

TOPICAL TELEVISION LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020



TOPICAL TELEVISION LIMITED

COMPANY INFORMATION

Directors	R Allen-Turner J Beresford J Isaacs J Mowll G Perkins C Riley D Saggars J Thoday C Masters D Palmer-Brown
Secretary	R Allen-Turner
Company number	02657408
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

TOPICAL TELEVISION LIMITED

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TOPICAL TELEVISION LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2020

The directors present their annual report and financial statements for the year ended 30 June 2020.

Principal activities

The principal activity of the company continued to be that of the development and production of television programmes.

Directors

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

R Allen-Turner
J Beresford
J Isaacs
J Mowll
G Perkins
C Riley
D Saggars
J Thoday
C Masters
D Palmer-Brown

Results and dividends

The results for the year are set out on page 3.

The directors do not recommend payment of an ordinary dividend (2019: £nil).

Future Developments

We have assessed the impact of COVID-19 on future revenues and are confident that it is unlikely to have a significant impact on the future development, performance and position of the company's business.

Post balance sheet events

There have been no significant events affecting the company since the year end.

TOPICAL TELEVISION LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2020

Director's Responsibilities Statement

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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards, including FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements; 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. 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.

Disclosure of Audit Requirements

The Company is a wholly owned subsidiary of Avalon Factual Holdings Limited and of its ultimate parent Tiverton 2 Limited, and is included in the consolidated financial statements of Tiverton 2 Limited, which are publicly available.

Consequently, the company has taken advantage of the exemption from statutory audit according to The Companies and Limited Liability Partnership (Accounts and Audit Exemptions and Change of Accounting Framework) Regulations 2012.

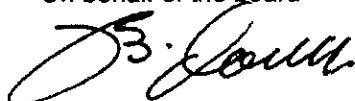
Small Companies Exemption

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption. Accordingly the exemption has been taken from preparing a strategic report.

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 the note 1 of the financial statements.

On behalf of the board



J Mowll
Director
9 March 2021

TOPICAL TELEVISION LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2020

		2020	2019
	Notes	£	£
Turnover	3	1,460,076	2,375,240
Cost of sales		(980,524)	(1,765,598)
Gross profit		<u>479,552</u>	<u>609,642</u>
Administrative expenses		(484,785)	(574,442)
(Loss)/profit on ordinary activities before taxation	4	<u>(5,233)</u>	<u>35,200</u>
Taxation on profit on ordinary activities	7	(5,164)	10,436
(Loss)/profit for the financial year		<u><u>(10,397)</u></u>	<u><u>45,636</u></u>

The Statement of Comprehensive Income has been prepared on the basis that all operations are continuing operations.

TOPICAL TELEVISION LIMITED

BALANCE SHEET

AS AT 30 JUNE 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	9		39,034		67,431
Current assets					
Debtors	11	1,014,824		517,972	
Cash at bank and in hand		386,540		530,148	
		<u>1,401,364</u>		<u>1,048,120</u>	
Creditors: amounts falling due within one year	12	<u>(897,652)</u>		<u>(562,408)</u>	
Net current assets			503,712		485,712
Total assets less current liabilities			<u>542,746</u>		<u>553,143</u>
Capital and reserves					
Called up share capital	15		99		99
Profit and loss account			542,647		553,044
Total equity			<u>542,746</u>		<u>553,143</u>

The Notes on pages 6 to 15 are an integral part of these financial statements.

For the financial year ended 30 June 2020 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

No members have required the Company to obtain an audit of its accounts for the current financial year in accordance with the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements on pages 3 to 15 were approved by the board of directors and authorised for issue on 9 March 2021 and are signed on its behalf by:



J Mowll
Director

Company Registration No. 02657408

TOPICAL TELEVISION LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2020

	Notes	Share capital £	Profit and loss account £	Total £
Balance at 1 July 2018		99	507,408	507,507
Year ended 30 June 2019:				
Profit and total comprehensive income for the year		-	45,636	45,636
Balance at 30 June 2019		99	553,044	553,143
Year ended 30 June 2020:				
Loss and total comprehensive income for the year		-	(10,397)	(10,397)
Balance at 30 June 2020	15	99	542,647	542,746

TOPICAL TELEVISION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2020

1 Accounting policies

1.1 General information

Topical Television Limited develops and produces television programmes.

Topical Television Limited is a private company limited by shares incorporated in England and Wales. The registered office is 4a Exmoor Street, London, W10 6BD.

1.2 Statement of compliance

These financial statements are prepared on a going concern basis, under the historical cost convention as modified by the recognition of certain financial assets and liabilities measured at fair value.

1.3 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.

(a) Basis of Preparation

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

(b) Exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with, including notification of, and no objection to, the use of exemptions by the Company's shareholders.

The Company has taken advantage of the following exemption, under FRS 102 paragraph 1.12(b), from preparing a statement of cash flows, on the basis that it is a qualifying entity and the consolidated statement of cash flows, on the basis that it is a qualifying entity and its ultimate parent company, Tiverton 2 Limited, includes the company's cash flows in its own consolidated financial statements.

(c) Foreign currency

The company's functional and presentation currency is the pound sterling.

(d) Going concern

In reaching their decision to prepare the accounts on a 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, the current year result and the anticipated future performance of the Company, taking into account reasonably possible changes in the trading performance, 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.

(e) Turnover

Revenue is measured at the fair value of the consideration received or receivable and represents the amount receivable for services rendered net of value added taxes. Revenue is recognised to the extent it is probable that the economic benefits will flow to the group and the revenue can be reliably measured.

Turnover and related costs on television productions are recognised as production activity progresses to reflect the proportion of work carried out during the year. Profit is recognised once the total outcome can be assessed with reasonable certainty.

TOPICAL TELEVISION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2020

1 Accounting policies

(Continued)

(f) Interest

Interest receivable and payable are recognised in the profit and loss account using the effective interest method.

1.4 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price and costs directly attributable to bringing the asset to its working condition for its intended use. Depreciation is provided on all tangible fixed assets, other than investment properties and freehold land, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset over its expected useful life, as follows:

Leasehold improvements	over the term of the lease
Production equipment	Straight-line over 3 years
Computer equipment	Straight-line over 3 years
Motor vehicles	25% on reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.6 Financial instruments

The company has chosen to adopt the Sections 11 and 12 of FRS 102 in respect of financial instruments.

Financial instruments are recognised in the Company's Balance Sheet when the Company becomes party to the contractual provisions of the instrument.

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

Basic financial assets

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

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

TOPICAL TELEVISION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2020

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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

Interest-bearing bank loans and overdrafts are recorded at the proceeds received, net of direct issue costs. Finance charges, including premiums payable on settlement or redemption and direct issue costs, are accounted for on an accruals basis in the profit or loss account using the effective interest method and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise.

1.7 Equity instruments

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

1.8 Taxation

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

Current tax

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Group's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is not recognised when fixed assets are revalued unless by the balance sheet date there is a binding agreement to sell the revalued assets and the gain or loss expected to arise on sale has been recognised in the financial statements. Neither is deferred tax recognised when fixed assets are sold and it is more likely than not that the taxable gain will be rolled over, being charged to tax only if and when the replacement assets are sold.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

TOPICAL TELEVISION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2020

1 Accounting policies

(Continued)

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

1.9 Retirement benefits

Eligible Company employees are offered membership of two defined contribution pension schemes which are operated either by Avalon Management Group Limited or the People's Pension. Contributions payable to the Company's pension scheme are charged to the profit and loss account in the period to which they relate. Contributions payable to the People's Pension scheme are charged to cost of sales in the period to which they relate.

Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet. The assets of the plan are held separately from the Company in an independently administered fund.

1.10 Leases

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term, except where the period to the review date on which the rent is first expected to be adjusted to the prevailing market rate is shorter than the full lease term, in which case the shorter period is used.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

No material judgements or estimates have been used in the preparation of the company's financial statements.

3 Turnover and other revenue

Turnover analysed by category

	2020	2019
	£	£
Creation of television content	1,460,076	2,375,240

Turnover analysed by geographical market

	2020	2019
	£	£
UK	1,460,076	2,375,240

TOPICAL TELEVISION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2020

4 Operating (loss)/profit

	2020	2019
	£	£
Operating (loss)/profit for the year is stated after charging/(crediting):		
Depreciation of owned tangible fixed assets	33,468	30,639
Operating lease rentals - land & buildings	33,000	24,750
	<u>33,468</u>	<u>24,750</u>

5 Employees

The average monthly number of persons (including directors) employed by the company during the year was 5 (2019 - 6).

	2020	2019
	Number	Number
Total	5	6
	<u>5</u>	<u>6</u>

Their aggregate remuneration comprised:

	2020	2019
	£	£
Wages and salaries	224,527	295,331
Social security costs	26,643	39,288
Pension costs	8,643	7,640
	<u>259,813</u>	<u>342,259</u>

6 Directors' remuneration

	2020	2019
	£	£
Remuneration for qualifying services	164,019	199,375
Company pension contributions to defined contribution schemes	1,316	6,528
	<u>165,335</u>	<u>205,903</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2019- 2).

Remuneration disclosed above include the following amounts paid to the highest paid director:

Remuneration for qualifying services	70,032	73,836
Company pension contributions to defined contribution schemes	1,316	-
	<u>71,348</u>	<u>73,836</u>

TOPICAL TELEVISION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2020

7 Taxation

	2020 £	2019 £
(a) Tax expense included in profit and loss		
Current tax		
UK corporation tax on profits for the current year	835	56
Adjustments in respect of prior year	2,102	(11,963)
Total current tax	<u>2,937</u>	<u>(11,907)</u>
Deferred tax		
Origination and reversal of timing differences	<u>2,227</u>	<u>1,471</u>
Total tax on profit on ordinary activities	<u>5,164</u>	<u>(10,436)</u>

(b) Reconciliation of tax charge

Tax assessed for the year is higher than the standard rate of corporation tax in the UK for the year ended 30 June 2020 of 19% (2019: 19%). The differences are explained below.

	2020 £	2019 £
(Loss)/profit before taxation	<u>(5,233)</u>	<u>35,199</u>
Expected tax charge based on the standard rate of corporation tax in the UK of 19.0% (2019: 19%)	(994)	6,688
Tax effect of expenses that are not deductible in determining taxable profit	6	5,822
Adjustments in respect of prior years	2,102	(11,963)
Other non-reversing timing differences	(1,345)	-
Depreciation add back	6,359	-
Capital Allowances	(964)	(10,983)
Tax charge for the year	<u>5,164</u>	<u>(10,436)</u>

(c) Tax rate changes

The standard rate of corporation tax in the UK changed from 20% to 19% with effect 1 April 2017.

TOPICAL TELEVISION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2020

8 Intangible fixed assets

	Other £
Cost	
At 1 July 2019 and 30 June 2020	31,446
Amortisation and impairment	
At 1 July 2019 and 30 June 2020	31,446
Carrying amount	
At 30 June 2020	-
At 30 June 2019	-

9 Tangible fixed assets

	Land and buildings £	Plant and machinery etc £	Total £
Cost			
At 1 July 2019	11,793	533,874	545,667
Additions	-	5,071	5,071
At 30 June 2020	11,793	538,945	517,780
Depreciation and impairment			
At 1 July 2019	8,014	470,222	445,279
Depreciation charged in the year	567	32,901	33,468
At 30 June 2020	8,581	503,123	478,746
Carrying amount			
At 30 June 2020	3,212	35,822	39,034
At 30 June 2019	3,779	63,652	67,431

10 Financial instruments

	2020 £	2019 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	384,204	152,195
Carrying amount of financial liabilities		
Measured at amortised cost	675,483	478,136

TOPICAL TELEVISION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2020

(Continued)

10 Financial instruments

Financial assets measured at amortised cost comprise of trade debtors, other debtors, amounts owed by group undertakings, and accrued income.

Financial liabilities measured at amortised cost comprise of trade creditors, other creditors, accruals and amounts owed to group undertakings.

11 Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Trade debtors	11,755	2,382
Amounts due from group undertakings and undertakings in which the group has a participating interest	238,056	149,813
Prepayments and accrued income	752,046	358,250
	<u>1,001,857</u>	<u>510,445</u>
Deferred tax asset (note 13)	12,967	7,527
	<u>1,014,824</u>	<u>517,972</u>

Amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

12 Creditors: amounts falling due within one year

	2020 £	2019 £
Bank loans and overdrafts	57,497	3,624
Trade creditors	17,074	51,437
Amounts due to group undertakings	30,245	29,502
Amounts due to participating interest	39,418	46,281
Corporation tax	835	56
Other taxation and social security	70,286	84,216
Accruals and deferred income	682,297	347,292
	<u>897,652</u>	<u>562,408</u>

TOPICAL TELEVISION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2020

13 Deferred taxation

Deferred taxation is included in the financial statements as follows:

	Assets/ (Liability) 2020 £	Assets/ (Liability) 2019 £
Balances:		
Decelerated capital allowances	12,967	7,527
Movements in the year:		2020 £
Liability at 1 July 2019		(7,527)
Charge to profit or loss		2,227
Credit to other comprehensive income		(3,456)
Other		(4,211)
Asset at 30 June 2020		(12,967)

14 Retirement benefit schemes

	2020 £	2019 £
Contributions paid by the company for the year	8,643	7,640

15 Called up share capital

	2020 £	2019 £
Ordinary share capital Issued and fully paid		
99 ordinary shares of £1 each	99	99

There is a single class of ordinary shares. There are no restrictions on the distribution of dividends and the repayment of capital.

TOPICAL TELEVISION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2020

16 Operating lease commitments

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2020 £	2019 £
Within one year	<u>33,000</u>	<u>24,750</u>

17 Control

The immediate parent undertaking is Avalon Factual Limited.

The ultimate parent undertaking and the smallest and largest group to consolidate these financial statements is Tiverton 2 Limited. Copies of consolidated financial statements can be obtained from Companies House, Crown Way, Maindy, Cardiff CF14 3UZ.

The ultimate controlling party is J Thoday.

18 Related party transactions

The company has taken advantage of the exemption available in FRS 102 "Related party disclosure" whereby it has not disclosed transactions with the ultimate parent company or any wholly owned subsidiary undertakings of the group.