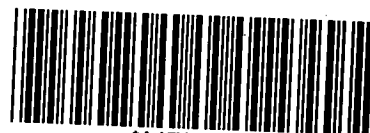


## **Company Productions (Douglas) Limited**

### **Annual report and financial statements**

For the 16 month period ended 31 December 2014  
Registered number 03952900

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## **Strategic report for the 16 month period ended 31 December 2014**

The Directors present their Strategic Report on Company Productions (Douglas) Limited for the 16 month period ended 31 December 2014.

### **Principal activity and review of the business**

The principal activity of the company is production of television programmes. The company did not trade during the year and the directors do not anticipate any changes in activities over the coming year.

The profit for the financial year amounted to £nil (2013: £nil).

As at 31 December 2014, shareholders' funds total £4,921 (2013: £4,921).

The future outlook of the company is discussed on page 2 in the Directors report

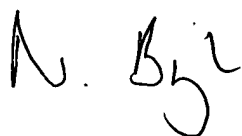
### **Principal risks and uncertainties**

The key business risks and uncertainties affecting the company relate to the general economic environment, competition from other distributors of television programmes and the success of the company's programming available for worldwide distribution. Further discussion of these risks and uncertainties, in the context of the All3Media Holdings Limited group (the "group") as a whole, is provided in the group's financial statements which do not form part of this report.

### **Key performance indicators ("KPIs")**

The directors of All3Media Holdings Limited manage the group's operations on a divisional basis. For this reason, the company's directors believe that analysis using key performance indicators for the company is not necessary or appropriate for an understanding of the development, performance or position of the business of Company Productions (Douglas) Limited. The development, performance and position of the All3Media Holdings Limited group, which includes the company, is discussed in the group's financial statements which do not form part of this report.

By order of the Board



**N Bright**  
Company Secretary

Berkshire House  
168-173 High Holborn  
London  
WC1V 7AA

9<sup>th</sup> April 2015

## **Directors' report for the 16 month period ended 31 December 2014**

The directors present their Report and the audited financial statements of Company Productions (Douglas) Limited for the 16 month period ended 31 December 2014.

### **Change of year end**

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

### **Future outlook**

The commercial environment in which the company operates remains competitive, but the directors believe that the company's position as one of the leading distributors of television programmes will enable it to maintain its current position in the future.

### **Dividends**

No dividend was paid during the period (year to 2013 August 2013: £nil).

### **Financial risk Management**

Through its trading activities the company is exposed to certain levels of credit, interest rate, currency and liquidity risk. Main credit risk arises from customers not meeting payment terms however this is monitored closely by management. Interest risk arises on cash balances subject to interest based on floating rates. Currency risk arises as certain debtors are denominated in foreign. The company funds its operations from trading activities.

### **Directors**

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

S Morrison	(resigned 24 <sup>th</sup> September 2014)
V Turton	
N Bright	
S Brown	(appointed 21 <sup>st</sup> November 2014)

The company maintains liability insurance for its directors and officers.

### **Statement of directors' responsibilities**

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

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

## Directors' report for the 16 month period ended 31 December 2014 (continued)

### Statement of directors' responsibilities (continued)

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

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

### Disclosure of information to auditors

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

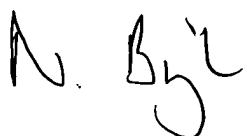
- (1) so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- (2) the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

### Independent Auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and are deemed reappointed in accordance with s487 (2) of the Companies Act.

By order of the Board



N Bright  
Company Secretary

Berkshire House  
168-173 High Holborn  
London  
WC1V 7AA

9<sup>th</sup> April 2015

## **Independent auditors' report to the members of Company Productions (Douglas) Limited**

### **Report on the financial statements**

#### ***Our opinion***

In our opinion Company Productions (Douglas) Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 31 December 2014 and of its result for the 16 month period (the "period") then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### ***What we have audited***

Company Productions (Douglas) Limited's financial statements, comprise:

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

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

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

#### ***Opinion on other matter prescribed by the Companies Act 2006***

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

### **Other matters on which we are required to report by exception**

#### ***Adequacy of accounting records and information and explanations received***

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

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

#### ***Directors' remuneration***

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

## **Independent auditors' report to the members of Company Productions (Douglas) Limited** *(continued)*

### **Responsibilities for the financial statements and the audit**

#### ***Our responsibilities and those of the directors***

As explained more fully in the Statement of directors' responsibilities set out on page 2-3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

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

#### ***What an audit of financial statements involves***

We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

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

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

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



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

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

	Note	16 month period ended 31 December 2014 £	Year ended 31 August 2013 £
<b>Turnover</b>	2	-	-
Cost of sales		-	-
<b>Gross result</b>		<u>-</u>	<u>-</u>
Administrative expenses		-	-
<b>Result on ordinary activities before taxation</b>		<u>-</u>	<u>-</u>
Tax on result on ordinary activities	6	-	-
<b>Result for the financial year</b>	10	<u><u>-</u></u>	<u><u>-</u></u>

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

There is no material difference between the result on ordinary activities before taxation and the result for the financial year stated above and their historical cost equivalents.

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



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

	<b>16 month period ended 31 December 2014</b>	<b>Year ended 31 August 2013</b>
	<b>£</b>	<b>£</b>
Shareholders' funds at the beginning and end of the year	<b>4,921</b>	<b>4,921</b>

**Balance sheet at 31 December 2014**

Registered number 03952900

	Note	2014 £	2013 £
<b>Current assets</b>			
Debtors	7	4	4
Cash at bank and in hand		108,420	6,124
		<u>108,424</u>	<u>6,128</u>
<b>Creditors: amounts falling due within one year</b>	8	(103,503)	(1,207)
<b>Net current assets</b>		<u>4,921</u>	<u>4,921</u>
<b>Net assets</b>		<u>4,921</u>	<u>4,921</u>
<b>Capital and reserves</b>			
Called up share capital	9	1	1
Profit and loss account	10	4,920	4,920
<b>Total shareholders' funds</b>		<u>4,921</u>	<u>4,921</u>

These financial statements on page 6 to 12 were approved by the board of directors on 9<sup>th</sup> April 2015 and were signed on its behalf by:



V Turton  
**Director**

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

## **Notes to the financial statements**

### **1 Accounting policies**

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

#### **Basis of preparation**

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

#### **Cash flow statement**

The company is a wholly owned subsidiary of All3Media Holdings Limited and is included in the consolidated financial statements of All3Media Holdings Limited which are publicly available. Consequently, the company has taken advantage of the exemption available under the Financial Reporting Standard 1 (revised 1996) 'Cash flow statements' from preparing its own cash flows.

#### **Turnover**

Turnover and attributable profits are recognised in accordance with the company's right to receive revenue based on the contracted position. The principal revenue recognition bases for commissioned TV programmes are:

- **Factual/factual entertainment programmes** – turnover and attributable profit are recognised in proportion to the stage of completion of the production at the relevant date unless the contractual position with the broadcaster does not entitle the company to recognise revenue until the final product is available for delivery.
- **Provision** is made for any overspends and losses as soon as identified. Any underspends are recognised once the programme has been completed and all related costs have been identified.
- **Revenues** on programmes distributed by third parties and other ancillary revenues are recognised once the company has been notified of sums due to it.

#### **Deferred production expenditure**

Pre-contract production expenditure is written off in the year in which it is incurred except where it is related to a clearly defined contract, the outcome of which has been assessed with reasonable certainty as to its success and commercial viability. In such cases the expenditure is deferred to the extent that its recovery can be reasonably regarded as assured and the cost is written off against revenue over the period of the contract. The costs of abortive productions are taken directly to the profit and loss account.

#### **Leases**

Sale and leaseback transactions relate to master negatives for films as a result of the company entering into sale and leaseback transactions for such films. Part of the cash received is put on deposit, and this cash together with any accrued interest thereon should be sufficient to meet the lease capital and interest payment. Cash received on inception of the transaction over and above that required for future rental payments is recognised as profit immediately. Such transactions are shown as a contingent liability in the notes to the financial statements.

## **Notes to the financial statements (continued)**

### **2 Turnover**

The company's did not trade during the period.

### **3 Operating result**

Company Television Limited has borne the cost of the company's audit for the year and in the previous year. Company Television Limited is the company's immediate parent undertaking. The audit fee is disclosed in the Company Television Limited financial statements.

### **4 Directors' emoluments**

Directors' remuneration in 2014 was £nil (2013: £nil).

The directors are remunerated by All3Media Limited, and details of their emoluments and pension payments are available in the financial statements of that company.

### **5 Employee information**

The company had no employees and incurred no staff costs during the current or previous year.

### **6 Tax on result on ordinary activities**

The company did not incur a profit chargeable to the UK corporation tax and there were no tax losses carried forward or unprovided deferred tax asset/liability at 31 December 2014 (2013: £nil).

#### **Factors affecting the tax credit for the future years**

The Finance Act 2013 was enacted in July 2013 and included legislation to reduce the main rate of corporation tax from 24% to 23% effective from 1 April 2014.

Further reductions to the main rate of corporation tax were included within Finance Act 2014 which was enacted in July 2014, which further reduced the main rate of corporation tax from 23% to 21% effective from 1 April 2014, and reduce the rate further from 21% to 20% effective from 1 April 2015. These reductions supersede the reduction to 23% which had been included as part of Finance Act 2013. The current tax rate for the period is therefore 21.88%

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

### **7 Debtors**

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Other debtors	4	4
	<u>4</u>	<u>4</u>
	<u>4</u>	<u>4</u>

**Notes to the financial statements for the 16 month period ended 31 December 2014**  
*(continued)*

**8 Creditors: amounts falling due within one year**

	2014 £	2013 £
Other Creditors	102,296	-
Amounts owed to group undertakings	1,100	1,100
UK Corporation Tax	10	10
Accruals and deferred income	97	97
	<u>103,503</u>	<u>1,207</u>

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

**9 Called up share capital**

	2014 £	2013 £
<b>Allotted and fully paid:</b>		
1 (2013:£1) ordinary share of £1	1	1
	<u>1</u>	<u>1</u>

**10 Profit and loss account**

	£
At 1 September 2013	4,920
Result for the financial year	-
At 31 December 2014	<u>4,920</u>

**11 Contingent liabilities**

The company has entered into certain sale and leaseback transactions for television programme rights. Amounts are held in deposit accounts as a result of these transactions and comprise monies to provide for the discharge of future leasing liabilities. The contingent liability would only crystallise upon the failure of the bank holding the deposit. The amounts involved are as follows:

	2014 £	2013 £
Amounts held on deposit	406,291	836,940
Less: loans outstanding	(406,291)	(836,940)
	<u>-</u>	<u>-</u>
The maturity of the above amounts is as follows:		
Less than one year	406,291	408,263
Two to five years	-	428,677
	<u>406,291</u>	<u>836,940</u>

**Notes to the financial statements for the 16 month period ended 31 December 2014**  
*(continued)*

**11 Contingent liabilities *(continued)***

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 All3Media Intermediate Limited financial statements which are publicly available.

**12 Related party transactions**

The company has taken advantage of the exemption in Financial Reporting Standard 8 'Related party transactions' from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by the parent company All3Media Holdings Limited.

**13 Ultimate and immediate parent undertaking and controlling party**

The company's immediate parent undertaking is All3Media Finance Limited.

In the directors' opinion, the company's ultimate parent undertaking is DLG Acquisitions Limited. All3Media Holdings Limited is the parent undertaking of the smallest and the largest group to consolidate these financial statements at 31 December 2014. Copies of its group financial statements, which include the company, are available from Berkshire House, 168-173 High Holborn, London, WC1V 7AA. The ultimate controlling parties at the balance sheet date are Liberty Global plc and Discovery Communications Inc., which own LGCI HoldCo I B.V. and Discovery Luxembourg Holdings 1 S.a.r.l. respectively, who are equal joint venture owners of DLG Acquisitions.