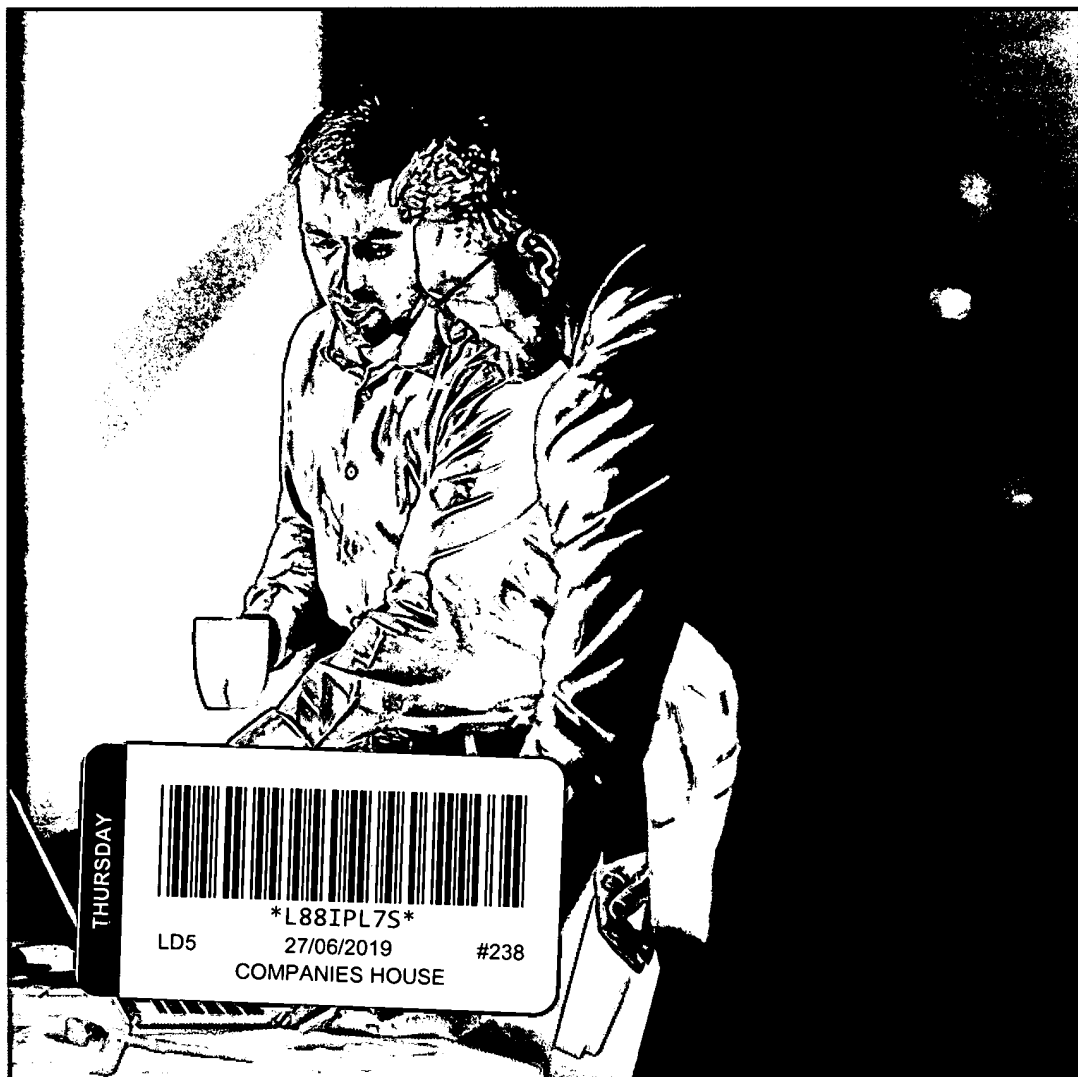


Annual report and Filleted accounts

World Media Rights Limited

31 March 2018

Registered number 09227439



Directors and advisors

Directors

Mr A Griffiths

Mr D McNab (appointed 12 July 2017)

Ms Tanja Meier-Seiden (appointed 12 July 2017, resigned 16 November 2017)

Mr F Burcksen (appointed 16 November 2017)

Registered office

3 Angel Walk

Hammersmith

London

W6 9HX

Registered number: 09227439

Independent Auditors

PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

Cornwall Court

19 Cornwall Street

Birmingham

B3 2DT

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Balance sheet

As at 31 March 2018

	Notes	2018 £	2017 (unaudited) £
Fixed assets			
Tangible assets	4	13,002	-
Current assets			
Debtors: amount due over one year	5	125	42,107
Debtors: amount due within one year		401,765	161,617
Cash at bank and in hand		11,687	19,658
		413,577	223,382
Creditors: amounts falling due			
within one year	6	(1,101,153)	(1,819,430)
Net current liabilities		(687,576)	(1,596,048)
Net liabilities		(674,574)	(1,596,048)
Capital and reserves			
Called up share capital	7	125	125
Other reserves	8	(519,845)	(519,845)
Capital contribution	9	854,696	-
Profit and loss account		(1,009,550)	(1,076,328)
Shareholders' deficit		(674,574)	(1,596,048)

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006, with respect to accounting records and the preparation of accounts

The accounts have been prepared and delivered in accordance with the special provisions applicable to companies subject to the small companies regime. The profit and loss account has not been delivered to the Registrar of Companies.

The financial statements on pages 5 to 11 were approved by the board of directors on 21 June 2019 and are signed on its behalf by:

A. C. H. Griffiths
A Griffiths Director

Registered number: 09227439

Statement of changes in equity

	Called up Share capital	Profit and loss account	Other reserves	Capital contribution	Total equity
	£	£	£	£	£
Balance as at 1 April 2016	125	(608,276)	(519,845)	-	(1,127,996)
Total comprehensive loss for the year	-	(468,052)	-	-	(468,052)
Balance as at 31 March 2017	125	(1,076,328)	(519,845)	-	(1,596,048)
Profit and total comprehensive income for the year	-	66,777	-	854,696	921,473
Balance at 31 March 2018	125	(1,009,550)	(519,845)	854,696	(674,574)

Notes to the accounts for the year ended 31 March 2018

1. Accounting policies

Basis of preparation

The accounts of World Media Rights Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") (as applied to small entities by section 1A of the standard) and the Companies Act 2006. FRS 102 allows a qualifying entity certain disclosure exemptions. The following exemptions under FRS 102 paragraph 1.12 have been applied in the preparation of these financial statements: not to disclose a reconciliation of the number of shares outstanding at the beginning and end of the year, not to present a statement of cash flows, not to present certain disclosures financial instrument disclosures and not to present disclosures of key management personnel compensation.

Going concern

The company had net current liabilities of £687,576 as at 31 March 2018 (2017: £1,596,048 unaudited).

The company was provided with a credit facility by a new shareholder's bankers which is guaranteed by the shareholder until at least 31 May 2019. The company had drawn down [£559,615] (of the £560,000 available) on the credit facility at year end. Post year end the new shareholder has confirmed that it intends to extend that support for a period of at least 12 months from the signing date of these financial statements.

The directors have reviewed the working capital requirements of the company for a period of at least 12 months from the anticipated date of signing the financial statements. The company's forecasts are dependent on its ability to secure future production contracts, which are currently not in place. If two additional productions, currently under negotiation, are secured then the company's cashflow forecasts indicate that the company will have sufficient cash resources to meet its liabilities for the next 12 months, however as the contracts are not currently in place a material uncertainty exists on the company's ability to operate as going concern. The financial statements do not include the adjustments that would result if the company were unable to continue as a going concern.

Turnover

Turnover comprises the value of work performed during the period on contracts, and the invoiced amount of the supply of miscellaneous goods and services, excluding value added tax. Turnover is recognised when the risks and rewards of ownership are transferred to the customer, which is on delivery of the goods or services provided.

On long-term contracts and contracts that are spread over two accounting periods, where the outcome of the contracts can be assessed with reasonable certainty before their conclusion, the attributable profit is recognised in the profit and loss account by matching the costs of the work performed with the revenue generated. When it is probable that total contract costs will exceed total contract revenues, the total expected loss is recognised as an expense in the profit and loss account.

Accrued income

Amounts recoverable on contracts, which are included within debtors, are stated at cost, plus attributable profit to the extent that this is reasonably certain after making provision for contingencies, less losses incurred or foreseen in bringing contracts to completion and less any amounts invoiced as progress payments. For any contracts where amounts invoiced exceed the value of work done, the excess is included as payments on account. tangible fixed assets

Tangible fixed assets are measured at cost less accumulative depreciation and any accumulative impairment losses. Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Leasehold improvements – over 4 years and Fixtures and fittings – over 4 years

Notes to the accounts for the year ended 31 March 2018 (continued)

Financial assets

Basic financial assets, including debtors, cash and bank balances which are initially recognised at transaction price, 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. Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

Financial liabilities

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

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

Audit

The companies auditor for the period ending 31 March 2018 is PricewaterhouseCoopers LLP (PwC) and the senior statutory auditor who signed the audit report is Matthew Walker. The auditors report was qualified in respect of going concern matters as reported above and PwC emphasised the matter of material uncertainty dependent on the outcome of contract negotiations for future broadcast productions

Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets

Notes to the accounts for the year ended 31 March 2018 (continued)

and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

Functional and presentation currency and foreign currency translation

Foreign currency transactions are translated into the functional currency (GBP) 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. Nonmonetary 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 the profit and loss account. Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the profit and loss account within 'finance income or costs'. All other foreign exchange gains and losses are presented in the profit and loss account within 'other operating income'.

Interest payable and similar expenses

Finance costs are charged to the profit and loss account 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.

Leased assets

Operating lease payments are recognised as an expense on a straight line basis over the lease term.

Pensions

Contributions to defined contribution plans are expensed in the period to which they relate.

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Significant accounting estimates and judgements

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Revenue and amounts recoverable on contracts

The company determines the stage of completion of a contract using the cost method, which measures most reliably the work performed. Where the outcome of the contracts can be assessed with reasonable certainty before their conclusion, the attributable profit is recognised in the statement of comprehensive income by matching the costs of the work performed with the revenue generated. Management monitors the status of the projects on a regular basis and, when necessary, revises the estimates of revenue and costs as the service transaction progresses.

Notes to the accounts for the year ended 31 March 2018 (continued)

4. Tangible fixed assets

	Leasehold	Fixtures	Total
Cost	£	£	£
At 1 April 2017 (unaudited)	54,887	188,500	243,387
Additions	-	14,257	14,257
At 31 March 2018	54,887	202,757	257,644
Depreciation			
At 1 April 2017 (unaudited)	54,887	188,500	243,387
Charge for the year	-	1,255	1,255
At 31 March 2018	54,887	189,755	244,642
Net book value			
At 31 March 2018	-	13,002	13,002
At 31 March 2017 (unaudited)	-	-	-

5. Debtors

	2018 £	2017 (Unaudited) £
Trade debtors	200,254	307
Amounts owed by group undertakings	-	10,095
Prepayments and accrued income	126,985	149,815
Other debtors	74,651	43,507
	401,890	203,724
<i>Amounts due after more than one year included above</i>	125	42,107

Notes to the accounts for the year ended 31 March 2018 (continued)

6. Creditors: amounts falling due within one year

	2018 £	2017 (Unaudited) £
Bank loans and overdrafts	559,615	622,890
Trade creditors	272,026	497,685
Other taxes and social security costs	34,452	(33,682)
Other creditors	235,060	732,537
	1,101,153	1,819,430

The bank loans are repayable on demand and charge interest at 3% per annum.

7. Share capital

	2018 £	2017 (Unaudited) £
Ordinary share capital Issued and fully paid		
12,463 Ordinary shares (2017: 12,463) of £0.01 each	125	125

8. Other reserves

	2018 £	2017 (Unaudited) £
At 1 April	(519,845)	(519,845)
At 31 March	(519,845)	(519,845)

Notes to the accounts for the year ended 31 March 2018 (continued)

9. Capital contribution

During the year, ZDF Enterprises GmbH ('ZDFE'), a company incorporated in Germany, acquired 36.1% of the share capital of European Media Rights ('EMR'), the Company's parent company. The following transaction took place

- European Media Rights Limited provided additional capital to the Company in the amount of £854,696.

The above transaction is capital in nature and hence has been accounted and disclosed as capital contribution.

10 Other financial commitments

	2018 £	2017 (Unaudited) £
The Company has the following future minimum lease payments under non-cancellable operating leases		
Payable within one year	159,360	101,070
Payable within 2 – 5 years	26,560	111,404

11 Post balance sheet events

In December 2018, the company received a statutory demand from former shareholders for amounts allegedly due to them from the company. In March 2019, the company obtained a Court Order requiring the withdrawal of the demand.

12 Controlling party

By virtue of the control of the Board of Directors of the company, the ultimate controlling party is ZDF Enterprises GmbH of Erich-Dombrowski-Str. 1 55127 Mainz, Germany.