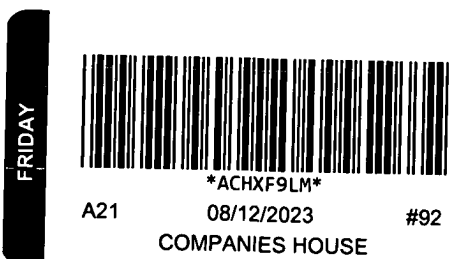

CHALKBOARD TV LIMITED

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022



CHALKBOARD TV LIMITED

COMPANY INFORMATION

Directors	M A Benson J M Fernandez-Velasco-Iglesias S Huntley (resigned 7 July 2023) M Jazzar
Registered number	08409452
Registered office	3rd Floor, Waverley House 7-12 Noel Street London W1F 8GQ
Independent auditors	Ecovis Wingrave Yeats LLP Chartered Accountants and Statutory Auditor 3rd Floor, Waverley House 7-12 Noel Street London W1F 8GQ

CHALKBOARD TV LIMITED

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CHALKBOARD TV LIMITED
REGISTERED NUMBER: 08409452

BALANCE SHEET
AS AT 31 DECEMBER 2022

	Note	2022 £	2021 £
Fixed assets			
Intangible assets	5	-	-
Tangible assets	6	1,254	33
		<u>1,254</u>	<u>33</u>
Current assets			
Debtors: amounts falling due within one year	7	1,026,273	1,375,432
Cash at bank and in hand		325,716	143,187
		<u>1,351,989</u>	<u>1,518,619</u>
Creditors: amounts falling due within one year	8	(2,138,253)	(2,046,240)
Net current liabilities		<u>(786,264)</u>	<u>(527,621)</u>
Total assets less current liabilities		<u>(785,010)</u>	<u>(527,588)</u>
Creditors: amounts falling due after more than one year	9	(27,479)	(34,238)
Net liabilities		<u><u>(812,489)</u></u>	<u><u>(561,826)</u></u>
Capital and reserves			
Called up share capital	11	245	245
Share premium account		1,543,110	1,543,110
Profit and loss account		(2,355,844)	(2,105,181)
		<u><u>(812,489)</u></u>	<u><u>(561,826)</u></u>

CHALKBOARD TV LIMITED
REGISTERED NUMBER: 08409452

BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2022

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on
30/11/2023



M A Benson
Director

The notes on pages 3 to 14 form part of these financial statements.

CHALKBOARD TV LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1. General information

Chalkboard TV Limited is a private company, limited by shares, incorporated in England and Wales, registration number 08409452. The registered office is 3rd Floor Waverley House, 7-12 Noel Street, London, W1F 8GQ.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of *Financial Reporting Standard 102*, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Going concern

The Directors have considered the Company's ability to operate as a going concern for the 12-month period from the date of signing these financial statements. The directors are committed to ensuring that the Company can meet its liabilities as and when they fall due and the Company's parent company, Zebra Producciones SA, have provided further assurance by way of a letter of financial support. As a result, the directors consider it appropriate that these financial statements are prepared on the going concern basis.

2.3 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.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

CHALKBOARD TV LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.4 Revenue

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.

Turnover represents amounts receivable for the development of television projects and television production activities net of VAT and trade discounts.

For long term contracts, profit is recognised by reference to the stage of completion of each contract where there is a reasonable certainty that the contract will be profitable. Where the outcome of the contract cannot be established with reasonable certainty, no profit is recognised. Foreseeable losses are provided for in full at the point at which the loss is anticipated.

2.5 Government grants

Government grants are accounted under the accruals model as permitted by FRS 102. During the prior period the Company has received governmental support through the Coronavirus Job Retention Scheme and obtaining a Bounce Back Loan. The government grants received in the year are of a revenue nature are recognised in the Statement of Comprehensive Income in the same period as the related expenditure.

2.6 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

CHALKBOARD TV LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.7 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Office equipment	-	33% straight line
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The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.8 Financial instruments

The Company has elected to apply the provisions of Section 11 "Basic Financial Instruments" of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Company's Balance Sheet when the Company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other receivables, cash and bank balances, are initially measured at their transaction price including transaction costs and are subsequently carried at their amortised cost using the effective interest method, less any provision for impairment, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Discounting is omitted where the effect of discounting is immaterial. The Company's cash and cash equivalents, trade and most other receivables due with the operating cycle fall into this category of financial instruments.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting date.

Financial assets are impaired when events, subsequent to their initial recognition, indicate the estimated future cash flows derived from the financial asset(s) have been adversely impacted. The impairment loss will be the difference between the current carrying amount and the present value of the future cash flows at the asset(s) original effective interest rate.

CHALKBOARD TV LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.8 Financial instruments (continued)

If there is a favourable change in relation to the events surrounding the impairment loss then the impairment can be reviewed for possible reversal. The reversal will not cause the current carrying amount to exceed the original carrying amount had the impairment not been recognised. The impairment reversal is recognised in the profit or loss.

Financial liabilities

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

Basic financial liabilities, which include trade and other payables, bank loans and other loans are initially measured at their transaction price after transaction costs. When this constitutes a financing transaction, whereby the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Discounting is omitted where the effect of discounting is immaterial.

Debt instruments are subsequently carried at their amortised cost using the effective interest rate method.

Trade payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if the payment is due within one year. If not, they represent non-current liabilities. Trade payables are initially recognised at their transaction price and subsequently are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

Derecognition of financial instruments

Derecognition of financial assets

Financial assets are derecognised when their contractual right to future cash flow expire, or are settled, or when the Company transfers the asset and substantially all the risks and rewards of ownership to another party. If significant risks and rewards of ownership are retained after the transfer to another party, then the Company will continue to recognise the value of the portion of the risks and rewards retained.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Company's contractual obligations expire or are discharged or cancelled.

2.9 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

CHALKBOARD TV LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.10 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss 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 lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.11 Finance costs

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

2.12 Pensions

Defined contribution pension plan

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

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

2.13 Taxation

Tax is recognised in profit or loss except that a charge 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.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

Revenue recognition

Production revenues and expenses are recognised by reference to the stage of completion of the contract activity where the outcome of the contract can be estimated reliably, otherwise revenue is recognised only to the extent of recoverable contract costs incurred. Where the outcome is uncertain, revenue is deferred and production costs incurred to date are held on the Balance sheet within work in progress.

Deferred tax asset

The Company has not recorded a deferred tax asset relating to the accumulated tax losses and other deductions of the Company as there is uncertainty as to when future profits will arise within this Company.

CHALKBOARD TV LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

4. **Employees**

The average monthly number of employees, including directors, during the year was 8 (2021 - 12).

5. **Intangible assets**

	Other intangibles £
Cost	
At 1 January 2022	4,050
At 31 December 2022	<u>4,050</u>
Amortisation	
At 1 January 2022	4,050
At 31 December 2022	<u>4,050</u>
Net book value	
At 31 December 2022	<u><u>-</u></u>
At 31 December 2021	<u><u>-</u></u>

CHALKBOARD TV LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

6. Tangible fixed assets

	Office equipment £
Cost or valuation	
At 1 January 2022	97,786
Additions	1,332
	<hr/>
At 31 December 2022	99,118
	<hr/>
Depreciation	
At 1 January 2022	97,753
Charge for the year	111
	<hr/>
At 31 December 2022	97,864
	<hr/>
Net book value	
At 31 December 2022	1,254
	<hr/> <hr/>
At 31 December 2021	33
	<hr/> <hr/>

7. Debtors

	2022 £	2021 £
Trade debtors	-	35,061
Amounts owed by group undertakings	829,449	1,064,237
Amounts owed by related parties	-	100,846
Other debtors	111,588	36,435
Prepayments and accrued income	85,236	128,517
Tax recoverable	-	10,336
	<hr/>	<hr/>
	1,026,273	1,375,432
	<hr/> <hr/>	<hr/> <hr/>

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

CHALKBOARD TV LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

8. Creditors: Amounts falling due within one year

	2022 £	2021 £
Bank overdrafts	1,557	240
Bank loans	10,021	13,262
Trade creditors	20,982	283,096
Amounts owed to group undertakings	1,994,649	1,175,997
Amounts owed to related parties	38,016	-
Other taxation and social security	5,364	102,112
Other creditors	55,927	12,004
Accruals and deferred income	11,737	459,529
	<u>2,138,253</u>	<u>2,046,240</u>

Details of the bank loan are included in note 10.

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

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

	2022 £	2021 £
Bank loans	27,479	34,238
	<u>27,479</u>	<u>34,238</u>

Details of the bank loan are included in note 10.

CHALKBOARD TV LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

10. Loans

Analysis of the maturity of loans is given below:

	2022 £	2021 £
Amounts falling due within one year		
Bank loans	10,021	13,262
Amounts falling due 2-5 years		
Bank loans	27,479	34,238
	<u>37,500</u>	<u>47,500</u>

The Company has obtained a Bounce Back Loan during prior periods and drew down the full loan value of £50,000 in July 2020. The loan is repayable in monthly instalments over the 6 year term from 12 months after the inception of the loan. No interest is payable by the Company in the first 12 months and interest is subsequently charged at 2.50% per annum.

11. Share capital

	2022 £	2021 £
Allotted, called up and fully paid		
10,000 (2021 - 10,000) Ordinary shares of £0.01 each	<u>100</u>	<u>100</u>
14,488 (2021 - 14,488) Preference shares of £0.01 each	<u>145</u>	<u>145</u>

Ordinary shares

Ordinary shares have full voting and dividend rights. On a return of capital (except on redemption or purchase by the Company of any shares) the surplus assets of the Company shall be distributed as follows: - first, in paying each preference shareholder 100% of the subscription price (inc. premium) it paid for the preference shares; - second, in paying deferred shareholders, if any, a total of £1 for the entire class of deferred shares; - third, prorata to the ordinary shareholders.

Preference shares

Ordinary shares have full voting and dividend rights. On a return of capital (except on redemption or purchase by the Company of any shares) the surplus assets of the Company shall be distributed as follows: - first, in paying each preference shareholder 100% of the subscription price (inc. premium) it paid for the preference shares; - second, in paying deferred shareholders, if any, a total of £1 for the entire class of deferred shares; - third, prorata to the ordinary shareholders.

CHALKBOARD TV LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

12. Pension commitments

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £5,744 (2021 - £8,018). Contributions totalling £847 (2021 - £1,894) were payable to the fund at the balance sheet date and are included within other creditors.

13. Commitments under operating leases

At 31 December 2022 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2022 £	2021 £
Not later than 1 year	48,300	48,300
Later than 1 year and not later than 5 years	24,150	72,450
	<u>72,450</u>	<u>120,750</u>

CHALKBOARD TV LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

14. Related party transactions

The Company has taken advantage of the exemption available under section 33.1A of FRS 102 and has not disclosed transactions entered into between two or more members of the group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

During the year the Company received a cash advance from a related party by virtue of its shareholding in the Company for an amount totalling £Nil (2021 - £120,000). At the year end £242,880 (2021 - £242,020) is outstanding owed to the related party.

During the year the Company received a cash advance from a related party by virtue of its shareholding in the Company for an amount totalling £Nil (2021 - £120,000). At the year end £183,235 (2021 - £184,435) is outstanding owed to the related party.

At the year end the Company was owed £16,012 (2021 - owed to £69,111) from a related party by virtue of its shareholding in the Company.

During the year the Company provided a net cash advance of £95,853 (2021 - £Nil) to a related party by virtue of common ownership. At the year end £158,503 was owed to the related party (2021 - £154,952).

During the year the Company provided a net cash advance of £3,000 (2021 - £Nil) to a related party by virtue of common ownership. At the year end £38,016 was owed to the related party (2021 - owed from £100,846).

During the year the Company recharges costs totalling £256,037 (2021 - £Nil) to a related party by virtue of common ownership. At the year end £549,112 (2021 - £520,362) is outstanding owed from the related party.

During the year the Company received a net cash advance from a related party by virtue of its shareholding in the Company for an amount totalling £207,218 (2021 - £Nil). At the year end £602,646 (2021 - £316,638) is outstanding owed to the related party.

During the year the Company received a net cash advance from a related party by virtue of its shareholding in the Company for an amount totalling £266,700 (2021 - £Nil). At the year end £354,175 (2021 - £208,841) is outstanding owed to the related party.

During the year the Company received a net cash advance from a related party by virtue of its shareholding in the Company for an amount totalling £24,381 (2021 - £Nil). At the year end £24,381 (2021 - £Nil) is outstanding owed to the related party.

During the year the Company received a net cash advance from a related party by virtue of its shareholding in the Company for an amount totalling £158,500 (2021 - £Nil). At the year end £158,500 (2021 - £Nil) is outstanding owed to the related party.

During the year the Company received a net cash advance from a related party by virtue of its shareholding in the Company for an amount totalling £235,329 (2021 - £Nil). At the year end £235,329 (2021 - £Nil) is outstanding owed to the related party.

During the year the Company received a net cash advance from a related party by virtue of its shareholding in the Company for an amount totalling £35,000 (2021 - £Nil). At the year end £35,000 (2021 - £Nil) is outstanding owed to the related party.

All amounts owed to and from the above related parties are unsecured, interest free and repayable on demand.

CHALKBOARD TV LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

15. Controlling party

The parent entity of the smallest group within which the financial statements are consolidated at 31 December 2022 is Zebra Producciones SA, a company registered in Spain. The consolidated financial statements are available from C/ Enrique Jardiel Poncela 4, 2º • 28016, Madrid, Spain.

16. Auditors' information

The auditors' report on the financial statements for the year ended 31 December 2022 was unqualified.

The audit report was signed on 30/11/2023 by Kate Barekati (Senior Statutory Auditor) on behalf of Ecovis Wingrave Yeats LLP.