

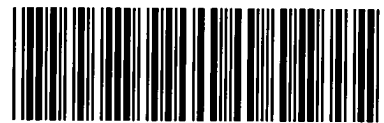
Registered number 01823410

Bentley Productions Limited

Report and Financial Statements

31 December 2017

MONDAY



A11 *A7ASWVA* 23/07/2018 #141
COMPANIES HOUSE

Bentley Productions Limited

Contents

	Page(s)
Company information	1
Strategic report	2
Directors' report	3-4
Independent auditors' report	5-7
Profit and loss account	8
Statement of comprehensive income	9
Balance sheet	10
Statement of changes in equity	11
Notes to the financial statements	12-22

Bentley Productions Limited

Company information

Directors	A McMullen S Brown S Geater V Turton
Registered office	Berkshire House 168-173 High Holborn London WC1V 7AA
Independent Auditors	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors London

Bentley Productions Limited

Strategic report for the year ended 31 December 2017

The Directors present their Strategic Report for the year ended 31 December 2017.

Principal activity and review of the business

The principal activity of the company is production of television programmes. The directors do not anticipate any changes in those activities over the coming year.

The profit for the financial year amounted to £795,600 (year ended 31 December 2016: £3,348,450). The results were driven by the ongoing success of its continuing series and underpinned by the strong appetite for these programmes in international markets.

As at 31 December 2017, shareholders' funds total £3,198,502 (31 December 2016: £12,402,901). The decrease in shareholders' funds was due to the profit for the year and the payment of dividends of £10,000,000 to DLG Acquisitions Limited (2016: £5,000,000).

Principal risks and uncertainties

The key business risks and uncertainties affecting the company relate to the general economic environment, competition from other distributors of television programmes and the success of the company's programming available for worldwide distribution. Further discussion of these risks and uncertainties, in the context of the DLG Acquisitions Limited group (the "group") as a whole, is provided in the group's financial statements which do not form part of this report.

Key performance indicators ("KPIs")

The directors of DLG Acquisitions Limited manage the group's operations on a divisional basis. For this reason, the company's directors believe that analysis using key performance indicators for the company is not necessary or appropriate for an understanding of the development, performance or position of the business of Bentley Productions Limited. The development, performance and position of DLG Acquisitions Limited group, which includes the company, are discussed in the group's financial statements which do not form part of this report.

Approved by the Board on 3rd May 2018 and signed on its behalf by:



Angela McMullen
Director

Berkshire House
168-173 High Holborn
London
WC1V 7AA

Bentley Productions Limited

Directors' report for the year ended 31 December 2017 (continued)

The directors present their Directors' Report and the audited financial statements for the year ended 31 December 2017.

Future Outlook

The commercial environment in which the company operates remains competitive, but the directors believe that the company's position as one of the leading television production programmes will enable it to maintain its current position in the future.

Dividends

Aggregate dividends paid for the year totalled £10,000,000 (year ended 31 December 2016: £5,000,000).

Financial Risk Management

Through its trading activities the company is exposed to certain levels of credit, interest rate, currency and liquidity risk. Main credit risk arises from customers not meeting payment terms however this is monitored closely by management. Interest risk arises on cash balances subject to interest based on floating rates. The company does not hedge interest risks. The company funds its operations from trading activities, equity and intercompany loans.

Directors of the company

The directors who held office during the year were as follows:

A McMullen
S Brown
S Geater
V Turton

The company maintains liability insurance for its directors and officers.

Bentley Productions Limited

Directors' report for the year ended 31 December 2017 (continued)

Statement of directors' responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; 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.

The directors 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.

Disclosure of information to auditors

In the case of each director in office at the date the Directors' Report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

Reappointment of auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and are deemed reappointed in accordance with s487(2) of the Companies Act.

Approved by the Board on ³⁰May 2018 and signed on its behalf by:



Angela McMullen
Director

Berkshire House
168-173 High Holborn
London
WC1V 7AA

Bentley Productions Limited

Independent auditors' report to the members of Bentley Productions Limited

Report on the audit of the financial statements

Opinion

In our opinion, Bentley Productions Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Report and Financial Statements (the "Annual Report"), which comprise: the balance sheet as at 31 December 2017; the profit and loss account, the statement of comprehensive income, the statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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

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

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we

Independent auditors' report to the members of Bentley Productions Limited (continued)

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 based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Strategic Report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 31 December 2017 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities set out on page 4, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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.

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

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Independent auditors' report to the members of Bentley Productions Limited (continued)

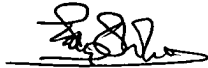
Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



Philip Stokes (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
3 May 2018

Bentley Productions Limited

Profit and loss account for the year ended 31 December 2017

		Year ended 31 December 2017 £	Year ended 31 December 2016 £
	Note		
Turnover		10,650,000	13,845,623
Cost of sales		(9,051,917)	(8,290,480)
Gross profit		1,598,083	5,555,143
Distribution costs		-	(436)
Administrative expenses		(800,354)	(1,367,615)
Operating profit	3	797,729	4,187,092
Profit on ordinary activities before taxation		797,729	4,187,092
Tax on profit on ordinary activities	6	(2,129)	(838,642)
Profit for the financial year	12	795,600	3,348,450

The above results were derived from continuing operations.

The notes on pages 12 to 22 form an integral part of these financial statements.

Bentley Productions Limited

Statement of comprehensive income for the year ended 31 December 2017

	Year ended 31 December 2017	Year ended 31 December 2016
	£	£
Profit for the financial year	795,600	3,348,450
Total comprehensive income for the year	<u>795,600</u>	<u>3,348,450</u>

The notes on pages 12 to 22 form an integral part of these financial statements.

Bentley Productions Limited
(Registration number: 01823410)

Balance sheet as at 31 December 2017

		31 December 2017	31 December 2016
	Note	£	£
Fixed assets			
Tangible assets	7	3,889	4,789
Current assets			
Stocks	8	-	1,027,915
Debtors	9	4,400,678	11,280,701
Cash at bank and in hand		2,058,270	9,222,840
		<u>6,458,948</u>	<u>21,531,456</u>
Creditors: amounts falling due within one year	10	<u>(3,264,336)</u>	<u>(9,133,344)</u>
Net current assets		3,194,612	12,398,112
Total assets less current liabilities		<u>3,198,501</u>	<u>12,402,901</u>
Net assets		<u>3,198,501</u>	<u>12,402,901</u>
Capital and reserves			
Called-up share capital	11	1,250	1,250
Share premium account		47,500	47,500
Profit and loss account	12	<u>3,149,751</u>	<u>12,354,151</u>
Total shareholders' funds		<u>3,198,501</u>	<u>12,402,901</u>

The financial statements of Bentley Productions Limited (registered number: 01823410) were approved by the board of directors and authorised for issue on 3rd May 2018.

They were signed on its behalf by:



Angela McMullen
Director

The notes on pages 12 to 22 form an integral part of these financial statements.

Bentley Productions Limited

Statement of changes in equity for the year ended 31 December 2017

	Called-up share capital £	Share premium account £	Profit and loss account £	Total shareholders funds £
At 1 January 2016	1,250	47,500	14,005,701	14,054,451
Total comprehensive income for the financial year	-	-	3,348,450	3,348,450
Dividends	-	-	(5,000,000)	(5,000,000)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2017	1,250	47,500	12,354,151	12,402,901
Total comprehensive income for the financial year	-	-	795,600	795,600
Dividends	-	-	(10,000,000)	(10,000,000)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2017	1,250	47,500	3,149,751	3,198,501
	<hr/>	<hr/>	<hr/>	<hr/>

The notes on pages 12 to 22 form an integral part of these financial statements.

Bentley Productions Limited

Notes to the financial statements for the year ended 31 December 2017

1. General information

Bentley Productions Limited is a company incorporated in United Kingdom under the Companies Act.

The address of the registered office is:

Berkshire House
168-173 High Holborn
London
WC1V 7AA

The nature of the company's operations and principal activities are set out in the Strategic report on page 2.

2. Accounting policies

2.1 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation

The financial statements of Bentley Productions Limited have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101). The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006. Historical cost is generally based on the fair value of the consideration given in exchange for the goods and services.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 2.2.

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- Paragraphs 45(b) and 46 to 52 of IFRS 2, 'Share-based payment' (details of the number and weighted average exercise prices of share options, and how the fair value of goods or services received was determined)
- IFRS 7, 'Financial Instruments: Disclosure'
- Paragraphs 91 to 99 of IFRS 13, 'Fair value measurement' (disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities)
- Paragraph 38 of IAS 1, 'Presentation of financial statements' comparative information requirement in respect of:
 - (i) Paragraph 79(a)(iv) of IAS 1;
 - (ii) Paragraph 73(e) of IAS 16 Property, plant and equipment;
 - (iii) Paragraph 118(e) of IAS 38 Intangible assets (reconciliations between the carrying amount at the beginning and end of the period)
- The following paragraphs of IAS 1, 'Presentation of financial statements':
 - 10(d), (statement of cash flows)

Bentley Productions Limited

Notes to the financial statements for the year ended 31 December 2017 (continued)

2. Accounting policies (continued)

2.1 Summary of significant accounting policies (continued)

- 10(f) (a statement of financial position as at the beginning of the preceding period when an entity applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements, or when it reclassifies items in its financial statements),
- 16 (statement of compliance with all IFRS),
- 38A (requirement for minimum of two primary statements, including cash flow statements),
- 38B-D (additional comparative information),
- 40A-D (requirements for a third statement of financial position
- 111 (cash flow statement information), and
- 134-136 (capital management disclosures)
- IAS 7, 'Statement of cash flows'
- Paragraph 30 and 31 of IAS 8 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective)
- Paragraph 17 of IAS 24, 'Related party disclosures' (key management compensation)
- The requirements in IAS 24, 'Related party disclosures' to disclose related party transactions entered into between two or more members of a group.

Where required the equivalent disclosures are given in the group financial statements of DLG Acquisitions Limited. The group financial statements of DLG Acquisitions Limited are available to the public and can be obtained as set out in note 18.

Going concern

The directors have 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 annual financial statements.

Turnover

For commissioned TV programmes, turnover and attributable profit are recognised on an episodic basis once delivery of the production to the broadcaster occurs.

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

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

Revenues on programmes distributed by third parties and other ancillary revenues are recognised once the company has been notified of sums due to it.

Turnover relates wholly to the company's principal activity in the UK.

Bentley Productions Limited

Notes to the financial statements for the year ended 31 December 2017 (continued)

2. Accounting policies (continued)

2.1 Summary of significant accounting policies (continued)

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in shareholders' funds. In this case, the tax is also recognised in other comprehensive income or directly in shareholders' funds, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill; or arise from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Dividend distribution

Dividend distributions to the company's shareholders are recognised as a liability in the company's financial statements in the period in which the dividends are approved by the company's shareholders.

Tangible assets

Fixed assets are stated at cost less depreciation.

Cost comprises the purchase price of the asset and directly attributable costs in bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation

Depreciation is calculated to write off the cost of tangible fixed assets evenly over their estimated useful lives at the following annual rates:

Fixtures and fittings	20%
Office equipment	25%
Computer equipment	33.33%

The carrying values of tangible fixed assets are reviewed for impairment if events or changes in circumstances indicate the carrying value may not be in line with the remaining estimated useful life.

Bentley Productions Limited

Notes to the financial statements for the year ended 31 December 2017 (continued)

2. Accounting policies (continued)

2.1 Summary of significant accounting policies (continued)

Fixed assets investments

Investments held as fixed assets are shown at cost less provision for impairment. The carrying values of fixed asset investments are reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Stocks

Stock and work in progress should be valued at the lower of cost and net realisable value. Net realisable value should be based on estimated selling price less any further costs expected to be incurred to completion.

Leases

Sale and leaseback transactions relate to master negatives for films as a result of the company entering into sale and leaseback transactions for such films. Part of the cash received is put on deposit, and this cash together with any accrued interest thereon should be sufficient to meet the lease capital and interest payment. Cash received on inception of the transaction over and above that required for future rental payments is recognised as profit immediately. Such transactions are shown as a contingent liability in the notes to the financial statements.

Operating lease rentals are charged to the profit and loss account on a straight line basis over the period of the lease.

Pensions

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge disclosed in note 16 represents contributions payable by the company to the fund.

2.2 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Useful economic lives of tangible fixed assets

The annual depreciation charge for tangible fixed assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilization and the physical condition of the assets. See note 7 for the carrying amount of the tangible fixed assets.

(b) Impairment of trade and other debtors

The company makes an estimate of the recoverable value of trade and other debtors. When assessing the impairment of trade and other debtors, management considers factors including the credit rating of the receivable, the ageing profile of receivables and historical experience. See note 9 for the net carrying amount of the receivables and associated impairment provision.

Bentley Productions Limited

Notes to the financial statements for the year ended 31 December 2017 (continued)

3. Operating profit

Arrived at after charging:

	Year ended 31 December 2017 £	Year ended 31 December 2016 £
Auditors' remuneration:		
Audit services	9,550	12,196
Depreciation expense (note 9)	4,100	6,095
Operating lease expense - land and buildings	-	76,951
	<u> </u>	<u> </u>

4. Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

	Year ended 31 December 2017 £	Year ended 31 December 2016 £
Wages and salaries	226,297	925,437
Social security costs	30,651	104,910
Other pension costs	34,668	77,342
	<u> </u>	<u> </u>
	291,616	1,107,689
	<u> </u>	<u> </u>

The average monthly number of persons employed by the company (including directors) during the year, analysed by category was as follows:

	2017 No.	2016 No.
Administration and support	2	5

5. Directors' remuneration

Directors' remuneration in the year to 31 December 2017 was £nil (year ended 31 December 2016: £nil) in relation to services to this company.

The directors are remunerated by All3Media Limited, and details of their emoluments and pension payments are available in the financial statements of that company.

Bentley Productions Limited

Notes to the financial statements for the year ended 31 December 2017 (continued)

6. Tax on profit on ordinary activities

(a) Tax expense included in profit or loss

	Year ended 31 December 2017 £	Year ended 31 December 2016 £
Current taxation		
UK corporation tax on profits for the year	-	839,838
Adjustments in respect of prior periods	-	(400)
Total current income tax	-	839,438
Deferred taxation		
Origination and reversal of temporary differences	(789)	(876)
Impact of changes in tax rates and laws	10	80
Adjustments in respect of prior periods	2,908	-
Total deferred taxation	2,129	(796)
Total tax on profit on ordinary activities	2,129	838,642

(b) Factors affecting the tax charge for the current year

The tax on expense for the year is lower (year ended 31 December 2016: higher) than the standard rate of corporation tax in the UK of 19.25% (year ended 31 December 2016: 20%). The differences are explained below:

	Year ended 31 December 2017 £	Year ended 31 December 2016 £
Profit on ordinary activities before taxation	797,729	4,187,091
Corporation tax at standard rate at 19.25% (2016: 20%)	153,562	837,418
Effects of:		
Expenses not deductible for tax purposes	-	1,544
Adjustments in respect of prior period	2,908	(400)
Utilisation of Group losses for no payment	(154,351)	-
Remeasurement of deferred tax – change in UK tax rate	10	80
Total tax charge for the year/period	2,129	838,642

Bentley Productions Limited

Notes to the financial statements for the year ended 31 December 2017 (continued)

6. Tax on profit on ordinary activities (continued)

(c) Factors affecting the tax charge for the future years

The Finance Act 2015 reduced the rate of UK corporation tax from 20% to 19% (effective from 1 April 2017) and 18% (effective from 1 April 2020).

The previously enacted rate of 18% was reduced further to 17% in the Finance Bill 2016 which received Royal Assent on 15 September 2016.

To the extent these rate changes will affect the amount of future cash tax payments to be made by the company, this will reduce the amount of its deferred tax liabilities and assets.

(d) Deferred tax

	31 December 2017	31 December 2016
	£	£
Included in debtors (note 9)	11,605	13,734
Analysed as below:		
Depreciation in advance of capital allowances	11,580	13,371
Short term temporary differences	25	363
Deferred taxation asset	<u>11,605</u>	<u>13,734</u>

Deferred tax movement during the year:

	At 1 January 2017	Recognised in income	At 31 December 2017
	£	£	£
Accelerated tax depreciation	13,371	(1,791)	11,580
Short term temporary differences	363	(338)	25
	<u>13,734</u>	<u>(2,129)</u>	<u>11,605</u>

Bentley Productions Limited

Notes to the financial statements for the year ended 31 December 2017 (continued)

7. Tangible assets

	Fixtures and fittings £	Office and computer equipment £	Total £
Cost			
At 1 January 2017	35,039	127,060	162,099
Additions	-	3,200	3,200
At 31 December 2017	35,039	130,260	165,299
Accumulated depreciation			
At 1 January 2017	34,147	123,163	157,310
Charge for the year	432	3,668	4,100
At 31 December 2017	34,579	126,831	161,410
Net Book Value			
At 31 December 2017	460	3,429	3,889
At 31 December 2016	892	3,897	4,789

8. Stocks

	31 December 2017	31 December 2016
	£	£
Work in progress	-	1,027,915

9. Debtors

	31 December 2017	31 December 2016
	£	£
Trade debtors	1,500,000	3,012,790
Amounts owed by fellow group undertakings	2,886,832	1,255,340
Prepayments and accrued income	-	6,980,223
Other debtors	2,241	18,614
Deferred tax asset (note 6)	11,605	13,734
	4,400,678	11,280,701

Amounts owed by fellow subsidiary group undertakings are interest-free, unsecured and repayable on demand.

Bentley Productions Limited

Notes to the financial statements for the year ended 31 December 2017 (continued)

10. Creditors: amounts falling due within one year

	31 December 2017	31 December 2016
	£	£
Bank loans and overdrafts	-	2,333,594
Trade creditors	10,405	37,247
Accruals and deferred income	442,538	4,957,169
Amounts payable to group undertakings for group relief	1,878,638	94,462
Social security and other taxes	899,962	1,630,060
Other creditors	32,793	78,812
	<u>3,264,336</u>	<u>9,133,344</u>

Amounts owed to fellow subsidiary group undertakings are interest-free, unsecured and repayable on demand.

11. Called up share capital

Allotted, called up and fully paid shares-

	31 December 2017		31 December 2016	
	No.	£	No.	£
'A' Ordinary shares of £1 each	625	625	625	625
'B' Ordinary shares of £1 each	625	625	625	625
Ordinary shares of £1 each	1,250	1,250	1,250	1,250

The authorised share capital of the company is divided into 10,000 "A" ordinary £1 shares and 10,000 "B" ordinary £1 shares ranking pari passu for participation in the profits and assets of the company and in all other respects with each other.

12. Profit and loss account

	£
Balance at 1 January 2017	12,354,151
Dividends paid	(10,000,000)
Profit for the financial year	795,600
Balance at 31 December 2017	<u><u>3,149,751</u></u>

Bentley Productions Limited

Notes to the financial statements for the year ended 31 December 2017 (continued)

13. Pension and other schemes

Defined contribution pension scheme

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and in the year ended amounted to £14,799 (year ended 31 December 2016: £77,342). No contributions were payable to the fund at the balance sheet date.

14. Operating leases

The total future value of minimum lease payments is as follows:

	At 31 December 2017 £	At 31 December 2016 £
Within one year	23,503	-
One to five years	-	-
Over five years	-	-
	<u>23,503</u>	<u>-</u>

The company leases property which allows the cancellation of the contracts upon submitting three (3) months notice to the Landlord. The contracts are renegotiated and renewed annually.

15. Contingent liabilities

The company has entered into certain sale and leaseback transactions for television programme rights. Amounts are held in deposit accounts as a result of these transactions and comprise monies to provide for the discharge of future leasing liabilities. The contingent liability would only crystallise upon the failure of the bank holding the deposit. The amounts involved are as follows:

	Year ended 31 December 2017 £	Year ended 31 December 2016 £
Amounts held on deposit	-	648,014
Less: loans outstanding	-	(648,014)
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>
The maturity of the above amounts is as follows:		
Less than one year	-	648,014
One to two years	-	-
Two to five years	-	-
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>648,014</u>

The company is a participant in a group banking arrangement under which all surplus cash balances are held as collateral for bank facilities advanced to group members. In addition, the company has issued an unlimited

Bentley Productions Limited

Notes to the financial statements for the year ended 31 December 2017 (continued)

guarantee to the bank to support these bank facilities. Details of these facilities are disclosed in the DLG Acquisitions Limited financial statements which are publicly available.

16. Related party transactions

As permitted by FRS 101, the company has taken advantage of the exemption available under that standard in relation to "related party transactions" from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by the ultimate parent company. There were no other related party transactions during the year.

17. Dividends

	Year ended 31 December 2017 £	Year ended 31 December 2016 £
Ordinary		
Dividends paid: £8,000 (2016: £4,000) per £1 share	<u>10,000,000</u>	<u>5,000,000</u>

18. Parent and ultimate parent undertaking

The company's immediate and ultimate parent undertaking is DLG Acquisitions Limited. DLG Acquisitions Limited is the parent undertaking of the smallest and the largest group to consolidate these financial statements at 31 December 2017. Copies of its group financial statements, which include the company, are available from Berkshire House, 168-173 High Holborn, London, WC1V 7AA. The ultimate controlling parties at the balance sheet date are Liberty Global plc and Discovery Communications Inc., which own LGCI HoldCo I B.V. and Discovery Luxembourg Holdings 1 S.a.r.l. respectively, who are equal joint venture owners of DLG Acquisitions Limited.