

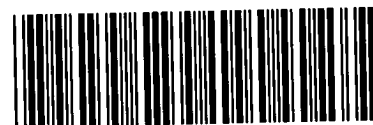
El Bebe Productions Limited

Financial statements

For the period ended 31 December 2018

Registered number: 08531073

WEDNESDAY



L8G8JHNT

LD3

16/10/2019

#94

COMPANIES HOUSE

Statement of financial position

As at 31 December 2018

		31 December 2018 £	As restated 31 March 2018 £
	Note		
Fixed assets			
Intangible assets	4	1,710,245	1,067,105
Tangible assets	5	-	30,301
Investments	6	10	10
		<u>1,710,255</u>	<u>1,097,416</u>
Current assets			
Debtors: amounts falling due within one year	7	721,145	554,271
Cash at bank and in hand		2,076,845	9,598,382
		<u>2,797,990</u>	<u>10,152,653</u>
Creditors: amounts falling due within one year	8	(1,088,808)	(147,385)
Net current assets		<u>1,709,182</u>	<u>10,005,268</u>
Total assets less current liabilities		<u>3,419,437</u>	<u>11,102,684</u>
Provisions for liabilities			
Deferred tax		-	(5,757)
			<u>(5,757)</u>
Net assets		<u>3,419,437</u>	<u>11,096,927</u>
Capital and reserves			
Called up share capital		10	10
Profit and loss account		3,419,427	11,096,917
		<u>3,419,437</u>	<u>11,096,927</u>

Statement of financial position (continued)

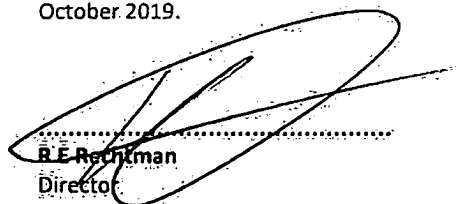
As at 31 December 2018

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 10 October 2019.



R E Reichman
Director

The notes on pages 3 to 11 form part of these financial statements.

Notes to the financial statements

For the period ended 31 December 2018

1. General information

El Bebe Productions Limited is a private company limited by shares, incorporated in England and Wales. The registered office of the company and its principal place of business is 1st Floor 10 Parkway, London, NW1 7AA. The company registration number is 08531073.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland' ('FRS 102') and the Companies Act 2006.

The Company has elected to apply all amendments to FRS 102, as set out in the triennial review published in December 2017, prior to the mandatory adoption for accounting periods beginning on or after 1 January 2019.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies.

The following principal accounting policies have been applied:

2.2 Revenue

Revenue from the licensing of content and a share of advertising and subscription revenues from digital media platforms is recognised on an accruals basis in line with the underlying agreement. Advertising revenues may depend on the quantity and quality of views of content in a given period.

Revenue from sales of merchandise is recognised on delivery of the goods to the customer.

Notes to the financial statements

For the period ended 31 December 2018

2. Accounting policies (continued)

2.3 Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of income and retained earnings within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of income and retained earnings within 'other operating income'.

2.4 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.5 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

Notes to the financial statements

For the period ended 31 December 2018

2. Accounting policies (continued)

2.6 Current and deferred taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the reporting date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.7 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to profit or loss over its useful economic life.

Other intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

2.8 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Notes to the financial statements

For the period ended 31 December 2018

2. Accounting policies (continued)

2.8 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following basis:

Fixtures and fittings	-	25% reducing balance
-----------------------	---	----------------------

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.9 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.10 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.11 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.12 Provisions for liabilities

Provisions are made where an event has taken place that gives the company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the company becomes aware of the obligation, and are measured at the best estimate at the reporting date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

2.13 Financial instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Notes to the financial statements

For the period ended 31 December 2018

2. Accounting policies (continued)

2.14 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.

3. Employees

The average monthly number of employees, including directors, during the period was 3 (2018 - 2).

4. Intangible assets

	Development £	Goodwill £	Total £
Cost			
At 1 April 2018 (as restated)	1,513,089	648,000	2,161,089
Additions	1,222,715	-	1,222,715
At 31 December 2018	<u>2,735,804</u>	<u>648,000</u>	<u>3,383,804</u>
Amortisation			
At 1 April 2018 (as restated)	553,984	540,000	1,093,984
Charge for the period	498,575	81,000	579,575
At 31 December 2018	<u>1,052,559</u>	<u>621,000</u>	<u>1,673,559</u>
Net book value			
At 31 December 2018	<u>1,683,245</u>	<u>27,000</u>	<u>1,710,245</u>
At 31 March 2018	<u>959,105</u>	<u>108,000</u>	<u>1,067,105</u>

Notes to the financial statements

For the period ended 31 December 2018

5. Tangible fixed assets

	Fixtures and fittings £
Cost	
At 1 April 2018	54,416
Disposals	(54,416)
At 31 December 2018	-
Depreciation	
At 1 April 2018	24,115
Charge for the period	1,894
Disposals	(26,009)
At 31 December 2018	-
Net book value	
At 31 December 2018	-
At 31 March 2018	30,301

Notes to the financial statements

For the period ended 31 December 2018

6. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 April 2018	10
	<hr/>
At 31 December 2018	10
	<hr/>
Net book value	
At 31 December 2018	10
	<hr/>
At 31 March 2018	10
	<hr/>

7. Debtors

	31 December 2018 £	31 March 2018 £
Trade debtors	534,595	349,803
Amounts owed by group undertakings	-	1,100
Other debtors	76,132	201,478
Prepayments and accrued income	110,418	1,890
	<hr/>	<hr/>
	721,145	554,271
	<hr/>	<hr/>

Notes to the financial statements

For the period ended 31 December 2018

8. Creditors: Amounts falling due within one year

	31 December 2018 £	31 March 2018 £
Trade creditors	45,362	-
Amounts owed to group undertakings	922,984	-
Corporation tax	65,365	146,677
Other creditors	-	17
Accruals and deferred income	55,097	691
	<u>1,088,808</u>	<u>147,385</u>

9. Deferred taxation

	2018 £	2018 £
At beginning of year	(5,757)	(6,963)
Charged to profit or loss	5,757	1,206
At end of year	<u>-</u>	<u>(5,757)</u>

The deferred taxation balance is made up as follows:

	31 December 2018 £	31 March 2018 £
Accelerated capital allowances	-	(5,757)
	<u>-</u>	<u>(5,757)</u>

Notes to the financial statements

For the period ended 31 December 2018

10. Prior year adjustments

During the year, the company changed its accounting policy in relation to the capitalisation of production costs in order to provide more relevant information. As a result, a prior year adjustment has been posted to retrospectively apply this change in accounting policy. The net effect of this adjustment was to increase capitalised production costs by £1,513,089, accumulated amortisation by £553,984 and increase reserves by £959,105.

At 31 March 2018 and 31 December 2018, the company held 100 ordinary shares with nominal value of £0.10 each. However, in the accounts prepared to 31 March 2018, £100 of share capital had been recorded. This has been corrected in the current year accounts, with a reduction in the prior year profit of £90.

At 31 March 2018 the company was owed £84,126 by a group company. The directors consider that this amount should have been provided against at this time and therefore an adjustment has been made to reduce the amount included in debtors at 31 March 2018.

11. Auditor information

The Auditor's report on these financial statements was unqualified and there were no matters to which the auditor drew attention by way of emphasis. The Auditor's report was signed by Katherine White (Senior statutory auditor) for and on behalf of Buzzacott LLP (Statutory Auditor), 130 Wood Street, London, EC2V 6DL.