

# Financial Statements BBC Worldwide Productions (UK) Limited

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**For the Year Ended 31 March 2016**



**Registered number: 08305652**

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**BBC Worldwide Productions (UK) Limited**

## Company Information

<b>Directors</b>	Helen Jackson Martyn Freeman Thomas Fussell
<b>Company secretary</b>	Anthony Corriette
<b>Registered number</b>	08305652
<b>Registered office</b>	Television Centre 101 Wood Lane London W12 7FA
<b>Independent auditor</b>	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor Grant Thornton House Melton Street Euston Square London NW1 2EP

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# Strategic Report

For the Year Ended 31 March 2016

## **Strategic Report**

The Directors present their strategic report of BBC Worldwide Productions (UK) Limited (the 'Company') for the year ended 31 March 2016

## **Principal Activities**

The principal activities of the Company are the development, production and sale of television programmes and formats

## **Key Performance Indicators**

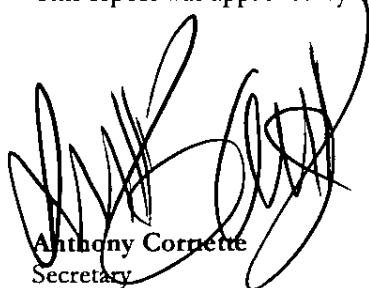
The Company considers its key performance indicators to be Turnover and Profit after Taxes

Turnover for the year was £16,250,659 (2015 £14,184,392) Turnover relates to the sales of the drama television series 'From Darkness', 'The Game', 'Musketeers Season 2' and 'Musketeers Season 3' to the parent company, BBC Worldwide Limited, from whom the programmes were commissioned The Company achieved an after tax profit of £602,791 (2015 £290,231) for the year ended 31 March 2016

## **Principal Risks and Uncertainties**

The Company's principal risks and uncertainties are consistent with those of the BBC Worldwide group, full details of which are given on pages 16 and 17 of the BBC Worldwide Limited consolidated financial statements which may be obtained at [www.bbcworldwide.com/media/2014/bbcw-201516-annual-report-final-incl-signatures.pdf](http://www.bbcworldwide.com/media/2014/bbcw-201516-annual-report-final-incl-signatures.pdf)

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



Anthony Cornette  
Secretary

Date 8 DECEMBER 2016

## **Directors' Report**

**For the Year Ended 31 March 2016**

The directors present their report and the financial statements for BBC Worldwide Productions (UK) Limited for the year ended 31 March 2016

### **Directors' responsibilities statement**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'. Under Company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to

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

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

### **Directors**

The directors who served during the year and post year end were

Helen Jackson

Martyn Freeman

Thomas Fussell (appointed 3 May 2016)

Andrew Bott (resigned 29 January 2016)

Suzanne Burrows (appointed 29 January 2016, resigned 3 May 2016)

### **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 the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the 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's auditor is aware of that information

### **Post balance sheet events**

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

**BBC Worldwide Productions (UK) Limited**

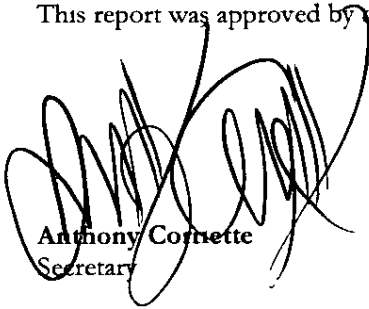
## **Directors' Report (continued)**

**For the Year Ended 31 March 2016**

### **Auditor**

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

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



Anthony Cornette  
Secretary

Date 9 DECEMBER 2016

## Independent Auditor's Report to the Members of BBC Worldwide Productions (UK) Limited

We have audited the financial statements of BBC Worldwide Productions (UK) Limited for the year ended 31 March 2016, which comprise the Statement of comprehensive income, the Balance sheet, the Statement of changes in equity and the related notes. The relevant financial reporting framework that has been applied in their preparation is the Companies Act 2006 and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'.

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

### **Respective responsibilities of Directors and Auditor**

As explained more fully in the Directors' responsibilities statement on page 2, 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 Financial Reporting Council'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/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### **Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the Company's affairs as at 31 March 2016 and of its profit or loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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

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



## Independent Auditor's Report to the Members of BBC Worldwide Productions (UK) Limited (continued)

### **Matters on which we are required to report by exception**

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit

A handwritten signature in black ink, appearing to read "Grant Thornton UK LLP".

Steven Leith (Senior statutory auditor)

for and on behalf of

**Grant Thornton UK LLP**

Chartered Accountants  
Statutory Auditor

London

Date 13/12/16



# Statement of Comprehensive Income

For the Year Ended 31 March 2016

	Note	2016 £	2015 £
Turnover	2	16,250,659	14,184,392
Cost of sales		(16,560,777)	(14,028,243)
<b>Gross (loss)/profit</b>		<b>(310,118)</b>	156,149
Administrative expenses		(20,025)	(30,500)
<b>Operating (loss)/profit</b>	3	<b>(330,143)</b>	125,649
Tax on (loss)/profit	5	932,934	164,582
<b>Profit for the year</b>		<b>602,791</b>	290,231
<b>Total comprehensive income for the year</b>		<b>602,791</b>	290,231

## Balance Sheet

As at 31 March 2016

	Note	2016 £	2015 £
<b>Current assets</b>			
Debtors amounts falling due within one year	6	2,388,207	1,728,183
Cash at bank and in hand	7	517,855	6,926,542
		<u>2,906,062</u>	<u>8,654,725</u>
Creditors amounts falling due within one year	8	(1,935,769)	(8,287,223)
<b>Net current assets</b>		<u>970,293</u>	<u>367,502</u>
<b>Total assets less current liabilities</b>		<u>970,293</u>	<u>367,502</u>
<b>Net assets</b>		<u><u>970,293</u></u>	<u><u>367,502</u></u>
<b>Capital and reserves</b>			
Called up share capital	9	1	1
Profit and loss account	10	970,292	367,501
		<u><u>970,293</u></u>	<u><u>367,502</u></u>

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



**Thomas Fussell**  
Director

Date 09/12/2016

The notes on pages 9 to 15 form part of these financial statements

## Statement of Changes in Equity

For the Year Ended 31 March 2016

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 April 2015	1	367,501	367,502
<b>Comprehensive income for the year</b>			
Profit for the year	-	602,791	602,791
<b>Total comprehensive income for the year</b>	-	602,791	602,791
<b>At 31 March 2016</b>	<b>1</b>	<b>970,292</b>	<b>970,293</b>

## Statement of Changes in Equity

For the Year Ended 31 March 2015

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 April 2014	1	77,270	77,271
<b>Comprehensive income for the year</b>			
Profit for the year	-	290,231	290,231
<b>Total comprehensive income for the year</b>	-	290,231	290,231
<b>At 31 March 2015</b>	<b>1</b>	<b>367,501</b>	<b>367,502</b>

The notes on pages 9 to 15 form part of these financial statements

# Notes to the Financial Statements

For the Year Ended 31 March 2016

## **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 Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006

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

The following principal accounting policies have been applied:

### **1.2 Financial reporting standard 101 - reduced disclosure exemptions**

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

- the requirements of IFRS 7 Financial Instruments Disclosures
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of
  - paragraph 79(a)(iv) of IAS 1,
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member

### **1.3 Going concern**

The directors confirm that they are satisfied that the Company has adequate resources to continue the business for 12 months. This has been determined by their review of the Company's activities for at least 12 months from the signing of the balance sheet and for this reason, the directors continue to adopt the going concern basis in preparing the financial statements.

# Notes to the Financial Statements

For the Year Ended 31 March 2016

## 1. Accounting policies (continued)

### 1.4 Turnover

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

#### Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably,
- it is probable that the Company will receive the consideration due under the contract,
- the stage of completion of the contract at the end of the reporting period can be measured reliably, and,
- the costs incurred and the costs to complete the contract can be measured reliably.

### 1.5 Debtors

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

### 1.6 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

### 1.7 Financial instruments

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

#### Financial assets

The Company classifies all of its financial assets as loans and receivables.

#### Loans and receivables

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

Impairment provisions are recognised when there is objective evidence (such as significant financial

# Notes to the Financial Statements

For the Year Ended 31 March 2016

## 1. Accounting policies (continued)

### 1.7 Financial instruments (continued)

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

#### Financial liabilities

The Company classifies all of its financial liabilities as liabilities at amortised cost.

#### At amortised cost

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

### 1.8 Creditors

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

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

### 1.9 Foreign currency translation

#### Functional and presentation currency

The company's functional and presentational currency is GBP.

#### Transactions and balances

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

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

# Notes to the Financial Statements

For the Year Ended 31 March 2016

## 1. Accounting policies (continued)

### 1.10 Taxation

Tax is recognised in the Income statement, except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income

## 2. Analysis of turnover

	2016 £	2015 £
Production revenue	16,250,659	14,184,392
	<u>16,250,659</u>	<u>14,184,392</u>

Analysis of turnover by country of destination

	2016 £	2015 £
United Kingdom	16,250,659	14,184,392
	<u>16,250,659</u>	<u>14,184,392</u>

## 3. Operating (loss)/profit

The operating (loss)/profit is stated after charging

	2016 £	2015 £
Exchange differences	-	20,019
	<u>-</u>	<u>20,019</u>

During the year, no director received any emoluments (2015 - £NIL)

# Notes to the Financial Statements

For the Year Ended 31 March 2016

## 4. Auditors' remuneration

The Company paid the following amounts to its auditors in respect of the audit of the financial statements and for other services provided to the Company

	2016 £	2015 £
Fees for the audit of the Company	15,525	17,000
Fees for tax compliance services	4,500	13,500
	<u>20,025</u>	<u>30,500</u>

## 5. Taxation

	2016 £	2015 £
<b>Corporation tax</b>		
UK high end television tax credit	(698,290)	(174,621)
UK corporation tax charge	33,426	10,039
	<u>(664,864)</u>	<u>(164,582)</u>
Group taxation relief	(268,070)	-
	<u>(932,934)</u>	<u>(164,582)</u>
<b>Total current tax</b>	<u>(932,934)</u>	<u>(164,582)</u>
<b>Deferred tax</b>		
<b>Total deferred tax</b>	<u>-</u>	<u>-</u>
<b>Taxation on (loss)/profit on ordinary activities</b>	<u>(932,934)</u>	<u>(164,582)</u>

### Factors affecting tax charge for the year

The corporation tax credit for the year ended 31 March 2016 relates to a UK high end television tax credit in relation to the production 'From Darkness'

### Factors that may affect future tax charges

There were no factors that may affect future tax charges



# Notes to the Financial Statements

For the Year Ended 31 March 2016

## 6. Debtors

	2016 £	2015 £
Other debtors	1,723,343	1,563,601
Tax recoverable	664,864	164,582
	<u>2,388,207</u>	<u>1,728,183</u>

## 7. Cash and cash equivalents

	2016 £	2015 £
Cash at bank and in hand	517,855	6,926,542
	<u>517,855</u>	<u>6,926,542</u>

## 8. Creditors: Amounts falling due within one year

	2016 £	2015 £
Amounts owed to group undertakings	940,016	2,825,320
Other creditors	995,753	130,156
Deferred income	-	5,331,747
	<u>1,935,769</u>	<u>8,287,223</u>

## 9. Share capital

	2016 £	2015 £
Allotted, called up and fully paid		
1 Ordinary share share of £1	1	1
	<u>1</u>	<u>1</u>

## 10. Reserves

### Profit and loss account

This reserve represents the retained earnings of the company since incorporation

## **Notes to the Financial Statements**

**For the Year Ended 31 March 2016**

### **11. Controlling party**

The Company's immediate parent is BBC Worldwide Limited and the Company's ultimate parent undertaking and controlling party is the BBC which is incorporated in the United Kingdom by Royal Charter

The largest group in which the results of the Company are consolidated is that headed by the BBC. The smallest group in which they are consolidated is that headed by BBC Worldwide Limited incorporated in the United Kingdom. The accounts of BBC Worldwide Limited may be obtained at [www.bbcworldwide.com/media/2014/bbcw-201516-annual-report-final-incl-signatures.pdf](http://www.bbcworldwide.com/media/2014/bbcw-201516-annual-report-final-incl-signatures.pdf). The consolidated accounts of BBC may be obtained online at [www.bbc.co.uk/annualreport](http://www.bbc.co.uk/annualreport).

### **12. First time adoption of FRS 101**

The policies applied under the entity's previous accounting framework are not materially different to FRS 101 and have not impacted on equity or profit or loss.