


COMPANY REGISTRATION NUMBER: 09086979

Global Series Network Limited
Financial Statements
31 December 2022
UNAUDITED

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Global Series Network Limited
Financial Statements for the year ended 31 December 2022

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**Global Series Network Limited
Officers and Professional Advisers**

The board of directors	M J Baker (Resigned 14 April 2023) J McGrath J J Thorp D Cameron W Iuzzolino
Company secretary	W Iuzzolino
Registered office	124 Horseferry Road London SW1P 2TX
Auditor	Unaudited

Global Series Network Limited Report of the Director for the year ended 31 December 2022

The directors present their report and the unaudited financial statements of the company for the year ended 31 December 2022.

Principal activities

The Company's principal activity is the procurement of overseas high-end television and theatrical films for delivery on Channel 4. The company's principal place of business is 35 Soho Square, London, W1D 3QX.

Directors

The directors who served the company during the year were as follows:

M J Baker (resigned 14 April 2023)
D Cameron
J McGrath
J J Thorp
W Iuzzolino

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 profit or loss of the company for that period.

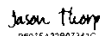
In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and 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.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption. This report was approved by the board of directors on 22 September 2023 and signed on behalf of the board by:

DocuSigned by

9601FA22B07341C

J J Thorp
Director

Registered office:
124 Horseferry Road
London SW1P 2TX

Global Series Network Limited
Income Statement for the year ended 31 December 2022

	Notes	2022 £	2021 £
Turnover		3,467,064	6,803,781
Cost of sales		(1,360,800)	(1,385,419)
Gross profit		2,106,264	5,418,362
Administrative expenses		<u>(1,652,738)</u>	<u>(1,320,669)</u>
Operating profit		453,526	4,097,693
Other interest receivable and similar income		<u>2,180</u>	<u>120</u>
Profit/(loss) before taxation	5	455,706	4,097,813
Tax on profit		(124,032)	(742,469)
Profit for financial year and total comprehensive income		331,674	3,355,344

All the activities of the company are from continuing operations.

The company has no other recognised items of income and expenses other than the results for the period as set out above

The notes on page 6 to 12 form part of these financial statements

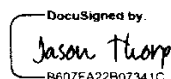
Global Series Network Limited
Statement of Financial Position at 31 December 2022

	Notes	2022 £	2021 £
Fixed assets			
Intangible assets	7	2,035,703	1,618,941
Tangible assets	8	17,909	20,918
		<u>2,053,612</u>	<u>1,639,859</u>
Current assets			
Debtors	9	1,531,038	6,433,556
Cash at bank and in hand		<u>8,249,075</u>	<u>2,906,901</u>
		9,780,113	9,340,457
Creditors: amounts falling due within one year	10	<u>(3,500,340)</u>	<u>(3,113,326)</u>
Net current assets / liabilities		6,279,773	6,227,131
Total assets less current liabilities		8,333,385	7,866,990
Creditors: amount falling due after more than one year	11	(233,522)	(98,801)
Net assets		8,099,863	7,768,189
Capital and reserves			
Called up share capital		25	25
Share premium account		1,999,980	1,999,980
Profit and loss account		6,099,858	5,768,184
Shareholders' funds		8,099,863	7,768,189

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

For the year ending 31 December 2022 the Company was entitled to exemption from audit under section 479a of the Companies Act 2006 relating to subsidiary companies. No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Act. The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts. A guarantee has been given by the Company's parent undertaking under section 479c of the Companies Act 2006.

These financial statements were approved by the board of directors and authorised for issue on 22 September 2023, and are signed on behalf of the board by:

DocuSigned by:

 B607FA22B07341C

J J Thorp
 Director

Company registration number: 09086979

Global Series Network Limited

Notes to the financial statements for the year ended 31 December 2022

	Notes	Called up share capital £	Share premium account £	Profit and loss account £	Total £
At 1st January 2021		25	1,999,980	2,412,840	4,412,845
Profit for the year		-	-	3,355,344	3,355,344
Dividends					
Balance at 31 December 2021		25	1,999,980	5,768,184	7,768,189
Profit for the year		-	-	331,67	331,674
Dividends				-	-
At 31 December 2022		25	1,999,980	6,099,858	8,099,863

The notes on page 6 to 12 form part of these financial statements.

Global Series Network Limited

Notes to the financial statements for the year ended 31 December 2022

1. Accounting policies

The Company is a private company limited by shares, registered in England and Wales. The address of the registered office is 124 Horseferry Road, London, United Kingdom, SW1P 2TX. The Company's principal activity is the procurement of overseas high-end television and theatrical films for delivery on Channel 4. The company's principal place of business is 35 Soho Square, London, W1D 3QX.

2. Statement of compliance

These financial statements have been prepared in compliance with the provisions of FRS 102 Section 1A, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

a) Basis of preparation

The financial statements have been prepared on the historical cost basis, and in accordance with applicable accounting standards.

The financial statements are prepared in sterling, which is the functional currency of the entity.

b) Going concern

The directors have considered the forecast on the financial performance, recoverability of assets and financial viability for a period extending at least 12 months from the date of approval of these financial statements. The Company remains in a strong net asset position at the period end, with positive cash resources and a pre-tax profit for the year of £455,706 (2021: £4,097,813). The significant reduction to the year-on-year pre-tax profit is due to the change in commercial rates effects from 1st January 2022. Based on the above and having considered the Company's cash requirements for the year from the date of these accounts, the directors have a reasonable expectation that the Company has adequate resources to continue as a going concern for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Judgements and key sources of estimation uncertainty

The preparation of financial statements under FRS 102 requires the Company to make estimates and assumptions that affect the application of policies and reported amounts. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and assumptions which have a risk of causing a material adjustment to the carrying amount of assets and liabilities are discussed below.

Key sources of estimation uncertainty

Intangible assets

In assessing impairment, management estimates the recoverable amount of film rights held based on expected future cash flows. Estimation uncertainty relates to assumptions and determinations about future operating results. During the year management recognised impairments of £nil (2021 £nil). The risk associated with the above is mitigated where possible by the industry expertise and experience in the management team, as well as significant review processes by the Board.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for services provided in the normal course of business, net of discounts and sales-related taxes.

Turnover represents advertising, streaming, sponsorship income, recharge and DVD sales. Advertising is recognised when earned from advertisements shown during transmission of overseas high-end

Global Series Network Limited

Notes to the financial statements for the year ended 31 December 2022

television programmes. Sponsorship income is earned as per contract agreed with third parties on a straight-line basis over the terms of the agreement. DVD sales is the revenue generated in the UK for a select few titles. Global Series Network recharges overheads costs to GSN international on a pre-agreed allocation. All income is derived in the United Kingdom.

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the profit and loss account.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Intangible assets

Intangible assets recognised relate to film rights acquired for distribution by the Company. Intangible assets are initially recorded at cost and are subsequently stated at cost less any accumulated amortisation and impairment losses.

Amortisation

Amortisation of Film Rights is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Where a production is transmitted via a national broadcast channel, the production is amortised fully on first transmission.

Alternatively, where a production is transmitted via an on-demand platform, the production is amortised on a straight-line basis over the life of the licence.

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

Global Series Network Limited

Notes to the financial statements for the year ended 31 December 2022

Depreciation

Depreciation is calculated to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures & Fittings	-	Straight line basis over three years
Equipment	-	Straight line basis over three years

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

Financial instruments

a) Trade receivables

Trade receivables are amounts due from customers for services performed in the ordinary course of business. If collection is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost less provision for impairment.

b) Trade payables

Obligations to pay for goods/services; current and non-current are initially recognised at fair value and are subsequently measured at amortised costs.

c) Borrowing costs

All borrowing costs are recognised in the statement of comprehensive income in the year in which they are incurred.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

Interest Income

Interest income is receivable from the bank based on deposits held, any amounts due at 31 December 2022 have been accrued at prevailing rate set by Barclays Bank.

4. Employee numbers

The average number of persons employed by the company during the year, including the directors and key management personnel amounted to 10 (2021: 10).

Global Series Network Limited

Notes to the financial statements for the year ended 31 December 2022

5. Profit before taxation

Profit before taxation is stated after charging:

	2022	2021
	£	£
Amortisation of intangible assets	1,071,174	1,226,378
Depreciation of tangible assets	13,905	12,819

6. Auditor's remuneration

Auditor's remuneration (non-audit taxation services):

	2022	2021
	£	£
Services provided by the Company's auditor:		
Auditor's remuneration (audit of financial statements)	-	-
Corporation tax computation charge	-	-

For the year ending 31 December 2022 the Company was entitled to exemption from audit under section 479a of the Companies Act 2006 relating to subsidiary companies, and therefore the directors have not required the company to obtain an audit of its financial statements for the year.

7. Intangible assets

	Film rights £
Costs	
At 1 Jan 2022	4,069,118
Additions	1,645,916
Disposal (expired licences in 2022)	(1,111,555)
At 31 December 2022	4,603,479
Amortisation	
At 1 January 2022	2,450,177
Charge for the year	1,071,174
Disposal (amortisation of expired licences in 2022)	(953,575)
At 31 December 2022	2,567,776
Carrying amount	
At 31 December 2022	2,035,703
At 31 December 2021	1,618,941

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Notes to the financial statements for the year ended 31 December 2022

8. Tangible assets

	Computer equipment £	Fixture and fittings £	Totals £
Cost			
At 1st January 2022	68,166	3,270	71,436
Additions	11,008	538	11,546
Disposal	(3,844)	0	(3,844)
At 31st December 2022	75,330	3,808	79,138
Depreciation			
At 1 January 2022	47,430	3,088	50,518
Additions	13,791	114	13,905
Disposal	(3,194)	0	(3,194)
At 31st December 2022	58,027	3,202	61,229
Net book value			
At 31 December 2022	17,303	606	17,909
At 31 December 2021	20,736	182	20,918

9. Debtors

	2022 £	2021 £
Trade debtors	206,869	1,108,559
Other debtors	1,324,169	5,324,997
	1,531,038	6,433,556

All trade receivable amounts are short term. All of the Company's trade and other receivables have been reviewed for indicators of impairment and, where necessary, a provision for impairment provided. The carrying value is considered a fair approximation of their fair value. The Company's management considers that all the above financial assets that are not impaired or past due are of good credit quality, as such no provision has been made against the trade receivable balance.

10. Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	463,959	370,588
Social security and other taxes	366,936	415,206
Other creditors	2,669,445	2,327,532
	3,500,340	3,113,326

All amounts are short term. The Directors consider that the carrying value of trade and other payables to be a reasonable approximation of fair value.

Global Series Network Limited

Notes to the financial statements for the year ended 31 December 2022

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

	2022	2021
	£	£
Other Creditors	233,522	98,801

Amounts included in other creditors as above relate to unpaid film rights as at the reporting date that are due to be paid in more than one year. The Directors consider that the carrying value of other creditors to be a reasonable approximation of fair value.

12. Tax charge

	2022	2021
	£	£
Tax charge in the period		
Current tax charge	(8,488)	378,061
Group relief tax charge	132,520	364,408
Deferred tax adjustment	-	-
Total tax charge	124,032	742,469

Factors affecting the tax charge for the year

Corporation tax is charged at the standard UK rate of 19% for the year (2021: 19%). An increase in the main rate of corporation tax to 25% (effective 1 April 2023) was substantively enacted in May 2021; this will increase the Company's future current tax charge accordingly.

The Company's effective tax rate reconciliation is as follows:

	2022	2021
	£	£
<i>Current tax reconciliation</i>		
Profit before tax	455,706	4,097,813
Current tax at 19% (2021: 19%)	86,584	778,584
Effects of:		
Unused tax losses		-
Other adjustments	37,448	(36,115)
Tax on profit	124,032	742,469

13. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2022	2021
	£	£
Land and Building		
Within one year	130,680	101,970

Global Series Network Limited

Notes to the financial statements for the year ended 31 December 2022

14. Other financial commitments

As of 31 December 2022, the company had no capital commitments or contracts for capital expenditure in place in the year (2021: £nil).

The company operates a defined contributions 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 £48,108 (2021: £42,114). Contributions totalling £5,891 (2021 £5,784) were payable to the fund at the reporting date.

15. Related party transactions

The Company has taken advantage of the exemptions available (under FRS 102, section 33 schedule 1 paragraph 66) and has not disclosed transactions with companies in a wholly owned group.

16. Controlling party

The company is a subsidiary of 4 Ventures Limited, a company incorporated in England and Wales.

The ultimate controlling party is Channel Four Television Corporation. The largest and smallest group in which the results of the Company are consolidated is that headed by the Corporation. Consolidated accounts can be obtained from the Corporation's registered offices address at 124 Horseferry Road, London SW1P 2TX.