

Registered number 03534197

Ravenscourt Services Limited

Report and Financial Statements

31 December 2019

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Ravenscourt Services Limited

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Ravenscourt Services Limited

Company information

Directors	A McMullen V Turton S Geater R Bradley N Catliff S Meer (resigned 30 September 2019)
Registered office	Berkshire House 168-173 High Holborn London WC1V 7AA
Independent Auditors	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors 1 Embankment Place London WC2N 6RH

Ravenscourt Services Limited

Strategic report for the year ended 31 December 2019

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

Principal activities 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 loss for the financial year amounted to £973,780 (year ended 31 December 2018: restated loss of £229,499).

As at 31 December 2019, shareholders' deficit amounts to £2,344,109 (31 December 2018 restated: deficit of £1,370,329). The deficit is due to the the loss made by the company during the year and the restatement to IFRS16.


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 Ravenscourt Services 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 13th August 2020 and signed by order of the board by:

DocuSigned by:

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A McMullen
Director

Berkshire House
168-173 High Holborn
London
WC1V 7AA

Ravenscourt Services Limited

Directors' report for the year ended 31 December 2019

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

Future Outlook

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

Dividends

Aggregate dividends paid for the year totalled £nil (year ended 31 December 2018: £nil).

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 certain transactions and debtors are denominated in foreign currencies. The company funds its operations from trading activities.

Going Concern

The directors have received confirmation that DLG Acquisitions Limited will continue to support the company for at least one year from signing the financial statements. Considering this, the directors confirm that they are satisfied that the company has adequate resources to continue in business for the foreseeable future. They have taken into account the company's trading performances, available facilities and have received the forecast cash flows for at least 12 months from the signing of these financial statements, as a result the directors believe that preparing the financial statements as a going concern basis is appropriate.

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 Geater
V Turton
S Meer (resigned 30th September 2019)
N Catliff
R Bradley

The company maintains liability insurance for its directors and officers.

Ravenscourt Services Limited

Directors' report for the year ended 31 December 2019

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 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

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.

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

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

Reappointment of 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 2006.

The financial statements on pages 7 to 22 were approved by the Board of Directors on 13th August 2020 and signed on its behalf by:

DocuSigned by:

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A McMullen

Director

Berkshire House
168-173 High Holborn
London
WC1V 7AA

Ravenscourt Services Limited

Independent auditors' report to the members of Ravenscourt Services Limited

Report on the audit of the financial statements

Opinion

In our opinion, Ravenscourt Services 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 loss 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; 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.

Ravenscourt Services Limited

Independent auditors' report to the members of Ravenscourt Services Limited (continued)

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.

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, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

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

Use of this report

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

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
14 August 2020

Ravenscourt Services Limited**Profit and loss account for the year ended 31 December 2019**

		Year ended 31 December 2019	Year ended 31 December (Restated) 2018
	Note	£	£
Turnover		4,245,694	5,113,721
Cost of sales		(489,017)	(212,679)
Gross profit		3,756,677	4,901,042
Administrative expenses		(4,619,949)	(5,015,610)
Operating loss	3	(863,272)	(114,568)
Interest payable	4	(82,740)	(95,292)
Loss on ordinary activities before taxation		(946,012)	(209,860)
Tax on loss	6	(27,768)	(19,102)
Loss for the financial year		<u>(973,780)</u>	<u>(228,962)</u>

The above results were derived from continuing operations.

The notes on pages 11 to 26 form an integral part of these financial statements.

Ravenscourt Services Limited

Statement of comprehensive income for the year ended 31 December 2019

	Year ended 31 December 2019	Year ended 31 December (Restated) 2018
	£	£
Loss for the financial year	(973,780)	(228,962)
Total comprehensive loss for the year	<u>(973,780)</u>	<u>(228,962)</u>

The notes on pages 11 to 26 form an integral part of these financial statements.

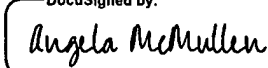
Ravenscourt Services Limited
(Registration number: 03534197)

Balance sheet as at 31 December 2019

		31 December 2019	31 December (Restated) 2018
	Note	£	£
Fixed assets			
Tangible assets	7	151,245	60,807
Right-of-use assets	7b	1,133,121	1,261,117
		<u>1,284,366</u>	<u>1,321,924</u>
Current assets			
Debtors	8	586,290	911,554
Cash at bank and in hand		-	955
		<u>586,290</u>	<u>912,509</u>
Creditors: amounts falling due within one year	9	(2,595,365)	(1,694,623)
Lease Liabilities (current)	7b	(458,045)	(401,465)
		<u>(2,467,120)</u>	<u>(1,183,579)</u>
Net current liabilities			
Provisions for liabilities	10	-	(60,000)
Lease Liabilities (non current)	7b	(1,161,355)	(1,448,674)
		<u>(2,344,109)</u>	<u>(1,370,329)</u>
Net liabilities			
Capital and reserves			
Called up share capital	11	2	2
Profit and loss account	12	(2,344,111)	(1,370,331)
		<u>(2,344,109)</u>	<u>(1,370,329)</u>
Total shareholders' deficit			

The financial statements of Ravenscourt Services Limited (registered number: 03534197) on pages 7 to 22 were approved by the board of directors and authorised for issue on 13th August 2020

They were signed on its behalf by:

DocuSigned by:

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A McMullen
Director

The notes on pages 11 to 26 form an integral part of these financial statements.

Ravenscourt Services Limited**Statement of changes in equity for the year ended 31 December 2019**

	Called-up share capital	Profit and loss account	Total shareholders' funds/(deficit)
	£	£	£
At 1 January 2018 (previously reported)	2	(726,512)	(726,510)
Opening IFRS16 adjustment	-	(414,857)	(414,857)
At 1 January 2018 (restated)	2	(1,141,369)	(1,141,367)
Loss and total comprehensive loss for the financial year	-	(228,962)	(228,962)
At 31 December 2018	2	(1,370,331)	(1,370,329)
Loss and total comprehensive loss for the financial year	-	(973,780)	(973,780)
At 31 December 2019	2	(2,344,111)	(2,344,109)

The notes on pages 11 to 26 form an integral part of these financial statements.

Ravenscourt Services Limited

Notes to the financial statements for the year ended 31 December 2019

1. General information

Ravenscourt Services Limited is a company incorporated in United Kingdom under the Companies Act 2006 and domiciled in the UK.

The address of the registered office is:

Berkshire House
168-173 High Holborn
London
WC1V 7AA

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

2. Accounting policies

2.1 Summary of significant accounting policies

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

Basis of preparation

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

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

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

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

Ravenscourt Services Limited

Notes to the financial statements for the year ended 31 December 2019 (continued)

2. Accounting policies (continued)

- The following paragraphs of IAS 1, 'Presentation of financial statements':
 - 10(d), (statement of cash flows)
 - 10(f) (a statement of financial position as at the beginning of the preceding period when an entity applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements, or when it reclassifies items in its financial statements),
 - 16 (statement of compliance with all IFRS),
 - 38A (requirement for minimum of two primary statements, including cash flow statements),
 - 38B-D (additional comparative information),
 - 40A-D (requirements for a third statement of financial position
 - 111 (cash flow statement information), and
 - 134-136 (capital management disclosures)
- IAS 7, 'Statement of cash flows'
- Paragraph 30 and 31 of IAS 8 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective)
- Paragraph 17 of IAS 24, 'Related party disclosures' (key management compensation)
- The requirements in IAS 24, 'Related party disclosures' to disclose related party transactions entered into between two or more members of a group.

Where required 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 16.

Going concern

The financial statements are prepared on the going concern basis due to the continued support of one of its parent companies, DLG Acquisitions Limited. The company has received confirmation that DLG Acquisitions 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.

Ravencourt Services Limited

Notes to the financial statements for the year ended 31 December 2019 (continued)

2. Accounting policies (continued)

Tax

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

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

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

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

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

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:

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.

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.

Ravenscourt Services Limited

Notes to the financial statements for the year ended 31 December 2019 (continued)

2. Accounting policies (continued)

Leases

Ravenscourt Services Limited has applied IFRS 16 using the fully retrospective approach and has therefore restated comparative information for FY18 to show balances as if IFRS 16 had been in place throughout 2018, rather than IAS 17, the previous standard.

At inception of a contract, Ravenscourt Services Limited assesses whether a contract is, or contains, a lease. A contract is, or contains a lease, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, Ravenscourt Services Limited assesses whether:

- The contract involves the use of an identified asset – this may be specified explicitly or implicitly and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- Ravenscourt Services Limited has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- Ravenscourt Services Limited has the right to direct the use of the asset. Ravenscourt Services Limited has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used.

On transition to IFRS 16, Ravenscourt Services Limited recognised an additional £1,557,581 of right-of-use assets and £2,081,707 of lease liabilities, as well as a reduction of a rent free accrual of £23,998; recognising the difference in retained earnings.

	2019 £	2018 £
Profit and Loss Account		
Reversal of operating lease expense	(472,093)	(388,725)
Increase in depreciation expense	315,482	296,734
Increase in interest	81,868	95,292
Balance Sheet		
Right-of-use Asset	1,133,121	1,261,117
Lease Liabilities	(1,619,400)	(1,850,139)

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 5 represents contributions payable by the company to the fund.

Exceptional items

Exceptional items are items that are unusual because of their size, nature or incidence and which the Directors consider should be disclosed separately to enable a full understanding of the company's results.

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.

Ravenscourt Services Limited

Notes to the financial statements for the year ended 31 December 2019 (continued)

2.2 Critical accounting estimates and judgements

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

(a) Useful economic lives of tangible fixed assets

The annual depreciation charge for tangible fixed assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilization and the physical condition of the assets. See note 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 9 for the net carrying amount of the receivables and associated impairment provision.

(c) Discount Rates

When measuring lease liabilities, Ravenscourt Services Limited has discounted lease payments using a rate that is equal to its incremental borrowing rate. The rate applied to lease liabilities is 5%. Further, a full sensitivity analysis was performed to understand whether a change in discount rate would materially affect the lease liabilities. This did not create material differences and so 5% was deemed appropriate.

Ravenscourt Services Limited**Notes to the financial statements for the year ended 31 December 2019 (continued)****3. Operating loss**

Arrived at after charging

	Year ended 31 December 2019 £	Year ended 31 December 2018 (restated) £
Auditors' remuneration:		
- Audit services	5,834	5,255
Depreciation and other amounts written off tangible fixed assets:		
- Owned assets (note 7)	40,515	49,388
- Right of Use Asset (IFRS16)	315,482	296,734
	<u>361,831</u>	<u>351,377</u>

4. Interest payable

	Year ended 31 December 2019 £	Restated Year ended 31 December 2018 £
Other interest	872	-
Discounting charges on lease liabilities	81,868	95,292
	<u>82,740</u>	<u>95,292</u>

Ravenscourt Services Limited**Notes to the financial statements for the year ended 31 December 2019 (continued)****5. Employee information and Directors' Remuneration****(a) Employee Information**

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

	Year ended 31 December 2019 No.	Year ended 31 December 2018 No.
Production	29	32
Administration	19	21
	<u>48</u>	<u>53</u>

The aggregate payroll costs of these persons were as follows:

	Year ended 31 December 2019 £	Year ended 31 December 2018 £
Wages and salaries	2,536,056	3,448,126
Social security costs	362,006	412,745
Other pension costs	127,768	130,937
	<u>3,025,830</u>	<u>3,991,808</u>

(b) Directors' remuneration

	Year ended 31 December 2019 £	Year ended 31 December 2018 £
Aggregate emoluments	861,172	860,471
Company pension contributions to money purchase schemes	55,286	57,393
	<u>916,458</u>	<u>917,864</u>

The total emoluments, including pension contributions of £20,104 (year ended 31 December 2018: £33,563), of the highest paid director were £345,956 (year ended 31 December 2018: £313,696).

3 of the directors (2018: 3) have been remunerated by other All3Media Limited group companies, and details of their emoluments and pension payments are available in the financial statements of those companies.

Payments were made to a personal pension scheme on a defined contribution basis for 3 directors in the year (year ended 31 December 2018: 3).

Ravenscourt Services Limited**Notes to the financial statements for the year ended 31 December 2019 (continued)****6. Tax on loss****(a) Tax expense/(income) included in profit or loss**

	Year ended 31 December 2019 £	Year ended 31 December 2018 (restated) £
Current taxation		
UK corporation tax on profits for the year	-	-
Adjustment in respect of prior periods	-	-
	<u>-</u>	<u>-</u>
Total current income tax	<u>-</u>	<u>-</u>
Deferred taxation		
Origination and reversal of temporary differences	(12,218)	(8,933)
Impact of changes in tax rates and laws	-	1,812
Adjustments in respect of prior periods	39,986	26,223
	<u>27,768</u>	<u>19,102</u>
Total deferred taxation	<u>27,768</u>	<u>19,102</u>
Total tax on loss	<u>27,768</u>	<u>19,102</u>

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

The tax on expense for the year is higher (2018: higher) than the standard rate of corporation tax in the UK of 19.00% (2018: 19.00%). The differences are explained below:

	Year ended 31 December 2019 £	Year ended 31 December 2018 (restated) £
Loss before taxation	(946,012)	(209,860)
Corporation tax at standard rate of 19% (2018: 19%)	(179,742)	(39,873)
Effects of:		
Expenses not deductible for tax purposes	2,071	1,030
Remeasurement of deferred tax	1,438	27,300
Adjustments in respect of previous periods	39,986	1,812
Impact of change in tax rate	-	-
Current year losses on which no deferred tax recognised	-	-
Group relief (received) for no consideration	161,089	28,833
Fixed asset differences	2,926	-
	<u>27,768</u>	<u>19,102</u>
Total tax charge for the year	<u>27,768</u>	<u>19,102</u>

Ravenscourt Services Limited**Notes to the financial statements for the year ended 31 December 2019 (continued)****6. Tax on loss (continued)****(c) Factors affecting the tax charge for the 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.

(d) Deferred tax

	31 December 2019	31 December 2018 (restated)
	£	£
Included in debtors (note 8)	289,057	316,825
Analysed as below:		
Capital allowances in excess of depreciation	143,544	215,988
Short term timing difference	145,513	100,837
	<u>289,057</u>	<u>316,825</u>
Deferred taxation asset	<u>289,057</u>	<u>316,825</u>

Deferred tax movement during the year:

	At 1 January 2019 (restated) £	Recognised in income £	At 31 December 2019 £
Accelerated tax depreciation	215,988	(72,444)	143,544
Short term timing differences	100,837	44,676	145,513
	<u>316,825</u>	<u>(27,768)</u>	<u>289,057</u>

Ravenscourt Services Limited**Notes to the financial statements for the year ended 31 December 2019 (continued)****7. Tangible assets**

	Leasehold improvements £	Plant and machinery £	Total £
Cost			
At 1 January 2019	313,788	992,483	1,306,271
Additions		130,953	130,953
Disposals	-	-	-
	<hr/>	<hr/>	<hr/>
At 31 December 2019	313,788	1,123,436	1,437,224
	<hr/>	<hr/>	<hr/>
Accumulated Depreciation			
At 1 January 2019	310,939	934,525	1,245,464
Charge for the year	1,628	38,887	40,515
Disposals	-	-	-
	<hr/>	<hr/>	<hr/>
At 31 December 2019	312,567	973,412	1,285,979
	<hr/>	<hr/>	<hr/>
Net Book Value			
At 31 December 2019	1,221	150,024	151,245
	<hr/>	<hr/>	<hr/>
At 31 December 2018	2,849	57,958	60,807
	<hr/>	<hr/>	<hr/>

Ravenscourt Services Limited

Notes to the financial statements for the year ended 31 December 2019 (continued)

7b. Leases

Amounts Recognised in the Balance Sheet

The balance sheet shows the following amounts relating to leases:

	31 December 2019 £	31 December 2018 (restated) £
Right-Of-Use Asset		
Buildings	1,133,121	1,261,117
Total	1,133,121	1,261,117
Lease Liabilities		
Current	(458,045)	(401,465)
Non-Current	(1,161,355)	(1,448,674)
Total	(1,619,400)	(1,850,139)

Additions to the right-of-use assets during the 2019 financial year were £187,486

Amounts recognised in the statement of profit or loss

The statement of profit or loss shows the following amount relating to leases:

	31 December 2019 £	31 December 2018 £
Depreciation charge of right-of-use assets		
Buildings	315,482	296,734
Total	315,482	296,734
Interest expense (included in finance cost)	81,868	95,292
Expense related to non-IFRS 16 leases	-	-
Total	81,868	95,292

The total cash outflow for leases in 2019 was £500,092.

To determine the incremental borrowing rate, the group:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by Ravenscourt Services Limited, which does not have recent third party financing, and
- makes adjustments specific to the lease, eg term, country, currency and security.

Ravenscourt Services Limited

Notes to the financial statements for the year ended 31 December 2019 (continued)

7b. Leases (continued)

The group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right of use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs
- restoration costs

Right of use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the group is reasonably certain to exercise a purchase option, the right of use asset is depreciated over the underlying asset's useful life.

Payments associated with short term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight line basis as an expense in profit or loss. Short term leases are leases with a lease term of 12 months or less.

Ravenscourt Services Limited**Notes to the financial statements for the year ended 31 December 2019 (continued)****8. Debtors**

	31 December 2019	31 December 2018 (restated)
	£	£
Trade debtors	-	6,569
Amounts owed by fellow group undertakings	-	135,820
Other debtors	65,009	42,638
Prepayments and accrued income	232,224	409,702
Deferred tax (note 6)	289,057	316,825
	<u>586,290</u>	<u>911,554</u>

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

9. Creditors: amount falling due within one year

	31 December 2019	31 December 2018 (Restated)
	£	£
Bank overdraft	1,848,144	668,399
Trade creditors	25,882	54,881
Amounts owed to fellow group undertakings	48,116	352,194
Amounts owed to fellow group undertakings for group relief	213,722	213,722
Taxation and social security	-	129,708
Other creditors	10,196	19,335
Accruals and deferred income	449,305	256,384
	<u>2,595,365</u>	<u>1,694,623</u>

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

10. Provisions for liabilities

	2019	2018
	£	£
Leasehold dilapidations		
At beginning of year	60,000	90,000
Released during the year	(60,000)	(30,000)
	<u>-</u>	<u>60,000</u>
At end of year	-	60,000

The provision for expected dilapidation costs on a leasehold property has been released during the year. The provision is not discounted as any discounting would not be material to the financial statements, in accordance with FRS101.

Ravenscourt Services Limited**Notes to the financial statements for the year ended 31 December 2019 (continued)****11. Called up share capital****Authorised shares**

	31 December 2019		31 December 2018	
	No.	£	No.	£
Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>

Allotted, called up and fully paid shares

	31 December 2019		31 December 2018	
	No.	£	No.	£
Ordinary shares of £1 each	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>

12. Profit and loss account

	Profit and loss account £
At 1 January 2018 (previously reported)	(726,512)
Opening IFRS16 adjustment	(414,857)
At 1 January 2018 (restated)	<u>(1,141,369)</u>
Loss and total comprehensive loss for the financial year	<u>(228,962)</u>
At 31 December 2018	<u><u>(1,370,331)</u></u>
Loss and total comprehensive loss for the financial year	<u>(973,780)</u>
At 31 December 2019	<u><u>(2,344,111)</u></u>

13. Related party transactions

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

Ravenscourt Services Limited

Notes to the financial statements for the year ended 31 December 2019 (continued)

14. 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.

15. Changes in accounting policies

This note explains the impact of the adoption of IFRS 16 Leases on the group's financial statements. As indicated in note 7(b) above, the group has adopted IFRS 16 Leases retrospectively from 1 January 2019. The new accounting policies are disclosed in note 7(b).

On adoption of IFRS 16, the group recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of IAS 17 Leases. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of 1 January 2019. The weighted average lessee's incremental borrowing rate applied to the lease liabilities on 1 January 2019 was 5%. For leases previously classified as finance leases the entity recognised the carrying amount of the lease asset and lease liability immediately before transition as the carrying amount of the right of use asset and the lease liability at the date of initial application. The measurement principles of IFRS 16 are only applied after that date.

Practical expedients applied

In applying IFRS 16 for the first time, the group has used the following practical expedients permitted by the standard:

- applying a single discount rate to a portfolio of leases with reasonably similar characteristics relying on previous assessments on whether leases are onerous as an alternative to performing an impairment review – there were no onerous contracts as at 1 January 2019.
- accounting for operating leases with a remaining lease term of less than 12 months as at 1 January 2019 as short-term leases.
- excluding initial direct costs for the measurement of the right-of-use asset at the date of initial application, and
- using hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

Measurement of right-of-use assets

The associated right-of-use assets for property leases were measured on a retrospective basis as if the new rules had always been applied. Other right-of use assets were measured at the amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet as at 31 December 2018.

16. Parent and ultimate parent undertaking

The 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 2018. 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

Ravenscourt Services Limited

Notes to the financial statements for the year ended 31 December 2019 (continued)

17. Post Balance Sheet Event

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 we learn how to adapt to new ways of working.