

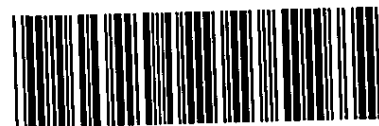
Company Registration No. 02657408

Topical Television Limited

Report and Financial Statements

30 June 2012

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Topical Television Limited

Report and financial statements 2012

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Topical Television Limited

Report and financial statements 2012

Officers and professional advisers

Directors

R Allen-Turner
R J J Bennett
J L Beresford
M J Fuller
J R Gregory
P Hayton
J Isaacs
C Meller
J Mowll
G Perkins
C C Riley
J M Thoday

Secretary

R Allen-Turner

Registered Office

4a Exmoor Street
London
W10 6BD

Bankers

The Royal Bank of Scotland Plc
62/63 Threadneedle Street
PO Box 412
London
EC2R 8LA

Auditor

Deloitte LLP
Chartered Accountants
London

Topical Television Limited

Directors' report

The directors present their annual report and the audited financial statements for the year ended 30 June 2012

This Directors' Report has been prepared in accordance with the special provisions relating to small companies under s418 of the Companies Act 2006

Principal activity

The principal activity of the company in the year under review was media and television production

Going concern

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

Further details regarding the adoption of the going concern basis can be found in Note 1 to the financial statements

A dividend of £150,000 was declared and paid during the year to Avalon Television Limited (2011 nil) and a dividend was declared to Avalon Factual Holdings Limited of £213,422 (2011 nil)

Directors

The directors who served throughout the year were as follows

R Allen-Turner

R J J Bennett

J L Beresford

M J Fuller

J R Gregory

P Hayton

J Isaacs (appointed 29 June 2012)

J Mowll

C Meller (appointed 29 June 2012)

G Perkins

C C Riley

J M Thoday

Auditor

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

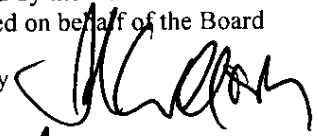
- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that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

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006

Deloitte LLP have expressed their willingness to continue in office as auditor and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting

Approved by the Board of Directors
and signed on behalf of the Board

J Gregory
Director


28 March 2013

Topical Television Limited

Statement of directors' responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, 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 with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Independent auditor's report to the members of Topical Television Limited

We have audited the financial statements of Topical Television Limited for the year ended 30 June 2012 which comprise the profit and loss account, the balance sheet and the related notes 1 to 15. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 30 June 2012 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.
- In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on matters prescribed by the Companies Act 2006

In our opinion the information in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent auditor's report to the members of Topical Television Limited (continued)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the directors were not entitled to take advantage of the small companies exemption in preparing the directors' report



James Bates (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
London, United Kingdom

21 March 2013

Topical Television Limited

Profit and loss account Year ended 30 June 2012

	Notes	2012 £	2011 £
Turnover		1,831,982	1,924,718
Cost of sales		(1,453,957)	(1,338,555)
Gross profit		<u>378,025</u>	<u>586,163</u>
Administrative expenses		(403,755)	(405,941)
Operating (loss)/profit	2	(25,730)	180,222
Interest receivable and similar income	3	-	141
(Loss)/profit on ordinary activities before tax		(25,730)	180,363
Tax on profit on ordinary activities	5	98	(14,255)
(Loss)/profit for the financial year after tax		<u>(25,632)</u>	<u>166,108</u>

All results relate to continuing operations

The Company has no recognised gains or losses other than the loss for the current year and profit for the previous year

The accompanying notes form an integral part of these financial statements

Topical Television Limited

Balance sheet As at 30 June 2012

	Notes	2012 £	2011 £
Fixed assets			
Intangible assets	6	-	-
Tangible assets	7	66,851	17,457
		<u>66,851</u>	<u>17,457</u>
Current assets			
Debtors	8	213,650	346,807
Cash at bank and in hand		488,098	371,442
		<u>701,749</u>	<u>718,249</u>
Creditors: amounts falling due within one year	9	(768,500)	(346,553)
Net current assets		<u>(66,751)</u>	<u>371,696</u>
Net assets		<u>99</u>	<u>389,153</u>
Capital and reserves			
Called up share capital	11	99	99
Profit and loss account	12	-	389,054
		<u>99</u>	<u>389,153</u>
Total equity shareholders' funds		<u>99</u>	<u>389,153</u>

The accompanying notes form an integral part of these financial statements

The financial statements of Topical Television Limited, registered number 02657408 were approved by the Board of Directors on 21st March 2013

Signed on behalf of the Board of Directors

J Thoday
Director

Topical Television Limited

Notes to the accounts Year ended 30 June 2012

1 Accounting policies

The financial statements are prepared in accordance with applicable United Kingdom accepted accounting standards. The particular accounting policies adopted are described below.

Accounting convention

The financial statements are prepared under the historical cost convention.

Going concern

In reaching their decision to prepare the accounts on the going concern basis, the Directors have considered the impact of the current economic climate on both the company and the group of which it is a member.

Having given due consideration to the above factors and the anticipated future performance of the Company, taking into account reasonably possible changes in trading performance in light of uncertainty related to current economic conditions, the Directors have been able to form a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason they adopt the going concern basis in preparing the accounts.

Turnover

The turnover and profit before taxation are attributable to the one principal activity of the Company and are wholly derived from sales made in the UK. This is consistent with the year ended 30 June 2012.

Intangible assets

The intangible assets relate to costs associated with the generation of programme rights. The costs were capitalised and were fully amortised over what the directors deemed to be the expected life of the asset which was five years.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to spread the cost of each asset over its estimated useful life.

Short leasehold property	-	over the term of the lease
Camera equipment	-	33% straight-line
Office equipment	-	33% straight-line
Motor vehicles	-	25% on reducing balance

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate.

Cash flow statement

The Company is exempt from the requirement of FRS 1 (revised 1996) to present a cash flow statement on the basis that it is a wholly owned subsidiary of Avalon Entertainment Limited, whose accounts are publicly available.

Topical Television Limited

Notes to the accounts Year ended 30 June 2012

2 Operating (loss)/profit

The operating (loss)/profit is stated after charging

	2012 £	2011 £
Depreciation – owned assets	22,165	16,522
Operating lease rentals	-	25,761
Pension costs	14,891	14,891
Fees paid to the Company's auditors for the audit of the Company's annual accounts	2,750	3,700
	<u>22,165</u>	<u>55,374</u>

The average monthly number of employees during the year was as follows

	2012 No	2011 No
Administration	9	8
	<u>9</u>	<u>8</u>
Directors' remuneration and other benefits	210,000	210,000
Directors' pension contributions to money purchase schemes	14,891	14,891
	<u>224,891</u>	<u>224,891</u>

The highest paid director was remunerated £70,000 (2011 £70,000) during the year with £4,964 (2011 £4,964) of this being paid into a money purchase pension scheme

The number of directors to whom retirement benefits were accruing was as follows

	2012 No.	2011 No
Money purchase schemes	3	3
	<u>3</u>	<u>3</u>

3 Interest receivable and similar income

	2012 £	2011 £
Deposit account interest	-	141
	<u>-</u>	<u>141</u>

4. Dividends

A dividend was declared to Avalon Factual Holdings Limited of £213,422 and declared and paid to Avalon Television Limited of £150,000 for the year ended 30 June 2012. The amounts paid for the year ended 30 June 2011 were nil and nil respectively.

Topical Television Limited

Notes to the accounts Year ended 30 June 2012

5. Tax

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows

	2012 £	2011 £
Current tax		
UK corporation tax	-	51,563
Over provision in prior year	(98)	(37,408)
	<u>(98)</u>	<u>(37,408)</u>
Tax on profit on ordinary activities	<u>(98)</u>	<u>14,255</u>

Factors affecting the tax charge

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below

	2012 £	2011 £
(Loss)/profit on ordinary activities before tax	<u>(25,730)</u>	<u>180,363</u>
(Loss)/profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 25.5% (2011: 27.5%)	(6,561)	49,600
Effects of		
Excess of depreciation over capital allowances	78	2,063
Permanent Disallowables	395	-
Amounts relieved to group entities for nil consideration	6,088	-
Overprovision of corporation tax in previous years	(98)	(37,408)
	<u>(98)</u>	<u>14,255</u>
Current tax (credit)/charge	<u>(98)</u>	<u>14,255</u>

6. Intangible fixed assets

	Other intangible assets £
Cost	
At 1 July 2011 and at 30 June 2012	<u>31,446</u>
Amortisation	
At 1 July 2011 and at 30 June 2012	<u>31,446</u>
Net book value	
At 30 June 2011 and 2012	<u>-</u>

Topical Television Limited

Notes to the accounts Year ended 30 June 2012

7. Tangible fixed assets

	Improve- ments to property £	Camera equipment £	Office equipment £	Motor vehicles £	Total £
Cost					
At 1 July 2011	7,268	219,772	72,186	14,495	313,721
Additions	-	57,916	2,070	13,608	73,595
Disposals	-	-	-	(14,495)	(14,495)
At 30 June 2012	7,268	277,688	74,256	13,608	372,821
Depreciation					
At 1 July 2011	6,229	205,860	72,186	11,989	296,264
Charge for the year	1,039	19,408	406	1,310	22,163
Eliminated on disposal	-	-	-	(12,458)	(12,458)
At 30 June 2012	7,268	225,268	72,592	841	305,970
Net book value					
At 30 June 2012	-	52,419	1,665	12,767	66,851
At 30 June 2011	1,038	13,912	-	2,506	17,457

8. Debtors: amounts falling due within one year

	2012 £	2011 £
Trade debtors – production	-	151,586
Other debtors	12,750	-
Prepayments and accrued income	200,900	195,221
	213,650	346,807

There were no amounts falling due after more than one year

Topical Television Limited

Notes to the accounts Year ended 30 June 2012

9 Creditors: amounts falling due within one year

	2012 £	2011 £
Trade Creditors	8,216	3,466
Corporation tax	-	51,663
Social security and other taxes	76,017	40,508
Other creditors	-	1,140
Amounts owed to fellow Group undertakings	428,777	75,000
Accruals and deferred income	255,490	174,776
	<u>768,500</u>	<u>346,553</u>

There were no amounts falling due after more than one year

A cross guarantee and debenture exists between the Company, its parent companies Avalon Entertainment Limited former group company Avalon Management Group Limited, and the following group companies Avalon Television Limited, Avalon Distribution Limited, Avalon Factual Holdings Limited, Flame Television Productions Limited, Liberty Bell Productions Limited, Tinderbox Television Limited, Avalon Promotions Limited and Funnyfriend Limited, to secure bank overdraft and loan facilities available to these companies

10 Operating lease commitments

The following operating lease payments are committed to be paid within one year

	2012 £	2011 £
Expiring		-
Within one year	-	737
Between one and five years	-	737
	<u>-</u>	<u>737</u>

11. Called up share capital

	2012 £	2011 £
Allotted, issued and fully paid		
99 ordinary shares of £1 each	99	99
	<u>99</u>	<u>99</u>

Topical Television Limited

Notes to the accounts Year ended 30 June 2012

12 Reserves

	Profit and loss account £
At 1 July 2011	389,054
Loss for the year	(25,632)
Dividends	(363,422)
At 30 June 2012	-

13 Pension commitments

The company operates a defined contribution pension scheme for its directors and senior employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

14 Related party disclosures

The company has taken advantage of the exemption available under FRS 8 not to disclose intra group transactions on the grounds that 100% of the voting rights are controlled within the group and consolidated financial statements containing Topical Television Limited are publicly available.

15 Ultimate controlling party

As at the year end date, Nolava Holdings Limited was the parent company and the ultimate controlling party was JM Thoday.

The largest and smallest group within which the Company's financial statements are consolidated is Avalon Entertainment Limited. Copies of consolidated financial statements can be obtained from Companies House, Crown Way, Maindy, Cardiff CF14 3UZ.

Following a post-balance sheet re-organisation, the ultimate controlling company is Tiverton Holdings Limited, and the ultimate controlling party is JM Thoday. Tiverton Holdings Limited is yet to produce any company accounts.