

## North One Television Limited

Registered Company Number: 02315596

Report and financial statements

For the year ended 31 December 2019

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North One Television Limited  
Report and financial statements for the year to 31 December 2019

Contents

Company Information .....3

Strategic Report.....4

Directors’ Report .....5

Independent Auditors’ Report to the Members of North One Television Limited .....7

Profit and Loss Account .....9

Statement of Comprehensive Income .....10

Balance Sheet .....11

Statement of Changes in Equity .....12

Notes to the Financial Statements .....13

North One Television Limited  
Report and financial statements for the year to 31 December 2019

## Company Information

<b>Directors</b>	A McMullen V Turton S Geater S Brown
<b>Registered office</b>	Berkshire House 168-173 High Holborn London
<b>Independent auditors</b>	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors 1 Embankment Place London WC2N 6RH

North One Television Limited  
Report and financial statements for the year to 31 December 2019

## Strategic Report

The Directors present their Strategic Report for the year ended 31 December 2019.

### 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 £764,676 (2018: £989,344). This result was driven by the strength of the production slate, which included new commissions and re-commissions of the company's ongoing titles.

As at 31 December 2019, shareholders' funds totalled £3,663,882 (2018: £3,644,578). The movement was driven by the profit as above and the payment of a dividend to the company's shareholders.

### 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 North One Television 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 23 June 2020 and signed on behalf of the board by:

DocuSigned by:



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A McMullen  
Director

Berkshire House  
168-173 High Holborn  
London  
WC1V 7AA

North One Television Limited  
Report and financial statements for the year to 31 December 2019

## Directors' Report

The directors present their Directors' Report and the audited financial statements for the year ended 31 December 2019.

### 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 producers of television programmes will enable it to maintain its current position in the future.

### Dividends

During the year the directors declared dividends totalling £750,000 (2018: £nil). £750,000 (2018: £nil) of this was paid during the year.

### Financial Risk Management

Through its trading activities the company is exposed to certain levels of credit, currency and liquidity risk. Main credit risk arises from customers not meeting payment terms however this is monitored closely by management. Currency risk arises as a number of the company's programmes are filmed in countries other than the United Kingdom. The company funds its operations from trading activities.

### Directors of the Company

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

A McMullen  
S Brown  
S Geater  
V Turton

The company maintains liability insurance for its directors and officers.

### Statement of directors' responsibilities in respect of the financial statements

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 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.

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.

### Disclosure of information to auditors

Each of the persons who are a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself 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.

North One Television Limited  
Report and financial statements for the year to 31 December 2019

## Directors report (continued)

### 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 23 June 2020 and signed on behalf of the board by:

DocuSigned by:  
  
D19E9682DA7E484...  
A McMullen  
Director

Berkshire House  
168-173 High Holborn  
London  
WC1V 7AA

North One Television Limited  
Report and financial statements for the year to 31 December 2019

## **Independent Auditors' Report to the Members of North One Television Limited**

### **Report on the audit of the financial statements**

#### **Opinion**

In our opinion, North One Television Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2019 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 2019; the profit and loss account, the statement of comprehensive income, the statement of changes in equity for the year then ended 31 December 2019; 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 where:

- 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 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 2019 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

North One Television Limited  
Report and financial statements for the year to 31 December 2019

## **Independent Auditors' Report to the Members of North One Television Limited (continued)**

### **Strategic Report and Directors' Report (continued)**

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 in respect of the financial statements set out on page 5, 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](http://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.

#### **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  
23 June 2020



North One Television Limited  
Report and financial statements for the year to 31 December 2019

## Profit and Loss Account

		Year ended 31 December 2019 £	Year ended 31 December 2018 £
	Note		
Turnover		19,958,786	21,758,007
Cost of sales		(15,187,397)	(16,975,302)
Gross profit		4,771,389	4,782,705
Administrative expenses		(3,844,106)	(3,740,748)
Operating profit	3	927,283	1,041,957
Interest payable	4	(25,428)	(27,159)
Profit before taxation		901,855	1,014,798
Tax on profit	7	(137,179)	(25,454)
Profit for the financial year		764,676	989,344

The above results were derived from continuing operations.

The notes on pages 13 to 21 form an integral part of these financial statements.

North One Television Limited  
Report and financial statements for the year to 31 December 2019

## Statement of Comprehensive Income

	Year ended 31 December 2019 £	Year ended 31 December 2018 £
Profit for the financial year	764,676	989,344
Total comprehensive income for the year	<u>764,676</u>	<u>989,344</u>

The notes on pages 13 to 21 form an integral part of these financial statements.


North One Television Limited (Registration number: 02315596)  
Report and financial statements for the year to 31 December 2019

## Balance Sheet

	Note	31 December 2019 £	31 December 2018 £
<b>Fixed assets</b>			
Tangible fixed assets	8	26,768	44,527
Investments	9	1	100
		<u>26,769</u>	<u>44,627</u>
<b>Current assets</b>			
Stocks	10	1,612,153	590,493
Debtors	11	3,259,606	3,233,173
Cash at bank and in hand		2,892,425	4,279,224
		<u>7,764,184</u>	<u>8,102,890</u>
Creditors: amounts falling due within one year	12	(3,969,377)	(4,388,103)
<b>Net current assets</b>		<u>3,794,807</u>	<u>3,714,787</u>
Total assets less current liabilities		<u>3,821,576</u>	<u>3,759,414</u>
Creditors: amounts falling due after one year	13	(162,322)	(114,836)
<b>Net assets</b>		<u>3,659,254</u>	<u>3,644,578</u>
<b>Capital and reserves</b>			
Called up share capital	14	1,500,000	1,500,000
Profit and loss account	15	2,159,254	2,144,578
<b>Total shareholders' funds</b>		<u>3,659,254</u>	<u>3,644,578</u>

The financial statements of North One Television Limited (registered number: 02315596) were approved by the board of directors and authorised for issue on 23 June 2020.

They were signed on its behalf by:

DocuSigned by:  
  
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Angela McMullen  
Director

The notes on pages 13 to 21 form an integral part of these financial statements.

North One Television Limited  
Report and financial statements for the year to 31 December 2019

## Statement of Changes in Equity

	Called Up Share Capital £	Profit and Loss Account £	Total Shareholders' Funds £
<b>At 1 January 2018</b>	<b>1,500,000</b>	<b>1,155,234</b>	<b>2,655,234</b>
Total comprehensive income for the year	-	989,344	989,344
<b>At 31 December 2018</b>	<b>1,500,000</b>	<b>2,144,578</b>	<b>3,644,578</b>
Total comprehensive income for the year	-	764,676	764,676
<i>Dividends</i>	-	(750,000)	(750,000)
<b>At 31 December 2019</b>	<b>1,500,000</b>	<b>2,159,254</b>	<b>3,659,254</b>

The notes on pages 13 to 21 form an integral part of these financial statements.

North One Television Limited  
Report and financial statements for the year to 31 December 2019

## Notes to the Financial Statements

### 1. General information

North One Television Limited is a company incorporated in United Kingdom under the Companies Act 2006. 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 4.

### 2. 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 North One Television 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 below.

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:
  - Paragraph 79(a)(iv) of IAS 1,
  - Paragraph 73(e) of IAS 16 Property, plant and equipment, and
  - 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':
  - Paragraph 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),
  - Paragraph 16 (statement of compliance with all IFRS),
  - Paragraph 38A (requirement for minimum of two primary statements, including cash flow statements),
  - Paragraph 38B-D (additional comparative information),
  - Paragraph 40A-D (requirements for a third statement of financial position
  - Paragraph 111 (cash flow statement information), and
  - Paragraph 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.

North One Television Limited  
Report and financial statements for the year to 31 December 2019

## Notes to the Financial Statements (continued)

### 2. Accounting policies (continued)

#### Basis of preparation (continued)

Where required 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 20.

#### 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.

#### Foreign currency translation

##### (a) Functional and presentation currency

Items included in the financial statements of the company are measured using the currency of the primary economic environment in which the company operates ('the functional currency'). The financial statements are presented in 'Pounds Sterling' (£), which is also the company's functional currency.

##### (b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement, except when deferred in other comprehensive income as qualifying cash flow hedges. All other foreign exchange gains and losses are presented in the income statement within 'Other operating income'

#### 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 realised 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.

North One Television Limited  
Report and financial statements for the year to 31 December 2019

## Notes to the Financial Statements (continued)

### 2. Accounting policies (continued)

#### 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:

Short leasehold improvements	Straight line over the life of the lease
Technical equipment	20 – 50%
Office furniture and equipment	20 – 50%

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.

#### 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.

#### Provisions

Provisions are recognised when the company has a present obligation as a result of a past event, it is probable that a transfer of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

#### 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.

#### 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 8 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 11 for the net carrying amount of the receivables and associated impairment provision.

North One Television Limited  
Report and financial statements for the year to 31 December 2019

## Notes to the Financial Statements (continued)

### 3. Operating profit

Operating profit has been arrived at after charging / (crediting):

	Year Ended 31 December 2019 £	Year Ended 31 December 2018 £
Auditors' remuneration: audit services	11,800	11,592
Depreciation expense	27,191	61,956
(Gain) / Loss on disposal of tangible fixed assets	-	(7,693)
Net loss on foreign current translation	5,330	5,623

### 4. Interest payable

	Year Ended 31 December 2019 £	Year Ended 31 December 2018 £
Other interest	25,428	27,159

### 5. Staff costs

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

	Year Ended 31 December 2019 £	Year Ended 31 December 2018 £
Wages and salaries	3,704,699	3,315,556
Social security costs	376,669	374,185
Other pension costs	257,768	219,089
	4,339,136	3,908,830

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

	Year Ended 31 December 2019	Year Ended 31 December 2018
Production	46	53
Administration	17	14
	63	67

### 6. Directors' remuneration

Directors' remuneration in 2019 was £nil (2018: £nil) for 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.



North One Television Limited  
Report and financial statements for the year to 31 December 2019

## Notes to the Financial Statements (continued)

### 7. Tax on profit

#### a) Tax expense included in profit or loss

	Year Ended 31 December 2019 £	Year Ended 31 December 2018 £
<b>Current taxation</b>		
UK corporation tax	-	-
	-	-
<b>Deferred taxation</b>		
Origination and reversal of temporary differences	55,073	(28,746)
Impact of changes in tax rates and laws	-	52,156
Adjustment in respect of prior periods	82,106	2,044
Total deferred taxation	137,179	25,454
Total tax charge on profit	137,179	25,454

#### b) Factors affecting the tax charge for the year

The taxation on expense for the year is lower (2018: lower) than the standard rate of corporation tax in the UK of 19%. The differences are explained below:

	Year Ended 31 December 2019 £	Year Ended 31 December 2018 £
Profit before tax	901,855	1,014,798
Corporation tax at standard rate of 19%	171,352	192,812
<i>Effects of:</i>		
Expenses not deductible for tax purposes	7,562	11,868
Adjustments in respect of prior period	82,106	2,044
Remeasurement of deferred tax	(6,479)	55,538
Group relief received for no consideration	(117,362)	(236,808)
Total tax charge for the year	137,179	25,454

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

The Finance Act 2015 reduced the 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.

A revised Budget Resolution was passed on 17 March 2020 which reverses the two planned reductions, with the existing 19% rate substantively enacted as continuing. The corporation tax rate will therefore remain at 19% for the foreseeable future.

North One Television Limited  
Report and financial statements for the year to 31 December 2019

## Notes to the Financial Statements (continued)

### 7. Tax on profit (continued)

#### d) Deferred tax

	31 December 2019 £	31 December 2018 £
Included in debtors (note 11)	<b>334,893</b>	472,072

#### Analysed as below:

Depreciation in advance of capital allowances	<b>307,492</b>	452,550
Other short-term timing differences	<b>27,401</b>	19,522
	<b>334,893</b>	472,072

Deferred tax movement during the year:

	At 1 January 2019 £	Recognised through profit and loss £	At 31 December 2019 £
Depreciation in advance of capital allowances	452,550	(145,058)	<b>307,492</b>
Other short-term timing differences	19,522	7,879	<b>27,401</b>
	<b>472,072</b>	<b>(137,179)</b>	<b>334,893</b>

### 8. Tangible fixed assets

	Short leasehold improvements £	Office equipment £	Computer equipment £	Furniture, fixtures and fittings £	Production equipment £	Total £
<b>Cost</b>						
At 1 January 2019	457,311	558,523	1,762,735	715,002	128,058	3,621,629
Additions	-	555	5,756	-	3,121	9,432
Disposals	(457,311)	(545,532)	(1,685,502)	(655,615)	(89,305)	(3,433,265)
At 31 December 2019	<b>-</b>	<b>13,546</b>	<b>82,989</b>	<b>59,387</b>	<b>41,874</b>	<b>197,796</b>
<b>Accumulated depreciation</b>						
At 1 January 2019	443,119	557,265	1,757,838	705,540	113,340	3,577,102
Charge for the year	14,192	(497)	(439)	(783)	14,718	27,191
Disposals	(457,311)	(545,532)	(1,685,502)	(655,615)	(89,305)	(3,433,265)
At 31 December 2019	<b>-</b>	<b>11,236</b>	<b>71,897</b>	<b>49,142</b>	<b>38,753</b>	<b>171,028</b>
<b>Net book value</b>						
At 31 December 2019	<b>-</b>	<b>2,310</b>	<b>11,092</b>	<b>10,245</b>	<b>3,121</b>	<b>26,768</b>
At 31 December 2018	14,192	1,258	4,897	9,462	14,718	44,527

North One Television Limited  
Report and financial statements for the year to 31 December 2019

## Notes to the Financial Statements (continued)

### 9. Investments

	Shares in subsidiary undertakings £
At 1 January 2019	100
Disposals during the year	(99)
At 31 December 2019	<u>1</u>

The details of the subsidiaries held as at 31 December 2019 are set out below.

Name of company	Country of incorporation	Registered Address	Nature of business	Voting rights held %
DirtQuake Limited	England & Wales	Berkshire House 168-173 High Holborn London WC1V 7AA	Event Management	100%

### 10. Stocks

	31 December 2019 £	31 December 2018 £
Work in progress	<u>1,612,153</u>	<u>590,493</u>

### 11. Debtors

	31 December 2019 £	31 December 2018 £
Trade debtors	1,008,827	574,691
Amounts owed by subsidiary undertakings	944,738	941,716
Amounts owed by fellow group undertakings	501,085	224,782
Prepayments and accrued income	470,063	949,685
Deferred tax (note 7(d))	334,893	472,072
VAT	-	58,530
Other debtors	-	11,697
	<u>3,259,606</u>	<u>3,233,173</u>

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

North One Television Limited  
Report and financial statements for the year to 31 December 2019

## Notes to the Financial Statements (continued)

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

	31 December 2019 £	31 December 2018 £
Trade creditors	262,757	809,159
Accruals and deferred income	3,317,880	2,958,975
Amounts owed to fellow group undertakings	5,106	330,928
Social security and other taxes	36,932	-
Corporation tax	289,041	289,041
Other creditors	57,661	-
	<u>3,969,377</u>	<u>4,388,103</u>

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

### 13. Creditors: amounts payable after one year

	31 December 2019 £	31 December 2018 £
Other creditors	162,322	114,836
	<u>162,322</u>	<u>114,836</u>

### 14. Called up share capital

	31 December 2019 £	31 December 2018 £
1,500,000 (2018: 1,500,000) ordinary shares of £1 each	1,500,000	1,500,000
	<u>1,500,000</u>	<u>1,500,000</u>

### 15. Profit and loss account

	£
At 1 January 2019	2,144,578
Profit for the financial year	764,676
Dividends paid	(750,000)
At 31 December 2019	<u>2,159,254</u>

### 16. 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 £257,768 (2018: £219,089). No contributions were payable to the fund at the balance sheet date.

North One Television Limited  
Report and financial statements for the year to 31 December 2019

## Notes to the Financial Statements (continued)

### 17. Contingent liabilities

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 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.

### 18. Related party transactions

As permitted by FRS 101, the company has taken advantage of the exemption available 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.

During the year ended 31 December 2019 the company made sales amounting to £72,504 (year ended 31 December 2018: £66,223) to subsidiaries of Discovery Inc. These sales were made on an arm's length basis. There was a net amount of £nil outstanding from the company at the year-end (31 December 2018: £nil).

There were no other related party transactions in the year.

### 19. Dividends

	31 December 2019 £	31 December 2018 £
<b>Ordinary dividends</b>		
£0.50 (2018: £nil) per £1 ordinary share	750,000	-
	<u>750,000</u>	<u>-</u>

### 20. Parent and ultimate 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 2019. 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 Inc. (formerly Discovery Communications Inc), which own LGCI HoldCo I B.V. and DNI Holdings (Jersey) Limited respectively, who are equal joint venture owners of DLG Acquisitions Limited.

### 21. Post-balance sheet events

The impact of the COVID-19 pandemic is a non-adjusting post balance sheet event.

On 30 January 2020 the World Health Organisation declared COVID-19 to be a global health emergency. Subsequent to this, governments around the world began taking measures to respond to the outbreak, including the restriction of gatherings, the closure of non-essential services, and limits on travel. As a result, global television production has virtually halted.

As at the time of signing of these accounts, the situation is continuing to evolve rapidly however restrictions remain in place.

During this unprecedented time the directors recognise the versatility, creativity and resilience of the television industry and the Company will continue to be creative and resourceful as it learns how to adapt to new ways of working