

Financial Statements

Earth Film Productions Limited

For the year ended 31 March 2017

Registered number: 09142155

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Earth Film Productions Limited

Company Information

Directors	Martyn Freeman Mark Reynolds Thomas Fussell Suzanne Burrows (resigned 3 May 2016)
Company secretary	Anthony Corriette
Registered number	09142155
Registered office	1 Television Centre 101 Wood Lane London W12 7FA
Independent auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor Grant Thornton House Melton Street Euston Square London NW1 2EP

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Earth Film Productions Limited

Directors' Report

For the year ended 31 March 2017

The directors present their report and the financial statements of Earth Film Productions Limited for the year ended 31 March 2017.

Directors' responsibilities statement

The directors are responsible for preparing the Directors' report and the financial statements of Earth Film Productions Limited in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements of Earth Film Productions Limited for each financial year. Under that law the directors have elected to prepare the financial statements of Earth Film Productions Limited 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 of Earth Film Productions Limited 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 of Earth Film Productions Limited, 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 of Earth Film Productions Limited 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 of Earth Film Productions Limited 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:

Martyn Freeman

Mark Reynolds

Thomas Fussell (appointed 3 May 2016)

Suzanne Burrows (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.

Earth Film Productions Limited

Directors' Report (continued)

For the year ended 31 March 2017

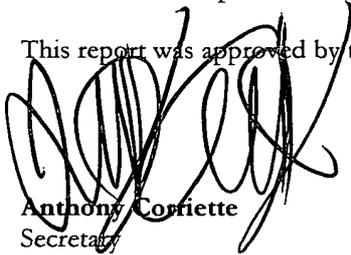
Auditor

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

Small companies note

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

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

A large, stylized handwritten signature in black ink, appearing to read 'Anthony Corfiette', is written over the text of the signature line.

Anthony Corfiette
Secretary

Date: 30 OCTOBER 2017

Independent Auditor's Report to the Members of Earth Film Productions Limited

We have audited the financial statements of Earth Film Productions Limited (the 'Company') for the year ended 31 March 2017, which comprise the Statement of comprehensive income, the Statement of financial position, the Statement of changes in equity and the related notes. The financial reporting framework that has been applied in their preparation is the applicable law 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 1, 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.

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 2017 and of its profit 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.



Independent Auditor's Report to the Members of Earth Film Productions Limited (continued)

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with those financial statements; and
- the Directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report under the Companies Act 2006

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

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; or
- the directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic report or in preparing the Directors' report.

Grant Thornton UK LLP

Steven Leith (Senior statutory auditor)

for and on behalf of

Grant Thornton UK LLP

Chartered Accountants

Statutory Auditor

London

Date: *30 October 2017*

Earth Film Productions Limited

Statement of Comprehensive Income
For the year ended 31 March 2017

	Note	2017 £	2016 £
Turnover		2,657,209	899,723
Cost of sales		(3,008,255)	(963,002)
Gross loss		(351,046)	(63,279)
Administrative expenses		(10,507)	(11,500)
Operating loss		(361,553)	(74,779)
Tax on loss	4	375,895	79,704
Profit for the financial year		14,342	4,925

There was no other comprehensive income for 2017 (2016: £NIL).

The notes on pages 8 to 12 form part of these financial statements.

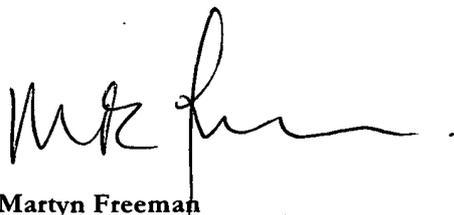
Statement of Financial Position

As at 31 March 2017

	Note	2017 £	2016 £
Current assets			
Debtors: amounts falling due within one year	5	414,105	84,275
Cash at bank and in hand	6	708,276	89,671
		<u>1,122,381</u>	<u>173,946</u>
Creditors: amounts falling due within one year	7	(1,103,184)	(169,091)
Net current assets		<u>19,197</u>	<u>4,855</u>
Total assets less current liabilities		<u>19,197</u>	<u>4,855</u>
Net assets		<u>19,197</u>	<u>4,855</u>
Capital and reserves			
Share capital		1	1
Retained earnings		19,196	4,854
		<u>19,197</u>	<u>4,855</u>

The Company's financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

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



Martyn Freeman
Director

Date: 30 OCTOBER 2017

The notes on pages 8 to 12 form part of these financial statements.

Statement of Changes in Equity

For the year ended 31 March 2017

	Share capital	Retained earnings	Total equity
	£	£	£
At 1 April 2016	1	4,854	4,855
Comprehensive income for the year			
Profit for the year	-	14,342	14,342
Total comprehensive income for the year	-	14,342	14,342
At 31 March 2017	1	19,196	19,197

Statement of Changes in Equity

For the period ended 31 March 2016

	Share capital	Retained earnings	Total equity
	£	£	£
At 1 April 2015	1	(71)	(70)
Comprehensive income for the year			
Profit for the year	-	4,925	4,925
Total comprehensive income for the year	-	4,925	4,925
At 31 March 2016	1	4,854	4,855

The notes on pages 8 to 12 form part of these financial statements.

Notes to the Financial Statements

For the year ended 31 March 2017

1. General information

Earth Film Productions Limited is a private company limited by shares and registered in England and Wales. Its registered office is located at 1 Television Centre, 101 Wood Lane, London, W12 7FA.

2. Accounting policies

2.1 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 presentational currency of the entity is Sterling (£).

The following principal accounting policies have been applied:

2.2 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.

2.3 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 Statement of financial position 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 2017

2. Accounting policies (continued)

2.4 Production revenue

Turnover represents the value of services provided under production contracts to the extent that there is a right to consideration and is recorded at the value of the consideration due. Where a production contract has only been partially completed at the Statement of financial position date, turnover represents the value of the service provided to date based on a proportion of the total contract value by cost. Where payments are received in advance of services provided, the amounts are recorded as Deferred income and included as part of Creditors due within one year.

Profit is recognised on the production contracts, if the final outcome can be assessed with reasonable certainty, by including in the Statement of comprehensive income account turnover and related costs as contract activity progresses.

2.5 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.

2.6 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.

2.7 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 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

Notes to the Financial Statements

For the year ended 31 March 2017

2. Accounting policies (continued)

2.7 Financial instruments (continued)

net, such provisions are recorded in a separate allowance account with the loss being recognised within administrative expenses in the Statement of comprehensive income. 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 Statement of financial position.

2.8 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.

2.9 Taxation

Tax is recognised in the Statement of comprehensive income, 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 Statement of financial position date in the countries where the Company operates and generates income.

Notes to the Financial Statements

For the year ended 31 March 2017

3. 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:

	2017 £	2016 £
Fees for the audit of the Company	6,000	6,500
Fees for tax compliance services	4,500	5,000
	<u>10,500</u>	<u>11,500</u>

4. Taxation

	2017 £	2016 £
Corporation tax		
Corporation tax reclaimed	(375,895)	(79,704)
Total current tax	<u>(375,895)</u>	<u>(79,704)</u>
Taxation on loss on ordinary activities	<u>(375,895)</u>	<u>(79,704)</u>

Factors affecting tax charge for the year

The corporation tax credit relates to a UK film tax credit in relation to "One Amazing Day".

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 2017

5. Debtors

	2017	2016
	£	£
Trade debtors	600	-
Other debtors	37,610	4,571
Tax recoverable	375,895	79,704
	<u>414,105</u>	<u>84,275</u>

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

6. Cash and cash equivalents

	2017	2016
	£	£
Cash at bank and in hand	<u>708,276</u>	<u>89,671</u>

7. Creditors: Amounts falling due within one year

	2017	2016
	£	£
Trade creditors	132,487	85,548
Amounts owed to group undertakings	69,883	62,181
Accruals and deferred income	900,814	21,362
	<u>1,103,184</u>	<u>169,091</u>

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

8. Controlling party

The Company's immediate parent is BBC Earth Productions Limited and the Company's ultimate parent undertaking and controlling party is the British Broadcasting Corporation ('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 https://www.bbcworldwide.com/media/2176/bbcw_annual_report_16-17.pdf. The consolidated accounts of BBC may be obtained online at www.bbc.co.uk/annualreport.

Detailed profit and loss account

For the year ended 31 March 2017

	2017	2016
	£	£
Turnover	2,657,209	899,723
Cost of sales	(3,008,255)	(963,002)
Gross loss	(351,046)	(63,279)
Less: overheads		
Administration expenses	(10,507)	(11,500)
Operating loss	(361,553)	(74,779)
Tax on loss on ordinary activities	375,895	79,704
Profit for the year	14,342	4,925

Schedule to the Detailed Accounts

For the year ended 31 March 2017

	2017 £	2016 £
Production funding	2,657,209	899,723
	<u>2,657,209</u>	<u>899,723</u>
	2017 £	2016 £
Production costs	3,008,255	963,002
	<u>3,008,255</u>	<u>963,002</u>
	2017 £	2016 £
Auditors' remuneration - non-audit	4,500	5,000
Auditors' remuneration - audit	6,000	6,500
Difference on foreign exchange	7	-
	<u>10,507</u>	<u>11,500</u>