
LABEL1 TELEVISION LIMITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 DECEMBER 2021

LABEL1 TELEVISION LIMITED
REGISTERED NUMBER: 10381441

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2021

| | Note | 2021 £ | 2020 £ |
|---|------|------------------|------------------|
| Fixed assets | | | |
| Tangible assets | 4 | 4,832 | 18,140 |
| Current assets | | | |
| Stocks | | 196,616 | 345,763 |
| Debtors: amounts falling due within one year | 5 | 544,141 | 390,615 |
| Cash at bank and in hand | | 727,407 | 1,396,373 |
| | | <u>1,468,164</u> | <u>2,132,751</u> |
| Creditors: amounts falling due within one year | 6 | (984,433) | (1,828,397) |
| Net current assets | | <u>483,731</u> | <u>304,354</u> |
| Total assets less current liabilities | | <u>488,563</u> | <u>322,494</u> |
| Creditors: amounts falling due after more than one year | 7 | (800,000) | (800,000) |
| Net liabilities | | <u>(311,437)</u> | <u>(477,506)</u> |
| Capital and reserves | | | |
| Called up share capital | | 148 | 148 |
| Share premium account | | 449,951 | 449,951 |
| Profit and loss account | | (761,536) | (927,605) |
| | | <u>(311,437)</u> | <u>(477,506)</u> |

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 comprehensive income 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 22 September 2022.

S H Dickson
Director

L S Phillips
Director

The notes on pages 2 to 7 form part of these financial statements.

LABEL1 TELEVISION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1. General information

Label1 Television Limited is a private company limited by shares incorporated in the United Kingdom and registered in England & Wales. The address of its registered office is 55 New Oxford Street, 1st Floor, London, England, WC1A 1BS.

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 Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The company's functional and presentational currency is GBP.

The following principal accounting policies have been applied:

2.2 Going concern

The company had net liabilities of £311,437 (2020: £477,506) at the reporting date. The company has long term loan facilities provided by one of its shareholders, of which £800,000 (2020: £800,000) was drawn at the statement of financial position date.

The directors have considered the impact that Covid-19 has had on the business and have a reasonable expectation that the company will continue in operational existence for the foreseeable future.

On the basis of the loan facilities and the increased activity forecast for the company, the directors believe that the company will have sufficient funds to settle all of its debts as they fall due for at least 12 months from signing the accounts and therefore consider it appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments that would result from the repayment of the loan facilities.

2.3 Revenue

Turnover comprises of revenues receivable by the company in respect of television programme development and production services supplied during the period, exclusive of Value Added Tax, and is recognised on an 'episodic basis' once delivery of the completed development or production to the customer has been made in accordance with the delivery pattern as outlined in the underlying contractual agreement.

Both under and overspends are accounted for once known and are recognised in accordance with the delivery pattern.

Provisions are made for any loss making contracts (i.e. expected overspend is in excess of originally anticipated margin) as soon as identified.

2.4 Cost of sales

Production costs incurred in producing a television programme are recognised in the Statement of Comprehensive Income as cost of sales in the period in which they are incurred.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.5 Operating leases: the company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

2.6 Government grants

Grants are accounted under the accruals model as permitted by FRS 102.

Grants of a revenue nature are recognised in the Statement of Comprehensive Income in the same period as the related expenditure.

2.7 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.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

| | |
|-------------------------------|------------------------------|
| Short-term leasehold property | - Over the life of the lease |
| Office equipment | - 33.33% |
| Computer equipment | - 33.33% |

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.

2.8 Stocks

Stocks comprise of costs incurred up to the reporting date on developments and productions yet to be delivered as at the balance sheet date and are valued at the lower of cost and net realisable value.

Net realisable value is based on estimated selling price less any further costs to completion expected to be incurred.

2.9 Debtors

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

2.10 Cash and cash equivalents

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

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)**2.11 Creditors**

Short-term creditors are measured at the transaction price.

2.12 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 loans from related parties.

Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received.

3. Employees

The average monthly number of employees, including directors, during the year was 27 (2020 - 27).

4. Tangible fixed assets

| | Short-term leasehold property £ | Office equipment £ | Computer equipment £ | Total £ |
|-------------------------------------|--|--------------------------|----------------------------|---------------------|
| Cost or valuation | | | | |
| At 1 January 2021 | 25,059 | 18,227 | 79,231 | 122,517 |
| Additions | - | 866 | - | 866 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| At 31 December 2021 | 25,059 | 19,093 | 79,231 | 123,383 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Depreciation | | | | |
| At 1 January 2021 | 25,058 | 15,753 | 63,566 | 104,377 |
| Charge for the year on owned assets | - | 1,797 | 12,377 | 14,174 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| At 31 December 2021 | 25,058 | 17,550 | 75,943 | 118,551 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Net book value | | | | |
| At 31 December 2021 | <hr/> <u>1</u> | <hr/> <u>1,543</u> | <hr/> <u>3,288</u> | <hr/> <u>4,832</u> |
| At 31 December 2020 | <hr/> <u>1</u> | <hr/> <u>2,474</u> | <hr/> <u>15,665</u> | <hr/> <u>18,140</u> |

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NOTES TO THE FINANCIAL STATEMENTS
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5. Debtors

| | 2021 £ | 2020 £ |
|--------------------------------|----------------|----------------|
| Trade debtors | 1,539 | 97,928 |
| Other debtors | 383,254 | 119,173 |
| Prepayments and accrued income | 159,348 | 173,514 |
| | <u>544,141</u> | <u>390,615</u> |

6. Creditors: Amounts falling due within one year

| | 2021 £ | 2020 £ |
|------------------------------------|----------------|------------------|
| Bank loan | 150,000 | - |
| Trade creditors | 108,939 | 446 |
| Other taxation and social security | 87,787 | 168,431 |
| Other creditors | 4,842 | 7,887 |
| Accruals and deferred income | 632,865 | 1,651,633 |
| | <u>984,433</u> | <u>1,828,397</u> |

The following liabilities were secured:

| | 2021 £ | 2020 £ |
|-----------|----------------|-----------|
| Bank loan | 150,000 | - |
| | <u>150,000</u> | <u>-</u> |

Details of security provided:

The bank loan of £150,000 is secured by a fixed and floating charge over all the current and future assets of the company.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

7. Creditors: Amounts falling due after more than one year

| | 2021 £ | 2020 £ |
|-------------|----------------|----------------|
| Other loans | 800,000 | 800,000 |
| | <u>800,000</u> | <u>800,000</u> |

The following liabilities were secured:

| | 2021 £ | 2020 £ |
|-------------|----------------|----------------|
| Other loans | 800,000 | 800,000 |
| | <u>800,000</u> | <u>800,000</u> |

Details of security provided:

The loan of £800,000 is secured by a fixed and floating charge over all the current and future assets of the company.

8. Commitments under operating leases

At 31 December 2021 the company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

| | 2021 £ | 2020 £ |
|--|---------------|----------------|
| Not later than 1 year | 70,822 | 115,920 |
| Later than 1 year and not later than 5 years | - | 70,822 |
| | <u>70,822</u> | <u>186,742</u> |

9. Related party transactions

A shareholder in the company has provided the company with a loan facility. During the year the company was charged interest at an average rate of 0.75% on the facility. The loan is repayable in 2024 and at the reporting date £800,000 (2020: £800,000) was owed by the company.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

10. Controlling party

The immediate parent undertaking is FremantleMedia Limited, a company registered in England and Wales.

The smallest group to consolidate these financial statements is RTL Group S.A., a company registered in Luxembourg. Copies of the RTL Group S.A. accounts can be obtained from the General Counsel at RTL Group S.A, 43 Boulevard Pierre Frieden, L-1543 Luxembourg.

The ultimate parent undertaking and controlling party is Bertelsmann SE & Co.KGaA, a company registered in Germany, which is the largest group to consolidate these financial statements. Copies of the Bertelsmann SE & Co.KGaA accounts can be obtained from the General Counsel at Bertelsmann SE & Co.KGaA, Carl-Bertelsmann-Straße 270, 33311 Gutersloh, Germany.

11. Auditors' information

The auditors' report on the financial statements for the year ended 31 December 2021 was unqualified.

The audit report was signed on 22 September 2022 by Anthony Pins (Senior Statutory Auditor) on behalf of Nyman Libson Paul LLP.

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.