

COMPANY REGISTRATION NUMBER: 03645028

Lion Television North Limited
Financial Statements
31 January 2017

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Lion Television North Limited

Financial Statements

Year ended 31 January 2017

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Lion Television North Limited

Officers and Professional Advisers

The board of directors

V J Turton
S E Meer
A McMullen
S K Geater
N I Catliff
R A Bradley

Registered office

Berkshire House
168 - 173 High Holborn
London
WC1V 7AA

Auditor

Shipleys LLP
Chartered accountant & statutory auditor
10 Orange Street
Haymarket
London
WC2H 7DQ

Lion Television North Limited

Directors' Report *(continued)*

Year ended 31 January 2017

The directors present their report and the financial statements of the company for the year ended 31 January 2017.

Principal activities and business review

The principle activity of the company during the period was the development and production of children's television programmes.

During the prior period the company commenced production of a television series entitled "Gory Games – Series 4". At the prior period end the television series was complete and delivered to the broadcaster.

Directors

The directors who served the company during the year were as follows:

V J Turton
S E Meer
A McMullen
S K Geater
N I Catliff
R A Bradley

Dividends

A dividend of £113,799 (2015: £nil) per £1 ordinary share amounting to £227,598 (2015: £nil) was paid during the period to 31 January 2017.

Going concern

The directors have undertaken a rigorous assessment of whether the company was a going concern when the accounts were prepared, considering all available information about the future, covering a period of 12 months from the date of the approval of the accounts.

The directors are not aware of any material uncertainty arising from their assessment that would cast doubt on the company's ability to continue as a going concern.

A detailed budget and cashflow have been prepared for the production and delivery of the television series. Funds to meet the cashflow requirements are contractually in place and the directors do not anticipate any material overspend. The directors are therefore satisfied that the going concern assumption remains appropriate.

Future developments

The company intends to continue operating in the area of the development and production of children's television series.

Financial instruments

The Company's principal financial instruments comprise bank balances, loans, trade creditors and trade debtors. The main purpose of these instruments is to raise funds for the company's operations and to finance the company's operations.

Due to the nature of the financial instruments used by the company, there is no exposure to price risk. The company's approach to managing other risks applicable to the financial instruments concerned is shown below.

In respect of bank balances the liquidity risk is managed by maintaining a balance sufficient to meet the funds required for the company's operations. The company makes use of money market facilities where funds are available.

Trade debtors are managed in respect of credit and cash flow risk by ensuring that amounts due are received in a timely manner.

Lion Television North Limited

Directors' Report *(continued)*

Year ended 31 January 2017

Trade creditors' liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

Research and development

The company is not involved in research or development activities.

Overseas branches

The company was incorporated in the United Kingdom and has no overseas branches.

Directors' responsibilities statement

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

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

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

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

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

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.



A McMULLEN
DIRECTOR

08/06/2017

Lion Television North Limited

Independent Auditor's Report to the Shareholders of Lion Television North Limited

Year ended 31 January 2017

We have audited the financial statements of Lion Television North Limited for the year ended 31 January 2017 which comprise the statement of comprehensive income, statement of financial position, statement of changes in equity and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 101 'Reduced Disclosure Framework'.

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

Respective responsibilities of directors and auditor

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

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the directors' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 January 2017 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Lion Television North Limited

Independent Auditor's Report to the Shareholders of Lion Television North Limited *(continued)*

Year ended 31 January 2017

Matters on which we are required to report by exception

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

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



Kenneth Roberts (Senior Statutory Auditor)

For and on behalf of
Shipleys LLP
Chartered accountant & statutory auditor

10 Orange Street
Haymarket
London
WC2H 7DQ

14/06/2017

Lion Television North Limited
Statement of Comprehensive Income
Year ended 31 January 2017

		Year to 31 Jan 17	Period from 1 Apr 15 to 31 Jan 16
	Note	£	£
Turnover	3	(458)	1,170,735
Cost of sales		458	(1,170,735)
Gross profit		<u>—</u>	<u>—</u>
 Tax on profit	 4	 <u>—</u>	 227,598
Profit for the financial year and total comprehensive income		<u><u>—</u></u>	<u><u>227,598</u></u>

All the activities of the company are from continuing operations.

The company has no other recognised items of income and expenses other than the results for the year as set out above.

The notes on page 9 to 12 form part of these financial statements.

Lion Television North Limited

Statement of Financial Position

31 January 2017

	Note	2017 £	£	2016 £
Current assets				
Debtors	7	—		406,902
Cash at bank and in hand		<u>19,663</u>		<u>305,118</u>
		<u>19,663</u>		<u>712,020</u>
Creditors: amounts falling due within one year	8	<u>(19,661)</u>		<u>(484,420)</u>
Net current assets			<u>2</u>	<u>227,600</u>
Total assets less current liabilities			<u>2</u>	<u>227,600</u>
Net assets			<u>2</u>	<u>227,600</u>
Capital and reserves				
Called up share capital	9		2	2
Profit and loss account	10		—	<u>227,598</u>
Members funds			<u>2</u>	<u>227,600</u>

8th June 2017 These financial statements were approved by the board of directors and authorised for issue on 8th June 2017, and are signed on behalf of the board by:



A McMULLEN
DIRECTOR

Company registration number: 03645028

The notes on page 9 to 12 form part of these financial statements.

Lion Television North Limited

Statement of Changes in Equity

Year ended 31 January 2017

	Called up share capital £	Profit and loss account £	Total £
At 1 April 2015	2	–	2
Profit for the year	<u>–</u>	<u>227,598</u>	<u>227,598</u>
Total comprehensive income for the year	–	227,598	227,598
At 31 January 2016	2	227,598	227,600
Profit for the year		–	–
Dividends paid and payable	<u>–</u>	<u>(227,598)</u>	<u>(227,598)</u>
Total investments by and distributions to owners	–	(227,598)	(227,598)
At 31 January 2017	<u>2</u>	<u>–</u>	<u>2</u>

The notes on page 9 to 12 form part of these financial statements.

Lion Television North Limited

Detailed Income Statement

Year ended 31 January 2017

1. Authorisation of financial statements and statement of compliance with FRS 101

The financial statements of Lion Television North Limited for the period ending 31 January 2017 were authorised for issue by the board of directors on **08/06/2017** and the balance sheet was signed on the board's behalf by A McMullen.

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and in accordance with applicable accounting standards. The Company has taken advantage of the exemption under s400 of the Companies Act 2006 not to prepare group accounts as it is a wholly owned subsidiary of Lion Television Limited.

2. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Disclosure exemptions

The Company has taken advantage of the following disclosure exemptions under FRS 101:

a) the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:

- o the requirements of IAS 7 Statement of Cash Flows
- o the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

Where required equivalent disclosures are given in the group financial statements of DLG Acquisitions Limited. The group financial statements of DLG Acquisitions are available to the public and can be obtained as set out in note 12.

Revenue recognition

Turnover relates to the production of the television series entitled "Gory Game Series 4". It represents the value of the work done in the period, including estimates of amounts not invoiced and is stated after trade discounts, other taxes and net of VAT.

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Lion Television North Limited

Detailed Income Statement

Year ended 31 January 2017

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Significant estimation technique adopted

Accruals are estimated by reference to purchase orders raised at the period end and estimates to complete. Payments received on account are estimated by reference to percentage of completion of the television production, as noted in "Turnover" above.

Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Comparatives

The accounts cover the period from 1 February 2016 to 31 January 2017. The comparatives cover the period from 01 April 2015 to 31 January 2016.

3. Turnover

Turnover arises from:

	Year to 31 Jan 17 £	Period from 1 Apr 15 to 31 Jan 16 £
Production Services	<u>458</u>	<u>1,170,735</u>

Turnover relates to the production of the television series entitled "Gory Games – Series 4". It represents the value of the work done in the period, including estimates of amounts not invoiced and is stated after trade discounts, other taxes and net of VAT.

The whole of the turnover is attributable to the principal activity of the company wholly undertaken in the United Kingdom.

4. Tax on profit

Major components of tax income

	Year to 31 Jan 17 £	Period from 1 Apr 15 to 31 Jan 16 £
Current tax:		
UK current tax income	–	(227,598)
Tax on profit on ordinary activities	<u>–</u>	<u>(227,598)</u>

Lion Television North Limited

Detailed Income Statement

Year ended 31 January 2017

5. Operating Profit

Operating profit is stated after crediting:

	Year to 31 Jan 17 £	Period from 1 Apr 15 to 31 Jan 16 £
Director's remuneration	–	–
Auditor's remuneration	<u>1,000</u>	<u>7,500</u>

6. Particulars of Employees

The company has been incorporated to produce a children's television series called "Gory Games". In common with the film and television industry the majority of crew are hired on short term contracts for the duration of principal photography or are self-employed.

7. Debtors

	2017 £	2016 £
VAT recoverable	–	6,867
Corporation tax recoverable	–	227,598
Other debtors	–	172,437
	<u>–</u>	<u>406,902</u>

8. Creditors: amounts falling due within one year

	2017 £	2016 £
Trade creditors	–	292,201
Accruals and deferred income	9,407	184,235
Other creditors	<u>10,254</u>	<u>7,984</u>
	<u>19,661</u>	<u>484,420</u>

9. Called up share capital

Issued, called up and fully paid

	31 Jan 17		31 Jan 16
	No	£	No
Ordinary Shares of £1 each	<u>2</u>	<u>2</u>	<u>2</u>

10. Reserves

Profit and loss account - This reserve records retained earnings and accumulated losses.

11. Related party transactions

The company was under the control of Lion Television Limited throughout the period.

During the period the following transactions took place with related parties. All transactions related to the production of the television series 'Gory Games – Series 4', occurred at an arm's length and during the ordinary course of business:

Lion Television North Limited

Detailed Income Statement

Year ended 31 January 2017

Ravenscourt Services Limited, a company of which R A Bradley, N I Catliff, S K Geater, A McMullen, S E Meer and V J Turton are directors, was paid £620 (2015: £96,016) for production services and related costs. £nil (2015: £7,984) remained outstanding at the period end.

No other transactions with related parties were undertaken such as are required to be disclosed as this company has taken advantage of the exemption under the FRS 101 Reduced Disclosure Framework from disclosing transactions entered into between two or more members of a group, where any subsidiary undertaking which is party to the transaction is wholly owned by a member of that group.

12. Controlling party

In the opinion of the directors the immediate parent undertaking is Lion Television Ltd, a company incorporated in England and Wales.

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. Copies of its group financial statements, which include the company, are available from Berkshire House, 168-173 High Holborn, London, WC1V 7AA. The ultimate controlling parties at the balance sheet date are Liberty Global plc and Discovery Communications Inc., which own LGCI HoldCo I B.V. and Discovery Luxembourg Holdings 1 S.a.r.l. respectively, who are equal joint venture owners of DLG Acquisitions.

13. Dividends

Ordinary

£113,799 (31 Jan 2016: £nil) per £1 Ordinary Share

Year to	Period to
31 Jan 17	31 Jan 16
£	£
<u>227,598</u>	<u>-</u>