Banijay Media Limited
(formerly Zodiak Media Limited)

Consolidated financial statements for the year ended 31 December 2022

Registered number 06722283

Contents

Company information

Directors

N Chazarain
P Holland
P Langenberg
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C Brignon

Independent auditors

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Company registration number

06722283

Strategic Report for the year ended 31 December 2022

The Directors present their strategic report of Banijay Media Limited ("The Group" and "The Company") for the year ended 31 December 2022.

Strategy and Objectives

The success of the Group is dependent on the successful selling and production of television programmes, and the recruitment and retention of key talent in order to achieve this aim.

As part of its growth strategy, the Group continues to diversify its portfolio of customers to take advantage of opportunities available, both in linear and non-linear broadcast channels.

The success of the Group is dependent on the subsidiaries achieving the aims detailed above. In addition, close monitoring of programme profit margins, as well as the development of ideas with international sales potential are key to the continuing performance of the Group.

Principal activities and review of the business

The Company's principal activity is that of an investment holding company. The Group's principal activity is that of television production and exploitation of programme rights, together with the provision of digital media content and services to corporate and broadcasting clients.

On 30 December 2022 the Group disposed of its investment in Zodiak Kids & Family Productions UK Limited and Tiger Aspect Kids & Family Limited. For further details please refer to note 7.

The Group uses the following key performance indicators ("KPIs") to understand the development, performance and position of the Group. The below information relates to continuing operations.

	Period ended 31 December 2022	Period ended 31 December 2021
	£m	£m
Revenue	**321.1**	58.6
Adjusted EBITDA*	**24.3**	7.8

** Earnings before interest, tax, depreciation and amortisation. Also excluded from figure is profit on sale of subsidiaries. Figure includes TV tax credit element of tax on loss / profit as disclosed in note 12.*

Strategic Report for the year ended 31 December 2022 (continued)

Principal activities and review of the business (continued)

Revenue increased from £58.6 to £321.1m. Adjusted EBITDA for the year ended 31 December 2022 was £24.3m (2021: £7.8m). The increase in both factors was driven by both a recovery of activities during 2022 after the significant restrictions on activities in 2021 due to the COVID-19 pandemic, along with expansion of the group with the acquisition of Banijay Group Services Limited in December of 2021.

For details of the discontinued operations please refer to note 7.

Market Description

The UK television market has several significant participants, including public service broadcasters. Streaming services and other broadcasters continue to expand and diversify the market, increasing the potential portfolio of customers.

The UK television market continues to be challenging, with customers maintaining pressure on license fees paid for both new and returning commissions.

Impact of COVID-19

The Directors have considered the risks on the Group's liquidity and ongoing use of the going concern status in connection to the COVID-19 pandemic.

Television programmes have continued to be produced throughout the course of the period in accordance with COVID-19 regulations in the relevant territory. Furthermore, as at the date of signing these financial statements, television programmes are expected to be produced in the foreseeable future.

Principal Risk and Uncertainties

In common with all television production companies the key risks are:

- The uncertainty regarding the long-term application of the current commercial broadcasting model, as advertising revenue comes under increasing pressure from audience fragmentation, time shifted and on-demand viewing, as well as the inflationary environment caused by an increase in energy prices catalysing significant cuts in commercial advertising and marketing budgets in the UK and globally.
- The retention and motivation of the key talent that develop and sell projects to the Group's main broadcast customers.
- The risk that the Group's newly developed formats are not commissioned by broadcasters.
- The risk that the Group's significant and high profile long-running series are cancelled by the broadcasters.

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 Group has reduced exposure to business and financial risks because it is able to call on group financial resources and experience.

Strategic Report for the year ended 31 December 2022 (continued)

Principal Risk and Uncertainties (continued)

The Directors are satisfied that, within the supportive structure of a global production group, it has sufficient resources in order to protect its commercial interests in the future.

The Group has in place specific retention schemes with each of its key creative talent in order to mitigate the risk of losing those personnel.

Relationships with key commissioners and channel controllers within the customer's businesses are actively maintained through the Group's key talent, and the senior management team within the wider group.

Management is constantly reviewing the Group's significant productions and ensuring that these formats are reinvented through innovation and development in order to keep them appealing for future audiences. The Group continues to invest in the development of new ideas and formats to ensure that new productions are commissioned by the broadcasters.

Financial and non-financial risk management objectives and policies

The Group's activities expose it to a number of financial and non-financial risks listed below.

Credit risk
The Group's principal financial assets are cash, trade and other debtors.

The Group's credit risk is primarily attributable to its trade debtors.

The majority of the Group's trade debtor balance is due from the main UK broadcasters which the Directors consider to be a low credit risk. The Group has no significant concentration of the remaining credit risk, with exposure spread over a large number of counterparties and customers. The Group continues to manage this risk by continually monitoring the credit worthiness of its client list.

Cash flow and Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments a borrowing facility with other Group companies is available if required. The Group operates cash pooling arrangements with the wider Banijay Group, which ensures ongoing liquidity for the Group's operational needs.

Commercial risk

The principal commercial risks inherent in the activities of the Group relate to the ability of the Group to acquire commissions from broadcasters to produce televisual content. The Group aims to manage this risk by producing a diverse array of content for multiple broadcasters and employing market-leading executives and staff.

Strategic Report for the year ended 31 December 2022 (continued)

Financial and non-financial risk management objectives and policies (continued)

Currency risk

The Group is exposed to currency risk by virtue of cases where its business is invoiced in foreign currencies. The Group applies natural hedges by the nature of its transactions in order to mitigate these exposures.

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.

Section 172 Statement

Each of the directors of the Group are aware of their obligation to act in the way they consider, in good faith, would be most likely to promote the success of the Group for the benefits of its members as a whole, and in doing so have regard (amongst other matters) to the matters set out in section 172(1)(a) to (f) of section 172 of the Companies Act 2006.

The Board recognises that the Group must adopt effective long-term strategies if the business is to continue to grow and respond to challenges in the short and medium term.

As part of the Board's decision-making process the directors consider the potential impact of decisions on relevant stakeholders whilst also having regard to a number of broader factors, including the impact of the Group's operations on the community and environment, responsible business practices and the likely consequences of decisions in the long term. Through open and transparent dialogue with our key stakeholders, we have been able to develop a clear understanding of their needs, assess their perspectives and monitor their impact on our strategic ambition and culture.

Corporate and social responsibility

Corporate and social responsibility is a fundamental doctrine of our activities as a Group. Within this responsibility we are committed to championing diversity and inclusion in the media industry and are continually striving to have a positive and lasting impact on our local community and key stakeholders. Our definition of success strikes a balance between being a global and award winning television content producer and striving for high performance in operating in an inclusive, sustainable, environmental and socially responsible manner.

We have an ongoing DE&I education programme for all, freelancers and staff. Mandatory unconscious bias and respect at work training. Mandatory H&S, formalised accident reporting system, engage H&S consultant resource across the Group. Senior Management team, annual training and visit productions to do spot checks.

Strategic Report for the year ended 31 December 2022 (continued)

Section 172 statement (continued)

Employee-related matters

As a trading group, our people are key to our success and the wellbeing and safety of our employees is of paramount importance. We strive to provide the best possible physical working environment, whilst also cultivating a diverse, inclusive, fair and open culture. There are many ways we engage with and listen to our people including engagement surveys, internal comms, newsletters forums, employee resource groups and face-to-face meetings. Our people (both core staff and those working on our productions) are encouraged to seek support or raise concerns or issues with senior management, our HR team, Safeguarding Reps (on productions), Confidential Reps (core staff) or our confidential Speak Up! hotline.

Key areas of focus are around Diverstiy, Equity and Inclusion and Wellbeing. We have continued to strive for a workforce that reflects the diversity in our society and are significantly proud of the work carried by the Banijay Employee Resource Groups Embrace, Giving, Pride, Green and Women's networks, who not only endeavour to promote the voices of all our employees, talent and audiences, but also those which have wider national and global consequence. We support the wellbeing of all of our people by ensuring robust policies and procedures are in place and provide a wealth of Wellbeing resources and assistance to our people from our benefits provisions such as private medical insurance, a cashplan and an Employee Assistance Programme, to regular information and training sessions to a counselling service though a third party provider.

Environmental matters

Our commitment to operate sustainably and with as minimal environmental impact as possible has been evidenced by the UK Banijay Group commitment to become the first independent production group to train its entire workforce on carbon footprint reduction via work with BAFTA's sustainability consortium 'Albert'. Banijay UK is working with CAMA on a new sustainable Set solution that manages the full life of the set from construction to the end of life which can be, reuse, resell, donate, recycle or responsibly dispose.

The impact of our activities on the communities we work within is considered in all aspects of our work undertaken by our trading subsidiaries. Refer to the Director's report for details on ways in which the business is committing to operating sustainably under the SECR disclosure.

Key decisions and matters that are of strategic importance to the Group are appropriately informed by section 172 factors. The table below sets out our key stakeholders and provides examples of how we have engaged with them in the year and the impact of that engagement.

Strategic Report for the year ended 31 December 2022 (continued)

Section 172 statement (continued)

Stakeholder group	How we engage	Impact of engagement
Shareholders Our shareholders are vital to the future success of our business. providing funds which aid business growth and the generation of returns. Our ultimate shareholders consist of public listed entities and individual investors who own securities in our listed parent, FL Entertainment, either directly or indirectly through other corporate entities.	Performance metrics and updates are provided by the Board to Banijay Group SAS, with subsidiary performance cascaded up the group.	As a Board we aim to provide clear information to Banijay Group SAS, being honest and transparent as to the performance of the business. Value is generated for shareholders by supporting the overall group to deliver on the business plan.
Customers and suppliers Our team is dedicated to making sure that we constantly refine our service to ensure that we remain a market leader in the field of independent television production and distribution. We are updating the Preferred Supplier List and will regularly ask our suppliers for ESG updates and information. Banijay Media Limited and its subsidiaries work with a number of different broadcasters.	The business seeks to directly engage with its core customer and supplier base through: - individual meetings with key broadcasters/customers attended by our label management, who in turn report back to the directors; - attendance at key industry events - individual and group meetings with suppliers. The Board receives regular reports and analysis of metrics and global market trends. Investment in creative talent to develop new formats has ensured that the interests of our customers and suppliers are best served.	Key outcomes from meetings with clients are reported to the directors enabling the Board to be kept updated on relevant trends, opportunities and challenges facing our clients. A broad understanding of global trends enables the Board to make informed strategic decisions. This serves our key customer and supplier base by ensuring Broadcasters get the right content that best suits their business. Presence at industry events fosters trust and maintains dialogue with our key customers and serves as an avenue for our customers to be kept up to date with latest sales analysis and forecasts, including market trends.

Strategic Report for the year ended 31 December 2022 (continued)

Section 172 statement (continued)

Stakeholder group (continued)	How we engage (continued)	Impact of engagement (continued)
Employees People are key to our success, if we look after them well and create a positive inclusive culture where differences are valued, we will be the employer of choice. This enables us to deliver creatively and commercially.	We engage with our workforce during the year in a variety of ways including; - *mandatory Respect at Work* and Unconscious Bias training for all; - we offer an ongoing DE&I programme of awareness sessions and formalised training to all; - we have re-launched Embrace, our employee resource group for all Global majority, ethnically diverse workers; - our HR team provide *support across the business*, including to our production teams with an on site presence when needed. - provision of training opportunities to help employees develop their skills; - Investment in social activities and opportunities to come together with colleagues from across the group; - *in addition to regular* informal discussions with employees, formal feedback is taken via the annual review process each year with a specific focus on employee well -being. We measure engagement and other metrics using a periodic Employee Engagement Survey, distributed to all core and fixed term/freelance production workers	All of our people have a greater awareness of how to access support or raise concerns, if needed. The HR team are empowered to efficiently resolve employee matters. The Board are updated on relevant people issues and initiatives in real time, which enable them to plan and react accordingly. Engagement Survey results enable the Board to measure our efforts, which are clearly are welcomed and well received by our people. Highlights from the *survey results include;* 95% genuinely proud to work for the company/label; 90% would recommend their company/label as a great place to work; 84% thought that a Banijay UK company/label was the best place they have worked; and 94% feel they can be their authentic selves; 94% feel their manager treats them fairly and values them and their contribution.

Strategic Report for the year ended 31 December 2022 (continued)

Section 172 statement (continued)

Stakeholder group (continued)	**How we engage (continued)**	**Impact of engagement (continued)**
Community and environment Contributing positively to wider society enables us to create stronger communities and have a positive environmental impact.	Directors and members of the Group's workforce are invited to spend a working day volunteering for a local charity each year. An internal environmental task force meets regularly throughout the calendar year to discuss how the Group can contribute to the environment and reduce its carbon emissions. Presentations on environmental issues are delivered to the workforce using a combination of internal and external speakers.	Charity days enable the Board and the workforce to positively engage with local community members and learn more about the area in which they work. Employees have greater awareness of how they can contribute to the environment by making small changes to working patterns and practices.

Approved by the Board and signed on its behalf by:

Derek O'Gara

D O'Gara
Director

Shepherds Building Central
Charecroft Way
London, W14 0EE

Date: 10 Aug 2023

Directors' report for the year ended 31 December 2022

The Directors present their report and audited financial statements of Banijay Media Limited ("the Group" and "the Company") for the financial year ended 31 December 2022. On 6 April 2022 the Company's name was changed from Zodiak Media Limited to Banijay Media Limited.

Directors

The Directors who held office during the year and through to the date of this report, except where noted, were as follows:

C Brignon (appointed 1 January 2023)
N Chazarain
P Holland (appointed 1 June 2022)
S Kurinckx (resigned 30 June 2022)
T Gousset (appointed 30 June 2022, resigned 1 January 2023)
P Langenberg
D O'Gara (appointed 1 June 2022)
M Bassetti (resigned 21 June 2022)

Dividends

There were no dividends declared and paid by The Company for the year (2021: none). After the reporting date, there were no dividends proposed to be paid.

Environment and climate change

The below figures represent the emissions throughout 2021 and 2022 for the Group as it exists as at 31 December 2022. This is to enhance comparability and to avoid the risk of understating emissions. The decrease is due to the group exiting two leases during 2022.

The following table shows the Group's estimated energy usage and associated greenhouse gas (GHG) emissions during the year:

	UK Energy use in kWH 2022	CO2 tonnage 2022	UK Energy use in kWH 2021	CO2 tonnage 2021
Electricity	**723,064**	**140**	**859,360**	**182**
Gas	**62,267**	**12**	**124,540**	**26**

Intensity ratio (2022): 0.001839 (2021: 0.001745) tonnes of CO2 per square foot[1]

1 – This is the total floor space, being 82,578 square feet (2021: 119,720 square feet), utilised by the business at the combined subsidiaries registered addresses within the group.

The figures have been calculated by analysing data obtained from utility bills and confirmed metering and by using the UK's 2022 greenhouse gas reporting conversion factors. In cases where detailed invoices were not available, a sample of invoices across the year were reviewed and used as the basis for estimating the full years charge.

Directors' report for the year ended 31 December 2022 (continued)

Environment and climate change (continued)

The figures above cover all the energy usage at leased units within the combined subsidiaries registered addresses of the group. Due to the nature of the operations of the business, third party transport would be incurred when producing a number of productions. However, given that this is considered as a scope 3 activity for the purpose of reporting of group emissions, an exemption has been taken and no calculation included for the energy usage of transport. The decrease in electricity and gas usage is due to the groups strategy of reducing office space following staff continuing to use the option of working from home following COVID-19. The Group is operationally deemed to occupy 92% of the leased office space.

During the year, the Group complied with the ESOS, an energy assessment and energy savings scheme led by the UK government. In addition, the Group's commitment to operate sustainably and with as minimal environmental impact as possible has been evidenced by being the first independent production group to train its entire workforce on carbon footprint reduction via work with BAFTA's sustainability consortium 'Albert'.

Future Developments

The Directors aim to maintain the current operations of the Group and do not anticipate any significant change in the continuing activities of the Group in the foreseeable future.

Going concern

The directors have a reasonable expectation that the Group has adequate resources to continue in operation for the 12 months from the signing date of these financial statements. The financial statements have been prepared on a going concern basis.

The Directors expect that the Group's operations will generate positive adjusted EBITDA going forward.

The Group'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 Group 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 Group.

Banijay Group SAS has performed cash flow forecasting on the wider Banijay Group and is in a favourable 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 Group for a period of 12 months from the issuance date of these financial statements.

Research and development costs

The group spent £2,568k on research and development during 2022 (2021: £244k).

Directors' report for the year ended 31 December 2022 (continued)

Disabled employees

The Group gives full and fair consideration to applications for employment made by disabled persons having regard to their particular aptitudes and abilities. The training, career development and promotion of disabled persons employed by the Group is an integral part of the policy applicable to all employees.

Anti-corruption and fraud matters

We provide training for all our permanent employees on anti-corruption, bribery and fraud. We use this as part of our reasonable steps for prevention and detection of fraud as referenced in the Directors' responsibilities statement (page 16) and to safeguard the assets, ongoing success and wellbeing of the Group and all its key stakeholders.

Stakeholder engagements

We recognise the importance of clear communication and proactive engagement with our key stakeholders. Further detail on the engagement with stakeholders undertaken during the year appears as part of our section 172 statement in the Strategic Report.

Directors indemnity

The Company has granted an indemnity to one or more of its directors 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 were in force during the financial year and remains in force as at the date of approving the Directors' report.

The group is closely monitoring developments in the conflict between Russia and Ukraine. The Banijay Media Ltd group has limited exposure to the Russian market.

There are no events after the reporting period to report.

Statement of disclosure of information to auditors

Each of the persons who are directors at the date of approval of this report confirms that:

a) so far as each of the Directors are aware, there is no relevant audit information of which the Group's auditors are unaware; and

b) the Directors have taken all reasonable steps in order to make themselves aware of any relevant audit information and to establish that the Group's auditors are aware of that information.

Directors' report for the year ended 31 December 2022 (continued)

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and Ernst & Young LLP will therefore continue in office.

Approved by the Board and signed on its behalf by:

Derek O'Gara

D O'Gara
Director

Shepherds Building Central
Charecroft Way
London, W14 0EE

Date: 10 Aug 2023

Statement of Directors' responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable United Kingdom 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 group financial statements in accordance with UK-adopted international accounting standards in conformity with the requirements of the Companies Act 2006, and the parent company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101"). 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 group and the company and of the profit or loss of the group and the company for that period.

In preparing these financial statements the directors are required to:

- select suitable accounting policies in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRSs and in respect of the parent company financial statements, FRS 101 is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the group and company financial position and financial performance;
- in respect of the group financial statements, state whether UK-adopted international accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- in respect of the parent company financial statements, state whether applicable UK Accounting Standards, including FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company and the group will continue in business.

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

Under applicable law and regulations, the directors are also responsible for preparing a strategic report and directors' report, that comply with that law and those regulations. The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website.

Independent Auditor's Report to the Members of Banijay Media Limited

Opinion

We have audited the financial statements of Banijay Media Limited ('the parent company') and its subsidiaries (the 'group') for the year ended 31 December 2022 which comprise Consolidated Statement of Profit or Loss, Consolidated Statement of Comprehensive Income, Consolidated Statement of Financial Position, Consolidated Statement of Cash Flows, Consolidated Statement of Changes in Equity, Company Statement of Financial Position, Company Statement of Changes in Equity and the related notes 1 to 36, including a summary of significant accounting policies. The financial reporting framework that has been applied in the preparation of the group financial statements is applicable law and UK adopted international accounting standards. The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

In our opinion:

- the financial statements give a true and fair view of the group's and of the parent company's affairs as at 31 December 2022 and of the group's profit for the year then ended;
- the group financial statements have been properly prepared in accordance with UK adopted international accounting standards;
- the parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independent Auditor's Report to the Members of Banijay Media Limited (continued)

Conclusions relating to going concern

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.

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 group and parent company's ability to continue as a going concern for a period 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the group's ability to continue as a going concern.

Other information

The other information comprises the information included in the annual report set out on pages 1 to 80, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

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 course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and

- the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

Independent Auditor's Report to the Members of Banijay Media Limited (continued)

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or directors' report.

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

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 16, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors 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 group's and the parent 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 group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's 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 auditor's 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.

Independent Auditor's Report to the Members of Banijay Media Limited (continued)

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. 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. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are those that relate to the reporting framework (UK adopted international accounting standards and the Companies Act 2006) and the relevant direct and indirect tax compliance regulation in the United Kingdom. In addition, the Company has to comply with laws and regulations relating to its operations, including furlough, health and safety, GDPR, anti-bribery and corruption.
- We understood how Banijay Media Limited and its subsidiaries are complying with those frameworks by making enquiries of management and those charged with governance to understand how the Group maintains and communicates its policies and procedures in these areas and reviewed supporting documentation. We also read correspondence with relevant authorities. We corroborated our enquiries through our review of Board minutes provided to us during the audit.
- We assessed the susceptibility of the Group's financial statements to material misstatement, including how fraud might occur by considering the risk of management override and by assuming revenue to be a fraud risk. We incorporated data analytics into our testing of manual journals including segregation of duties. We tested specific transactions, for example manual postings to revenue and unusual account pairings back to source documentation or independent confirmation, ensuring appropriate authorisation of the transactions. We also considered key performance indicators and their propensity to influence efforts made by management to manipulate results.
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved enquiries of management and those charged with governance as well as the intermediate parent auditors, and journal entry testing identified by specific risk criteria.

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

Use of our report

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.

Ernst + Young LLP

Louise Pennell (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
London
11 August 2023

Consolidated Statement of Profit or Loss for the Year Ended 31 December 2022

In £ millions	Notes	December 31, 2022	December 31, 2021
Revenue	5	321.1	58.6
Cost of sales		(274.4)	(43.3)
Gross profit		**46.7**	**15.3**
Administration expenses		(49.8)	(9.6)
Operating (loss) / profit	8	**(3.1)**	**5.7**
Gain on sale of subsidiaries	7	1.9	141.2
Finance costs	11	(23.5)	(1.6)
Share of profit of associates and Joint Ventures	13	(0.2)	-
(Loss) / profit before tax from continuing operations		**(24.9)**	**145.3**
Tax on loss / profit	12	24.4	-
(Loss) / profit for the year from continuing operations		**(0.5)**	**145.3**
Profit after tax from discontinued operations	7	2.1	-
Profit for the year		***1.6***	**145.3**
Profit - non controlling interests	13	0.4	-
Profit - Attributable to the owners of Banijay Media Ltd		**1.2**	**145.3**

The notes on pages 29 to 80 form part of these audited consolidated financial statements.

Consolidated Statement of Comprehensive Income for the Year Ended 31 December 2022

In £ millions	**December 31, 2022**	**December 31, 2021**
Profit for the year	**1.6**	**145.3**
Other comprehensive income	-	0.5
Total Other Comprehensive Income	**-**	**0.5**
Comprehensive income	**1.6**	**145.8**
Comprehensive income - Non controlling interests (note 13)	0.4	-
Comprehensive income - Attributable to the owners of Banijay Media Ltd	**1.2**	**145.8**

The notes on pages 29 to 80 form part of these audited consolidated financial statements.

Consolidated Statement of Financial Position as at 31 December 2022
Registered number: 06722283

ASSETS

In £ millions	Notes	December 31, 2022	December 31, 2021
Goodwill and other intangible assets	15	15.2	1.3
Right-of-use assets	16	9.2	12.1
Property, plant and equipment	18	1.8	2.7
Investments in associates and joint ventures	13	0.4	-
Non-current assets		**26.6**	**16.1**
Inventories and work in progress	19	82.9	129.6
Trade and other receivables	20	384.8	352.0
Income tax receivables		0.8	2.1
Cash and cash equivalents	21	18.1	6.0
Current assets		**486.6**	**489.7**
Total Assets		**513.2**	**505.8**

The notes on pages 29 to 80 form part of these audited consolidated financial statements.

Consolidated Statement of Financial Position as at 31 December 2022 (continued)
Registered number: 06722283

EQUITY AND LIABILITIES

In £ millions	Notes	December 31, 2022	December 31, 2021
Short-term borrowings and bank overdrafts	24	21.7	47.3
Short-term lease liabilities	17	3.7	1.6
Trade and other payables	26	340.2	348.4
Current provisions	25	3.4	3.3
Total Current liabilities		***369.0***	***400.6***
Borrowings	24	325.9	285.5
Lease liabilities	17	5.9	11.2
Trade and other payables	26	7.6	5.3
Total Non-current liabilities		**339.4**	**302.0**
Total Liabilities		**708.4**	**702.6**
Net Liabilities		**(195.2)**	**(196.8)**
Capital and Reserves			
Share capital	22	0.6	0.6
Share premium	23	55.7	55.7
Merger reserve	6, 23	(309.1)	(309.1)
Foreign currency translation reserve	23	-	-
Retained earnings	23	57.6	56.4
Equity attributable to the owners of Banijay Media Ltd		**(195.2)**	**(196.4)**
Non-controlling interests	13	-	**(0.4)**
Total Equity		**(195.2)**	**(196.8)**

The notes on pages 29 to 80 form part of these audited consolidated financial statements.

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

Derek O'Gara

D O'Gara
Director

Shepherds Building Central
Charecroft Way
London, W14 0EE

Date: 10 Aug 2023

Consolidated Statement of Cash Flow for the Year Ended 31 December 2022

In £ millions	Notes	**12 months ended December 2022**	**12 months ended December 2021**
Profit for the year		1.6	145.3
Non cash adjustments			
Share of profit of associates and joint ventures	13	(0.2)	-
Amortisation, depreciation, impairment losses and provisions, net of reversals	15, 16, 18	4.8	2.1
Non-cash settled changes in group structure	7	(7.7)	(175.8)
Income tax expense	12	(24.4)	-
TV tax credits	12	22.6	-
Realised exchange gains	8	(0.5)	(0.3)
Unrealised exchange losses / (gains)	11	0.8	(1.3)
Total non cash adjustments		**(4.6)**	**(175.3)**
Working capital movements			
Increase in trade and other receivables		(26.5)	(188.3)
(Decrease) / Increase in trade and other payables		(5.9)	183.0
Decrease in inventories and work in progress		46.7	36.3
Income tax refund received		2.0	-
Total increase due to working capital		**16.3**	**31.0**
Net cash flows from operating activities		**13.3**	**1.0**
Cash acquired upon acquisition	6	1.7	11.1
Cash disposed of upon sale of subsidiary		(3.2)	(8.7)
Purchase of property, plant and equipment, intangible assets and right of use assets	15, 16, 18	(1.1)	(0.4)
Net cash flows from investing activities		**(2.6)**	**2.0**
Proceeds from borrowings	24	52.0	4.4
Repayment of borrowings	24	(47.3)	(1.4)
Repayments of lease liabilities	17	(3.5)	(1.0)
Interest paid on leases	17	0.3	(0.1)
Net cash flows from financing activities		**1.5**	**1.9**
Effects of exchange rate differences		-	-
Net increase of cash and cash equivalents		**12.2**	**4.9**
Cash and cash equivalents at the beginning of the year		5.9	1.0
Cash balances held at end of period	21	18.1	6.0
Less overdrafts held at end of period	24	-	(0.1)
Total cash and cash equivalents at the end of the period		18.1	5.9

The notes on pages 29 to 80 form part of these audited consolidated financial statements.

Consolidated Statement of Changes in Equity for the Year Ended 31 December 2022

							Equity		
In £ millions	*Notes*	*Share capital*	*Share premium*	*Merger reserve*	*Foreign currency translation reserve*	*Retained earnings*	*Attributable to owners of the parent*	*Non-controlling interest*	*Equity*
January 1, 2021		**0.6**	**55.7**	**-**	**(0.5)**	**(88.9)**	**(33.1)**	**0.2**	**(32.9)**
Profit for the year		-	-	-	-	145.3	145.3	-	145.3
Other comprehensive (expense)		-	-	-	0.5	-	0.5	-	0.5
Acquisition of subsidiary		-	-	(309.1)	-	-	(309.1)	(0.6)	(309.7)
December 31, 2021		**0.6**	**55.7**	**(309.1)**	**-**	**56.4**	**(196.4)**	**(0.4)**	**(196.8)**
Profit for the year		-	-	-	-	1.2	1.2	0.4	1.6
Other comprehensive income		-	-	-	-	-	-	-	-
December 31, 2022		**0.6**	**55.7**	**(309.1)**	**-**	**57.6**	**(195.2)**	**-**	**(195.2)**

The notes on pages 29 to 80 form part of these audited consolidated financial statements.

Company Statement of Financial Position as at 31 December 2022
Registered number: 06722283

In £millions	*Notes*	**December 31, 2022**	**December 31, 2021**
Fixed assets			
Investments	14	457.0	258.0
Total fixed assets		**457.0**	**258.0**
Current assets			
Trade and other receivables	20	0.4	0.4
Cash and cash equivalents		0.1	-
Total current assets		**0.5**	**0.4**
Trade and other payables: amounts falling due within one year	26	(46.9)	(31.7)
Net current liabilities		**(46.4)**	**(31.3)**
Total assets less current liabilities		**410.6**	**226.7**
Non-current liabilities			
Borrowings: falling due after one year	24	(485.9)	(229.4)
Total non-current liabilities		**(485.9)**	**(229.4)**
Net liabilities		**(75.3)**	**(2.7)**
Capital and reserves			
Share capital	22	0.6	0.6
Share premium	23	55.7	55.7
Retained earnings	23	(131.6)	(59.0)
Total equity		**(75.3)**	**(2.7)**

The notes on pages 29 to 80 form an integral part of these financial statements.

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

Derek O'Gara

D O'Gara
Director

Shepherds Building Central
Charecroft Way
London, W14 0EE

Date: 10 Aug 2023

Company Statement of Changes in Equity for the year ended 31 December 2022

In £millions	**Share capital**	**Share premium account**	**Retained earnings**	**Total Equity**
At 1 January 2021	**0.6**	55.7	**(58.1)**	**(1.8)**
Comprehensive income for the year				
Loss for the year	-	-	(0.9)	(0.9)
Other comprehensive income for the year	-	-	-	-
Total comprehensive loss *for the year*	-	-	***(0.9)***	***(0.9)***
At 31 December 2021	**0.6**	**55.7**	**(59.0)**	**(2.7)**
Comprehensive income for the year				
Loss for the year	-	-	(72.6)	(72.6)
Other comprehensive income for the year	-	-	-	-
Total comprehensive loss for the year	-	-	**(72.6)**	**(72.6)**
At 31 December 2022	**0.6**	55.7	**(131.6)**	**(75.3)**

The notes on pages 29 to 80 form an integral part of these financial statements.

Notes to the Consolidated Financial Statements for the Year Ended 31 December 2022

1 Corporate information

The Group is composed of Banijay Media Ltd (the "Company", "Group") and its subsidiaries (see note 33). Consolidated financial statements of The Group cover the year ended 31 December 2022.

The Company is a private company limited by shares domiciled in England and Wales (registered number 06722283) and with its head office located at Shepherds Building, London, W14 0EE.

2 Basis of Preparation and adoption of International Financial Reporting Standards ("IFRS")

2.1 *Basis of preparation*

Basis of preparation – Group

The consolidated financial statements consolidate those of The Company and of its subsidiary undertakings as at 31 December 2022. The Group financial statements have been prepared in accordance with UK-adopted International Accounting Standards in conformity with the requirements of the Companies Act 2006. The financial statements have been prepared under the historical cost convention. Certain amounts included in the consolidated financial statements involve the use of judgement and/or estimation. Judgements, estimations and sources of estimation uncertainty are discussed below.

The Group's financial statements are presented in pounds sterling and all values are rounded to the nearest millions (£m) except where otherwise stated.

Basis of preparation - Company

The Company accounts have been prepared under the historical cost convention and in accordance with UK Accounting Standards. These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework. As permitted under FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to financial instruments, fair values, presentation of a cash flow statement and certain related party transactions.
Where required, equivalent disclosures are given in the consolidated financial statements.
The Company financial statements are presented in pounds sterling and all values are rounded to the nearest the nearest millions (£m) except where otherwise stated.

As permitted by section 408 of the Companies Act 2006, a separate profit and loss account has not been presented for the Company.

Notes to the financial statements (continued)

Basis of Preparation and adoption of International Financial Reporting Standards ("IFRS") (continued)

2.2 Going Concern

The directors have a reasonable expectation that the Group has adequate resources to continue in operation for the 12 months from the signing date of these financial statements. The financial statements have been prepared on a going concern basis.

The Directors expect the future performance of the Group to continue to recover following the difficulties during restrictions on production activities during the COVID-19 pandemic. The Directors expect that the Group's operations will generate positive adjusted EBITDA going forward.

The Group'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 Group 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 Group.

Banijay Group SAS has performed cash flow forecasting on the wider Banijay Group and is in a favourable 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 Group for a period of 12 months from the issuance date of these financial statements.

2.3 Compliance with IFRS

New standards, interpretations and amendments adopted by the group from January 1, 2022
The following new accounting standards and interpretations have been published that are mandatory for January 1, 2022 or later reporting periods and have not been adopted early by Banijay:

- Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 – Interest Rate Benchmark Reform – Phase 2
- IFRIC agenda decision issued in April 2021 related to IAS 19 Employee Benefits—Attributing Benefit to Periods of Service considers the periods of service.
- IFRIC agenda decision issued in March 2021 related to configuration or Customization Costs in a Cloud Computing Arrangement (IAS 38) relating to the customer's accounting for costs of configuring or customizing the supplier's application software in a Software as a Service (SaaS) arrangement.

These standards did not have a material impact on Banijay in the current reporting period.

Standards and interpretations that are not yet effective
The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

The new standards issued but not yet effective in 2022 are listed below.

- AIP IFRS 9 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities
- Classification of Liabilities as Current or Non-current – Amendments to IAS 1
- Definition of Accounting Estimates – Amendments to IAS 8
- Disclosure of Accounting Policies – Amendments to IAS 1 and IFRS Practice Statement 2

Notes to the financial statements (continued)

3. Judgements in applying accounting policies and sources of estimation uncertainty

The preparation of financial statements in compliance with IFRS 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:

Production costs

Production costs are expensed as cost of sales.
Recognition of production cost per episode is based upon management's judgement of the estimated future cost of completing the production.

Impairment of Investments

Investments are recognised at cost less impairment losses. The carrying amount of investments is assessed annually based on cash flow projections using future financial forecasts and budgets prepared by management. Key assumptions relating to forecasts in revenue growth and decline are used, which include discounting back to present value using a risk-adjusted pre-tax discount rate. In the event that these estimates are wrong, this may impact the financial statements in future years.

Long term incentive plan

An intermediate parent company operates a share based compensation plan for eligible members of management. The total amount to be expensed over the vesting period is determined with reference to the fair value of the options granted, excluding the impact of any non-market vesting conditions such as profitability and sales growth targets. Non-market vesting conditions are included in assumptions about the number of options that are expected to vest.

The Group receives the services in respect of the Directors and employees and therefore, as the awards granted are not in its own equity instruments and the entity is recharged an amount equal to the amount of the expense, the transaction is recognised as cash settled.

Significant judgement in determining the lease term of contacts with renewal options

The group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The group has the option, under some of its real estate leases to lease the assets for additional terms of several years. The group applies judgement in evaluating whether it is reasonably certain to exercise the option to renew. That is, it considers all relevant factors that create an economic incentive for it to exercise the renewal. After the commencement date, the group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise (or not to exercise) the option to renew (e.g., a change in business strategy).

Notes to the financial statements (continued)

1 Accounting policies

Consolidation

The consolidated financial statements include the financial statements of the Company and those of its subsidiaries, associates and joint ventures on December 31, 2022. Control is achieved when The Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those through its power over the investee.

Specifically The Group controls an investee if, and only if, The Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its returns.

When The Group has less than a majority of the voting or similar rights of an investee, The Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee;
- Rights arising from other contractual arrangements; and
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

Subsidiaries are fully consolidated from the date on which the group acquires control. They continue to be fully consolidated until the date that such control ceases. The results of the operations of subsidiaries acquired or sold during a given year are recognized in the consolidated results from the date of acquisition or up to the date of divestment.
Non-controlling Interests represent the portion of profit or loss and the net assets not owned by the group in a given subsidiary. They are presented separately in the statement of profit or loss as well as in equity in the consolidated balance sheet, separately from the equity attributable to the shareholders of the group.

The financial statements of the material subsidiaries are prepared on the same accounting period as that of the Company, using homogeneous accounting principles.
All balances, transactions, revenues and expenses, intra-group profits and losses resulting from transactions with subsidiaries are eliminated. Please refer to note 33 for a list of entities included within the consolidation as at 31 December 2022.

Notes to the financial statements (continued)

Accounting policies (continued)

Current / non-current distinction

The Group presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period

A liability is current when it is:

- Expected to be settled in the normal operating cycle
- Held primarily for the purpose of trading
- Due to be settled within twelve months after the reporting period

Foreign currency translation

The consolidated financial statements are established in sterling, which is the functional and presentation currency of the group.

Translation of foreign-currency denominated transactions

Each entity determines its own functional currency. The items of each entity's financial statements are measured using the functional currency. Transactions in foreign currencies are recorded initially at the exchange rate of the functional currency prevailing at the transaction date or at the hedging rate, if applicable. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate of the functional currency at the closing date and the resulting exchange differences are recognized in the statement of profit or loss. Non-monetary items that are measured at historical cost in a foreign currency are reported using the exchange rates prevailing at the dates of the initial transactions.

Assets and liabilities, including goodwill of foreign subsidiaries are translated into GBP at the official exchange rate prevailing on the balance sheet date and their statement of profit or loss is translated at the average exchange rate over the period considered. The resulting exchange differences are booked directly to equity in a separate heading denominated "Foreign currency translation reserve". When a foreign entity is sold, the exchange differences accumulated in the "foreign currency translation reserve" allocated to the entity are transferred to profit or loss.

Notes to the financial statements (continued)

Accounting policies (continued)

Intangible assets

Intangible assets represents software owned by the Group.

Initial recognition of intangible assets is at cost, except for those acquired in a business combination, which are recognized at fair value.

Following initial recognition, intangible assets are carried at cost less any accumulated depreciation and any accumulated impairment losses.

Intangible assets are amortised over their estimated useful life (between 1 and 5 years). The depreciation period and the amortization method are reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the depreciation period or method.

Goodwill

Where a subsidiary is acquired in a transaction falling within the scope of IFRS 3, Goodwill may be recognised. Goodwill is recognised at cost, being the excess of the aggregate consideration transferred upon acquisition, along with the value of non-controlling interest, over the identifiable assets acquired and liabilities assumed. If the consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognised in the income statement.

Property, plant and equipment

Property, plant and equipment are recorded at their acquisition cost, less accumulated depreciation and impairment losses. Depreciation is calculated on a straight-line basis over the useful life of such fixed assets as follows.

Leasehold improvements	Over term of lease, or expected useful life, whichever is shorter
Fixtures, fittings and office equipment	5 – 10 years
Production equipment	3 years

The residual value, the useful life and depreciation methods of the fixed assets are reviewed and adjusted, if necessary, at each financial year-end.

Leases

[illegible]

The group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognized right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment.

Notes to the financial statements (continued)

Accounting policies (continued)

Lease liabilities

At the commencement date of the lease, the group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the group and payments of penalties for terminating a lease, if the lease term reflects the group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognized as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. The interest used at the inception of the contract will be the same for the whole life of the lease term aside if there are modifications in contract terms such as a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

Short-term leases and leases of low-value assets

The group applies the short-term lease recognition exemption to its short-term leases of equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment and cars that are considered of low value.

Lease payments on short-term leases and leases of low-value assets (less than £5,000) are recognized as expense on a straight-line basis over the lease term.

Impairment of non-financial assets

The recoverable amount of intangible and tangible assets, as well as investments in subsidiaries, is tested for impairment as soon as external or internal signs of impairment losses exist, such signs being reviewed at each closing date.

If applicable, the recoverable amount of the asset is tested for impairment to determine whether there is an impairment loss.

An impairment test is performed at least once a year.

Goodwill is tested for impairment with reference to the expected cash generation from the subsidiary on which Goodwill has been recognised, compared to the carrying value of the net assets and Goodwill recognised in relation to the subsidiary. This test is performed at least once a year, irrespective of whether impairment indicators are present.

If appropriate, an impairment loss is recorded for the portion of the net book value of the asset exceeding the recoverable amount (mostly measured through the asset's value-in-use).

Where an impairment loss is recognized, it is accounted for directly in the statement of profit or loss.

Notes to the financial statements (continued)

Accounting policies (continued)

Impairment of non-financial assets (continued)

The value of assets for which an impairment loss has been recorded, is reviewed at each closing date for the purposes of reversing the impairment loss, if necessary. Where a reversal occurs, it is recorded as profit or loss. In such a case, the book value of the asset can be increased up to its recoverable value. After reversing the impairment loss, the book value cannot exceed the carrying amount that would have been determined, net of amortisation or depreciation, had no impairment loss been recognized for the asset in prior years.

Financial instruments

Financial instruments consist of:

- Financial assets, including trade receivables, accrued income, tax receivable and cash and cash equivalents;
- Financial liabilities, including long- and short-term borrowings and bank overdrafts, trade payables, payroll liabilities and accruals

Financial instruments (assets and liabilities) are recorded in the consolidated statement of financial position at the fair value on initial recognition, plus transaction costs directly attributable to the acquisition of that asset. They are subsequently measured at amortised costs.

Amortized cost corresponds to the initial carrying amount (net of transaction costs), plus interest calculated using the effective interest rate, less cash outflows (coupon interest payments and repayments of principal and redemption premiums where applicable). Accrued interest (income and expense) is not recorded on the basis of the financial instrument's nominal interest rate, but on the basis of its effective interest rate.

Financial assets

The classification of a financial asset in each of these categories depends on the management model applied by the enterprise and the characteristics of its contractual cash flows.

Transactions relating to financial assets are recorded at settlement date.

Debt instruments at amortised cost

These financial assets are initially recognized at their fair value to which is added directly attributable transaction costs and, then at amortised cost at each closing date, applying the effective interest rate method.

This category of assets includes trade receivables and other debtors, loans and deposits, receivables attached to participating interests and cash.

Notes to the financial statements (continued)

Accounting policies (continued)

Impairment of financial assets

The group reviews if, at the closing date, a debtor financial asset or a group of debt financial assets is likely to suffer an impairment loss based on both the expected credit loss approach and when there is an objective indicator of loss.

In practice, given the insignificant level of loss incurred on prior years' receivables, the expected credit loss approach does not have any significant impact.

If there is objective evidence that debtor financial assets should be impaired, the amount of the loss is estimated by difference between the book value and the discounted future cash flows such as expected (excluding future probable and not actual credit losses). The discount rate used is the initial effective interest rate (i.e. the effective interest rate computed at initial recognition of the asset). The book value is reduced through this allowance. The amount of the loss is recorded as profit or loss.

If, subsequently, the impairment decreases and the decrease can be linked objectively to an event occurring after the impairment was recognized, the previously recognized impairment will be reversed. The reversal of an impairment loss is recognized as profit or loss, as long as the book value of the asset does not exceed its amortised cost at the date the loss allowance is reversed.

With respect to receivables, a loss allowance is recorded when there is objective evidence (probability of insolvency or severe financial difficulties of the debtor) that the group will be unable to recover the balance in accordance with the initial payment conditions. The book value of the receivable is reduced by way of an allowance for loss. Impaired receivables are derecognized when they are considered as irrecoverable For intercompany receivables, expected credit loss is determined based on the recoverability of the net assets of the counterparty, adjusted for forward looking factors specific to the receivables and economic environment.

Impairment of Goodwill

The group reviews, at least once a year, and at any time when a trigger event for impairment occurs, whether goodwill should be impaired. The latest impairment review was performed in December 2022.

Annually, irrespective of whether there is any indicator of impairment, the group will review the recoverable value of the cash generating unit to which the goodwill has been allocated. The recoverable value is estimated through the value-in-use, which is determined by management as the higher of discounted cash flows, based on projections of future cashflows over the next four years, and the fair value less costs to sell of the cash generating unit, adjusted for net debt.

If the net book value of the asset exceeds the recoverable amount, as measured above, an impairment loss will be recorded.

Impairment losses recognised for goodwill are irreversible and are recorded in the statement of profit and loss.

Notes to the financial statements (continued)

Accounting policies (continued)

Financial liabilities

Financial liabilities are recognised at amortised cost.

Interest-bearing debts and borrowings

All loans, and debts are recognized initially at the fair value of the consideration received, less costs directly attributable to the transaction.

After initial recognition, interest-bearing liabilities and debts are evaluated at amortised cost using the effective interest rate method.

Costs directly attributable to the issuance of debt are deducted from liabilities and are amortised over the life of the debt, as a component of the effective interest rate.

Derecognition of financial instruments (assets and liabilities)

Financial instruments (assets and liabilities) are derecognized when the related risks and rewards of ownership have been transferred, and when the group no longer exercises control over the instruments.

Gains and losses are recognized as profit or loss when assets or liabilities are derecognized using the model of amortised cost.

Offsetting financial instruments (assets and liabilities)

In a situation where The Company or The Group

- Has a valid legal title to offset the amount recognised, and
- Intends to settle in a net amount or simultaneously realise an asset and settle an obligation

The financial asset and financial liability are offset and disclosed net in the statement of financial position.

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. 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.

Notes to the financial statements (continued)

Accounting policies (continued)

Cash and cash equivalents

Cash and short-term deposits include liquid and available bank accounts subject to limited changes in fair value as well as short-term deposits whose initial maturity is less than three months.
For the needs of the consolidated statement of cash flows, cash and cash equivalents are composed of the cash and cash equivalent as defined above reduced by bank overdrafts.

Provisions

Provisions are recorded only if:

- the group has a present obligation (legal or constructive) as a result of a past event; and
- it is likely that an expenditure will be required to settle the obligation; and
- a reliable estimate can be made as to the amount of the payment obligation.

The charges relating to provisions are accounted for as profit or loss, net of any contingent reimbursement. If the effect of the time value of money is material, provisions are discounted using a discount pre-tax rate that reflects, where appropriate, the risks specific to the obligation. When discounting, the increase in the provision due to the passage of time is recognized in net financial income (loss).

All disputes (type, amounts, procedure and level of risk) are identified by the Legal Department of the group which ensures regular monitoring. The amount of provisions for the claims result from a case by case analysis, depending on the positions of the litigants, on the estimation of the risks by the group's legal advisors and on first instance decisions, if any.

By nature, some provisions are based on estimates and assumptions without considering a precise deadline for the corresponding cash outflows.

Revenue recognition

Revenue is measured based on the consideration to which the Group expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognizes revenue when it transfers control of a product or service to a customer.

The revenue from ordinary activities is recognized as soon as the economic benefits of the transaction will probably benefit the Group, the amount is reliably measured, and it is likely the amount of the transaction will be recovered.
Revenue recognition is based on the delivery of performance obligations and an assessment of when control is transferred to the customer. Revenue is recognised either when the performance obligation in the contract has been performed ('point in time' recognition) or 'over time' as control of the performance obligation is transferred to the customer.

Customer contracts can have a wide variety of performance obligations, from production contracts to format licences and distribution activities. For these contracts, each performance obligation is identified and evaluated.

Notes to the financial statements (continued)

Accounting policies (continued)

Revenue recognition (continued)

The transaction price, being the amount to which the Group expects to be entitled under the contract, is allocated to the identified performance obligations.

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

[illegible]

Production revenues are recognized when the programs are delivered to the client. Standard criteria to determine that the performance obligations have been fulfilled and revenue can be recognized are:

- in most cases: client's acceptance document (i.e. delivery notice signed / approved by the client)
- delivery of a certain number of episodes

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

Production revenues do not include grants, subsidies and co-producers' contributions. These are presented as a reduction of cost of sales.

[illegible]

Distribution revenues are recognized 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 since there is limited ongoing involvement in the use of the licence following its transfer to the customer.

[illegible]

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.

Notes to the financial statements (continued)

Accounting policies (continued)

Revenues from other rights and services

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

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

Minimum guarantee revenues are recognized as revenue when the above criteria are met, and further variable payments are recognized when received.

Revenues from music rights are recognized as revenues when received based on royalties' statements (output method).
Revenues and costs related to the rendering of services are recognized on completion of the service rendered as long as they can be estimated reliably.

When the outcome of the transaction cannot be estimated reliably, revenue shall be recognized only to the extent of the expenses recognized.

Contract assets

The Group uses the term "accrued income" for a contract asset. Accrued income are recognised when a contract results in completion of a performance obligation in advance of the customer being invoiced.

Contract liabilities

If amounts received or receivable from a customer exceed revenue recognised for a contract, a contract liability is recognised. The Group uses the term "deferred income" for a contract liability. Contract liabilities primarily reflect invoices due or payments received in advance of revenue recognition. Deferred income is unwound as related performance obligations are satisfied.

Inventories

Inventories relating to work in progress are valued at production cost.

Production costs are recognised:
• In work in progress until programmes are delivered.
• In the Statement of profit or loss (in cost of sales) as soon as programmes are delivered and related production revenues are recognised.

Production costs

Production costs are net of co-producers' contributions, grants and subsidies. They mainly include the costs of scripts, actors, directors, rental of equipment, technical staff, participants, hosts, sets, format fees, etc.

Notes to the financial statements (continued)

Accounting policies (continued)

Grants and subsidies

Grants and subsidies are recognized when there is reasonable assurance that the grant will be received, and all attached conditions will be fully complied with.

Grants and subsidies which are strictly related to the financing of a given program are deducted from production costs. When they relate to an asset, grants and subsidies are directly deducted from the carrying amount of the asset and released to the depreciation and amortization calculated on the net amount over the useful life of the asset.

The Coronavirus Job Retention Scheme (CJRS) is the UK government's flagship support measure for organisations during the COVID-19 pandemic. It offers grants to cover a proportion of the salaries of furloughed staff.

Long term incentive plan

Long term incentive plan (LTIP) is a share-based payment plan of phantom shares that has been granted to certain employees of the group and is settled in cash.

This scheme is based on the performance of one or several entities in accordance with calculations mostly based on operating profit in which the beneficiaries of the plan are rendering services.

The group revalues the fair value of the services that have been rendered to date by the beneficiaries of the plan at each reporting date and the resulting expense is recorded under staff costs.

The LTIP is based on the fair market value of Banijay Group shares. Beneficiaries receive phantom shares of Banijay Group as part of this scheme.

Tax

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 reporting 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.

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.

Notes to the financial statements (continued)

Accounting policies (continued)

Tax (continued)

Income tax is charged or credited to other comprehensive income (OCI) 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. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Group reorganisation

Policy

It is The Group policy that where a transaction occurs which is a combination of entities under common control that the pooling of interests method of accounting is used. In the pooling of interests method, assets and liabilities are transferred at their carrying amounts, rather than being fair valued at the date of the transfer. In 2021 the Group chose not to provide comparatives of Banijay Group Services Limited and its subsidiaries and accounted for the combination prospectively from the date on which it occurred i.e. 15 December 2021.

Any difference between the consideration paid and the net assets transferred is recognised separately as a merger reserve in the statement of changes in equity. Refer to note 6 for further details.

Operating Segments

The Banijay Media Limited Group is part of a single operating segment as part of the wider Banijay group, being UK Production.

Notes to the financial statements (continued)

5 Revenue (Group)

The groups revenue was all derived from its principal activities. An analysis of revenue by geographical market is given below.

In £ millions	2022	2021
UK	313.9	58.0
Europe	1.8	0.1
Rest of world	5.4	0.5
Total	**321.1**	**58.6**

Revenue of £13.1m (2021: £1.4m) derived from discontinued operations is not included in the above table.

6 Group reorganisation (Group)

[illegible]

On 4 February 2022 the Group acquired 100% of ZnakTV Inc. for consideration of £1.4m.

Upon acquisition the Group also entered into an earn out arrangement with key management personnel. The expected liability associated with this earn out arrangement is recognised as a liability on the Group's balance sheet.

Upon acquisition £1.3m of Goodwill was recognised in relation to this purchase.

On 15 October 2022 the Group acquired 51% of Mam Tor Productions Limited for consideration of £13.4m. As part of this acquisition the Group also entered into a put/call option to acquire the remaining shares of Mam Tor Productions Limited with 24.5% to be acquired in December 2026 and 24.5% to be acquired in December 2030. The expected liability associated with the exercise of these options is recognised as a liability on the Group's balance sheet.

Upon acquisition £12.5m of Goodwill was recognised in relation to this purchase.

Notes to the financial statements (continued)

Group reorganisation (Group) (continued)

Assets and liabilities	**Acquisition of Mam Tor**	**Acquisition of Znak**
Cash and cash equivalents	1.7	-
Trade and other receivables	-	1.1
Total Assets	**1.7**	**1.1**
Trade and other payables	0.8	1.0
Total liabilities	**0.8**	**1.0**
Net assets	**0.9**	**0.1**
Consideration paid	(13.4)	(1.4)
Net assets acquired	0.9	0.1
Total goodwill recognised on acquisition	**12.5**	**1.3**

Prior year - acquisition of Banijay Group Services Limited

On 15 Dec. 2021, as part of the reorganisation of The Group, Banijay Media Ltd acquired 100% Banijay Group Services Limited from Endemol Shine Opco Holding B.V. which is held under common control of Banijay Entertainment S.A.S. For the purposes of The Group consolidated financial statements this transaction falls outside the scope of IFRS 3 Business Combinations.

The consideration paid for the Group's 100% holding in Banijay Group Services Limited was £205.5m.

Revenue and adjusted EBITDA generated by the acquired entities from the acquisition date up until the year end amounted to £18.3m and £2.7m respectively in 2021.

The value of transfers upon acquisition as shown in notes 15, 18 and 25 are shown net of amounts relating to Endemol Shine Australia Holding Pty, being £0.4m of intangible assets, £1.6m of property, plant and equipment and £0.1m of provisions, as these were disposed of prior to year end as shown in note 7.

Notes to the financial statements (continued)

Discontinued operations (Group)

Disposals during the period

Zodiak Kids and Family Productions Limited

On 30 December 2022 the Group sold Zodiak Kids and Family Productions Limited for total consideration of £1.8m as well as Tiger Aspect Kids & Family Limited for total consideration of £5.9m. The total proceeds of £7.7m was settled in non-cash.

The cumulative impacts resulting from the disposals in the period are presented below

In £ millions	**Zodiak Kids and Family Productions Limited**	**Tiger Aspect Kids & Family Limited**	**Total**
Net profit / (loss) after tax	0.3	1.8	2.1
Gain on sale of subsidiary	(2.2)	4.1	1.9
Total	**(1.9)**	**5.9**	**4.0**

Disposals during the prior period

Zodiak Music Publishing Ltd and Sound Pocket Music Ltd was sold on 2 July, 2021 for £6.8m and Endemol Shine Australia Holding Pty was sold on 31 December 2021 for £169.0m. These total proceeds from disposal of £175.8m was settled non-cash.

The cumulative impacts resulting from the disposals in the prior period are presented below

In £ millions	**Endemol Shine Australia Holdings Pty Limited**	**Sound Pocket Music Limited and Zodiak Music Publishing Limited**	***Total***
Net profit / (loss) after tax	(0.2)	0.2	-
Gain on sale of subsidiary	135.6	5.6	141.2
Total	**135.4**	**5.8**	**141.2**

Notes to the financial statements (continued)

8 Operating Profit (Group)

This is stated after charging:

In £ millions	**2022**	**2021**
Depreciation of property, plant and equipment and right-of-use assets	4.6	2.1
Amortisation on intangible assets	0.2	-
Realised exchange differences	(0.5)	(0.3)
Auditor's remuneration – audit of group financial statements	0.6	0.6
Auditor's remuneration – audit of subsidiaries	-	-
Non-audit services	-	-

Ernst & Young, the Group's statutory auditor, provided non-audit services relating to the Banijay Group's half year review amounting to £50k during 2022 (2021: £30k, plus additional £30k for preparation of financial statements). The audit fee disclosed above relating to the audit of subsidiaries amounted to £17k payable to Ernst & Young (2021: £17k). Amounts paid to auditors other than Ernst & Young amounted to £0.2m (2021: £0.2m). All remuneration of the auditors is borne by a subsidiary undertaking.

Notes to the financial statements (continued)

9 Staff costs (Group)

The average number of employees in The Group in the year ended 31 December 2022 was as follows. Please note that the 2021 comparative reflects the staff numbers as at 31 December 2021.

	2022	**2021**
Non-Production	372	345
Production	496	531
Total	**868**	**876**

The amounts paid to employees for remuneration were as follows:

In £millions	**2022**	**2021**
Wages and Salaries	96.2	19.1
Social security	7.6	1.4
Pension	1.5	0.3
LTIP expense / (income)	2.7	(0.2)
Total	**108.0**	**20.6**

Staff costs, including wages and social charges, of £1.5m (2021: £nil) derived from discontinued operations is not included in the above table.

Staff costs (Company)

As at 31 December 2022 the Company has no employees other than the directors (2021: none other than directors). Refer to note 10 for further details.

Notes to the financial statements (continued)

10 Directors Remuneration (Company)

Seven directors are paid by other Banijay Group companies (2021: four): three by Banijay Group SAS, one by Banijay Entertainment SAS, one by Banijay (Central) Limited and two by Banijay UK Productions Limited.

It is not practical to determine the proportion of emoluments which relate to their services as director of this Company. These directors are also considered to be the key management of the UK Group.

During the year there were no transactions between the Group and the directors (2021: none).

11 Finance costs (Group)

In £ millions	**2022 £m**	**2021 £m**
Interest on loans from other Banijay Group companies	(20.7)	(2.2)
Interest on loans from third parties	(2.0)	(0.7)
Unrealised exchange (losses) / gains	(0.8)	1.3
Finance costs	**(23.5)**	**(1.6)**

12 Income tax (Group)

(a) Analysis of tax charge for the year:

The tax charge is made up as follows:

In £ millions	**12 months ended December 2022**	**12 months ended December 2021**
Total current income tax	(24.4)	-
Total Deferred income tax	-	-
Income tax expense reported in profit and loss	**(24.4)**	-

Notes to the financial statements (continued)

Income tax (continued)

(b) Reconciliation of tax charge:

The total tax charge for the year is lower (2021: lower) than the standard UK 19% rate of corporation tax (2021: standard UK 19% rate of corporation tax). The differences are explained below:

In £ millions	**12 months ended December 2022**	**12 months ended December 2021**
Profit before taxation	(24.9)	145.3
Profit before taxation multiplied by 19% (2021: 19%)	(4.7)	27.6
Effects of:		
Expenses not deductible for tax purposes	0.2	-
Non-taxable income	(0.4)	(26.8)
TV Tax credits	(22.6)	(0.3)
Tax losses carried forward not recognised	3.1	-
Utilisation of brought forward losses	-	(0.5)
Tax (credit) / charge on profit	(24.4)	-

Factors affecting future tax charges

No deferred tax assets are being recognised within the group for 2022 or 2021. The company considers that tax losses within the group are not sufficiently likely to be offset by future profits and so have not been recognised. At the balance sheet date, the Group carried forward tax losses of £81.3m (2021: £65.2m) for which no deferred tax asset has been recognised as there is considered to be insufficient evidence of their future utilisation.

The Finance Act 2021, enacted on 10 June 2021, included legislation to increase the rate of Corporation tax to 25% as of 1 April 2023.

Notes to the financial statements (continued)

13 Share of profit of associates and joint ventures and Non-controlling interest (Group)

Associates and Joint Ventures

The share of profit from associates and joint ventures corresponds to the portion of profit or loss achieved during the twelve-months period ended December 2022 by entities consolidated under the equity method. The Group's share of profit from associates and joint ventures in the year was £197k (2021: £Nil).

At year end the significant joint ventures and associates comprise Double Dutch Productions Limited (£0.3m) and What's the Story? Sounds Limited (£0.1m).

Please refer to note 33 for details of the entities which comprise The Group's joint ventures and associates.

Non-controlling interest

Refer to note 33 for full listing of subsidiaries. Non-controlling interest relates to the following entities. Amounts relating to all other subsidiaries not 100% owned is £nil (2021: £nil).

Non-controlling interest share of equity as at the balance sheet date

In £ millions	**2022 £m**	**2021 £m**
Dangerous Films Limited	0.2	0.2
Newincco 1151 Limited	(1.0)	(1.0)
Simon's Cat Limited	0.8	0.4
Total	-	**(0.4)**

The movement in the non-controlling interest balance is as follows:

In £ millions	**2022 £m**	**2021 £m**
At 1 January	(0.4)	0.2
Transfer upon acquisition	-	(0.6)
Profit for the year	0.4	-
Total	-	**(0.4)**

Profit for the year of non-controlling interest amounted to £377k (2021: £14k).

Notes to the financial statements (continued)

[illegible] Investments (Company)

In £ millions	*Investments in subsidiary companies*
Cost	
At 1 January 2021	86.9
Additions	205.5
At 31 December 2021	**292.4**
Additions	13.4
Impact of group reorganisation in year	280.4
At 31 December 2022	**586.2**
Impairment	
At 1 January and 31 December 2021	34.4
Impact of group reorganisation in year	69.7
Impairment in year	25.1
At 31 December 2022	129.2
Net book value	
At 31 December 2022	**457.0**
At 31 December 2021	**258.0**

The carrying value of investments are reviewed annually for impairment by projecting cash flow for 4 years with a terminal value applied to year 4 after the Statement of financial position date based on financial forecasts approved by the Board. Projected cash flows are discounted to present value at a rate of 9%.

Additions and impairments in year are primarily driven by reorganisations within the Banijay Media Limited group with the goal of Banijay Media Limited being the direct parent undertaking of operating companies within the UK.

Additions during the year also include Mam Tor Productions, which was acquired for consideration of £13.4m on 15 October 2022.

Direct subsidiaries of the Company are disclosed in note 33.

Notes to the financial statements (continued)

15. Intangible assets (Group)

In £ millions	*Goodwill*	*Software*	*Total*
Gross values at 1 January 2021	-	2.3	2.3
Additions during the year	-	0.4	0.4
Transfers on acquisition	-	4.9	4.9
Gross values at 31 December 2021	-	**7.6**	**7.6**
Amortisation and impairment losses at 1 January 2021	-	**(2.3)**	**(2.3)**
Amortisation charged in year	-	-	-
Transfers on acquisition	-	(4.0)	(4.0)
Amortisation and impairment losses at 31 December 2021	-	**(6.3)**	**(6.3)**
Net values at 31 December 2021	-	**1.3**	**1.3**
Gross values at 1 January 2022	-	**7.6**	**7.6**
Additions during the year (note 6)	13.8	-	13.8
Reclassifications from Property, Plant and Equipment (note 18)	-	1.8	1.8
Gross values at 31 December 2022	**13.8**	**9.4**	**23.2**
Amortisation and impairment losses at 1 January 2022	-	**(6.3)**	**(6.3)**
Amortisation charged in year	-	(0.2)	(0.2)
Reclassifications from Property, Plant and Equipment (note 18)	-	(1.5)	(1.5)
Amortisation and impairment losses at 31 December 2022	-	**(8.0)**	**(8.0)**
Net values at 31 December 2022	**13.8**	**1.4**	**15.2**

Notes to the financial statements (continued)

16 Right-of-use assets

The nature of the group's leasing activities is mainly related to real estate leases i.e. office buildings and studios. The lease periods end between 2022 and 2026. Leases on The Group's registered office at Shepherd's Building in London end in 2026, accounting for a significant majority of the leases disclosed below.

In cases where a lease contains the option to extend or to terminate early management makes a judgement to determine the period over which it can be assessed with reasonable certainty that the contracts will continue.

The Group's liabilities under the lease, disclosed in the lease liabilities note below, are secured by the lessor's ownership of the subject of the lease. In principle, the Group is not entitled to transfer leased assets in subleasing, or to assign rights it has under lease contracts.

In £ millions	*Right-of-use assets related to leases*
Net Values at 1 January 2021	**1.2**
Additions in the year	0.7
Depreciation charged in year	(1.3)
Reclassification and derecognition	(0.1)
Transfers on acquisition	11.6
Net values at 31 December 2021	**12.1**
Additions in the year	0.3
Depreciation charged in year	(3.2)
Net values at 31 December 2022	**9.2**

Notes to the financial statements (continued)

17 Lease liabilities

In £ millions	*Lease liabilities*
Lease liabilities at 1 January 2021	**1.3**
Additions in the year	0.7
Principal lease repayments	(1.0)
Unwinding of interest	0.1
Reclassification and derecognition	*(0.1)*
Transfers on acquisition	11.8
Lease liabilities at 31 December 2021	**12.8**
Principal lease repayments	(3.5)
Unwinding of interest	0.3
Lease liabilities at 31 December 2022	**9.6**

Maturity of lease liabilities
The maturity profile of the group's lease liabilities based on contractual undiscounted payments as of December 31, 2022 is as follows:

In £ millions	*2022*	*2021*
Current lease liability	3.7	1.6
Non-current lease liability	5.9	11.2
Total	**9.6**	**12.8**

Notes to the financial statements (continued)

18 Property, plant and equipment

In £ millions	*Leasehold improvements*	*Production equipment*	*Fixtures, fittings, office equipment*	*Total*
Gross values at 1 January 2021	**0.6**	**0.3**	**3.4**	**4.3**
Transfers on acquisition	8.4	2.7	15.1	**26.2**
Gross values at 31 December 2021	**9.0**	**3.0**	**18.5**	**30.5**
Depreciation and impairment losses at 1 January 2021	**(0.6)**	**(0.3)**	**(3.2)**	**(4.1)**
Transfers on acquisition	(6.8)	(2.1)	(14.0)	**(22.9)**
Depreciation charged in year	-	(0.5)	(0.3)	**(0.8)**
Depreciation and impairment losses at 31 December 2021	**(7.4)**	**(2.9)**	**(17.5)**	**(27.8)**
Net values at 31 December 2021	**1.6**	**0.1**	**1.0**	**2.7**
Gross values at 1 January 2022	**9.0**	**3.0**	**18.5**	**30.5**
Additions	-	0.2	0.6	**0.8**
Reclassifications to intangible assets (note 15)	-	-	(1.8)	**(1.8)**
Transfers on disposal of subsidiary	-	-	(0.2)	**(0.2)**
Gross values at December 31, 2022	**9.0**	**3.2**	**17.1**	**29.3**
Depreciation and impairment losses at 1 January 2022	**(7.4)**	**(2.9)**	**(17.5)**	**(27.8)**
Depreciation charged in year	(0.5)	(0.1)	(0.8)	**(1.4)**
Transfers on disposal of subsidiary	-	-	0.2	**0.2**
Reclassifications to intangibles assets (note 15)	-	-	1.5	**1.5**
Depreciation and impairment losses at 31 December 2022	**(7.9)**	**(3.0)**	**(16.6)**	**(27.5)**
Net values at 31 December 2022	**1.1**	**0.2**	**0.5**	**1.8**

Notes to the financial statements (continued)

19 Inventories and work in progress (Group)

In £ millions	2022	2021
Inventories and work in progress	82.9	129.6
Total	**82.9**	**129.6**

20 Trade and other receivables

Group Trade and other receivables

The breakdown of trade and other receivables as of December 31, 2022 and December 31, 2021 is as follows:

In £ millions	2022	2021
Trade receivables, net	17.8	20.6
Prepayments	1.4	2.5
Accrued income	46.5	22.6
Tax receivables	26.6	11.7
Amounts due from group undertakings	285.3	287.1
Other receivables	7.2	7.5
Total	**384.8**	**352.0**

Tax receivables, excluding income tax, mainly relate to tax credits obtained as part of the group's business to finance the production of certain scripted shows.

Included in the above trade receivables balance is £0.3m (2021: 0.2m) of allowances against receivables considered irrecoverable.

Amounts due from group undertakings consists of £111.5m (2021: £113.6m) due from the Group's immediate parent undertaking and £173.8m (2021: £171.8m) due from other group companies.

Within the £285.3m (2021: £287.1m) amounts due from group undertakings includes £207.3m (2021: £204.2m) in cash pooling assets held with other group undertakings, which bears interest of 2.5%, deposit facilities of £2.8m (2021: £2.8m) which bears interest at a rate of 3-months GBP Libor, loans receivable from group undertakings of £13.7m (2021: £9.1m), including £1.8m (2021: £1.1m) of accrued interest, which bears interest of 1% plus 590 bps. Also within this balance is £55.8m (2021: £62.9m) of accrued income and £5.7m (2021: 8.1m) of receivables which are unsecured and interest free. All amounts due from group undertakings are repayable on demand. All amounts are stated inclusive of accrued interest where interest is charged.

Notes to the financial statements (continued)

Group Trade and other receivables (continued)

Movements in the provision for impairment of trade and other receivables were as follows:

In £ millions	**2022**	**2021**
At 1 January	0.2	0.2
Provision for doubtful debts	0.1	0.2
Reversal of previous provision	-	(0.2)
At 31 December	**0.3**	**0.2**

Overdue but not impaired debtors at the end of 2022:

In £ millions						
Total trade receivables	**Debt not yet due**	**Overdue but not impaired**				
		Less than 3 months	**Between 3 and 6 months**	**Between 6 months and 1 year**	**Over 1 year**	
17.8	8.0	6.9	1.2	0.8	0.9	

At December 31, 2022, 55.1% of the debtor is due and not written down. This debt is still expected to be recoverable and so has not been impaired.

Overdue but not impaired debtors at the end of 2021 :

In £ millions						
Total trade receivables	**Debt not yet due**	**Overdue but not impaired**				
		Less than 3 months	**Between 3 and 6 months**	**Between 6 months and 1 year**	**Over 1 year**	
20.6	14.8	3.8	1.0	0.5	0.5	

At December 31, 2021, 28.2% of the debtor is due and not written down. Such debtor was not depreciated because it did not present any risk of recoverability.

Notes to the financial statements (continued)

Company Trade and other receivables

In £ millions	December 31, 2022	December 31, 2021
Amounts owed by group undertakings	0.4	0.4
Total	**0.4**	**0.4**

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

21. Cash and cash equivalents

Group

Cash and cash equivalents are composed of bank accounts and petty cash. Bank cash produces interest at variable rates based on daily bank deposit interest rates.

In £ millions	December 31 2022	December 31 2021
Cash and cash equivalents	18.1	6.0
Total	**18.1**	**6.0**

Company

Cash and cash equivalents are composed of bank accounts and petty cash. Bank cash produces interest at variable rates based on daily bank deposit interest rates.

In £ millions	December 31 2022	December 31 2021
Cash and cash equivalents	0.1	-
Total	**0.1**	-

22. Share Capital (Group and Company)

In £ millions	December 31, 2022	December 31, 2021
573,205 (2021 – 573,205) Ordinary shares of £1 each	0.6	0.6
Total	**0.6**	**0.6**

All shares are authorised, allotted, called up and fully paid with full voting rights.

Notes to the financial statements (continued)

[illegible] Reserves

Share premium account (Company only)

This reserve records the amount above the nominal value received for shares sold, less transaction costs.

Retained Earnings

Includes all current and prior periods retained profits and losses.

Merger Reserve

Please refer to note 6 for further details. This records the difference between the consideration paid upon acquisition of Banijay Group Services Limited, along with its subsidiaries, and the net assets of the purchased investments upon acquisition.

Foreign Currency Translation Reserve

This represents the accumulated exchange differences arising from translation of subsidiaries with a functional currency other than GBP.

Capital Management

The Group manages its capital structure and adjusts it in response to changes in economic conditions and the capital requirements of The Group's financial covenants. To maintain or adjust the capital structure, The Group may return capital to the shareholders or issue new shares. In the year ended 31 December 2022, no changes were made to the objectives, policies or processes binding in this area.

The Group's capital management, among other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements, held by the Group's parent undertakings. Breaches in meeting the financial covenants would permit the bank to immediately recall loans and borrowings. There have been no breaches of the financial covenants of any interest-bearing loans and borrowing in the current period. No such covenants exist for loans held by the Group, only by the Group's parent undertakings.

Notes to the financial statements (continued)

21 Borrowings (Company and Group)

Group borrowings

In £ millions	December 31, 2022	December 31, 2021
Long term borrowings from Banijay Group companies	295.6	285.5
Non-current borrowings from third parties	30.3	
Total long term borrowings	**325.9**	**285.5**
Short term borrowings from third parties	21.7	47.2
Bank overdrafts	-	0.1
Total short term borrowings	**21.7**	**47.3**
Total borrowings	**347.6**	**332.8**

Nature of borrowings

Loans from Banijay Group companies as below:

- *£274.2m due March 2025, with an interest rate of 3.63% + SONIA (floored to 1%)* (2021:£265.1m), payable to Banijay Entertainment SAS.
- £18.3m due March 2025, with an interest rate of 3.5% (2021: £17.3), payable to Banijay Entertainment SAS.
- £3.1m due December 2024, with an interest rate of 6.75% + LIBOR (2021: £3.1), payable to an other Banijay Group company.

Borrowings from third parties represent multiple production loan financing agreements, which have an average interest rate of 5%. Short term borrowings from third parties have a maturity date falling in 2023, non-current borrowings from third parties have maturity dates falling after 2023. Acquisitions and disposals of subsidiaries during 2022 were settled through loans with other Banijay companies and were not cash settled.

Movements in borrowings in the year comprise £52.0m (2021: £4.4m) cash proceeds from third party borrowings, £47.3m (2021: 1.4m) cash repayments of third party borrowings and £7.7m of non-cash movements (2021: £309.8m). Non-cash movements in the current year are comprised of the consideration for the disposals of subsidiaries in note 7. Non-cash movements in the prior year are comprised of borrowings acquired upon the acquisition of Banijay Group Services Limited, non-cash settled loans with other Banijay companies and foreign exchange movements.

Notes to the financial statements (continued)

Borrowings (continued)

The above borrowings are valued at amortised cost. Below is a summary of the undiscounted contractual future payments as at 31 December 2022:

In £ millions	**Due in less than one year**	**Due between one and five years**	**Due in more than five years**	**Total**
Loans from other Banijay Group companies (£274.3m)	21.4	300.0	-	321.4
Loans from other Banijay Group companies (£18.3m)	0.6	19.2	-	19.8
Loans from other Banijay Group companies (£3.1m)	0.3	3.4	-	3.7
Production financing	23.8	30.8	-	54.6
Bank overdrafts	-	-	-	-
Total	**46.1**	**353.4**	-	**399.5**

Company borrowings

In £millions	*2022*	*2021*
Amounts owed to subsidiary undertaking	253.3	6.9
Amounts owed to parent undertaking	232.6	222.5
Total	**485.9**	**229.4**

Amounts owed to subsidiary undertakings are repayable on 1 March 2025 and bear interest of LIBOR 1 month (with a floor of 1%) plus 3.63%.

Amounts owed to parent undertaking includes £214.6m due March 2025, with an interest rate of 3.63% + SONIA (floored to 1%) and £18.0m due March 2025, with an interest rate of 3.5%.

Notes to the financial statements (continued)

25 Provisions

In £ millions	Contingent consideration	Legal provisions	Dilapidations provision	Other	Total
At 1 January 2022	0.3	2.9	-	0.1	3.3
Additions	-	-	0.3	-	0.3
Utilisation in year	(0.1)	-	-	(0.1)	(0.2)
At 31 December 2022	0.2	2.9	0.3	-	3.4

Analysis of expected timing of cash flows

In £ millions	Contingent consideration	Legal provisions	Dilapidations provision	Other	Total
Within 1 year	0.2	2.9	0.3	-	3.4
After more than 1 year	-	-	-	-	-
Total	0.2	2.9	0.3	-	3.4

Contingent Consideration

Contingent consideration relates to the expected future costs associated with acquisition of subsidiaries. None of these committed future costs are individually significant to the Group.

Legal Provisions

The legal provision relates to the maximum outflows anticipated relating to an ongoing discussion with Her Majesty's Revenue and Customs (HMRC) regarding a historic remuneration scheme. It is expected that the eventual net outflow from this provision will be lower than the amount provided for, however any such reduction in net outflow has not yet been agreed with the relevant counterparties.

Dilapidation Provision

The dilapidation provision relates to expenses expected to be associated with the exit of a lease.

Notes to the financial statements (continued)

26 Trade and other payables (Group and Company)

Group Trade and other payables

Trade and other payables as of December 31, 2022 and December 31, 2021 can be broken down as follows:

In £ millions	***2022***	***2021***
Trade payables	7.6	10.7
Taxation and social security	17.7	13.0
Amounts due to group undertakings	183.2	158.4
Accrued costs	90.1	82.4
Deferred income	40.4	83.2
Other payables	1.2	0.7
Total current trade and other payables	**340.2**	**348.4**
Non-current other payables	7.6	5.3
Total non-current trade and other payables	**7.6**	**5.3**
Total trade and other payables	**347.8**	**353.7**

Amounts due to group undertakings consists of £22.6m (2021: £6.8m) due to the Group's immediate parent undertaking and £160.6m (2021: £151.6m) due to other group companies. Refer to note 24 above for details of loans from other Banijay companies.

Within the £183.2m (2021: £158.4m) amounts due to group undertakings is £170.4 (2021: £150.3m) relating to cash pooling arrangements which bear interest of 1 month LIBOR + 2.5%.

Also within amounts due to group undertakings is £5.0m (2021: £4.3m) in accrued interest on borrowings and cash pooling from Banijay Group companies. £2.8m (2021: £2.2m) of billed payables and £5.0m (2021: £1.6m) of unbilled payables. Unless otherwise stated, all other amounts due to group undertakings are trading balances which do not bear interest and are repayable on demand.

Non-current other payables represents £4.8m (2021: £4.3m disclosed within current other payables) relating to long term employee incentive plans offered to eligible members of staff within the UK and £2.8m (2021: £1.0m) relating to earn out liabilities.

Company Trade and other payables

In £ millions	***2022***	***2021***
Amounts owed to group undertakings	46.9	31.7
Total	**46.9**	**31.7**

Included in the above is £33.0m (2021 - £30.8m) relating to a cash pool agreement with Banijay Group SAS. The loan is repayable on demand, with interest charged at 1-month LIBOR plus 2.5%. The remainder of amounts owed to other group undertakings are trading balances which do not bear interest and are repayable on demand.

Notes to the financial statements (continued)

27. Share based payments (Group)

Following the acquisition of the Endemol Shine Group by Banijay, a new Long-term incentive plan (LTIP) was implemented in 2021. The plan is a cash-settled share-based payment and has two vesting periods: a first period of 4 years (2021 – 2024) and a second period of 8 years (2021 – 2028). The target of this plan is to retain key talent for the combined group.

This new LTIP began in January 2021. At the end of 2022, the vested portion of the plan was recognized proportionately based on actual 2022 performance of the entities.

The Banijay phantom shares LTIP implemented in 2017 has been closed. The participants still employed in the Group have had the opportunity to join the new combined LTIP.

28. Fair value of financial assets and liabilities (Group and Company)

Group financial instruments

All assets and liabilities for which fair value is measured or disclosed in the financial statement are categorized within the fair value hierarchy:

- level 1: fair value based on quoted prices in active markets;
- level 2: fair value measured using observable market inputs (other than the quoted market prices included in level 1);
- level 3: fair value measured using unobservable market inputs.

The fair value of financial instruments is determined using market prices resulting from trades on a national stock exchange or over-the-counter markets. When no market price is available, fair value is measured using other valuation methods such as discounted future cash flows.

In any event, estimates of market value are based on certain interpretations required when measuring financial assets. As such, these estimates do not necessarily reflect the amounts that the Group would actually receive or pay if the instruments were traded on the market. The use of different estimates, methods and assumptions may have a material impact on estimated fair values.

Notes to the financial statements (continued)

Group financial instruments (continued)

Fair value for assets and liabilities held at year end is equal to amortised cost other than in cases disclosed in the table below:

Year ended 31 December 2022

		Book value			Level in the fair value hierarchy (if FV through OCI or P&L)			
In £ millions	**Note**	**Amortised cost**	**Fair value through profit or loss**	**Total book value**	**Fair value at 31 Dec. 2022**	**Level 1**	**Level 2**	**Level 3**
Cash and cash equivalents	21	-	18.1	18.1	18.1	18.1	-	-
Non-current Trade and other payables	26	-	7.6	7.6	7.6	-	-	7.6
Current Trade and other payables	26	338.1	2.1	340.2	2.1	0.1	-	2.0

Year ended 31 December 2021

		Book value			Level in the fair value hierarchy (if FV through OCI or P&L)			
In £ millions	**Note**	**Amortised cost**	**Fair value through profit or loss**	**Total book value**	**Fair value at 31 Dec. 2021**	**Level 1**	**Level 2**	**Level 3**
Cash and cash equivalents	21	-	6.0	6.0	6.0	6.0	-	-
Non-current Trade and other payables	26	-	5.3	5.3	5.3	-	-	5.3
Current Trade and other payables	26	346.3	2.1	348.4	2.1	0.1	-	2.0

Notes to the financial statements (continued)

Company financial instruments

Financial assets

In £ millions	Note	*2022*	*2021*
Loans and receivables	20	0.4	0.4
Total		**0.4**	**0.4**

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.

Financial liabilities

In £ millions	*Note*	*2022*	*2021*
Current creditors	26	46.9	31.7
Borrowings	24	485.9	229.4
Total		**532.8**	**261.1**

Borrowings

Borrowings are interest bearing and are settled on negotiated commercial terms. The disclosure with relation to these borrowings are given in note 24.

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 26.

29 Objectives and strategies regarding financial risk management (Company and Group)

The main financial instruments of the group include bank borrowings and bank overdrafts. The main purpose of these financial instruments is to provide the group with the financial means necessary for its activities. The group has various financial assets, such as trade receivables, cash and short- term deposits, which are directly generated by its operations. The group's strategy was, and remains, not to trade on derivative instruments.

The main risks resulting from the financial instruments of the group involve liquidity risk, interest rate risk, exchange risk and credit risk. The risks of the entities of the group are managed by each entity according to the group's strategy and in accordance with the Company's instructions.

Notes to the financial statements (continued)

Objectives and strategies regarding financial risk management (continued)

Liquidity risk and interest rate risk

The group maintains adequate reserves of cash and short-term deposits to satisfy its liquidity needs. This is aided by cash pooling arrangements with the central Banijay group.

The concentration of liquidity risk is measured on the basis of future cash flows.

The Group utilises cash pooling arrangements with other Banijay Group companies. These arrangements are discussed in notes 20 and 26 above.

The Group has long term loans in place with other Banijay Group companies, as disclosed in note 24 and capability to negotiate future loans if needed, though there is no standing commitment from Banijay Group to enter into such loan arrangements.

Banijay Group has provided a letter indicating their intention to continue to support the Group's activities in future. This includes support in the settling of liabilities if necessary.

The group exposure to the risk of interest rate fluctuations is mainly related to Loans held with other companies within the Banijay group. Please refer to note 24 Borrowings for details of these loans and the related interest rate. The Group does hold loans with third parties, for the purposes of production financing. However these are generally short term loans which are repaid as part of the planned cash flows of a particular production cycle. Management consider that these third party loans represent a mitigation of the liquidity risk facing the group and, given their short term nature, consider that they do not exacerbate interest rate risk.

Management consider that the risk associated with liquidity, as well as movements in interest rates is fully mitigated due to the methods of financing described above.

Foreign currency risk

The Group is exposed to currency risk in connection with transactions made denominated in foreign currency. The vast majority of transactions the Group engages in are denominated in GBP.

The Group does not have any derivative financial instruments to hedge against foreign currency risk. However the wider Banijay Group does have such derivative financial instruments, which in turn mitigates the risk to the Banijay Media Limited Group itself.

Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. In order to minimise this risk The Group endeavours only to deal with companies and individuals which are demonstrably creditworthy and this, together with the aggregate financial exposure, is continuously monitored. Details of overdue receivables and, therefore, the Group's exposure in this are detailed in note 20.

Notes to the financial statements (continued)

30. Off balance sheet commitments (Company and Group)

Group off-balance sheet commitments

As of December 31, 2022 and December 31, 2021 the Group did not have any off balance sheet commitments.

Company off-balance sheet commitments

As of December 31, 2022 and December 31, 2021 the Company did not have any capital commitments.

31. Contingent liabilities (Company and Group)

Group contingent liabilities

As of December 31, 2022 and December 31, 2021 the Group did not have any contingent liabilities.

Company contingent liabilities

As of December 31, 2022 and December 31, 2021 the Company did not have any contingent liabilities.

32. Information on related parties (Company and Group)

The consolidated accounts include operations carried out by the group in the ordinary course of its business with related parties. These transactions are made at the market price.
The table below shows total amounts of transactions that were concluded with related parties in the twelve-months period ended December 2022.

In £ millions	**Parent**		**Other**		**Total**	
	2022	*2021*	*2022*	*2021*	*2022*	*2021*
Revenue	-	-	49.8	4.7	**49.8**	**4.7**
Cost of sales	(0.2)	-	(0.8)	0.1	**(1.0)**	**0.1**
Administration expenses	2.3	(0.2)	1.3	0.7	**3.6**	**0.5**
Gain on sale of subsidiaries	-	-	1.9	141.2	**1.9**	**141.2**
Finance expense	(16.4)	(1.5)	(4.3)	(0.9)	**(20.7)**	**(2.4)**

Related party revenues have corresponding cost of sales which generally relate to third party entities.
There were no transactions during the year with key management personnel other than the payment of their salaries and associated remuneration (2021: £nil).
Within administration expenses are recharges of staff services to other group companies.

Notes to the financial statements (continued)

Information on related parties (continued)

In £ millions	*Parent*		*Other*		*Total*	
	2022	*2021*	*2022*	*2021*	*2022*	*2021*
Receivables	111.5	113.6	173.8	171.8	**285.3**	**285.4**
Total receivables	**111.5**	**113.6**	**173.8**	**171.8**	**285.3**	**285.4**
Payables	22.6	6.8	160.6	151.6	**183.2**	158.4
Borrowings	292.5	282.4	3.1	3.1	**295.6**	**285.5**
Total payables	**315.1**	**289.2**	**163.7**	**154.7**	**478.8**	**443.9**

[illegible] Group Information as at 31 December 2022

The following are Banijay Media Ltd Group's significant subsidiaries, associates, and joint ventures as of December 31, 2022.

Companies owned by Banijay Media Limited Group being provided audit exemptions

Banijay Media Limited has provided guarantees to the below companies, incorporated in the United Kingdom, under the registered number indicated, in order for them to claim audit exemptions, with respect to the fiscal year 2022, under section 479A of the UK Companies Act 2006.

Company name	Country of incorporation	Company Number	Equity Interest held	Nature of business
21CF Shine Holdings UK Limited^	England & Wales	8850565	100%	Holding company
Among Giants Limited*	England & Wales	3363063	100%	Dormant
Artists Studio Management Limited^	England & Wales	6640999	100%	Television production
Artists' Studio. TV Limited^	England & Wales	6641017	100%	Holding company
Bad Ed The Movie Limited^	England & Wales	9409228	100%	Film production
Bandit (Delicious 3) Limited^	England & Wales	11408316	100%	Television production
Banijay (Central) Limited^	England & Wales	2759428	100%	Television production
Banijay UK Limited^	England & Wales	4126826	100%	Television production
Bazal Productions Limited^	England & Wales	2130252	100%	Dormant
Black Mirror Drama (S4) Limited^	England & Wales	10300667	100%	Television production
Black Mirror Drama (S5) Limited^	England & Wales	11172015	100%	Television production

Black Mirror Drama Limited^	England & Wales	9722470	100%	Television production
Blacklight (on the Edge Season 4) Limited^	England & Wales	12240690	100%	Television production
Blacklight (on the Edge) Productions Limited^	England & Wales	11849767	100%	Television production
Blacklight Television Limited^	England & Wales	4135260	100%	Television production
Blobhead Productions Limited^	Scotland	SC226092	100%	Dormant
Brighter Pictures Limited^	England & Wales	2697443	100%	Dormant
Broadcast Communications (Productions) Limited^	England & Wales	1713423	100%	Dormant
Brown Eyed Boy (MHB) Limited*	England & Wales	9533709	100%	Television production
Brown Eyed Boy Limited^	England & Wales	4418842	100%	Television production
Bwark Films Limited^	England & Wales	8653439	100%	Television production
Bwark Productions Limited^	England & Wales	5228789	100%	Television production
Channel 12 Limited^	England & Wales	2811939	100%	Dormant
Channelflip Media Limited^	England & Wales	6321295	100%	Online media production
Darlow Smithson Productions Limited^	England & Wales	2304733	100%	Television production
Definitely Productions Limited^	England & Wales	4760885	100%	Dormant
Douglas Road Productions Limited^	England & Wales	9061315	100%	Television production
Dragonfly Drama Limited^	England & Wales	8068276	100%	Dormant
Dragonfly Film and Television Productions Limited^	England & Wales	5112876	100%	Television production
Dream Alliance Productions Limited^	England & Wales	8719007	100%	Film production
DSP Drama 2 Limited^	England & Wales	10906172	100%	Television production
DSP Drama 3 Limited^	England & Wales	11406583	100%	Television production
DSP Drama 4 Limited^	England & Wales	11544575	100%	Television production
DSP Drama Limited^	England & Wales	9653665	100%	Television production
Edam SLB Limited^	England & Wales	7239432	100%	Sale & leaseback contracts
Electric Robin (BITW) Limited ^	England & Wales	14201547	100%	Television production
Electric Robin (BTR) Limited^	England & Wales	10144758	100%	Television production
Electric Robin (GOG) Limited ^	England & Wales	10797226	100%	Television production
Electric Robin Limited^	England & Wales	8443014	100%	Short form content production

Endemol Shine Gaming Limited^	England & Wales	3155053	100%	Digital media production
Banijay Group Services Limited^	England & Wales	6394563	100%	Holding company
Endemol Shine Group Limited^	England & Wales	6032269	100%	Employer of group management
Endemol Shine UK (Leon) Limited^	England & Wales	13209034	100%	TV programme production and exploitation
Banijay UK Productions Limited^	England & Wales	1692513	100%	TV programme production and exploitation
Endemol UK Holding Limited^	England & Wales	2585418	100%	Holding company
ESUK Productions Limited^	England & Wales	11091133	100%	Television production
Endemol Worldwide Distribution Holding Limited	England & Wales	2461138	100%	Holding company
Far Moor Media Limited^	England & Wales	8254863	100%	Provider of executive producer services to drama productions
Fifty Fathom (KAW2) Limited^	England & Wales	10481486	100%	Television production
Fifty Fathoms (AM) Limited ^	England & Wales	11881815	100%	Television production
Fifty Fathoms (Domina) Limited ^	England & Wales	11864961	100%	Television production
Fifty Fathoms (Fortitude 3) Limited ^	England & Wales	11077543	100%	Television production
Fifty Fathoms (Guerrilla) Limited ^	England & Wales	10176650	100%	Television production
Fifty Fathoms Productions Limited ^	England & Wales	10143750	100%	Television production
Green Eyed Boy Ltd^	England & Wales	11123201	50%	Television production
Guilder Productions Limited^	England & Wales	10517075	100%	Facilitating the engagement of production writers and directors
Hawkshead Limited^	England & Wales	1488467	100%	Dormant
Holy Moly Entertainment Limited^	England & Wales	6556365	100%	Dormant
House Of Tomorrow Drama Limited^	England & Wales	9160295	100%	Television production
House of Tomorrow Holdings Limited^	England & Wales	9016143	100%	Television production
House Of Tomorrow Limited^	England & Wales	8791458	100%	Television production
Ideal World Films Limited+	Scotland	SC176544	100%	Dormant

Ideal World Productions Limited^	England & Wales	2372721	100%	Dormant
Initial (Seaforth) Limited^	England & Wales	2698623	100%	Dormant
Initial Film and Television (Frankies House) Limited^	England & Wales	2635984	100%	Dormant
Initial Film and Television (Horse Opera) Limited^	England & Wales	2675506	100%	Dormant
Initial Film and Television Limited^	England & Wales	2514950	100%	Dormant
IWC Media Limited	Scotland	SC265445	100%	Television production
Izenda Productions Limited^	England & Wales	4929050	100%	Television production
Kudos (Squirrel) Limited*	England & Wales	9533960	100%	Television production
Kudos (Broadchurch) Limited*	England & Wales	8731985	100%	Television production
Kudos (Burn Up) Limited*	England & Wales	6078889	100%	Dormant
Kudos (Burn Up) MD Limited*	England & Wales	6360194	100%	Dormant
Kudos (Child) Limited*	England & Wales	11681320	100%	Television production
Kudos (Code 404) Limited*	England & Wales	10336011	100%	Television production
Kudos (DeadWater) Limited*	England & Wales	11682175	100%	Television production
Kudos (Deep Water) Limited*	England & Wales	11307342	100%	Television production
Kudos (Eternal) Limited*	England & Wales	7312055	100%	Dormant
Kudos (SAS 2) Limited*	England & Wales	9533834	100%	Television production
Kudos (Grantchester 8) Limited*	England & Wales	8580504	100%	Dormant
Kudos (Grantchester Five) Limited*	England & Wales	11989615	100%	Dormant
Kudos (Grantchester Four) Limited*	England & Wales	10391404	100%	Dormant
Kudos (Grantchester Seven) Limited*	England & Wales	11940238	100%	Dormant
Kudos (Grantchester Six) Limited*	England & Wales	12466087	100%	Dormant
Kudos (Grantchester) Limited*	England & Wales	8735085	100%	Television production
Kudos (Gunpowder) Limited*	England & Wales	10391532	100%	Television production
Kudos (Hour) Limited*	England & Wales	7261806	100%	Dormant
Kudos (Humans Three) Limited*	England & Wales	10637727	100%	Television production
Kudos (Humans) Limited*	England & Wales	8972603	100%	Television production
Kudos (L&O) Limited*	England & Wales	6955683	100%	Dormant
Kudos (Law) Limited*	England & Wales	6449908	100%	Dormant
Kudos (Manhattan) Limited*	England & Wales	7506628	100%	Dormant

Kudos (Morton) Limited*	England & Wales	7475559	100%	Dormant
Kudos (Occupation) Limited*	England & Wales	6600732	100%	Dormant
Kudos (Orange Shirt) Limited*	England & Wales	9711790	100%	Television production
Kudos (Grantchester 9) Limited*	England & Wales	9185097	100%	Dormant
Kudos (River) Limited*	England & Wales	9031912	100%	Television production
Kudos (SAS) Limited*	England & Wales	12279478	100%	Television production
Kudos (Smoke) Limited*	England & Wales	7558627	100%	Dormant
Kudos (Spooks) CP Limited*	England & Wales	7123876	100%	Dormant
Kudos (Tin Star) Limited*	England & Wales	9889995	100%	Television production
Kudos (Troy) Limited*	England & Wales	10062388	100%	Television production
Kudos (Tsunami) Limited*	England & Wales	5655292	100%	Dormant
Kudos (Tunnel) Limited*	England & Wales	8176730	100%	Television production
Kudos (This Town) Limited*	England & Wales	5306757	100%	Dormant
Kudos (Two Weeks) Limited*	England & Wales	11940699	100%	Television production
Kudos (WM) Limited*	England & Wales	6910242	100%	Dormant
Kudos (You) Limited*	England & Wales	12279164	100%	Dormant
Kudos Film & Television Limited*	England & Wales	4387591	100%	Television production
Kudos Financing Limited*	England & Wales	10563816	100%	Other business support services
Kudos Hustle Limited*	England & Wales	4763774	100%	Dormant
Kudos Rights Limited*	England & Wales	5383266	100%	Rights Management
Kudos Scotland Limited**	Scotland	SC395410	100%	Television production
Late Night Shopping Limited	Scotland	SC199647	100%	Dormant
Lomond Television Limited^^	Scotland	SC140166	100%	Dormant
Love or Money Limited+	Scotland	SC209430	100%	Dormant
Lovely Day Productions Limited*	England & Wales	7255175	100%	Television production
Mam Tor Productions (Chloe) Ltd***	England & Wales	12938424	51%	Television production
Mam Tor Productions Limited***	England & Wales	8982041	51%	Television production
Mastercover Productions Limited^	England & Wales	2409227	100%	Dormant
Monogram Productions Limited^	England & Wales	3328806	100%	Dormant
NC Shine Acquisition Ltd^	England & Wales	7583114	100%	Holding company
New Moon Rising Limited^	England & Wales	6343365	100%	Television production

Newincco 1151 Limited^	England & Wales	7916829	50.01%	Television production
Not Driving That Limited^	England & Wales	11371031	100%	Television production
OP Media Limited^	England & Wales	13675038	75%	Television production
OP Talent Limited^	England & Wales	8226492	100%	Talent agency
Primetime Limited^	England & Wales	901456	100%	Dormant holding company
Princess Productions Limited^	England & Wales	3239469	100%	Television production
RDF Television Limited^	England & Wales	6219647	100%	Television production
Shine Commercial Limited^	England & Wales	7841120	100%	Dormant
Shine Creative (UK) Limited^	England & Wales	7867972	100%	Television production
Shine Ginkgo Limited^	England & Wales	8005540	100%	Dormant
Shine Jet Limited^	England & Wales	7874842	100%	Holding company
Shine Limited^	England & Wales	4001973	100%	Holding company
Shine Midco Limited^	England & Wales	8005437	100%	Holding company
Shine Pictures (UK) Limited^	England & Wales	4543562	100%	Film production
Shine TV (FM) Limited ^	England & Wales	4141274	100%	Television production
Shine TV (Hunted) Limited^	England & Wales	11358868	100%	Television production
Shine TV Limited^	England & Wales	6978553	100%	Television production
Shiny Button Productions (SPV) Limited^	England & Wales	12966230	100%	Television production
Shiny Button Productions (YCOM) Limited^	England & Wales	13427141	100%	Television production
Shiny Button Productions Limited^	England & Wales	10886480	100%	Television production
Southern Star Sales (UK) Limited^	England & Wales	1377528	95%	Programme distribution
Spooks Limited*	England & Wales	4271995	100%	Dormant
Superchargers Limited^	England & Wales	10638608	100%	Television production
Teen Taxis Limited^	England & Wales	11307317	100%	Television production
Television Productions Limited^	England & Wales	4634525	100%	Television production
The Boys Are Back In Town Limited^	England & Wales	6631764	100%	Dormant
The Comedy Unit Limited	Scotland	SC161811	100%	Television production
The Fall 2 Limited~	Northern Ireland	NI620246	100%	Dormant
The Fall 3 Limited~	Northern Ireland	NI629449	100%	Television production
The Russian Bride Limited ^	England & Wales	3896040	100%	Dormant
Tiger Aspect (3LB) Limited^	England & Wales	10143919	100%	Television production
Tiger Aspect (BH&MP) Limited^	England & Wales	10586343	100%	Television production

Tiger Aspect (Fortitude 2) Limited^	England & Wales	9850762	100%	Television production
Tiger Aspect (GKH) Limited^	England & Wales	10244501	100%	Television production
Tiger Aspect (GKH3) Limited^	England & Wales	11422923	100%	Television production
Tiger Aspect (Good Karma) Limited^	England & Wales	10796113	100%	Television production
Tiger Aspect (KAW) Limited^	England & Wales	9720130	100%	Television production
Tiger Aspect (Viewpoint) Limited^	England & Wales	12407127	100%	Television production
Tiger Aspect Assets Limited^	England & Wales	3690358	100%	Dormant
Tiger Aspect Drama (Curfew) Limited^	England & Wales	11022538	100%	Television production
Tiger Aspect Drama (Ripper Street 4) Limited^	England & Wales	9651303	100%	Television production
Tiger Aspect Drama (Ripper Street) Limited^	England & Wales	8911103	100%	Television production
Tiger Aspect Drama Limited^	England & Wales	8640684	100%	Television production
Tiger Aspect Films Limited^	England & Wales	2950699	100%	Dormant
Tiger Aspect Financing Limited^	England & Wales	10244361	100%	Cash flow intermediary
Tiger Aspect Holdings Limited^	England & Wales	2589509	100%	Holding company
Tiger Aspect Pictures (Dog Eat Dog) Limited^	England & Wales	3968751	100%	Dormant
Tiger Aspect Pictures (Royston Vasey) Limited^	England & Wales	5204612	100%	Dormant
Tiger Aspect Pictures (Tosspot) Limited^	England & Wales	3981060	100%	Dormant
Tiger Aspect Pictures Limited^	England & Wales	2904886	100%	Television production
Tiger Aspect Productions (Heatwave) Limited ^	England & Wales	14076580	100%	Television production
Tiger Aspect Productions Limited^	England & Wales	3643117	100%	Television production
Tiger Aspect Scotland Limited++	Scotland	SC205805	100%	Television production
Tiger Television Limited^	England & Wales	2789925	100%	Dormant
Tigress Productions Limited^	England & Wales	2630259	100%	Television production
Tronpipe Limited^	England & Wales	3984207	100%	Dormant
Victoria Real Limited^	England & Wales	3006473	98.45%	Dormant
Wark Clements & Company Limited+	Scotland	SC150878	100%	Dormant
Wild West (Initial) Limited^	England & Wales	2607940	100%	Dormant

Wonder Television Limited^	England & Wales	8723975	100%	Television production
Workerbee Documentary Films Limited^	England & Wales	13087362	100%	Television production
Workerbee (Crouch) Limited^	England & Wales	12014919	100%	Television production
Yemen Distributions Limited*	England & Wales	7185055	100%	Television production
Yemen Productions Limited*	England & Wales	7185079	100%	Dormant
Young Bwark Limited ^	England & Wales	7110373	50%	Television production
Zeppotron Drama Limited^	England & Wales	9685406	100%	Television production
Zeppotron Limited^	England & Wales	6057667	100%	Television production

^ The address of the subsidiaries' registered office is Shepherds Building Central, Charecroft Way, London, W14 0EE.
* The address of the subsidiaries' registered office is 12-14 Amwell Street, London, EC1R 1UQ.
~ The address of the subsidiaries' registered office is 1-3 Lombard Street, Belfast, BT1 1RH.
+The address of the subsidiary's registered office is St George's Studios, 93/97 St George's Road, Glasgow, G3 6JA
^^ The address of the subsidiary's registered office is C/O KPMG LLP, 191 West George Street, Glasgow, G2 2LJ.
** The address of the subsidiary's registered office is 43 Regent Street, Edinburgh, EH15 2AY.
~~The address of the subsidiary's registered office is Unit D Glasgow North Trading Estate, 24 Craigmont Street, Glasgow, G20 9BT
++ *The address of the subsidiary's registered office is Unit 2. 8, The Hub, Pacific Drive, Glasgow, G51 1EA.*
*** The address of the subsidiary's registered office is 10 Orange Street Haymarket, London, WC2H 7DQ

Companies owned by Banijay Media Limited Group not being provided audit exemptions

Company name	Country of incorporation	Company Number	Proportion of voting rights and ordinary share capital held	Nature of business
Dangerous Films Limited^	England & Wales	3326840	70%	Television production
Simon's Cat Limited^	England & Wales	6761921	51%	Animation
The Unofficial TV Company Limited+	England & Wales	04141314	100%	Dormant
Wild Mercury Production Company Limited^	England & Wales	10095316	75%	Television production
Wild Mercury (Troy) Limited*	England & Wales	10745020	75%	Television production
Wild Mercury (Moreton) Limited*	England & Wales	12933005	75%	Television production
Wild Mercury (The Rig) Limited*	England & Wales	12933042	75%	Television production
Wild Mercury (The Rig 2) Limited*	England & Wales	14709203	75%	Television production
Mam Tor Productions (Wild Lion) Limited+++	Scotland	SC750728	51%	Television production
Mam Tor Productions (Scotland) Ltd+++	Scotland	SC708257	51%	Television production
ZnakTV Inc.	USA (Delaware)	4329603	100%	Television production

^ The address of the subsidiaries' registered office is Shepherds Building Central, Charecroft Way, London, W14 0EE.
* The address of the subsidiaries' registered office is 12-14 Amwell Street, London, EC1R 1UQ.
+++ The address of the subsidiary's registered office is Caledonia House, 89 Seaward Street, Glasgow, G41 1HJ

Notes to the financial statements (continued)

Group Information and audit exemptions (continued)

Investments in associates and joint ventures

Company name	Country of incorporation	Company Number	Proportion of ordinary share capital held	Nature of business
Double Dutch Productions Limited^	England & Wales	13413825	49.9%	Television production
Foundling Bird Limited*	England & Wales	08918924	10%	Artistic creation
Pure Grass Films Limited~	England & Wales	05446717	5%	Motion picture production
What's the Story? Sounds Limited^^	England & Wales	12231922	25%	Motion picture production
Shine Pictures LLP+	England & Wales	OC342177	50%	Dormant
Fall Productions Limited**	England & Wales	07808003	45%	Television production

^ The address of the subsidiaries' registered office is 7 Savoy Court, London, United Kingdom, WC2R 0EX
* The address of the subsidiaries' registered office is 180 Great Portland Street, 4th Floor, London, England, W1W 5QZ
+ The address of the subsidiaries' registered office is Shepherds Building Central Charecroft Way, Shepherds Bush, London, United Kingdom, W14 0EE
~ The address of the subsidiaries' registered office is Level 1 Devonshire House, One Mayfair Place, London, United Kingdom, W1J 8AJ
^^ The address of the subsidiaries' registered office is 18 Hawthorne Grove, Burley In Wharfedale, Ilkley, England, LS29 7RF
** Well Cottage, Farhill Llanishen, Chepstow, Gwent, Wales, NP16 6QY

At consolidation level, the presence of put and call options over minority interest may affect upwards the interest rate applied.
Banijay Media Limited is consolidated in the financial statements of Banijay Group S.A.S. (France) and FL Entertainment N.V. (Netherlands).

The below companies are owned directly by Banijay Media Limited as at 31 December 2022.
Banijay Group Services Limited
Shine Limited
Banijay UK Productions Limited
Banijay UK Limited
IWC Media Limited
RDF Television Limited
Bwark Productions Limited
The Comedy Unit Limited
Mam Tor Productions Limited

Notes to the financial statements (continued)

34 Events after the reporting period

There are no events after the reporting period to disclose.

35 Inter-group guarantees

As at 31 December 2022, 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.

The below entities within the Group are part of an unlimited group guarantee to the bond holders and lenders with relation to the Notes and Senior Facilities Agreement in which Banijay Group SAS re-financed the business in February 2020:

- Banijay Media Limited
- Bwark Productions Limited
- RDF Television Limited

The financing arrangement set up comprises:

- The issuance through Banijay Entertainment SAS of high yield bonds ('senior secured notes') offered to private investors for a €575m paying a coupon of 3.5% and $403m paying a coupon of 5.375% per annum, maturing 1st March 2025;
- The further issuance through Banijay Group SAS of high yield bonds ("senior notes") offered to private investors for a total of €400m, paying a coupon of 6.5% per annum, maturing 1st March 2026; and
- a Senior Facilities Agreement entered into with, among others, Banijay Entertainment SAS and Banijay Group Holding Inc., in February 2020 and amended and restated in December 2021, made available by a pool of financial institutions and including the facilities as follows:
    - a term loan facility for an amount equal to €453m terminating 1st March 2025.
    - a term loan facility for an amount equal to $460m terminating 1st March 2025
    - a multi-currency revolving facility for an amount equal to €170m terminating September 2024.

36 Controlling party

The immediate parent undertaking of the company is Banijay Entertainment SAS.

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 Group SAS. Copies of these financial accounts can be obtained from 5 Rue Francois 1er, 75008 Paris, France. FL Entertainment is the Group's listed intermediate parent which is listed on Euronext Amsterdam.

At the date of the Statement of financial position the ultimate parent undertaking and controlling party is LOV Group Invest S.A.S.