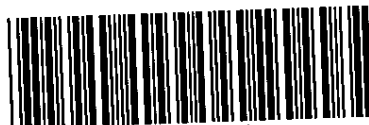


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Company Registration No. 08851565 (England and Wales)

**BABY COW ANIMATION (WUSSYWAT) LIMITED**  
**DIRECTORS' REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2017**

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# **BABY COW ANIMATION (WUSSYWAT) LIMITED**

## **COMPANY INFORMATION**

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<b>Directors</b>	S Coogan J Merrell
<b>Company number</b>	08851565
<b>Registered office</b>	Charles House 5-11 Regent Street London SW1Y 4LR
<b>Accountants</b>	Ross Bennet-Smith Charles House 5-11 Regent Street London SW1Y 4LR

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# BABY COW ANIMATION (WUSSYWAT) LIMITED

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# **BABY COW ANIMATION (WUSSYWAT) LIMITED**

## **DIRECTORS' REPORT**

### ***FOR THE YEAR ENDED 31 MARCH 2017***

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The directors present their annual report and financial statements for the year ended 31 March 2017.

These are the first published financial statements of the company prepared in accordance with Financial Reporting Standard 101: Reduced Disclosure Framework ("FRS101"). The financial statements were prepared previously under UK Generally Accepted Accounting Practice.

#### **Principal activities**

The principal activity of the company is the production of animated television programmes.

The company is exempt from the requirement to prepare a Strategic Report by virtue of it qualifying as a small company as defined by the Companies Act 2006, section 415 (A).

#### **Results and dividends**

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

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

#### **Directors**

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

S Coogan

P Carroll

J Merrell

(Resigned 1 April 2016)

# **BABY COW ANIMATION (WUSSYWAT) LIMITED**

## **DIRECTORS' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2017**

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### **Statement of directors' responsibilities**

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 Financial Reporting Standard 101: Reduced Disclosure Framework. 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:

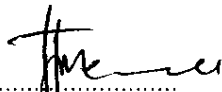
- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- notify the company's shareholders in writing about the use of FRS 101 in the preparation of 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.

### **UK Small entity exemptions**

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and the Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101).

On behalf of the board



.....  
J Merrell

Director

31.10.17

# **BABY COW ANIMATION (WUSSYWAT) LIMITED**

## **CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF BABY COW ANIMATION (WUSSYWAT) LIMITED FOR THE YEAR ENDED 31 MARCH 2017**

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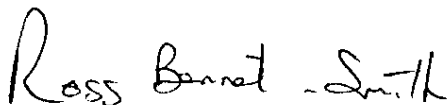
In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Baby Cow Animation (Wussywat) Limited for the year ended 31 March 2017 set out on pages 4 to 15 from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance/>

This report is made solely to the Board of Directors of Baby Cow Animation (Wussywat) Limited, as a body, in accordance with the terms of our engagement letter dated 20 January 2014. Our work has been undertaken solely to prepare for your approval the financial statements of Baby Cow Animation (Wussywat) Limited and state those matters that we have agreed to state to the Board of Directors of Baby Cow Animation (Wussywat) Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Baby Cow Animation (Wussywat) Limited and its Board of Directors as a body, for our work or for this report.

It is your duty to ensure that Baby Cow Animation (Wussywat) Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and of Baby Cow Animation (Wussywat) Limited. You consider that Baby Cow Animation (Wussywat) Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Baby Cow Animation (Wussywat) Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.



**Ross Bennet-Smith**

31.03.17

**Chartered Accountants**

Charles House  
5-11 Regent Street  
London  
SW1Y 4LR

# **BABY COW ANIMATION (WUSSYWAT) LIMITED**

## **PROFIT AND LOSS ACCOUNT**

**FOR THE YEAR ENDED 31 MARCH 2017**

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	Notes	2017 £	2016 £
Turnover	3	-	226,057
Cost of sales		(11,166)	(219,412)
<b>Gross (loss)/profit</b>		(11,166)	6,645
Administrative expenses		(10,352)	(20,228)
<b>Operating loss</b>		(21,518)	(13,583)
Interest payable and similar expenses	5	(354)	(5,765)
<b>Loss before taxation</b>		(21,872)	(19,348)
Tax on loss	6	-	46,997
<b>(Loss)/profit and total comprehensive income for the financial year</b>	11	(21,872)	27,649

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The (loss)/profit for both years was from continuing operations.

# **BABY COW ANIMATION (WUSSYWAT) LIMITED**

## **STATEMENT OF COMPREHENSIVE INCOME**

**FOR THE YEAR ENDED 31 MARCH 2017**

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	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
<b>(Loss)/profit for the year</b>	<b>(21,872)</b>	<b>27,649</b>
	<u>          </u>	<u>          </u>
<b>Other comprehensive income:</b>		
Other comprehensive income for the year	-	-
	<u>          </u>	<u>          </u>
<b>Total comprehensive income for the year</b>	<b>(21,872)</b>	<b>27,649</b>
	<u>          </u>	<u>          </u>



# BABY COW ANIMATION (WUSSYWAT) LIMITED

## BALANCE SHEET

AS AT 31 MARCH 2017

	Notes	2017 £	2016 £
<b>Current assets</b>			
Debtors	7	118,616	168,391
Cash at bank and in hand		-	110
		<u>118,616</u>	<u>168,501</u>
<b>Creditors: amounts falling due within one year</b>			
Loans and overdrafts	8	-	118,060
Creditors	9	112,838	22,791
		<u>112,838</u>	<u>140,851</u>
<b>Net current assets</b>		<u>5,778</u>	<u>27,650</u>
<b>Total assets less current liabilities</b>		<u>5,778</u>	<u>27,650</u>
<b>Net assets</b>		<u>5,778</u>	<u>27,650</u>
<b>Capital and reserves</b>			
Called up share capital	10	1	1
Profit and loss reserves	11	5,777	27,649
<b>Total equity</b>		<u>5,778</u>	<u>27,650</u>

For the financial year ended 31 March 2017 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

Director's responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476
- The director acknowledges his 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 and the Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101).

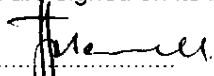
# **BABY COW ANIMATION (WUSSYWAT) LIMITED**

## **BALANCE SHEET (CONTINUED)**

**AS AT 31 MARCH 2017**

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The financial statements were approved by the board of directors and authorised for issue on 31.03.17.....  
and are signed on its behalf by:



.....  
J Merren  
Director

Company Registration No. 08851565

# **BABY COW ANIMATION (WUSSYWAT) LIMITED**

## **STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2017**

	<b>Share capital £</b>	<b>Retained earnings £</b>	<b>Total £</b>
<b>Balance at 1 April 2015</b>	<u>1</u>	<u>-</u>	<u>1</u>
<b>Year ended 31 March 2016:</b>			
Profit and total comprehensive income for the year	<u>-</u>	<u>27,649</u>	<u>27,649</u>
<b>Balance at 31 March 2016</b>	<u>1</u>	<u>27,649</u>	<u>27,650</u>
<b>Year ended 31 March 2017:</b>			
Loss and total comprehensive income for the year	<u>-</u>	<u>(21,872)</u>	<u>(21,872)</u>
<b>Balance at 31 March 2017</b>	<u>1</u>	<u>5,777</u>	<u>5,778</u>

# **BABY COW ANIMATION (WUSSYWAT) LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED 31 MARCH 2017**

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#### **1 Accounting policies**

##### **Company information**

Baby Cow Animation (Wussywat) Limited is a private company limited by shares incorporated in England and Wales. The registered office is Charles House, 5-11 Regent Street, London, SW1Y 4LR.

##### **1.1 Accounting convention**

The financial statements have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101). In preparing these financial statements, the company applies the recognition and measurement requirements of International Reporting Standards as adopted by the EU ("IFRS"), amended where necessary in order to comply with the Companies Act 2006.

The financial statements have been prepared on the historical cost basis. The principal accounting policies adopted are set out below.

The company meets the definition of a qualifying entity under FRS 101, The Financial Reporting Standard applicable in the UK and Republic of Ireland. These financial statements for the year ended 31 March 2017 are the first financial statements of Baby Cow Animation (Wussywat) Limited prepared in accordance with FRS 101. The company transitioned from UK GAAP to FRS 101 for all periods presented and the date of transition to FRS 101 was 1 April 2015.

The reported financial position and financial performance for the previous period are not affected by the transition to FRS 101.

The company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IFRS 7 Financial Instruments: Disclosures;
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement;
- the requirements of paragraphs 10(d), 10(f), 16, 38A to 38D, 39 to 40, 111 and 134-136 of IAS 1 Presentation of Financial Statements;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- the requirements of paragraph 17 of IAS 24 Related Party Disclosures; and
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

As permitted by FRS 101, the company has taken advantage of the disclosure exemptions available under that standard in relation to financial instruments, capital management, presentation of a cash flow statement, presentation of comparative information in respect of certain assets, standards not yet effective and related party transactions.

Where required, equivalent disclosures are given in the group accounts of Baby Cow Productions Limited. The group accounts of Baby Cow Productions Limited are available to the public and can be obtained as set out in note 13.

##### **1.2 Going concern**

The directors have at the time of approving the financial statements, a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

# **BABY COW ANIMATION (WUSSYWAT) LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

### **FOR THE YEAR ENDED 31 MARCH 2017**

---

#### **1 Accounting policies**

**(Continued)**

##### **1.3 Turnover**

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, net of discounts, returns, VAT and other sales related taxes. Turnover is recognised when the significant transfer of risks and rewards has occurred.

Production fees and funding earned by the company are recognised as earned. Production fees and funding are recognised on delivery of the programme or on a stage of completion basis, depending on the nature of the contract with the customer.

##### **1.4 Fair value measurement**

IFRS 13 establishes a single source of guidance for all fair value measurements. IFRS 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under IFRS when fair value is required or permitted. The company is exempt under FRS 101 from the disclosure requirements of IFRS 13. There was no impact on the company from the adoption of IFRS 13.

##### **1.5 Cash and cash equivalents**

Cash and cash equivalents 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.

##### **1.6 Financial assets**

Financial assets are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets are classified into specified categories. The classification depends on the nature and purpose of the financial assets and is determined at the time of recognition.

Financial assets are initially measured at fair value plus transaction costs, other than those classified as fair value through profit and loss, which are measured at fair value.

##### ***Loans and receivables***

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

##### ***Impairment of financial assets***

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

##### ***Derecognition of financial assets***

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

# BABY COW ANIMATION (WUSSYWAT) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2017

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#### 1 Accounting policies

(Continued)

##### 1.7 Financial liabilities

Financial liabilities are classified as either financial liabilities at fair value through profit or loss or other financial liabilities.

##### **Other financial liabilities**

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the net carrying amount on initial recognition.

##### **Derecognition of financial liabilities**

Financial liabilities are derecognised when, and only when, the company's obligations are discharged, cancelled, or they expire.

##### 1.8 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.

##### 1.9 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

##### **Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

##### **Deferred tax**

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

# BABY COW ANIMATION (WUSSYWAT) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

### 2 Critical accounting estimates and judgements

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, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The directors do not consider there are estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities.

### 3 Turnover

An analysis of the company's turnover is as follows:

	2017 £	2016 £
<b>Turnover</b>		
Production funding	-	226,057

### 4 Employees

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

	2017 Number	2016 Number
Directors	2	3

### 5 Interest payable and similar expenses

	2017 £	2016 £
<b>Interest on financial liabilities measured at amortised cost:</b>		
Interest on bank overdrafts and loans	354	5,765

### 6 Income tax expense

	2017 £	2016 £
<b>Current tax</b>		
Other taxes	-	(46,997)

# BABY COW ANIMATION (WUSSYWAT) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2017

#### 6 Income tax expense

(Continued)

The charge for the year can be reconciled to the loss per the profit and loss account as follows:

	2017 £	2016 £
Loss before taxation	(21,872)	(19,348)
Expected tax credit based on a corporation tax rate of 20.00%	(4,374)	(3,870)
Effect of expenses not deductible in determining taxable profit	-	(10,671)
Unutilised tax losses carried forward	4,374	14,541
British animation programme tax credit	-	(46,997)
<b>Taxation charge/(credit) for the year</b>	-	(46,997)

#### 7 Debtors

	2017 £	2016 £
Other receivables	118,616	118,616
VAT recoverable	-	4,169
Amount due from parent undertaking	-	45,606
	118,616	168,391

Debtors disclosed above are classified as loans and receivables and are therefore measured at amortised cost.

#### 8 Loans and overdrafts

	2017 £	2016 £
<b>Secured borrowings at amortised cost</b>		
Bank loans	-	118,060



# BABY COW ANIMATION (WUSSYWAT) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

### 8 Loans and overdrafts

(Continued)

#### Analysis of loans and overdrafts

Borrowings are classified based on the amounts that are expected to be settled within the next 12 months and after more than 12 months from the reporting date, as follows:

	2017 £	2016 £
Due within one year liabilities	-	118,060

The above bank loan is secured as follows:

(i) a first ranking charge and deed of assignment of any and all of the company's and Baby Cow Animation Limited's personal property in respect of the project, present and future, tangible and intangible, corporeal and incorporeal.

(ii) a power of attorney from the company and Baby Cow Animation Limited and directions of payment and or bank mandates authoring the lender to collect UK tax credits owing in respect of the project.

(iii) a notice of charge in respect of the UK tax credit bank account.

(iv) a notice of charge in respect of the company's bank accounts and

(iv) an interparty agreement among the co-producer, the lender, the company, Baby Cow Animation Limited, an animation company and the television broadcasters, which includes a provision for repayment of 100% of the indebtedness under the facility from the receivables securing the loan and any future sales revenues generated by the project.

### 9 Creditors

	Due within one year	
	2017 £	2016 £
Amount due to parent undertaking	108,813	-
Accruals	4,025	22,791
	112,838	22,791

### 10 Share capital

	2017 £	2016 £
<b>Ordinary share capital</b>		
<b><i>Issued and fully paid</i></b>		
1 Ordinary share of £1 each	1	1

The company does not specify authorised share capital.

# BABY COW ANIMATION (WUSSYWAT) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

### 11 Profit and loss reserves

	2017 £	2016 £
At 1 April 2016	27,649	-
Profit for the year	(21,872)	27,649
At 31 March 2017	<u>5,777</u>	<u>27,649</u>

### 12 Related party transactions

No guarantees have been given or received.

### 13 Controlling party

The Company's immediate parent is Baby Cow Productions Limited. The Company's ultimate parent undertaking and controlling party is the BBC, which is incorporated in the United Kingdom by Royal Charter. The largest group in which the results of the Company are consolidated is that headed by the BBC. The smallest group in which they are consolidated is that headed by Baby Cow Productions Limited, also incorporated in the United Kingdom. The accounts of Baby Cow Productions Limited may be obtained at Companies house or the registered office Charles House, 5-11 Regent Street, London, SW1Y 4LR.

The consolidated accounts of BBC may be obtained at <http://downloads.bbc.co.uk/aboutthebbc/insidethebbc/reports/pdf/BBC-FS-2017.pdf>.