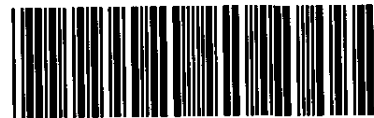

BLACKLIGHT TELEVISION LIMITED

UNAUDITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

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BLACKLIGHT TELEVISION LIMITED

COMPANY INFORMATION

Directors	Patrick Holland Jacqueline Moreton Derek O'Gara
Registered number	04135260
Registered office	Shepherds Building Central Charecroft Way London W14 0EE
Bankers	NatWest 1 Princes Street London EC2R 8BP

BLACKLIGHT TELEVISION LIMITED

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BLACKLIGHT TELEVISION LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

Introduction

The Directors present their Strategic Report of Blacklight Television Limited ("the Company") for the financial year ended 31 December 2021.

Principal activity, results and review of the business

The principal activity of the Company is the production of television programmes for broadcast purposes.

The performance of the Company during 2021 was in line with expectations.

Business environment

The UK television market continues to be challenging, with customers maintaining pressure on license fees paid for both new and returning commissions. However, there continue to be new buyers to the marketplace, so the portfolio of potential customers continues to increase.

Strategy and future developments

The success of the Company is dependent upon the successful selling and production of television programmes, and the recruitment and retention of key talent in order to achieve this aim. It is important to continue to diversify the portfolio of customers to take advantage of opportunities available, both in linear and non-linear broadcast channels. In addition, close monitoring of programme profit margins, as well as the development of ideas with international sales potential are key to the continuing profitability of the Company.

Future developments include a 4th series which will be delivering in 2022 and a new commission in our 2023 slate.

Key performance indicators

The Company uses the following key performance indicators ("KPI's") to assess the development, performance and position of the Company:

	2021 £000	2020 £000
Turnover	1,933	245
Operating profit / (loss)	94	(135)

Turnover and profit have both increased in 2021 as the Company resumed production and delivered the 3rd instalment of our returning series. There were no productions delivering in 2020 due to COVID 19 with all income relating to funded development only.

In 2021 there was a focus on keeping overhead costs to a minimum as the Company navigates the changing landscape after the COVID 19 pandemic.

Both the above factors assisted the Company's return to profitability in 2021.

BLACKLIGHT TELEVISION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

Principal risks and uncertainties

Banijay Group SAS, the intermediate parent undertaking, manages business and financial risks and uncertainties at group level, rather than on an individual Company basis. As a result the Company has reduced exposure to business financial risks because it is able to call on group financial resources and experience, for instance hedging currency fluctuations.

Commercial risk

The principal commercial risks inherent in the activities of the Company relate to the ability of the Company to develop, produce and represent television programmes which generate an audience for the Company's broadcaster clients. The Company aims to manage this risk by maintaining a diversified catalogue of television programmes.

Currency risk

The Company is also exposed to currency risk by virtue of the proportion of its business being invoiced in foreign currencies. The group holds cash in foreign currencies in order to hedge these exposures.

Credit risk

The principal credit risk arises from trade debtors and amounts owed by group undertakings. The Company aims to manage this risk by setting limits for customers based on a combination of payment history and third party credit references, which are reviewed on a regular basis in conjunction with debt ageing and collection history.

Cyber Security and Data Protection risk

Risk that the group is subject to increasingly sophisticated cyber-attacks aimed at causing business disruption, capture of data for financial gain and reputational damage. The group has strengthened controls and defences around this area of risk, including additional security levels applied to IT systems, and remains vigilant to the increasing threat.

This report was approved by the board on Dec 24, 2022 and signed on its behalf.

Derek O'Gara

.....
Derek O'Gara
Director

BLACKLIGHT TELEVISION LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

The Directors present their report and the financial statements for the year ended 31 December 2021.

Results and dividends

The profit for the year, after taxation, amounted to £65,000 (2020 - £(154,000)).

The Directors have not recommended the payment of a dividend (2020 - : £nil).

Future developments and financial risk management of the Company have been addressed in the Strategic report.

Directors

The Directors who served during the year were:

Derek O'Gara
Sarah Gregson (resigned 9 April 2021)
Lucinda Hicks (resigned 31 May 2022)
Peter Langenberg (resigned 14 June 2022)

Going concern

The Directors have a reasonable expectation that the Company has adequate resources to continue in operation in the twelve months from the signing date of these financial statements.

The financial statements have been prepared on a going concern basis. The Company has made a profit of £65,000 for the period ended 31 December 2021, is in a net liability position of £(432,000) as at 31 December 2021 and is expecting to trade profitably in the foreseeable future based on forecasts.

The Company's performance is dependent upon its ability to develop, produce and deliver television productions to clients - the health of key talent, staff and contributors is fundamental to achieve this aim. In line with government guidelines appropriate measures have been taken regarding health and safety and travel restrictions.

The Company's intermediate parent undertaking Banijay Group SAS has given a letter of support confirming it has the ability to and will provide continuing financial support to enable the Company to meet its obligations as and when they fall due for a period of twelve months from the date the directors approve the financial statements of the Company.

Banijay Group SAS has performed cashflow forecasting on the wider Banijay Group and is in a favorable liquidity position. One or more of the Company's directors holds a Group management position with visibility of the Group's position. Based on this information and on enquiries, the directors believe that Banijay Group SAS has the ability to provide financial support to the Company for a period of 12 months from the issuance date of these financial statements.

Taking into account the position of the intermediate parent, and their assessment of the impact on the Company, the directors are of the view, to the best of their current knowledge, that COVID-19 will not have a material adverse impact on the Company's ability to continue as a going concern. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Financial instruments

The Company's financial risk management objectives and policies in relation to financial instruments are set out in the Strategic Report of these financial statements.

BLACKLIGHT TELEVISION LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

Research and development activities

Research and development expenditure for the financial year related mostly to the development of future television programmes and amounted to £42,000 (2020 - £226,000).

Qualifying third party indemnity provisions

The Company has indemnified one or more directors of the Company against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third party indemnity provisions are in force as at the date of approving the Director's report.

Post balance sheet events

There have been no significant events affecting the Company since the year end.

This report was approved by the board and signed on its behalf.

Derek O'Gara

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Derek O'Gara
Director

Date: Dec 24, 2022

BLACKLIGHT TELEVISION LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2021

The Directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'. 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:

- 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 to 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.

BLACKLIGHT TELEVISION LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Note	2021 £000	2020 £000
Turnover	3	1,933	245
Cost of sales		(1,606)	(115)
Gross profit		<u>327</u>	<u>130</u>
Administrative expenses		(233)	(265)
Operating profit/(loss)	4	<u>94</u>	<u>(135)</u>
Interest receivable and similar income	7	4	3
Interest payable and similar expenses	8	(24)	(22)
Profit/(loss) before tax		<u>74</u>	<u>(154)</u>
Tax on profit/(loss)	9	(9)	-
Profit/(loss) for the financial year		<u><u>65</u></u>	<u><u>(154)</u></u>

There were no recognised gains and losses for 2021 or 2020 other than those included in the profit and loss account.

The notes on pages 10 to 30 form part of these financial statements.

BLACKLIGHT TELEVISION LIMITED
REGISTERED NUMBER: 04135260

BALANCE SHEET
AS AT 31 DECEMBER 2021

	Note	2021 £000	2020 £000
Fixed assets			
Intangible assets	10	2	4
		<u>2</u>	<u>4</u>
Current assets			
Stocks	13	74	87
Debtors: amounts falling due within one year	14	2,218	1,652
Cash at bank and in hand	15	47	-
		<u>2,339</u>	<u>1,739</u>
Creditors: amounts falling due within one year	16	(2,773)	(2,240)
Net current liabilities		<u>(434)</u>	<u>(501)</u>
Total assets less current liabilities		<u>(432)</u>	<u>(497)</u>
Net liabilities		<u>(432)</u>	<u>(497)</u>
Capital and reserves			
Called up share capital	18	1	1
Merger reserve	19	(77)	(77)
Profit and loss account	19	(356)	(421)
		<u>(432)</u>	<u>(497)</u>

The members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The Company was entitled to exemption from the requirement to have an audit under section 479A of the Companies Act 2006.

The Directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

Derek O'Gara

.....
Derek O'Gara
 Director

Date: Dec 24, 2022

BLACKLIGHT TELEVISION LIMITED
REGISTERED NUMBER: 04135260

BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2021

The notes on pages 10 to 30 form part of these financial statements.

BLACKLIGHT TELEVISION LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Called up share capital £000	Merger reserve £000	Profit and loss account £000	Total equity £000
At 1 January 2020	1	(77)	(267)	(343)
Comprehensive income for the year				
Loss for the year	-	-	(154)	(154)
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	-	-	(154)	(154)
At 1 January 2021	1	(77)	(421)	(497)
Comprehensive income for the year				
Profit for the year	-	-	65	65
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	-	-	65	65
At 31 December 2021	1	(77)	(356)	(432)

The notes on pages 10 to 30 form part of these financial statements.

BLACKLIGHT TELEVISION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1. General information

Blacklight Television Limited's principal activity continues to be producing television programmes for broadcast purposes.

The Company is a private company limited by shares and is incorporated in England. The address of its registered office is Shepherds Building Central Legal Department, Endemol Shine UK, Charecroft Way, London, United Kingdom, W14 0EE.

The Company's financial statements are presented in Sterling and all values are rounded to the nearest thousand pounds (£000) except when otherwise indicated.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies.

The following principal accounting policies have been applied:

2.2 Adoption of new and revised standards

Amendments to IAS 1 and IAS 8 Definition of Material

The amendments provide a new definition of material that states, "information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity." The amendments clarify that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users. These amendments had no impact on the financial statements of the Company, nor is there expected to be any future impact to the Company.

Amendments to IFRS 16 COVID-19 Related Rent Concessions

On 28 May 2020, the IASB issued COVID-19 Related Rent Concessions - amendment to IFRS 16 Leases. The amendments provide relief to lessees from applying IFRS 16 guidance on lease modification accounting for rent concessions arising as a direct consequence of the COVID-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a COVID-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the COVID-19 related rent concession the same way it would account for the change under IFRS 16, if the change were not a lease modification.

The amendment applies to annual reporting periods beginning on or after 1 June 2020. Earlier application is permitted. This amendment had no impact on the financial statements of the Company.

BLACKLIGHT TELEVISION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.3 Financial reporting standard 101 - reduced disclosure exemptions

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

- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement
- 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
- the requirements of paragraph 52, the second sentence of paragraph 89, and paragraphs 90, 91 and 93 of IFRS 16 Leases. The requirements of paragraph 58 of IFRS 16, provided that the disclosure of details in indebtedness relating to amounts payable after 5 years required by company law is presented separately for lease liabilities and other liabilities, and in total
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
 - paragraph 79(a)(iv) of IAS 1;
 - paragraph 73(e) of IAS 16 Property, Plant and Equipment;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures
- 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
- the requirements of paragraphs 130(f)(ii), 130(f)(iii), 134(d)-134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets.

2.4 Judgements and key sources of estimation uncertainty

The preparation of financial statements in compliance with FRS 101 requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the Statement of financial position date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

The following judgements and estimations have had the most significant effect on amounts recognised in the financial statements:

Cost of sales

Production costs are expensed as cost of sales in accordance with accounting policy shown in note 2.13. Recognition of production cost per episode is based upon management's judgement of the estimated future cost of completing the production.

BLACKLIGHT TELEVISION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.5 Going concern

The Directors have a reasonable expectation that the Company has adequate resources to continue in operation in the twelve months from the signing date of these financial statements.

The financial statements have been prepared on a going concern basis. The Company has made a profit of £74,000 for the period ended 31 December 2021, is in a net liability position of £(432),000 as at 31 December 2021 and is expecting to trade profitably in the foreseeable future based on forecasts.

The Company's performance is dependent upon its ability to develop, produce and deliver television productions to clients – the health of key talent, staff and contributors is fundamental to achieve this aim. In line with government guidelines appropriate measures have been taken regarding health and safety and travel restrictions. The Company continues to monitor the impact of COVID-19 pandemic.

The Company's intermediate parent undertaking Banijay Group SAS has given a letter of support confirming it has the ability to and will provide continuing financial support to enable the Company to meet its obligations as and when they fall due for a period of twelve months from the date the directors approve the financial statements of the Company.

Banijay Group SAS has performed cashflow forecasting on the wider Banijay Group and is in a favorable liquidity position. One or more of the Company's directors holds a Group management position with visibility of the Group's position. Based on this information and on enquiries, the directors believe that Banijay Group SAS has the ability to provide financial support to the Company for a period of 12 months from the issuance date of these financial statements.

Taking into account the position of the intermediate parent, and their assessment of the impact on the Company, the directors are of the view, to the best of their current knowledge, that COVID-19 will not have a material adverse impact on the Company's ability to continue as a going concern. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

BLACKLIGHT TELEVISION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.6 Revenue

Performance obligations are the goods or services promised in the contract. The Company recognises revenue when it has satisfied a performance obligation by providing the customer with the promised good or service.

A performance obligation is satisfied when control of the good or service is transferred to the customer. This transfer takes place at a point in time.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably estimated.

Revenues are measured at the fair value of the consideration received or receivable, net of rebates, and net of consideration payable to a customer (pay-backs).

If a contract includes a significant financing component, the revenue is discounted at revenue recognition date to reflect the credit facility granted to the customer.

Production revenues (from producing television programs)

Production revenues are recognised when the programs are delivered to the client. Standard criteria to establish revenue recognition are:

- client's acceptance document (i.e. delivery notice signed/approved by the client, etc.),
- delivery of a certain number of episodes, and
- expiry of the period stated in the contract to reject or return the product.

In case of partial delivery of the same program over several periods of time (series, etc.), revenue, costs and margin are recognised according to episodic deliveries.

Production revenues are booked net of grants, subsidies and co-producers' contributions.

Revenue not meeting these conditions is deferred. Revenue recognised in the Statement of comprehensive income but not yet invoiced is held on the Statement of financial position within prepayments and accrued income. Revenue invoiced but not yet recognised in the Statement of comprehensive income is held on the Statement of financial position within accruals and deferred income.

Distribution revenues (from the sale of finished programs)

Distribution revenues are recognised when the rights are transferred to the client:

- on the basis of a signed contract or a deal memo, and
- when the related rights are opened, and
- for the full revenue (revenues are not spread over the licensing period), as it is an access to right.

Inter-group and third-party royalty income

Inter-group royalty income is recognised in the financial statements on an accrual basis.

Royalty income from third party distributors is recognised on statement receipt basis as this is when the revenue is measurable.

Revenues from other rights and services

BLACKLIGHT TELEVISION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

Other rights and services include merchandising, music rights, other ancillary revenues and digital services. Merchandising revenues are recognised when the rights are transferred to the client:

- on the basis of a signed contract or deal memo, and
- when the licensing period begins, and
- for the full revenue (revenues are not spread over the licensing period).

Advanced payments are recognised as revenue when the above criteria are met.

2.7 Investments

Investments are stated at cost, less any provisions for impairment. The carrying values of fixed asset investments are reviewed for impairment when assets or changes in circumstances indicate the carrying value may not be recoverable.

2.8 Stocks

Production costs are recognised:

- In work in progress until programmes are delivered.
- In the Statement of comprehensive income (in cost of sales) as soon as programmes are delivered and related production revenues are recognised.
- Production costs are booked net of grants, subsidiaries and co-production financing.

2.9 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.10 Cash and cash equivalents

Cash and short term deposits in the Statement of financial position comprise cash at banks and in hand and short term deposits with an original maturity of three months or less.

BLACKLIGHT TELEVISION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.11 Intangible assets

Intangible assets are capitalised production costs and are stated at cost net of amortisation and any provision for impairment.

Production costs are only capitalised if estimates of future income from all sources significantly exceed the capitalised amount. Per production, the costs capitalised are relative to the proportion of total revenues expected to arise from secondary rights exploitation. These intangible assets are amortised over the period the Company expects to benefit from the use of the intangible asset, with a maximum of ten years.

Amortisation on these assets is recognised within total administration expenses in the Statement of comprehensive income.

Production costs are capitalised only when:

- The future economic benefit of the project is probable
- An intangible asset is created that can be separately identified
- It is probable that the intangible asset created will generate future economic benefits, and
- The cost of the intangible asset can be measured reliably

The forecast future exploitation revenues are reviewed regularly to ensure the forecast net contribution exceeds the balance of capitalised cost. Where future forecasted revenues reduce permanently versus original estimates, the rate of the charge to the Statement of comprehensive income, relative to actual revenues, is increased.

Where future forecasted revenues increase, the rate remains as originally estimated. Provision is made where intangible assets are not judged to be realisable at or above the associated carrying value.

Furthermore, this approach is only applied when the Company is entering into scripted productions which are anticipated to have diverse sources of revenues and when significant time is being invested to produce the content and the ultimate value of the content to the Company. More specifically, this policy is only applied where:

- Revenues from the secondary licenses of the production are visible, likely and capable of being forecast, and
- The production is forecast to generate significant (relative to the cost of production) secondary revenues

The carrying value of intangible assets are reviewed for impairment when changes in circumstances indicate the carrying value may not be recoverable.

BLACKLIGHT TELEVISION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)

2.12 Tangible assets

Tangible assets are stated at cost less accumulated depreciation and accumulated impairment losses. Such costs include costs directly attributable to making the assets operate as intended.

Depreciation is provided on all property, plant and equipment, on a straight line basis over its expected useful life as follows:

Office equipment - 4 years

The carrying value of tangible assets are reviewed for impairment when changes in circumstances indicate the carrying value may not be recoverable.

BLACKLIGHT TELEVISION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.13 Financial instruments

The Company recognises financial instruments when it becomes a party to the contractual arrangements of the instrument. Financial instruments are de-recognised when they are discharged or when the contractual terms expire. The Company's accounting policies in respect of financial instruments transactions are explained below:

Financial assets

The Company recognises its financial assets into the category discussed below.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers (e.g. trade receivables), but also incorporate other types of contractual monetary asset. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

Impairment provisions are recognised when there is objective evidence (such as significant financial difficulties on the part of the counterparty or default or significant delay in payment) that the Company will be unable to collect all of the amounts due under the terms receivable, the amount of such a provision being the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable. For trade receivables, which are reported net, such provisions are recorded in a separate allowance account with the loss being recognised within administrative expenses in the Statement of comprehensive income. On confirmation that the trade receivable will not be collected, the gross carrying value of the asset is written off against the associated provision.

Financial liabilities

The Company classifies its financial liabilities into the category discussed below.

At amortised cost

Financial liabilities at amortised cost including bank borrowings are initially recognised at fair value net of any transaction costs directly attributable to the issue of the instrument. Such interest bearing liabilities are subsequently measured at amortised cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried into the Statement of financial position.

2.14 Creditors

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

BLACKLIGHT TELEVISION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.15 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

2.16 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.17 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

2.18 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.19 Interest income

Interest income is recognised in profit or loss using the effective interest method.

BLACKLIGHT TELEVISION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.20 Taxation

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted by the Statement of financial position date.

Deferred income tax is recognised on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements, with the following exceptions:

When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred income tax assets are recognised only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carried forward tax credits or tax losses can be utilised.

Deferred income tax assets and liabilities are measured on an undiscounted basis at the tax rates that are expected to apply when the related asset is realised or liability is settled, based on tax rates and laws enacted or substantively enacted at the Statement of financial position date.

The carrying amount of deferred income tax assets is reviewed at each Statement of financial position date. Deferred income tax assets and liabilities are offset, only if a legally enforceable right exists to set off current tax assets against current tax liabilities, the deferred income taxes relate to the same taxation authority and that authority permits the Company to make a single net payment.

Income tax is charged or credited to other comprehensive income if it relates to items that are charged or credited to other comprehensive income. Similarly, income tax is charged or credited directly to equity if it relates to items that are credited or charged directly to equity. Otherwise income tax is recognised in the Statement of comprehensive income.

2.21 Redundancy costs

Redundancy costs are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence. Please see note 8 for more details.

2.22 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives, which range from 3 to 6 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

BLACKLIGHT TELEVISION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

3. Turnover

Turnover, stated net of VAT, is attributable to one continuing activity, as stated in the Directors' report

The turnover was derived from the Company's principal activity, an analysis of which is given below by geographical market:

Analysis of turnover by country of destination:

	2021	2020
	£000	£000
United Kingdom	1,933	245
	1,933	245

4. Operating profit/(loss)

The operating profit is stated after charging:

	2021	2020
	£000	£000
Research & development	42	226
Amortisation of intangible assets	1	1
Foreign exchange (gain)/loss	51	(14)
Defined contribution pension cost	11	10

BLACKLIGHT TELEVISION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

5. Employees

Staff costs were as follows:

	2021	2020
	£000	£000
Wages and salaries	243	196
Social security costs	21	23
Cost of defined contribution scheme	11	10
	275	229

The average monthly number of employees, including the Directors, during the year was as follows:

	2021	2020
	No.	No.
Production	2	1
Management	2	2
	4	3

The Company also has a number of freelance staff, hired on a production basis, whose costs are included within cost of sales and are not reflected in the table above.

6. Directors' remuneration

Two directors who served in the year were remunerated by Banijay (Central) Limited (2020: Two), and two directors were remunerated by Endemol Shine UK Limited (2020: Nil).

It is not practical to determine the proportion of emoluments which relate to their services as directors of this Company.

7. Interest receivable

	2021	2020
	£000	£000
Interest receivable on loans to group undertakings	4	3
	4	3

BLACKLIGHT TELEVISION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

8. Interest payable and similar expenses

	2021 £000	2020 £000
Loans from group undertakings	24	22
	24	22

9. Taxation

	2021 £000	2020 £000
Corporation tax		
Group relief payable	9	-
	9	-
Total current tax	9	-
Deferred tax		
Total deferred tax	-	-
Taxation on profit on ordinary activities	9	-

BLACKLIGHT TELEVISION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

9. Taxation (continued)**Factors affecting tax charge for the year**

The tax assessed for the year is lower than (2020 - *lower than*) the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

	2021 £000	2020 £000
Profit/(loss) on ordinary activities before tax	74	(154)
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	14	(29)
Effects of:		
Group relief received	(9)	-
Group relief payable	9	-
Utilisation of tax losses	(9)	-
Remeasurement of deferred tax for changes in tax rates	-	(48)
Deferred tax assets not recognised/(utilised) in the year	4	77
Total tax charge for the year	9	-

Factors that may affect future tax charges

The UK Budget 2021 announcements on 3 March 2021 included measures to support economic recovery as a result of the ongoing COVID-19 pandemic. These included an increase to the UK's main corporation tax rate to 25%, which is due to be effective from 1 April 2023. It was announced on 23 September 2022 that the corporation tax rate will remain at 19% but this has not yet been enacted.

BLACKLIGHT TELEVISION LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

10. Intangible assets

	Capitalised production costs £000	Other intangible assets £000	Total £000
Cost			
At 1 January 2021	3,095	2	3,097
At 31 December 2021	3,095	2	3,097
Amortisation			
At 1 January 2021	3,091	2	3,093
Charge for the year on owned assets	2	-	2
At 31 December 2021	3,093	2	3,095
Net book value			
At 31 December 2021	2	-	2
At 31 December 2020	4	-	4

BLACKLIGHT TELEVISION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

11. Tangible fixed assets

	Office equipment £000
Cost or valuation	
At 1 January 2021	87
At 31 December 2021	<u>87</u>
Depreciation	
At 1 January 2021	87
At 31 December 2021	<u>87</u>
Net book value	
At 31 December 2021	<u>-</u>
At 31 December 2020	<u>-</u>

12. Investments

The Company has direct interests in the following subsidiaries:

Name	Country of incorporation	Class of shares	Holding	Nature of Business
Citizen Television Productions Limited	Ireland	Ordinary	50 %	Television production
Blacklight (On the Edge) Productions Limited	United Kingdom	Ordinary	100 %	Television production
Blacklight (On the Edge Season 3) Productions Limited	United Kingdom	Ordinary	100 %	Television production

The address of the subsidiaries registered office is Shepherds Building, Charecroft Way, London, W14 0EE.

The Company fully impaired the carrying value of the investments in a previous accounting period.

BLACKLIGHT TELEVISION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

13. Stocks

	2021	2020
	£000	£000
Work in progress	74	87
	74	87

14. Debtors

	2021	2020
	£000	£000
Trade debtors	436	57
Amounts owed by group undertakings	931	924
Prepayments and accrued income	851	671
	2,218	1,652

On 14 November 2017, the Company entered into a cash pool loan agreement with Banijay Group SAS. The loan is repayable on demand, with interest charged at 1-month LIBOR plus 0.5% and capitalised monthly. The balance of £672,000 (2020 - £728,000) has been included in the amounts owed from group undertakings at 31 December 2021.

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

15. Cash and cash equivalents

	2021	2020
	£000	£000
Cash at bank and in hand	47	-
	47	-

BLACKLIGHT TELEVISION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

16. Creditors: Amounts falling due within one year

	2021	2020
	£000	£000
Trade creditors	59	-
Amounts owed to group undertakings	1,901	1,079
Other taxation and social security	60	103
Accruals and deferred income	753	1,058
	2,773	2,240

On 14 November 2017, the Company entered into a cash pool loan agreement with Banijay Group SAS. The loan is repayable on demand, with interest charged at 1-month LIBOR plus 2.0% and capitalised monthly. The balance of £894,000 (2020 - £658,000) has been included in the amounts owed from group undertakings at 31 December 2021.

Amounts included in amount owed to group undertakings are unsecured, repayable on demand and interest free.

BLACKLIGHT TELEVISION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

17. Financial instruments

	2021	2020
	£000	£000
Financial assets		
Loans and receivables	1,367	981
Financial liabilities		
Creditors	(2,021)	(1,182)

Financial assets

Financial assets measured at fair value through profit or loss comprise loans and receivables.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers (e.g. trade receivables), but also incorporate other types of contractual monetary asset. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision of impairment.

Financial liabilities

Other financial liabilities measured at fair value through profit or loss comprise creditors.

Creditors are both interest and non-interest bearing and are normally settled on negotiated commercial terms depending on the nature of the creditor. The disclosure with relation to those creditors which are interest bearing are given in note 16. Other creditors are non-interest bearing and have a payment term which is agreed with management.

18. Share capital

	2021	2020
	£000	£000
Allotted, called up and fully paid		
1,001 (2020 - 1,001) Ordinary shares shares of £1.00 each	1	1

BLACKLIGHT TELEVISION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
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19. Reserves

Merger Reserve

The merger reserve of £77,484 relates to the acquisition of the business of Zodiak Media Ireland Limited for consideration of €2 during 2019.

Profit and loss account

Includes all current and prior periods retained profits and losses.

20. Contingent liabilities

The Company had no contingent liabilities at 31 December 2021 or 31 December 2020.

21. Capital commitments

The Company had no capital commitments at 31 December 2021 or 31 December 2020.

22. Post balance sheet events

There are no adjusting or non-adjusting post-balance sheet events of note.

23. Inter-group guarantees

As at 31 December 2021, the Company held a cash pool agreement with Banijay Group SAS under which the Company has issued an unlimited inter-company guarantee to the entity, as well as given the entity right of set-off against debit balances of other UK Banijay Media Group companies.

24. Pension commitments

The Company operates a defined contribution pension scheme.

The pension charge for the year represents contributions payable by the Company scheme and amounted to £11,000 (2020: £10,000). There were £3,000 unpaid contributions outstanding at the year end (2020 - £4,000).

BLACKLIGHT TELEVISION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
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25. Controlling party

The immediate parent undertaking is Banijay UK Limited.

The parent undertaking of the smallest and largest group which includes the Company and for which publicly available group financial statements are prepared is Banijay Media Limited. Copies of these financial accounts can be obtained from Shepherds Building, Charecroft Way, London, W14 0EE.

At the date of the statement of financial position the ultimate parent undertaking and controlling party is Stephane Courbit's LOV Group who control Banijay Group. The Banijay Group listed on the Euronext stock exchange through FL Entertainment, from 1 July 2022.

The financial statements contain information about Blacklight Television Limited as an individual entity and do not contain consolidated financial information. The Company has taken advantage of the exemption under Section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included in the consolidated financial statements of Banijay Media Limited which are publicly available.