Ravenscourt Services Limited

Annual report and financial statements

for the 16 month period ended 31 December 2014
Registered number 03534197

Contents

Strategic report

The Directors present their Strategic Report on Ravenscourt Services Limited for the 16 month period ended 31 December 2014.

Principal activity and review of the business

The principal activity of the company is the provision of services to its immediate parent company, Lion Television Limited. The directors do not anticipate any changes in those activities over the coming year.

The company's profit for the financial period is £254,242 (Year to 31 August 2013: £269,003). This result reflects stability in the level of production services provided to its parent company.

As at 31 December 2014, shareholders' deficit total £241,747 (31 August 2013: £495,989). The reduction in deficit from the prior year is due to the profit made by the company during the period.

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 ALL3MEDIA Holdings 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 ALL3MEDIA Holdings 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 Ravenscourt Services Limited. The development, performance and position of ALL3MEDIA Holdings Limited group, which includes the company, is discussed in the group's financial statements which do not form part of this report.

By order of the Board

N. Bright

N Bright
Company Secretary

Berkshire House
168-173 High Holborn
London
WC1V 7AA

9 April 2015

Directors' report

The directors present their annual report and the audited financial statements of Ravenscourt Services Limited (the "company") for the 16 month period ended 31 December 2014.

Change of year end

In line with the group, Ravenscourt Services Limited has changed its year end from 31 August to 31 December. As such, the results shown in this report cover the 16 month period to 31 December 2014 with comparatives for the year ended 31 August 2013.

Future outlook

The directors believe that the company will continue as the provider of services to its immediate parent company, Lion Television Limited, in the future.

Dividends

The directors do not recommend the payment of a dividend (2013: £nil).

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 as cash bank borrowings which are subject to interest based on floating rates. Currency risk arises as certain debtors are denominated in foreign currency. The company does not hedge interest or currency risks. The company funds its operations from trading activities, equity and intercompany loans

Going concern

The directors believe that preparing the financial statements on the going concern basis is appropriate due to the continued support of one of its parent companies, All3Media Holdings Limited. The directors have received confirmation that All3Media Holdings Limited intends to support the company for at least one year after these financial statements are signed.

Directors

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

S Morrison (resigned 24th September 2014)
V Turton
R Bradley
N Catliff
J Mills
S Meer
N Bright

The company maintains liability insurance for its directors and officers.

Statement of directors' responsibilities

The directors are responsible for preparing the strategic report, the directors' 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 prepared 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 year. 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 UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 information to auditors

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

(1) so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
(2) 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.

Independent 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.

By order of the Board

N Bright
Company secretary
9 April 2015

Independent auditors' report to the members of Ravenscourt Services Limited

Report on the financial statements

Our opinion

In our opinion, Ravenscourt Services Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 31 December 2014 and of its profit for the 16 month period (the "period") 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.

What we have audited

Ravenscourt Services Limited's financial statements comprise:

- the Balance sheet as at 31 December 2014;
- the Profit and loss account for the period then ended;
- the Reconciliation of movements in shareholders' deficit for the period then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, the information given in the Strategic Report and the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

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, 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.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Statement of directors' responsibilities set out on page 3, 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) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

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.

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). 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.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the strategic report, the directors' report and financial statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Leighton Thomas (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
9 April 2015

Profit and loss account for the 16 month period ended 31 December 2014

	Note	**16 months to 31 December 2014**	12 months to 31 August 2013
		£	£
Turnover		**7,575,353**	5,588,894
Cost of sales		**(424,178)**	(205,300)
Gross profit		**7,151,175**	5,383,594
Administrative expenses		**(6,809,954)**	(5,051,088)
Operating profit	2	**341,221**	332,506
Interest receivable and similar income		**-**	20,519
Interest payable and similar charges	5	**-**	(68,471)
Profit on ordinary activities before taxation		**341,221**	284,554
Tax on profit on ordinary activities	6	**(86,979)**	(15,551)
Profit for the financial period/year		**254,242**	269,003

Amounts relating to turnover and operating profit in the current and previous period/year derive from continuing activities.

The company has no recognised gains and losses other than those included in the results above, and therefore no separate statement of total recognised gains and losses has been presented.

There is no material difference between the profit on ordinary activities before taxation and the profit for the financial period stated above and their historical costs equivalents.

The notes on pages 9 to 16 form part of these financial statements.

Reconciliation of movements in shareholders' deficit for the 16 month period ended 31 December 2014

	16 months to 31 December 2014	12 months to 31 August 2013
	£	£
Profit for the financial period/year	**254,242**	269,003
Opening shareholders' deficit	**(495,989)**	(764,992)
Closing shareholders' deficit	**(241,747)**	(495,989)

Balance sheet as at 31 December 2014

Registered number 03534197

	Note	**31 December 2014**		31 August 2013	
		£	**£**	£	£
Fixed assets					
Tangible assets	7		**109,646**		153,618
Current assets					
Debtors	8	**923,044**		394,871	
		923,044		394,871	
Creditors: amounts falling due within one year	9	**(1,274,437)**		(1,044,478)	
Net current liabilities			**(351,393)**		(649,607)
Total assets less current liabilities			**(241,747)**		(498,989)
Capital and reserves					
Called up share capital	10		**2**		2
Profit and loss account	12		**(241,749)**		(495,991)
Total shareholders' deficit			**(241,747)**		(495,989)

The financial statements on pages 6 to 16 were approved by the Board of Directors on 9 April 2015 and were signed on its behalf by:

V Turton
Director

The notes on pages 9 to 16 form part of these financial statements.

Notes to the financial statements

1 Accounting policies

The following accounting policies have been applied in dealing with items which are considered material in relation to the company's financial statements:

Basis of preparation

These financial statements are prepared on the going concern basis, under the historical cost convention, and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the financial year are set out below.

Cash flow statement

The company is a wholly owned subsidiary of All3Media Holdings Limited and is included in the consolidated financial statements of All3Media Holdings Limited which are publicly available. The All3Media Holdings Limited consolidated financial statements for the 16 month period ended 31 December 2014 contain a consolidated statement of cash flows. Consequently, the company has taken advantage of the exemption available under Financial Reporting Standard 1 (revised 1996) "Cash flow statements" from preparing its own statement of cash flows.

Going concern

The financial statements are prepared on the going concern basis due to the continued support of one of its parent companies, All3Media Holdings Limited. The company has received confirmation that All3Media Holdings Limited intends to support the company for at least one year after these financial statements are signed.

Turnover

Turnover comprises the invoiced value of provision of services supplied by the company exclusive of value added tax.

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

Tangible fixed assets and depreciation

Tangible fixed assets are initially stated at historic purchase cost less accumulated depreciation. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use.

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

Leasehold improvements	-	over the term of the lease
Plant and machinery	-	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.

Leases

Assets held under finance leases (excluding sale and leaseback transactions), which are leases where substantially all the risks and rewards of ownership of the asset have passed to the company, are capitalised in the balance sheet and are depreciated over their useful lives or the term of the lease, whichever is shorter. Future instalments under such leases, net of finance charges, are included within creditors. Rental payments are apportioned between the finance element, which is charged to the profit and loss account, and the capital element which reduces the outstanding obligation for future instalments.

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

Notes to the financial statements *(continued)*

1 Accounting policies *(continued)*

Deferred taxation

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 have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax.

Deferred tax assets are recognised only to the extent that the directors consider that it is probable that there will be suitable taxable profits from which the future reversal of the underling timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on the average tax rates and laws enacted or substantively enacted at the balance sheet date.

Pensions

The company operates a defined contribution personal pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The amount charged against profit represents the contributions payable to the scheme in respect of the accounting year.

Translation of foreign currencies

Monetary assets and liabilities expressed in foreign currencies are translated into sterling at rates of exchange ruling at the date of the balance sheet or at the agreed contractual rate. Transactions in foreign currency are converted to sterling at the rate ruling at the date of the transaction. All differences on exchange are taken to the profit and loss account.

2 Operating profit

	16 months to 31 December 2014	12 months to 31 August 2013
	£	£
This is stated after charging:		
Auditors' remuneration:		
-Audit services	**6,701**	6,701
Depreciation and other amounts written off tangible fixed assets:		
-Owned assets (note 7)	**137,480**	166,477
Operating lease charges		
– Land and buildings	**384,809**	427,166
– Equipment	**7,208**	9,399

Notes to the financial statements *(continued)*

3 Directors' emoluments

	2014 £	2013 £
Aggregate emoluments	**1,385,254**	941,861
Company pension contributions to money purchase schemes	**95,200**	63,680
	1,480,454	1,005,541

The total emoluments, including pension contributions of £23,800 (2013: £16,895) of the highest paid director were £377,353 (2013: £263,397).

Four of the directors are remunerated by ALL3MEDIA Limited, and details are available in the financial statements of that company.

Payments were made to a personal pension scheme on a defined contribution basis for 4 directors (2013: 4) in the year.

4 Employee information

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

By activity:	2014 number	2013 Number
Production	**27**	21
Administration	**29**	32
	56	53

The aggregate payroll costs of these persons were as follows:

	2014 £	2013 £
Wages and salaries	**4,709,587**	3,289,620
Social security costs	**557,419**	411,491
Other pension costs	**146,608**	85,112
	5,441,849	3,786,223

Notes to the financial statements *(continued)*

5 Interest payable and similar charges

	16 months to 31 December 2014 £	12 months to 31 August 2013 £
Bank interest payable	-	68,471

6 Tax on profit on ordinary activities

(a) Tax on profit on ordinary activities

The tax charge is made up as follows:

	16 months to 31 December 2014 £	12 months to 31 August 2013 £
Current Tax		
UK corporation tax	**107,417**	72,667
Adjustments in respect of previous years	**(3,390)**	-
Total current tax charge for the period/year	**104,027**	72,667
Deferred tax		
Originating on and reversal of timing difference	**(25,554)**	(30,412)
Adjustments in respect of previous years	**8,506**	(37,271)
Effect of changes in tax rates	-	10,567
Total deferred tax	**(17,048)**	(57,116)
Total tax charge for the period/year	**86,979**	15,551

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

The tax charge for the period is higher (2013: higher) than the standard rate of corporation tax in the UK of 21.88% (2013: 23.58%). The differences are reconciled below.

	16 months to 31 December 2014 £	12 months to 31 August 2013 £
Profit on ordinary activities before tax	**341,221**	284,554
Current tax at 21.88% (2013: 23.58%)	74,659	67,098
Effects of:		
Expenses not deductible for tax purposes	**2,677**	4,415
Depreciation for the period in excess of capital allowances	**30,081**	39,255
Adjustments in respect of previous years	**(3,390)**	-
Utilisation of losses brought forward	-	(38,101)
Total current tax charge for the period/year	**104,027**	72,667

Notes to the financial statements *(continued)*

6 Tax on profit on ordinary activities *(continued)*

Factors affecting current and future tax charges:

The Finance Act 2013 was enacted in July 2013 and included legislation to reduce the main rate of corporation tax from 23% to 21% and was effective from 1 April 2014. The current tax rate for the period is therefore 21.88%.

Further reductions to the main rate of corporation tax were included within Finance Act 2013 which was enacted in July 2013, which further reduced the main rate of corporation tax from 21% to 20% effective from 1 April 2015.

The changes to the main rate of corporation tax disclosed above had been enacted at the balance sheet date, and deferred taxes have been measured using the enacted rates within these financial statements.

c) Deferred taxation (note 8)

The deferred taxation included in the balance sheet is as follows:

	16 months to 31 December 2014 £	12 months to 31 August 2013 £
Included in debtors	**195,690**	178,642
Capital allowances in excess of depreciation	**195,690**	176,506
Short term timing difference	-	2,136
	195,690	178,642

	Deferred Tax £
At 1 September 2013	178,642
Deferred tax credit in profit and loss account for period (note 6(a))	17,048
At 31 December 2014	**195,690**

The directors consider that it is more likely than not that there will be sufficient taxable profits in the future such as to realise the deferred tax asset, and therefore the asset has been recognised in these financial statements.

Net deferred taxation not recognised in the accounts is as follows:

	31 December 2014 £	31 August 2013 £
Unutilised trading losses	-	2,261

No deferred tax asset relating to the above has been recognised on the basis that the recognition criteria set out in Financial Reporting Standard 19 have not been met.

Notes to the financial statements *(continued)*

7 Tangible fixed assets

	Leasehold improvements £	Plant and machinery £	Total £
Cost			
At 1 September 2013	305,650	1,165,482	1,471,132
Additions	-	93,508	93,508
Disposals	-	(945)	(945)
At 31 December 2014	**305,650**	**1,258,045**	**1,563,695**
Accumulated depreciation			
At 1 September 2013	264,173	1,053,341	1,317,514
Charge for the period	13,472	124,008	137,480
Disposals	-	(945)	(945)
At 31 December 2014	**277,645**	**1,176,404**	**1,454,049**
Net book value			
At 31 December 2014	**28,005**	**81,641**	**109,646**
At 31 August 2013	41,477	112,141	153,618

There are no tangible fixed assets held under finance leases included in the total net book value (31 August 2013: nil).

8 Debtors

	31 December 2014 £	31 August 2013 £
Trade debtors	**13,944**	5,121
Amounts owed by group undertakings	**539,215**	113,018
Amounts owed by group undertakings for group relief	**-**	19,206
Other debtors	**19,786**	21,476
Prepayments and accrued income	**154,409**	57,408
Deferred tax (note 6)	**195,690**	178,642
	923,044	394,871

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

Notes to the financial statements *(continued)*

9 Creditors: amounts falling due within one year

	31 December 2014 £	31 August 2013 £
Bank loans overdrafts	**739,819**	2,330
Trade creditors	**64,242**	49,115
Amounts owed to group undertakings	**-**	708,599
Amounts owed to group undertakings for group relief	**84,820**	-
Taxation and social security	**130,723**	123,991
Other creditors	**6,674**	6,563
Accruals and deferred income	**248,159**	153,880
	1,274,437	1,044,478

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

10 Called up share capital

	31 December 2014 £	31 August 2013 £
Allotted and fully paid		
2 (31 August 2013: 2) ordinary shares of £1 each	**2**	2

11 Financial commitments

At 31 December the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		**Other**	
	31 December 2014 £	31 August 2013 £	**31 December 2014 £**	31 August 2013 £
Operating leases which expire:				
Within one year	**-**	-	**5,111**	-
Within two to five years	**380,458**	380,458	**480**	5,360
	380,458	380,458	**5,591**	5,360

12 Profit and loss account

	2014 £
At 1 September 2013	**(495,991)**
Profit for the financial year	**254,242**
At 31 December 2014	**(241,749)**

Notes to the financial statements *(continued)*

13 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 inthe ALLMEDIA Intermediate Limited financial statements which are publicly available.

14 Related party transactions

The Company has taken advantage of the exemption in Financial Reporting Standard Number 8 from the requirement to disclose transactions with wholly owned group companies on the grounds that consolidated financial statements are prepared by the ultimate parent company, which are publicly available. There were no other related party transactions in the period.

15 Ultimate and immediate parent undertaking and controlling party

The company's immediate parent undertaking is Lion Television Limited. In the directors' opinion, the company's ultimate parent undertaking is DLG Acquisitions Limited. All3Media Holdings Limited is the parent undertaking of the smallest and the largest group to consolidate these financial statements at 31 December 2014. 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.