss for the year	-	(30,895)	(30,895)
<b>Total comprehensive income for the year</b>	-	(30,895)	(30,895)
<b>At 31 March 2018</b>	<b>2</b>	<b>918,103</b>	<b>918,105</b>

The notes and accounting policies on pages 9 to 14 form part of these financial statements.

## **Notes to the financial statements**

### **1. General Information**

The company is a private company limited by share capital incorporated and domiciled in the United Kingdom. The address of the registered office is contained in the Company Information.

### **2. Principal accounting policies**

#### **Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102 (FRS 102), the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

The financial statements are presented in Sterling (£).

The preparation of financial statements in accordance with FRS 102 requires the use of certain critical accounting estimates. It also requires that management exercise judgement in applying the company's accounting policies (see note 3).

The company meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it:

- The requirement to present a statement of cash flows and related notes;
- The requirement to disclose the categories of basic financial instruments;
- The requirement to disclose key management personnel compensation in total

The following principal accounting policies have been applied:

#### **Going concern**

After reviewing the forecasts, the directors have a reasonable expectation that the company and the group have adequate resources to continue in operational existence for the foreseeable future, being at least 12 months from the date of approving these financial statements. The directors have therefore adopted the going concern basis in preparing the financial statements.

#### **Revenue**

##### ***Licensing and merchandising***

Non-refundable advances and minimum guarantees are recognised upon contract signature in accordance with the substance of the contract, providing the Company has performed all its contractual obligations. Where licensing and merchandising contracts are signed relating to a television series the revenue is deferred until delivery has commenced. Royalties earned in excess of such advances are recognised in the period to which they relate.

## Notes to the financial statements continued

### 2. Principal accounting policies

#### **Intangible assets**

Intangible assets are stated at cost less accumulated amortisation and accumulated impairment losses, if any. The methods of amortisation chosen reflect the patterns in which the assets' future economic benefits are expected to be consumed. Intangibles are assessed for impairment at each financial year end.

The following are the main categories of intangible assets:

#### *Digital assets*

Digital assets, including websites and digital applications, are capitalised at cost and amortised on a straight line basis. The rates applied, which represent the directors' best estimate of the useful economic lives, are:

Digital assets	3 years
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#### *Intellectual property rights*

Amortisation is provided at rates calculated to write off the cost of the assets less estimated residual value over their estimated useful lives on a straight line basis as follows:

Intellectual property rights	5 years
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The amortisation charge is included within Administrative expenses within the Statement of Comprehensive Income.

#### **Tangible fixed assets and depreciation**

Tangible fixed assets are stated at purchase cost.

Depreciation is provided at rates calculated to write off the cost of the assets less estimated residual value over their estimated useful lives on a straight line basis as follows:

Style guides and costume characters	5 years
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#### **Debtors**

Short term debtors are measured at transaction price, less any impairment.

#### **Creditors**

Short term creditors are measured at transaction price. Other financial liabilities, including bank loans, are measured at fair value, net of transaction costs, and are measured subsequently at amortised cost.

#### **Cash**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

#### **Current and deferred taxation**

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if 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.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

#### **Audit fees**

The audit fees of the company were borne by Coolabi Group Limited, a group company.

### 3. Judgements in applying accounting policies and key sources of estimation uncertainty

There are no material judgements or estimates used in the preparation of these financial statements.

**Notes to the financial statements continued**

**4. Loss on ordinary activities before taxation**

The profit on ordinary activities before taxation is stated after charging:

	2019 £	2018 £
Depreciation	13,690	11,267
Amortisation	125,492	10,569

No directors are remunerated through this company (2018: £nil).

**5. Tax**

(a) Components of tax charge in period

	2019 £	2018 £
UK tax	-	-
Foreign tax	-	-
Tax on profit on ordinary activities	-	-

(b) Analysis of charge in the period

	2019 £	2018 £
Loss on ordinary activities before tax	(133,851)	(30,895)
In respect of the period		
UK Corporation tax based on the results for the period at 19%	(25,432)	(5,870)
Total current tax	(25,432)	(5,870)
Factors affecting tax charge		
The tax assessed on the profit on ordinary activities for the period:		
Effects of:		
-- Accounting-policy changes and FRS 102 adjustments --	-	-
Differences between capital allowances and depreciation	-	-
Expenses not deductible for tax purposes	91	-
Group relief surrendered	17,503	-
Other tax adjustments, reliefs and transfers	-	615
Transfer pricing adjustments	(553)	26
Deferred tax not recognised	8,391	5,229
Foreign tax credits	-	-
<b>Total tax charge for the period</b>	-	-

Notes to the financial statements continued

6. Intangible fixed assets

	Intellectual property rights	Digital assets	Total
	£	£	£
<b>Cost</b>			
At 1 April 2018	31,526	329,083	360,609
Additions	-	69,236	69,236
<b>At 31 March 2019</b>	<b>31,526</b>	<b>398,319</b>	<b>429,845</b>
<b>Amortisation</b>			
At 1 April 2018	25,975	9,141	35,116
Charge for the period	2,380	123,112	125,492
<b>At 31 March 2019</b>	<b>28,355</b>	<b>132,253</b>	<b>160,608</b>
<b>Net book value</b>			
<b>At 31 March 2019</b>	<b>3,171</b>	<b>266,066</b>	<b>269,237</b>
At 31 March 2018	5,551	319,942	325,493

7. Tangible fixed assets

	Style guides and costume characters
	£
<b>Cost</b>	
At 1 April 2018	98,400
Additions	10,675
<b>At 31 March 2019</b>	<b>109,075</b>
<b>Depreciation</b>	
At 1 April 2018	71,088
Charge for the period	13,690
<b>At 31 March 2019</b>	<b>84,778</b>
<b>Net book value</b>	
<b>At 31 March 2019</b>	<b>24,297</b>
At 31 March 2018	27,312

8. Debtors

	31 March 2019	31 March 2018
	£	£
Trade debtors	9,152	11,427
Accrued income	847,391	95,633
Amounts due from group undertakings	914,866	960,726
	<b>1,771,409</b>	<b>1,067,786</b>

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

## Notes to the financial statements continued

### 9. Creditors: Amounts falling due within one year

	31 March 2019 £	31 March 2018 £
Trade creditors	-	329,082
Amounts due to group undertakings	1,279,335	172,153
Accruals	9,454	7,242
	<b>1,288,789</b>	<b>508,477</b>

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

### 10. Share capital

	31 March 2019 £	31 March 2018 £
<b>Authorised</b>		
100 ordinary shares of £1 each	100	100
<b>Allotted and called up</b>		
2 ordinary shares of £1 each	2	2

### 11. Reserves

#### *Retained earnings*

Includes all current and prior period retained profit and losses.

### 12. Related party transactions

The company has taken advantage of the exemption available in accordance with FRS 102 not to disclose the transactions entered into between two or more members of a group, as the company is a wholly owned subsidiary undertaking of the group to which it is party to the transactions.

Transactions with non-wholly owned subsidiaries comprise:

Company	Relationship	Transactions period ending 31 Mar 2019 £	Transactions period ending 31 Mar 2018 £	Balance outstanding at 31 Mar 2019 £	Balance outstanding at 31 Mar 2018 £
PRNA Limited	Fellow subsidiary	nil	nil	(343)	(343)

**Notes to the financial statements continued**

**13. Contingent liabilities**

The company is bound by a composite guarantee and debenture dated 15 November 2013 in favour of Edge Performance VCT PLC as security trustee for the A and B Loan Noteholders, between certain companies in the Coolabi Group Limited group, which secures any borrowings from the A and B Loan Noteholders under the A and B Loan Notes by any group company by way of charge over all the assets of all the group companies.

The company is also bound by a composite guarantee and debenture dated 6 July 2016 in favour of Pula Media and Technology Limited as security trustee for the C Loan Noteholders, between certain companies in the Coolabi Group Limited group which secures any borrowing from the C Loan Noteholders under the C Loan Notes by any group companies by way of charge over all the assets of certain group companies.

**14. Immediate and ultimate parent undertaking**

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

The directors consider the ultimate parent undertaking and the ultimate controlling party of this company to be Coolabi Group Limited, a company incorporated in England and Wales.

The largest and smallest group of undertakings for which group accounts have been drawn up is that headed by Coolabi Group Limited. Copies of the group financial statements can be obtained from that company's registered office, 4<sup>th</sup> Floor, 9 Kingsway, London, WC2B 6XF.