

Financial Statements

World Media Rights Limited

For the year ended 31 March 2013

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COMPANIES HOUSE

Registered number: 05509856

Company Information

Directors	A Griffiths A Neil M Gilbert P Aggett
Company secretary	Maclay Murray & Spens LLP
Registered number	05509856
Registered office	One London Wall London EC2Y 5AB
Independent auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor Grant Thornton House Melton Street Euston Square London NW1 2EP
Bankers	Coutts & Co 440 Strand London WC2R 0QS

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Directors' Report

For the year ended 31 March 2013

The directors present their report and the financial statements for the year ended 31 March 2013

Directors' responsibilities statement

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

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

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

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

Principal activities and business review

The principal activity of the company during the year was to act as a holding company.

The directors are satisfied with the performance of the Group for the year ended 31 March 2013.

The directors do not recommend the payment of a dividend.

Directors

The directors who served during the year were

A Griffiths
A Neil
M Gilbert
P Aggett

Directors' Report

For the year ended 31 March 2013

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the company and the group's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company and the group's auditor is aware of that information

Auditor

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006

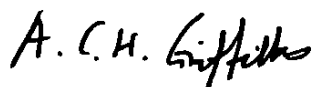
Going concern

The financial statements have been prepared on a going concern basis. The directors have considered the future funding requirements of the business, and based on management forecasts have concluded that the Group will have sufficient funds to ensure that it can meet its financial liabilities as and when they fall due, for a period of at least 12 months from the date of signing of these financial statements

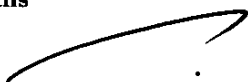
The Board believe that the underlying value of the television library has increased since the acquisition of WMR Productions Limited (formerly Nugus Martin Productions Limited) and that this library will continue to generate significant royalty income for the Group. Amortisation charged since the acquisition to date has reduced Net Assets by £1,571,333

This report was approved by the board on 16/12/2013

and signed on its behalf



A Griffiths
Director





Independent Auditor's Report to the Members of World Media Rights Limited

We have audited the financial statements of World Media Rights Limited for the year ended 31 March 2013, which comprise the consolidated profit and loss account, the consolidated and company balance sheets and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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

Respective responsibilities of directors and auditor

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

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 March 2013 and of the group's loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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



Independent Auditor's Report to the Members of World Media Rights Limited

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept 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, or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Directors' report

Grant Thornton UK LLP

Christine Corner (Senior statutory auditor)
for and on behalf of
Grant Thornton UK LLP
Chartered Accountants
Statutory Auditor
London

Date *16th December 2013*

Consolidated Profit and Loss Account

For the year ended 31 March 2013

	Note	2013 £	2012 £
Turnover	1	3,825,478	4,393,420
Cost of sales		<u>(2,379,103)</u>	<u>(2,971,282)</u>
Gross profit		1,446,375	1,422,138
Administrative expenses		<u>(992,445)</u>	<u>(925,601)</u>
Earning before interest, tax, depreciation and amortisation	2	453,930	496,537
Depreciation and amortisation		<u>(298,848)</u>	<u>(307,917)</u>
Profit on ordinary activities before interest		155,082	188,620
Interest receivable and similar income		54	851
Interest payable and similar charges	4	<u>(258,423)</u>	<u>(254,329)</u>
Loss on ordinary activities before taxation		(103,287)	(64,858)
Tax on loss on ordinary activities	5	<u>(181)</u>	<u>-</u>
Loss for the financial year	13	<u><u>(103,468)</u></u>	<u><u>(64,858)</u></u>

The notes on pages 8 to 16 form part of these financial statements

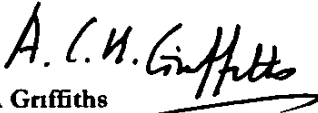
Consolidated Balance Sheet

As at 31 March 2013

	Note	£	2013 £	£	2012 £
Fixed assets					
Television library	6		3,748,162		4,014,137
Tangible assets	7		91,107		104,601
			<u>3,839,269</u>		<u>4,118,738</u>
Current assets					
Work in progress		-		48,980	
Debtors	9	411,053		506,962	
Cash at bank and in hand		526,968		144,060	
		<u>938,021</u>		<u>700,002</u>	
Creditors: amounts falling due within one year	10	<u>(1,935,974)</u>		<u>(2,598,956)</u>	
Net current liabilities			<u>(997,953)</u>		<u>(1,898,954)</u>
Total assets less current liabilities			<u>2,841,316</u>		<u>2,219,784</u>
Creditors: amounts falling due after more than one year	11	-	<u>(4,004,151)</u>	-	<u>(3,279,151)</u>
Net liabilities			<u><u>(1,162,835)</u></u>		<u><u>(1,059,367)</u></u>
Capital and reserves					
Called up share capital	12		25,846		25,846
Share premium account	13		2,199,405		2,199,405
Profit and loss account	13		<u>(3,388,086)</u>		<u>(3,284,618)</u>
Shareholders' deficit			<u><u>(1,162,835)</u></u>		<u><u>(1,059,367)</u></u>

The financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 16/12/2013


A Griffiths
 Director

The notes on pages 8 to 16 form part of these financial statements

Company Balance Sheet

As at 31 March 2013

	Note	£	2013 £	£	2012 £
Fixed assets					
Tangible assets	7		37,843		49,503
Investments	8		5,148,848		5,148,848
			<u>5,186,691</u>		<u>5,198,351</u>
Current assets					
Debtors	9	311,175		466,400	
Cash at bank and in hand		1,564		4,147	
		<u>312,739</u>		<u>470,547</u>	
Creditors: amounts falling due within one year	10	(570,399)		(1,260,712)	
Net current liabilities			<u>(257,660)</u>		<u>(790,165)</u>
Total assets less current liabilities			<u>4,929,031</u>		<u>4,408,186</u>
Creditors: amounts falling due after more than one year	11		(4,004,151)		(3,279,151)
Net assets			<u><u>924,880</u></u>		<u><u>1,129,035</u></u>
Capital and Reserves					
Called up share capital	12		25,846		25,846
Share premium account	13		2,199,405		2,199,405
Profit and loss account	13		(1,300,371)		(1,096,216)
Shareholders' funds			<u><u>924,880</u></u>		<u><u>1,129,035</u></u>

The financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 16/12/2013

A. C. H. Griffiths

A Griffiths
 Director

The notes on pages 8 to 16 form part of these financial statements

Notes to the Financial Statements

For the year ended 31 March 2013

1. Accounting Policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

1.2 Going concern

The financial statements have been prepared on a going concern basis. The directors have considered the future funding requirements of the business, and based on management forecasts have concluded that the Group will have sufficient funds to ensure that it can meet its financial liabilities as and when they fall due, for a period of at least 12 months from the date of signing of these financial statements

1.3 Cash flow

The financial statements do not include a Consolidated cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under the Financial Reporting Standard for Smaller Entities (effective April 2008)

1.4 Basis of consolidation

The financial statements consolidate the accounts of World Media Rights Limited and all of its subsidiary undertakings ('subsidiaries'). These are adjusted, where appropriate, to conform to group accounting policies. Acquisitions are accounted for under the acquisition method.

The company has taken advantage of the exemption contained within 408 of the Companies Act 2006 not to present its own Profit and loss account.

The profit and loss account for the year dealt with in the accounts of the company was a loss of £204,155 (2012 - £140,540)

1.5 Turnover

Group turnover is generated by WMR Productions Limited. Production income is recognised over the period of production, and in line with the contractual obligations outlined within the respective production funding agreements.

Royalty income is recognised in the period to which it relates and is accrued at the year end.

Income in respect of cover-mount deals is recognised in accordance with the date of the signature of the contract.

1.6 Intangible fixed assets and amortisation - Television library

No goodwill has been recognised on the acquisition of WMR Productions Limited. The excess of the consideration paid over the fair value of the net assets acquired has been shown as Television Library to reflect the value of the programme library owned by WMR Productions Limited. The programme library is written off on a straight line basis, over a 20 year period. Where there are indications of impairment, an impairment review is undertaken.

Notes to the Financial Statements

For the year ended 31 March 2013

1. Accounting Policies (continued)

1.7 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases

Leasehold property	-	4 years
Fixtures & fittings	-	4 years
Equipment	-	4 years

1.8 Investments

Investments in subsidiaries are valued at cost less provision for impairment

1.9 Operating leases

Rentals under operating leases are charged to the Profit and loss account on a straight line basis over the lease term

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate

1.10 Work in progress

Work in progress relates to television productions ongoing at the year end and is valued at the lower of cost and net realisable value

1.11 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse

Deferred tax assets and liabilities are not discounted.

Notes to the Financial Statements

For the year ended 31 March 2013

1. Accounting Policies (continued)

1.12 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction

Exchange gains and losses are recognised in the Profit and loss account

1.13 Financial instruments

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

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

2. Profit/(loss) on ordinary activities before interest

The profit/(loss) on ordinary activities is stated after charging

	2013	2012
	£	£
Amortisation of television library	265,975	265,975
Depreciation of tangible fixed assets		
- owned by the group	32,873	23,316
Auditor's remuneration	17,500	17,500
	<u> </u>	<u> </u>

Auditors fees for the company were £9,000 (2012 - £9,000)

3. Directors' remuneration

	2013	2012
	£	£
Aggregate remuneration	263,213	210,500
	<u> </u>	<u> </u>

Notes to the Financial Statements

For the year ended 31 March 2013

4. Interest payable

	2013	2012
	£	£
Bank interest payable	58,423	54,329
Finance charges on shares classed as financial liabilities	200,000	200,000
	<u>258,423</u>	<u>254,329</u>

5. Taxation

	2013	2012
	£	£
UK corporation tax charge on loss for the year	<u>181</u>	<u>-</u>

The group has unrecognised deferred tax assets of £207,363 that relate to timing differences in respect of depreciation in excess of capital allowances and tax losses carried forward

6. Intangible fixed assets

	Television library
	£
Group	
Cost	
At 1 April 2012 and 31 March 2013	<u>5,319,495</u>
Amortisation	
At 1 April 2012	1,305,358
Charge for the year	265,975
At 31 March 2013	<u>1,571,333</u>
Net book value	
At 31 March 2013	<u>3,748,162</u>
At 31 March 2012	<u>4,014,137</u>

No goodwill has been recognised on the acquisition of WMR Productions Limited. The excess of the consideration paid over the fair value of the net assets acquired has been recognised as Television Library to reflect the value of the programme library owned by WMR Productions Limited.

Notes to the Financial Statements

For the year ended 31 March 2013

7. Tangible fixed assets

Group	Leasehold Property £	Fixtures & fittings £	Equipment £	Total £
Cost				
At 1 April 2012	49,650	74,658	79,133	203,441
Additions	-	1,430	17,949	19,379
At 31 March 2013	49,650	76,088	97,082	222,820
Depreciation				
At 1 April 2012	28,704	46,101	24,035	98,840
Charge for the year	5,236	7,854	19,783	32,873
At 31 March 2013	33,940	53,955	43,818	131,713
Net book value				
At 31 March 2013	15,710	22,133	53,264	91,107
At 31 March 2012	20,946	28,557	55,098	104,601

Company	Leasehold Property £	Fixtures & fittings £	Total £
Cost			
At 1 April 2012	49,650	74,658	124,308
Additions	-	1,430	1,430
At 31 March 2013	49,650	76,088	125,738
Depreciation			
At 1 April 2012	28,704	46,101	74,805
Charge for the year	5,236	7,854	13,090
At 31 March 2013	33,940	53,955	87,895
Net book value			
At 31 March 2013	15,710	22,133	37,843
At 31 March 2012	20,946	28,557	49,503

Notes to the Financial Statements

For the year ended 31 March 2013

8. Fixed asset investments

Company	Investments in subsidiary companies £
Cost or valuation	
At 1 April 2012 and 31 March 2013	5,148,848
Net book value	
At 31 March 2013	5,148,848
At 31 March 2012	5,148,848

Company name	Country	Percentage Shareholding	Nature of business
WMR Productions Limited	England	100%	TV production

On 4 May 2007 World Media Rights Limited acquired 100% of the ordinary share capital of WMR Productions Limited. The financial reporting year end of WMR Productions Limited is 31 March, and at 31 March 2013 the company reported a profit for the financial year of £366,662 (2012 £362,492) and had net liabilities of £687,029 (2012 £1,053,691).

9. Debtors

	Group		Company	
	2013	2012	2013	2012
	£	£	£	£
Due after more than one year				
Other debtors	22,500	10,000	22,500	10,000
Due within one year				
Trade debtors	69,967	119,258	-	-
Amounts owed by group undertakings	-	-	122,841	340,182
Directors loan account	90,000	40,000	90,000	40,000
Other debtors	223,986	333,104	71,234	71,618
Called up share capital not paid	4,600	4,600	4,600	4,600
	411,053	506,962	311,175	466,400

Notes to the Financial Statements

For the year ended 31 March 2013

10. Creditors:
Amounts falling due within one year

	<u>Group</u>		<u>Company</u>	
	2013	2012	2013	2012
	£	£	£	£
Bank loans and overdrafts	299,982	1,027,933	297,336	960,034
Trade creditors	276,476	321,532	19,542	7,455
Corporation tax	181	-	-	-
Other taxation and social security	176,221	148,778	72,573	83,587
Accruals and deferred income	834,534	719,161	30,350	29,636
Subordinated loans	245,978	295,978	130,000	180,000
Other creditors	102,602	85,574	20,598	-
	<u>1,935,974</u>	<u>2,598,956</u>	<u>570,399</u>	<u>1,260,712</u>

The overdraft is repayable on demand, and is renewed on an annual basis. The current facility was renewed on 17 June 2013.

A bank loan of £2,050,000 was arranged on 4 May 2007, repayable in equal quarterly instalments. Interest was charged on the daily balance of the loan at 3% above the Bank of England base rate. The loan was due to be fully repaid on 4 May 2012. On 12 June 2012 the company entered into a new loan agreement for £700,000, repayable in equal quarterly installments by 31 May 2015.

Bank loans are secured by a mortgage debenture over the intellectual property of World Media Rights Limited and a composite guarantee given by World Media Rights Limited and WMR Productions Limited. They are also secured on a joint and several guarantee given by certain shareholders and directors of the company.

11. Creditors:
Amounts falling due after more than one year

	<u>Group</u>		<u>Company</u>	
	2013	2012	2013	2012
	£	£	£	£
Bank loans (note 10)	525,000	-	525,000	-
Rolled up interest on share capital treated as debt	979,151	779,151	979,151	779,151
Share capital treated as debt (Note 12)	2,500,000	2,500,000	2,500,000	2,500,000
	<u>4,004,151</u>	<u>3,279,151</u>	<u>4,004,151</u>	<u>3,279,151</u>

At 1 April 2012 there were 2,500,000 cumulative redeemable preference shares of £1 each in issue. Each share was initially entitled to a fixed cumulative cash dividend of 6% per annum, however as the preference shares were not redeemed by 30 April 2010 the rate of the preference dividend has increased to 8% per annum. The cash dividend has been accrued within this balance. During the year, the redemption date of the preference shares was extended to 30 April 2015.

Notes to the Financial Statements

For the year ended 31 March 2013

12. Share capital

	2013 £	2012 £
Shares classified as capital		
Allotted, called up and fully paid		
21,235 Ordinary shares of £1 each	21,235	21,235
1,128 (2012 - 1,128) Ordinary 'G' shares of £0.01 each	11	11
4,600 Ordinary 'H' shares of £1 each	4,600	4,600
	<u>25,846</u>	<u>25,846</u>
Shares classified as debt		
Allotted, called up and fully paid		
2,500,000 Preference shares of £1 each	<u>2,500,000</u>	<u>2,500,000</u>

13. Reserves

	Share premium account £	Profit and loss account £
Group		
At 1 April 2012	2,199,405	(3,284,618)
Loss for the financial year		(103,468)
At 31 March 2013	<u>2,199,405</u>	<u>(3,388,086)</u>
Company		
At 1 April 2012	2,199,405	(1,096,216)
Loss for the financial year		(204,155)
At 31 March 2013	<u>2,199,405</u>	<u>(1,300,371)</u>

14. Contingent liabilities

There were no contingent liabilities at 31 March 2013 or 31 March 2012

Notes to the Financial Statements

For the year ended 31 March 2013

15. Operating lease commitments

At 31 March 2013 the group had annual commitments under non-cancellable operating leases as follows

	2013	2012
Group	£	£
Expiry date:		
Between 2 and 5 years	<u>84,250</u>	<u>84,250</u>

16. Related party transactions

At 31 March 2013 the Group owed £245,978 (2012 £295,978) to M Gilbert, a director of World Media Rights Limited. The balance outstanding related to subordinated loans.

At 31 March 2013 the Group were owed £90,000 (2012 £40,000) from A Neil, a director of World Media Rights Limited.

No other transactions with related parties were undertaken such as are required to be disclosed under Financial Reporting Standard 8. All inter-company transactions have been eliminated on consolidation.

17. Ultimate controlling party

By virtue of the shareholdings of the company, the directors do not consider there to be a sole ultimate controlling party.