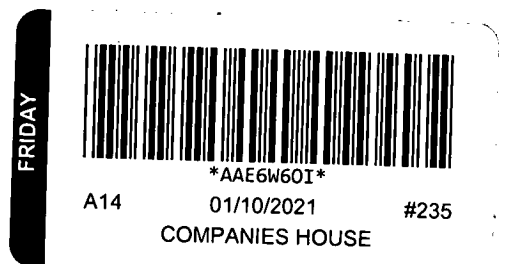


Registered number 03534197

## Ravenscourt Services Limited

Report and Financial Statements

31 December 2020



# **Ravenscourt Services Limited**

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## **Ravenscourt Services Limited**

### **Company information**

<b>Directors</b>	A McMullen V Turton S Geater R Bradley N Catliff
<b>Registered office</b>	Berkshire House 168-173 High Holborn London, England WC1V 7AA
<b>Independent Auditors</b>	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors 1 Embankment Place London WC2N 6RH

## **Ravenscourt Services Limited**

### **Strategic report for the year ended 31 December 2020**

The Directors present their Strategic Report for the year ended 31 December 2020.

#### **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. During the year the company held leases for office space and employment contracts for staff, which were utilised by Lion Television Limited. The directors anticipate a reduction in the level of services provided in 2021 because all of the relevant employment contracts were been transferred to Lion Television Limited during 2020.

The loss for the financial year amounted to £766,398 (year ended 31 December 2019: loss of £973,780).

As at 31 December 2020, shareholders' deficit amounts to £3,110,507 (31 December 2019: deficit of £2,344,109). The deficit is due to losses made by the company during the current and prior years.

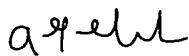
#### **Principal risks and uncertainties**

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 29 September 2021 and signed by order of the board by:



A McMullen  
Director

Berkshire House  
168-173 High Holborn  
London  
WC1V 7AA

## **Ravenscourt Services Limited**

### **Directors' report for the year ended 31 December 2020**

The directors present their Directors' Report and the audited financial statements for the year ended 31 December 2020.

#### **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 2019: £nil).

#### **Financial Risk Management**

Through its trading activities the company is exposed to certain levels of credit and liquidity risk. The main credit risk arises from customers not meeting payment terms however this is monitored closely by management and at the balance sheet date, there were no actual or potentially significant concentrations of risk aware of by the directors of the company. Liquidity risk is monitored on an ongoing basis as part of the company's day to day control activities and through periodic financial reviews and forecast exercises with action taken as considered necessary. Such action may include the acquisition of commercial credit and bank overdraft facilities as well as the retention of cash balances; thereby ensuring appropriate funding facilities are continually available within the Company

#### **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  
N Catliff  
R Bradley

The company maintains liability insurance for its directors and officers. Following shareholders' approval, DLG Acquisitions Limited, the company's ultimate parent undertaking, has also provided an indemnity for the company's directors and officers, which is a qualifying third party indemnity provision for the purposes of the Companies Act 2006. The policy was in force during the financial year and up to the date of approval of the financial statements.

## **Ravenscourt Services Limited**

### **Directors' report for the year ended 31 December 2020**

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

The directors are responsible for preparing the Report and Financial Statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law).

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

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006.

#### **Directors' confirmations**

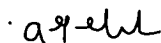
In the case of each director in office at the date the Directors' Report is approved:

- 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 8 to 24 were approved by the Board of Directors on 29 September 2021 and signed on its behalf by:



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 2020 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 Annual Report, which comprise: the Balance sheet as at 31 December 2020; the Profit and loss account, the Statement of comprehensive income and 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**

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

## **Ravenscourt Services Limited**

### **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 our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

### **Strategic report and Directors' report**

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' report for the year ended 31 December 2020 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.



## **Ravenscourt Services Limited**

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to employment laws and tax legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulations;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations; and
- Challenging assumptions and judgements made by management in their significant accounting estimates.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

## **Use of this report**

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

## **Other required reporting**

### **Companies Act 2006 exception reporting**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained 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  
30 September 2021

## **Ravenscourt Services Limited**

### **Profit and loss account for the year ended 31 December 2020**

		<b>Year ended 31 December 2020</b>	<b>Year ended 31 December 2019</b>
	<b>Note</b>	<b>£</b>	<b>£</b>
<b>Turnover</b>		2,375,631	4,245,694
Cost of sales		-	(489,017)
<b>Gross profit</b>		2,375,631	3,756,677
Administrative expenses		(2,903,911)	(4,619,949)
<b>Operating loss</b>	3	(528,280)	(863,272)
Interest payable and similar expenses	4	(119,344)	(82,740)
<b>Loss on ordinary activities before taxation</b>		(647,624)	(946,012)
Tax on loss	6	(118,774)	(27,768)
<b>Loss for the financial year</b>		(766,398)	(973,780)

The above results were derived from continuing operations.

The notes on pages 12 to 24 form an integral part of these financial statements.

## **Ravenscourt Services Limited**

### **Statement of comprehensive income for the year ended 31 December 2020**

	<b>Year ended 31 December 2020</b>	<b>Year ended 31 December 2019</b>
	<b>£</b>	<b>£</b>
Loss for the financial year	<u>(766,398)</u>	<u>(973,780)</u>
Total comprehensive loss for the year	<u><u>(766,398)</u></u>	<u><u>(973,780)</u></u>

The notes on pages 12 to 24 form an integral part of these financial statements.

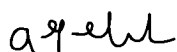
**Ravenscourt Services Limited**  
**(Registration number: 03534197)**

**Balance sheet as at 31 December 2020**

		<b>31 December 2020</b>	<b>31 December 2019</b>
	<b>Note</b>	<b>£</b>	<b>£</b>
<b>Fixed assets</b>			
Tangible assets	7a	108,714	151,245
Right-of-use assets	7b	131,240	1,133,121
		<hr/>	<hr/>
		239,954	1,284,366
<b>Current assets</b>			
Debtors	8	186,251	586,290
Cash at bank and in hand		112,355	-
		<hr/>	<hr/>
		298,606	586,290
<b>Creditors: amounts falling due within one year</b>			
Trade and other payables	9	(2,445,949)	(2,595,365)
Lease Liabilities (current)	7b	(496,369)	(458,045)
		<hr/>	<hr/>
<b>Net current liabilities</b>		(2,643,712)	(2,467,120)
<b>Lease Liabilities (non-current)</b>	7b	(706,749)	(1,161,355)
		<hr/>	<hr/>
<b>Net liabilities</b>		(3,110,507)	(2,344,109)
<b>Capital and reserves</b>			
Called up share capital	10	2	2
Profit and loss account	11	(3,110,509)	(2,344,111)
		<hr/>	<hr/>
<b>Total shareholders' deficit</b>		(3,110,507)	(2,344,109)
		<hr/>	<hr/>

The financial statements of Ravenscourt Services Limited (registered number: 03534197) on pages 8 to 24 were approved by the board of directors and authorised for issue on 29 September 2021

They were signed on its behalf by:



A McMullen  
Director

The notes on pages 12 to 24 form an integral part of these financial statements.

# **Ravenscourt Services Limited**

## **Statement of changes in equity for the year ended 31 December 2020**

	<b>Called-up share capital £</b>	<b>Profit and loss account £</b>	<b>Total shareholders' funds/(deficit) £</b>
<b>At 1 January 2019</b>	2	(1,370,331)	(1,370,329)
Loss and total comprehensive loss for the financial year	-	(973,780)	(973,780)
<b>At 31 December 2019</b>	<u>2</u>	<u>(2,344,111)</u>	<u>(2,344,109)</u>
Loss and total comprehensive loss for the financial year	-	(766,398)	(766,398)
<b>At 31 December 2020</b>	<u>2</u>	<u>(3,110,509)</u>	<u>(3,110,507)</u>

The notes on pages 12 to 24 form an integral part of these financial statements.

## **Ravenscourt Services Limited**

### **Notes to the financial statements for the year ended 31 December 2020**

#### **1. General information**

Ravenscourt Services Limited is a private limited company, limited by shares and 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, England  
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 as applicable to companies using FRS 101. 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 2020 (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.
- Exemptions available for the requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15, 'Revenue from contracts with Customers'.

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.

## **Ravenscourt Services Limited**

### **Notes to the financial statements for the year ended 31 December 2020 (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 2020 (continued)

#### 2. Accounting policies (continued)

##### Leases

Ravenscourt Services Limited has applied IFRS 16.

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.

##### 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.

#### 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.

## Ravenscourt Services Limited

### Notes to the financial statements for the year ended 31 December 2020 (continued)

#### 3. Operating profit/(loss)

Arrived at after charging

	Year ended 31 December 2020 £	Year ended 31 December 2019 £
Auditors' remuneration:		
- Audit services	-	5,834
Depreciation and other amounts written off tangible fixed assets:		
- Owned assets (note 7)	57,416	40,515
- Right of Use Asset (IFRS16)	1,001,881	315,482

In 2020 Audit fees were borne by other group companies and no recharge is made. An estimate of the fee that can be apportioned to Ravenscourt Services Limited for 2020 is £6,000.

#### 4. Interest payable and similar expenses

	Year ended 31 December 2020 £	Year ended 31 December 2019 £
Other interest	-	872
Discounting charges on lease liabilities	119,344	81,868
	119,344	82,740

## Ravenscourt Services Limited

### Notes to the financial statements for the year ended 31 December 2020 (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 2020 No.	Year ended 31 December 2019 No.
Production	-	29
Administration	18	19
	<u>18</u>	<u>48</u>

The aggregate payroll costs of these persons were as follows:

	Year ended 31 December 2020 £	Year ended 31 December 2019 £
Wages and salaries	1,608,866	2,536,056
Social security costs	185,504	362,006
Other pension costs	45,375	127,768
	<u>1,839,745</u>	<u>3,025,830</u>

All payroll costs for Ravenscourt Services employees were recharged to Lion Television Limited in 2020. In October 2020 all employees were transferred to Lion Television Limited.

##### (b) Directors' remuneration

	Year ended 31 December 2020 £	Year ended 31 December 2019 £
Aggregate emoluments	497,487	861,172
Company pension contributions to money purchase schemes	33,507	55,286
	<u>530,994</u>	<u>916,458</u>

The total emoluments, including pension contributions of £16,753 (year ended 31 December 2019: £20,104), of the highest paid director were £266,156 (year ended 31 December 2019: £345,956).

5 of the directors (2019: 3) have been remunerated by other DLG Acquisitions 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 nil directors in the year (year ended 31 December 2019: 3).

## Ravenscourt Services Limited

### Notes to the financial statements for the year ended 31 December 2020 (continued)

#### 6. Tax on loss

##### (a) Tax expense/(income) included in profit or loss

	Year ended 31 December 2020 £	Year ended 31 December 2019 £
<b>Current taxation</b>		
UK corporation tax on profits for the year	-	-
Adjustment in respect of prior periods	-	-
Total current income tax	-	-
<b>Deferred taxation</b>		
Origination and reversal of temporary differences	40,160	(12,218)
Impact of changes in tax rates and laws	(22,152)	-
Adjustments in respect of prior periods	100,766	39,986
Total deferred taxation	118,774	27,768
<b>Total tax on loss</b>	<b>118,774</b>	<b>27,768</b>

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

The tax on expense for the year is higher (2019: higher) than the standard rate of corporation tax in the UK of 19.00% (2019: 19.00%). The differences are explained below:

	Year ended 31 December 2020 £	Year ended 31 December 2019 £
Loss before taxation	(647,624)	(946,012)
Corporation tax at standard rate of 19% (2019: 19%)	(123,049)	(179,742)
Effects of:		
Expenses not deductible for tax purposes	1,058	2,071
Remeasurement of deferred tax	-	1,438
Adjustments in respect of previous periods	100,766	39,986
Impact of change in tax rate	(22,152)	-
Group relief given for no consideration	162,151	161,089
Fixed asset differences	-	2,926
Total tax charge for the year	<b>118,774</b>	<b>27,768</b>

## Ravenscourt Services Limited

### Notes to the financial statements for the year ended 31 December 2020 (continued)

#### 6. Tax on loss (continued)

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

The Finance Act 2020 reversed the previously planned rate reductions, with the existing 19% corporation tax rate substantively enacted as continuing. The Budget on 3 March 2021 announced that the rate will remain at 19% until 1 April 2023 when it will increase to 25%.

##### (d) Deferred tax

	31 December 2020	31 December 2019
	£	£
Included in debtors (note 8)	170,283	289,057
Analysed as below:		
Capital allowances in excess of depreciation	170,283	143,544
Short term timing difference	-	145,513
Deferred taxation asset	<u>170,283</u>	<u>289,057</u>

The deferred taxation asset has been recognised on the basis that it is highly likely to be recoverable via group relief given to fellow group undertakings.

##### Deferred tax movement during the year:

	At 1 January 2020 £	Recognised in income £	At 31 December 2020 £
Accelerated tax depreciation	143,544	26,739	170,283
Short term timing differences	145,513	(145,513)	-
	<u>289,057</u>	<u>(118,774)</u>	<u>170,283</u>

## Ravenscourt Services Limited

### Notes to the financial statements for the year ended 31 December 2020 (continued)

#### 7a. Tangible assets

	Leasehold improvements £	Plant and machinery £	Total £
<b>Cost</b>			
At 1 January 2020	313,788	1,123,436	1,437,224
Additions	14,885	-	14,885
Disposals	(297,747)	(772,160)	(1,069,907)
At 31 December 2020	30,926	351,276	382,202
<b>Accumulated Depreciation</b>			
At 1 January 2020	312,567	973,412	1,285,979
Charge for the year	2,957	54,459	57,416
Disposals	(297,747)	(772,160)	(1,069,907)
At 31 December 2020	17,777	255,711	273,488
<b>Net Book Value</b>			
At 31 December 2020	13,149	95,565	108,714
At 31 December 2019	1,221	150,024	151,245

## Ravenscourt Services Limited

### Notes to the financial statements for the year ended 31 December 2020 (continued)

#### 7b. Right-of-use assets

##### Amounts Recognised in the Balance Sheet

The balance sheet shows the following amounts relating to leases:

	31 December 2020	31 December 2019
	£	£
<b>Right-Of-Use Asset</b>		
Buildings	131,240	1,133,121
Total	131,240	1,133,121
<b>Lease Liabilities</b>		
Current	(496,369)	(458,045)
Non-Current	(706,749)	(1,161,355)
Total	(1,203,118)	(1,619,400)

Additions to the right-of-use assets during the 2020 financial year were £nil.

##### Amounts recognised in the statement of profit or loss account

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

	31 December 2020	31 December 2019
	£	£
<b>Depreciation and impairment charge of right-of-use assets</b>		
Buildings	1,001,881	315,482
Total	1,001,881	315,482
Interest expense (included in finance cost)	119,344	81,868
Expense related to non-IFRS 16 leases	-	-
Total	119,344	81,868

The total cash outflow for leases in 2020 was £488,426.

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 2020 (continued)

#### 7b. Right-of-use assets (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.

#### 8. Debtors

	31 December 2020	31 December 2019
	£	£
Other debtors	15,968	65,009
Prepayments and accrued income	-	232,224
Deferred tax (note 6)	170,283	289,057
	<u>186,251</u>	<u>586,290</u>



# **Ravenscourt Services Limited**

## **Notes to the financial statements for the year ended 31 December 2020 (continued)**

### **9. Creditors: amounts falling due within one year**

	<b>31 December 2020</b>	<b>31 December 2019</b>
	<b>£</b>	<b>£</b>
Bank overdraft	-	1,848,144
Trade creditors	3,626	25,882
Amounts owed to fellow group undertakings	2,228,601	48,116
Amounts owed to fellow group undertakings for group relief	213,722	213,722
Other creditors	-	10,196
Accruals and deferred income	-	449,305
	<u>2,445,949</u>	<u>2,595,365</u>

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

### **10. Called up share capital**

#### **Authorised shares**

	<b>31 December 2020</b>		<b>31 December 2019</b>	
	<b>No.</b>	<b>£</b>	<b>No.</b>	<b>£</b>
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**

	<b>31 December 2020</b>		<b>31 December 2019</b>	
	<b>No.</b>	<b>£</b>	<b>No.</b>	<b>£</b>
Ordinary shares of £1 each	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>

## **Ravenscourt Services Limited**

### **Notes to the financial statements for the year ended 31 December 2020 (continued)**

#### **11 Profit and loss account**

	<b>Profit and loss account £</b>
<b>At 31 December 2019</b>	<u><u>(2,344,111)</u></u>
Loss and total comprehensive loss for the financial year	<u>(766,398)</u>
<b>At 31 December 2020</b>	<u><u>(3,110,509)</u></u>

#### **12. 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.

#### **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.

#### **14 Parent and ultimate parent undertaking**

The company is a wholly owned subsidiary of Lion Television Limited. Lion Television Limited is the immediate 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 2020. 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.

Post balance sheet, DNI Holdings (Jersey) Limited transferred its shares to Discovery International UK Holdings Limited, a fellow group undertaking of Discovery Inc.