

Company Registration No. 09668527 (England and Wales)

**W. CHUMP & SONS LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

# W. CHUMP & SONS LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	Mr A N Wilman Mr J Clarkson Mr J May Mr R Hammond
<b>Secretary</b>	Olswang Cosec Limited
<b>Company number</b>	09668527
<b>Registered office</b>	27 Mortimer Street London W1T 3BL
<b>Accountants</b>	Blinkhorns 27 Mortimer Street London W1T 3BL
<b>Auditor</b>	HW Fisher LLP Acre House 11-15 William Road London NW1 3ER

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# **W. CHUMP & SONS LIMITED**

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# **W. CHUMP & SONS LIMITED**

## **STRATEGIC REPORT**

### ***FOR THE YEAR ENDED 31 DECEMBER 2020***

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The directors present the strategic report for the year ended 31 December 2020.

#### **Fair review of the business**

The company made a loss for the financial period of £335,017 compared to a previous year profit (2019: £412,339).

The directors are keen to continue focusing on producing quality programming whilst ensuring that the company's overheads are kept stable.

The directors are satisfied with the results for the year and the financial position at the year end and will continue to pursue business opportunities as they arise in the future.

#### **Principal risks and uncertainties**

The company operates in an increasingly competitive environment and the directors regularly review and assess the uncertainties in the market.

Management aims to minimise risk by retaining key staff and producing quality, entertaining programmes.

Clear risk assessment and strong financial and operational management is essential to control and manage the company's existing business.

#### **Key performance indicators**

The directors consider its key performance indicators to be:

- gross profit margin
- operating profit

#### **Financial position**

At the period end shareholders' funds were £3,879,572 (2019: £4,214,589).

On behalf of the board

Mr J May

**Director**

21 December 2021

# **W. CHUMP & SONS LIMITED**

## **DIRECTORS' REPORT**

***FOR THE YEAR ENDED 31 DECEMBER 2020***

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The directors present their annual report and financial statements for the year ended 31 December 2020.

### **Principal activities**

The principal activity of the company was that of television programme production.

### **Directors**

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

Mr A N Wilman  
Mr J Clarkson  
Mr J May  
Mr R Hammond

### **Results and dividends**

The results for the year are set out on page 7.

No ordinary dividends were paid (2019: £Nil). The directors do not recommend payment of a final dividend.

### **Statement of disclosure to auditor**

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board

Mr J May  
**Director**  
21 December 2021

## **W. CHUMP & SONS LIMITED**

### **DIRECTORS' RESPONSIBILITIES STATEMENT**

***FOR THE YEAR ENDED 31 DECEMBER 2020***

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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). 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;
- 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.

# W. CHUMP & SONS LIMITED

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF W. CHUMP & SONS LIMITED

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#### Opinion

We have audited the financial statements of W. Chump & Sons Limited (the 'company') for the year ended 31 December 2020 which comprise the profit and loss account, the statement of comprehensive income, the balance sheet, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 December 2020 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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

#### Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

## **W. CHUMP & SONS LIMITED**

### **INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF W. CHUMP & SONS LIMITED**

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

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

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

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

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 strategic report and the directors' report.

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 remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

As part of our planning process:

- We enquired of management the systems and controls the company has in place, the areas of the financial statements that are mostly susceptible to the risk of irregularities and fraud, and whether there was any known, suspected or alleged fraud.
- We obtained an understanding of the legal and regulatory frameworks applicable to the company. We determined that the following were most relevant: FRS 102, Companies Act 2006.
- We considered the incentives and opportunities that exist in the company, including the extent of management bias, which present a potential for irregularities and fraud to be perpetuated, and tailored our risk assessment accordingly.
- Using our knowledge of the company, together with the discussions held with the company at the planning stage, we formed a conclusion on the risk of misstatement due to irregularities including fraud and tailored our procedures according to this risk assessment.



## **W. CHUMP & SONS LIMITED**

### **INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF W. CHUMP & SONS LIMITED**

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The key procedures we undertook to detect irregularities including fraud during the course of the audit included:

- Identifying and testing journal entries and the overall accounting records, in particular those that were significant and unusual.
- Reviewing the financial statement disclosures and determining whether accounting policies have been appropriately applied.
- Reviewing and challenging the assumptions and judgements used by management in their significant accounting estimates, in particular in relation to the impairment of investments and provisions for bad debts.
- Testing key revenue lines, in particular cut-off, for evidence of management bias.
- Obtaining third-party confirmation of material bank balances.
- Documenting and verifying all significant related party balances and transactions.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements even though we have properly planned and performed our audit in accordance with auditing standards. The primary responsibility for the prevention and detection of irregularities and fraud rests with the directors.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://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.

**Simon Mott-Cowan (Senior Statutory Auditor)**

For and on behalf of HW Fisher LLP

#### **Chartered Accountants**

##### **Statutory Auditor**

Acre House  
11-15 William Road  
London  
NW1 3ER  
United Kingdom

21 December 2021

## W. CHUMP & SONS LIMITED

### PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 £	2019 £
Turnover	3	3,568,739	25,001,129
Cost of sales		(3,543,630)	(22,889,318)
<b>Gross profit</b>		<b>25,109</b>	<b>2,111,811</b>
Administrative expenses		(201,050)	(1,326,716)
<b>Operating (loss)/profit</b>	4	<b>(175,941)</b>	<b>785,095</b>
Interest receivable and similar income	6	1,904	160,089
Amounts written off investments	7	(194,622)	(350,322)
<b>(Loss)/profit before taxation</b>		<b>(368,659)</b>	<b>594,862</b>
Tax on (loss)/profit	8	33,642	(182,523)
<b>(Loss)/profit for the financial year</b>		<b>(335,017)</b>	<b>412,339</b>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

**W. CHUMP & SONS LIMITED**

**STATEMENT OF COMPREHENSIVE INCOME**  
***FOR THE YEAR ENDED 31 DECEMBER 2020***

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	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
(Loss)/profit for the year	(335,017)	412,339
Other comprehensive income	-	-
<b>Total comprehensive income for the year</b>	<u>(335,017)</u>	<u>412,339</u>

# W. CHUMP & SONS LIMITED

## BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
<b>Fixed assets</b>					
Investments	10		-		194,622
<b>Current assets</b>					
Debtors	11	5,371,890		5,192,933	
Cash at bank and in hand		3,588,513		3,434,310	
		<u>8,960,403</u>		<u>8,627,243</u>	
<b>Creditors: amounts falling due within one year</b>	12	<u>(5,080,831)</u>		<u>(4,607,276)</u>	
<b>Net current assets</b>			3,879,572		4,019,967
<b>Net assets</b>			<u>3,879,572</u>		<u>4,214,589</u>
<b>Capital and reserves</b>					
Called up share capital	13		400		400
Profit and loss reserves			3,879,172		4,214,189
<b>Total equity</b>			<u>3,879,572</u>		<u>4,214,589</u>

The financial statements were approved by the board of directors and authorised for issue on 21 December 2021 and are signed on its behalf by:

Mr J May  
**Director**

**Company Registration No. 09668527**

## W. CHUMP & SONS LIMITED

### STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2020

	Share capital	Profit and loss reserves	Total
	£	£	£
Balance at 1 January 2019	400	3,801,850	3,802,250
Year ended 31 December 2019:			
Profit and total comprehensive income for the year	-	412,339	412,339
Balance at 31 December 2019	400	4,214,189	4,214,589
Year ended 31 December 2020:			
Loss and total comprehensive income for the year	-	(335,017)	(335,017)
Balance at 31 December 2020	400	3,879,172	3,879,572

# W. CHUMP & SONS LIMITED

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
<b>Cash flows from operating activities</b>					
Cash generated from/(absorbed by) operations	15		302,299		(22,140,890)
Income taxes paid			(150,000)		(576,950)
<b>Net cash inflow/(outflow) from operating activities</b>			152,299		(22,717,840)
<b>Investing activities</b>					
Receipts arising from loans made		-		100,000	
Interest received		1,904		160,089	
<b>Net cash generated from investing activities</b>			1,904		260,089
<b>Net increase/(decrease) in cash and cash equivalents</b>			154,203		(22,457,751)
Cash and cash equivalents at beginning of year			3,434,310		25,892,061
<b>Cash and cash equivalents at end of year</b>			3,588,513		3,434,310

# W. CHUMP & SONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 DECEMBER 2020**

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### **1 Accounting policies**

#### **Company information**

W. Chump & Sons Limited is a private company limited by shares incorporated in England and Wales. The registered office is 27 Mortimer Street, London, W1T 3BL.

#### **1.1 Accounting convention**

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

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

The accounting period relates to the year to 31 December 2020, the comparative accounting period was for the year to 31 December 2019.

#### **1.2 Going concern**

The directors have considered the effect of the Covid-19 outbreak during the year. Due to the international travel restrictions still in place, the production schedule resumed with UK based productions thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

#### **1.3 Turnover and revenue recognition**

Turnover represents amounts received and receivable for the production and development of television programmes exclusive of value-added-tax. Turnover and related costs from television production are recognised when programmes are delivered to the commissioning bodies.

Amounts received under agreements for which contractual obligations have not been fulfilled and which have not been credited to the profit and loss are included on the balance sheet.

#### **1.4 Fixed asset investments**

Interests in unlisted shares are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

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

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### **1.6 Financial instruments**

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

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

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

## W. CHUMP & SONS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 1 Accounting policies

(Continued)

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Other financial assets**

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

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

Financial assets, other than those held at fair value through profit and loss, 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 have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

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

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

##### **Classification of financial liabilities**

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 company after deducting all of its liabilities.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.



## W. CHUMP & SONS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 1 Accounting policies

(Continued)

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

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

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

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

#### 1.7 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

#### 1.8 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.

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.9 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

## W. CHUMP & SONS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 2 Judgements and key sources of estimation uncertainty

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

##### Trade debtors and fixed asset investment

During the year, the company had an investment with carrying amount of £194,622 (2019: £194,622) in Digital Tribe Holdings Limited, a company in which the directors and shareholders also own minority shareholdings.

The directors have reviewed the carrying value of the investment and have recognised further impairment against the investment of £194,622 (£350,322) in the profit and loss account for the year. The carried forward net book value for the investment is £Nil (2019: £194,622).

During the year, the company had trade debtors with a carrying amount of £157,469 (2019: £157,469) due from Digital Tribe Holdings Limited.

The directors have reviewed this debtor and recognised a bad debt provision of £157,469 (2019: £Nil) in the profit and loss account for the year. The carried forward net book value for the debtor is £Nil (2019: £157,469).

The Directors have based these assessments on the recent financial results and management's forecasts for Digital Tribe Holdings Limited.

##### Revenue recognition

Revenue from television production is recognised when programmes are delivered to the commissioning bodies. The Directors estimate the revenue from each minute of television produced to be equal. The Directors estimate the cost to produce each minute of television to be equal. When programmes are not delivered at the balance sheet date, the directors estimate the deferred and accrued income and deferred and accrued costs on a per minute basis.

#### 3 Turnover and other revenue

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

	2020	2019
	£	£
Turnover analysed by class of business		
Television production	3,568,739	25,001,129

# W. CHUMP & SONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 3 Turnover and other revenue (Continued)

	2020 £	2019 £
<b>Turnover analysed by geographical market</b>		
United States	3,546,477	24,880,877
United Kingdom	22,262	120,252
	<u>3,568,739</u>	<u>25,001,129</u>
	2020 £	2019 £
<b>Other significant revenue</b>		
Interest income	1,904	160,089
	<u>1,904</u>	<u>160,089</u>

### 4 Operating (loss)/profit

	2020 £	2019 £
Operating (loss)/profit for the year is stated after charging:		
Exchange (gains)/losses	-	56,754
Fees payable to the company's auditor for the audit of the company's financial statements	10,645	15,000
	<u>10,645</u>	<u>15,000</u>

### 5 Employees

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

	2020 Number	2019 Number
Directors	4	4
	<u>4</u>	<u>4</u>

### 6 Interest receivable and similar income

	2020 £	2019 £
<b>Interest income</b>		
Interest on bank deposits	1,149	43,437
Other interest income	755	116,652
	<u>1,904</u>	<u>160,089</u>
<b>Total income</b>	<u>1,904</u>	<u>160,089</u>
Investment income includes the following:		
Interest on financial assets not measured at fair value through profit or loss	1,149	43,437
	<u>1,149</u>	<u>43,437</u>

# W. CHUMP & SONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 7 Amounts written off investments

	2020 £	2019 £
Other gains and losses	(194,622)	(350,322)

### 8 Taxation

	2020 £	2019 £
<b>Current tax</b>		
UK corporation tax on profits for the current period	(575)	182,523
Adjustments in respect of prior periods	(33,067)	-
Total current tax	(33,642)	182,523

The actual (credit)/charge for the year can be reconciled to the expected (credit)/charge for the year based on the profit or loss and the standard rate of tax as follows:

	2020 £	2019 £
(Loss)/profit before taxation	(368,659)	594,862
Expected tax (credit)/charge based on the standard rate of corporation tax in the UK of 19.00% (2019: 19.00%)	(70,045)	113,024
Other differences	(575)	2,938
Impairment of fixed asset investment	36,978	66,561
Taxation (credit)/charge for the year	(33,642)	182,523

### 9 Impairments

Impairment tests have been carried out where appropriate and the following impairment losses have been recognised in profit or loss:

	Notes	2020 £	2019 £
In respect of:			
Fixed asset investments	10	194,622	350,322
Recognised in:			
Amounts written off investments		194,622	350,322

The impairment losses in respect of financial assets are recognised in other gains and losses in the profit and loss account.

# W. CHUMP & SONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 10 Fixed asset investments

	2020 £	2019 £
Unlisted investments	-	194,622

#### Movements in fixed asset investments

	Investments £
<b>Cost or valuation</b>	
At 1 January 2020 & 31 December 2020	544,944
<b>Impairment</b>	
At 1 January 2020	350,322
Impairment losses	194,622
At 31 December 2020	544,944
<b>Carrying amount</b>	
At 31 December 2020	-
At 31 December 2019	194,622

### 11 Debtors

	2020 £	2019 £
<b>Amounts falling due within one year:</b>		
Trade debtors	-	157,469
Corporation tax recoverable	251,998	68,356
Other debtors	56,329	417,108
Prepayments and accrued income	5,063,563	4,550,000
	5,371,890	5,192,933

### 12 Creditors: amounts falling due within one year

	Notes	2020 £	2019 £
Trade creditors		518	40,626
Deferred income		5,063,563	4,550,000
Accruals		16,750	16,650
		5,080,831	4,607,276

# W. CHUMP & SONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 13 Share capital

	2020	2019
	£	£
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
40,000 Ordinary shares of 1p each	400	400

### 14 Related party transactions

#### Transactions with related parties

During the year the company entered into the following transactions with related parties:

Included in trade debtors is a balance of £157,469 (2019: £157,469) due from Digital Tribe Holdings Limited, a company in which the directors and shareholders and this company own minority shareholdings, relating to recharged costs. During the year the directors have recognised a provision of £157,469 (2019: £Nil) against this balance. At the year end the carried forward balance is £Nil (2019: £157,469).

Included in other creditors is £Nil (2019: £Nil) owed to Nigel & Sons Limited, a company controlled by the directors. During the year, the company incurred costs of £1,227 (2019: £235,063) relating to intercompany costs incurred under a royalty agreement.

### 15 Cash generated from operations

	2020	2019
	£	£
(Loss)/profit for the year after tax	(335,017)	412,339
<b>Adjustments for:</b>		
Taxation (credited)/charged	(33,642)	182,523
Investment income	(1,904)	(160,089)
Amounts written off investments	194,622	350,322
<b>Movements in working capital:</b>		
(Increase)/decrease in debtors	(293,321)	16,240,114
Increase/(decrease) in creditors	257,998	(26,662,594)
Increase/(decrease) in deferred income	513,563	(12,503,505)
<b>Cash generated from operations</b>	<b>302,299</b>	<b>16,955,638</b>

### 16 Analysis of changes in net funds

	1 January 2020	Cash flows	31 December 2020
	£	£	£
Cash at bank and in hand	3,434,310	154,203	3,588,513

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.