

Registration number: 10089966

# HeyDay Television Limited

Annual Report and Financial Statements

for the Year Ended 31 December 2021



**HeyDay Television Limited**

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## **HeyDay Television Limited**

### **Company Information**

<b>Directors</b>	D J Heyman
	D L M O'Donoghue
<b>Registered office</b>	1 Central St Giles St Giles High Street London WC2H 8NU United Kingdom
<b>Auditors</b>	Deloitte LLP Statutory Auditor 2 New Street Square London, UK EC4A 3BZ

## HeyDay Television Limited

### Strategic Report for the Year Ended 31 December 2021

The directors present their strategic report for the year ended 31 December 2021.

In preparing this strategic report, the directors have complied with Section 414C of the Companies Act 2006.

#### Principal activity

The principal activity of the company is television production.

#### Results

The results of the company show a pre-tax profit of £2,732,000 (2020: £2,262,000 loss) for the year and turnover of £5,281,000 (2020: £nil).

The profit for the period, after taxation, amounted to £2,970,000 (2020: loss of £2,262,000).

The company has net assets of £3,788,000 (2020: net liabilities of £2,054,000) out of which net £8,076,000 is due from (2020: £2,622,000 due to) fellow group companies.

#### Enhanced business review

The company's increased turnover in 2021 to £5,281,000 (2020: £nil) is due to an increase in licensing revenue. No titles were delivered in 2020 resulting in nil revenue.

During the current period, Universal International Studios Limited acquired the remaining 50% of the ordinary shares in the company, and were issued 40,000 preference shares for total consideration of \$4,000,000.

The company's key financial and other performance indicators during the year were as follows:

	Unit	2021	2020
Gross margin	%	98	n/a
Operating margin	%	52	n/a

The gross margin is the ratio of total turnover less cost of goods sold, divided by total turnover, expressed as a percentage.

The operating margin is the ratio of operating profit before exceptional items to sales expressed as a percentage.

## **HeyDay Television Limited**

### **Strategic Report for the Year Ended 31 December 2021**

#### **Principal risks and uncertainties**

The management of the business and the execution of the company's strategy are subject to the risks affecting the group companies which it provides services to. These are the competitive pressures within the entertainment industry, a challenging macroeconomic environment, rapid technological change and increased risk of piracy.

#### **Market Risks**

The company operates in an intensely competitive, consumer-driven and rapidly changing environment and competes with a growing number of companies that provide a broad range of communications products and services and entertainment, news and information products and services to consumers. Technological changes are further intensifying and complicating the competitive landscape for the company by challenging existing business models and affecting consumer behaviour.

#### **Financial Risks**

The company is fully supported within the group, which manages a mixture of debt and equity funding in order to minimise risk exposure and enable optimal business performance. Consequently, the company does not hold external debt and is resilient to risks arising from movements in interest rates. The group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates.

Policies have been implemented with the company to minimise liquidity risk, through maintenance of an internal reporting structure based on cash targets. Additionally, appropriate credit checks are carried out for all potential customers before contracts are entered into, with status monitoring taking place throughout.

#### **Risks associated with the coronavirus outbreak**

The impacts of COVID-19 and measures to prevent its spread across the globe have impacted our results of operations during 2021 and our businesses in a number of ways, with the most significant effects in 2020. Our studio production operations have generally returned to full capacity. Results of operations may be negatively impacted over the near to medium term as a result of COVID-19.

#### **Risks associated with the situation in Russia and Ukraine**

NBCUniversal/Comcast group is continuously monitoring the situation unfolding in Russia and Ukraine, including the related risks and uncertainties and the possible negative impact it may have on our business and Group's financial results. The company doesn't operate in these territories, and therefore did not identify direct impact.

## HeyDay Television Limited

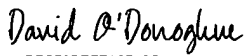
### Strategic Report for the Year Ended 31 December 2021

#### Future developments

The impact of COVID-19 on our businesses generally depends on the extent of restrictive governmental measures taken that affect day-to-day life, travel protocols and the length of time that such measures remain in place, global economic conditions, current and new variants and vaccination rates and efficacy. It is difficult to predict the extent and duration and the degree to which our results of operations will continue to be affected.

No other external factors are expected to impact the entity. The directors' expect no significant changes to the future activities of the business.

Approved by the Board on 23 September 2022 and signed on its behalf by:

DocuSigned by:  
  
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D L M O'Donoghue  
Director

## **HeyDay Television Limited**

### **Directors' Report for the Year Ended 31 December 2021**

The directors present their annual report on the affairs of the company, together with the audited financial statements and auditor's report for the year ended 31 December 2021.

#### **Future developments**

For future developments, please refer to the Strategic Report on page 4.

#### **Financial risk management objectives and policies**

For financial risk management objectives and policies please refer to the Strategic Report on page 3.

#### **Research and development**

The company continues to invest in development through a mixture of broadcaster funded and in-house supported projects.

#### **Dividends**

The directors did not declare an interim dividend for the year (2020: £nil).

The directors did not declare payment of a final dividend (2020: £nil).

#### **Directors of the company**

The directors who held office during the year and up to the date of signing were as follows:

D J Heyman

D L M O'Donoghue

#### **Directors' indemnities**

The company has made no qualifying third party indemnity provisions for the benefit of its directors which were made during the year and remain in force at the date of this report.

## HeyDay Television Limited

### Directors' Report for the Year Ended 31 December 2021

#### Going concern

The directors have reviewed the current financial performance and position of the company and the uncertainties surrounding the impact of COVID-19. The directors expect that the business will continue to generate significant cash flow from operating activities and we believe that these cash flows, together with our existing cash, cash equivalents and the international treasury cash pool facility will be sufficient for us to meet our current and long-term liquidity and capital requirements. In the first half 2021, the company received a capital injection of \$4,000,000 to reduce the borrowing position.

As a result, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future, with net assets of £3,788,000, and hence continue to adopt the going concern basis of accounting in preparing the financial statements.

Further details regarding the adoption of the going concern basis can be found in the accounting policies in note 2 to the financial statements.

#### Disclosure of information to the auditors

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

#### Reappointment of auditors

Deloitte LLP has indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditor in the absence of an Annual General Meeting. This information is given and should be interpreted in accordance with the provisions of Section 487 of the Companies Act 2006.

Approved by the Board on 23 September 2022 and signed on its behalf by:

DocuSigned by:

*David O'Donoghue*

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D L M O'Donoghue



## **HeyDay Television Limited**

### **Statement of Directors' Responsibilities**

The directors acknowledge their responsibilities for preparing the Annual 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), including FRS 102 The Financial Reporting standard applicable in the UK and Republic of Ireland. 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 apply them consistently;
- make judgements 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.

## **HeyDay Television Limited**

### **Independent Auditor's Report to the Members of HeyDay Television Limited**

#### **Report on the audit of the financial statements**

##### **Opinion**

In our opinion the financial statements of HeyDay Television Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the profit and loss account;
- the statement of comprehensive income;
- the balance sheet;
- the statement of changes in equity; and
- the related notes 1 to 17.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

##### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

##### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

## **HeyDay Television Limited**

### **Independent Auditor's Report to the Members of HeyDay Television Limited**

#### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## **HeyDay Television Limited**

### **Independent Auditor's Report to the Members of HeyDay Television Limited**

#### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management and those charged with governance about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory framework that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act, pensions legislation and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team including relevant internal specialists such as tax regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud relates to the valuation of capitalised development costs (intangibles). In order to address this risk, we have tested the design and implementation of key controls, traced a sample of capitalised costs to relevant supports and assessed the appropriateness of capitalisation criteria for these costs.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and in-house legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

## **HeyDay Television Limited**

### **Independent Auditor's Report to the Members of HeyDay Television Limited**

#### **Report on other legal and regulatory requirements**

##### **Opinions 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 strategic report and directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

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 any material misstatements in the strategic report or the directors' report.

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

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

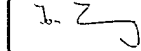
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law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

We have nothing to report in respect of these matters.

##### **Use of our report**

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.

DocuSigned by:



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Jon Young FCA (Senior Statutory Auditor)  
For and on behalf of Deloitte LLP,  
Statutory Auditor

London, UK

23 September 2022

## HeyDay Television Limited

### Profit and Loss Account for the Year Ended 31 December 2021

	Note	2021 £ 000	2020 £ 000
Turnover	3	5,281	-
Cost of sales		<u>(116)</u>	<u>60</u>
Gross profit		5,165	60
Administrative expenses		<u>(2,432)</u>	<u>(2,322)</u>
Operating profit/(loss)	4	<u>2,733</u>	<u>(2,262)</u>
Interest payable and similar expenses	5	<u>(1)</u>	<u>-</u>
		<u>(1)</u>	<u>-</u>
Profit/(loss) before taxation		2,732	(2,262)
Tax (expense) / credit	8	<u>239</u>	<u>-</u>
Profit/(loss) for the financial year	15	<u><u>2,971</u></u>	<u><u>(2,262)</u></u>

The above results were derived from continuing operations.

The notes on pages 16 to 28 form an integral part of these financial statements.

**HeyDay Television Limited****Statement of Comprehensive Income for the Year Ended 31 December 2021**

	<b>2021</b> <b>£ 000</b>	<b>2020</b> <b>£ 000</b>
Profit/(loss) for the year	<u>2,971</u>	<u>(2,262)</u>
Foreign exchange differences on a net investment in a foreign operation	<u>(71)</u>	<u>107</u>
Total other comprehensive income/(loss) for the year	<u>(71)</u>	<u>107</u>
Total comprehensive income/(loss) for the year	<u><u>2,900</u></u>	<u><u>(2,155)</u></u>

The notes on pages 16 to 28 form an integral part of these financial statements.

**HeyDay Television Limited**  
**(Registration number: 10089966)**  
**Balance Sheet as at 31 December 2021**

	Note	2021 £ 000	2020 £ 000
<b>Fixed assets</b>			
Tangible assets	9	56	184
Investments	11	-	-
		<u>56</u>	<u>184</u>
<b>Current assets</b>			
Work in progress	10	355	2,744
Debtors	12	17,127	566
Cash at bank and in hand		494	99
		<u>17,976</u>	<u>3,409</u>
Creditors: Amounts falling due within one year	13	<u>(14,243)</u>	<u>(5,647)</u>
Net current assets/(liabilities)		<u>3,733</u>	<u>(2,238)</u>
Total assets less current liabilities		<u>3,789</u>	<u>(2,054)</u>
Net assets/(liabilities)		<u>3,789</u>	<u>(2,054)</u>
<b>Capital and reserves</b>			
Called up share capital	14	6,616	3,673
Retained earnings	15	<u>(2,827)</u>	<u>(5,727)</u>
Shareholder's funds/(deficit)		<u>3,789</u>	<u>(2,054)</u>

The financial statements have been approved and authorised for issue by the Board on 23 September 2022 and signed on its behalf by:

DocuSigned by:  
  
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D L M O'Donoghue  
 Director



## HeyDay Television Limited

### Statement of Changes in Equity for the Year Ended 31 December 2021

	Share capital £ 000	Profit and loss account £ 000	Total £ 000
At 1 January 2020	3,673	(3,572)	101
Loss for the year	-	(2,262)	(2,262)
Other comprehensive income	-	107	107
Total comprehensive loss	-	(2,155)	(2,155)
At 31 December 2020	<u>3,673</u>	<u>(5,727)</u>	<u>(2,054)</u>

	Share capital £ 000	Profit and loss account £ 000	Total £ 000
At 1 January 2021	<u>3,673</u>	<u>(5,727)</u>	<u>(2,054)</u>
Profit for the year	-	2,971	2,971
Other comprehensive loss	-	(71)	(71)
Total comprehensive income	-	2,900	2,900
New share capital subscribed	<u>2,943</u>	<u>-</u>	<u>2,943</u>
At 31 December 2021	<u>6,616</u>	<u>(2,827)</u>	<u>3,789</u>

## **HeyDay Television Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2021**

#### **1 General information**

The company's principal activity is television production. The company is a private company limited by share capital, incorporated in United Kingdom under Companies Act 2006 and registered in England & Wales.

The address of its registered office is 1 Central St Giles, St Giles High Street, London, WC2H 8NU.

#### **2 Accounting policies**

##### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### **Statement of compliance**

These financial statements were prepared in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

##### **Basis of preparation**

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

The functional currency of HeyDay Television Limited is pounds sterling because that is the currency of the primary economic environment in which the company operates.

##### **Summary of disclosure exemptions**

As a qualifying entity, exemptions have also been taken under FRS 102 Section 1 in relation to financial instruments, presentation of a cash flow statement, intra-group transactions and remuneration of key management personnel.

##### **Group accounts not prepared**

The financial statements contain information about Heyday Television Limited as an individual company and do not contain consolidated financial information as the parent of a group.

The company has taken advantage of the exemption provided by FRS 102 Section 9.3 and has not prepared group accounts. It is also exempt under section 401 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its parent, Comcast Corporation, a company incorporated in USA (note 17).

## **HeyDay Television Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2021**

#### **Going concern**

Given the integrated nature of the Group's financial planning and treasury functions, the impact of COVID-19 on the Company's operations and funding requirements has been assessed at the Group level. It is challenging for management to estimate with precision the future performance of our business and the impact of COVID-19 over the near to medium term. We have reviewed the current financial performance and position of the company and the uncertainties surrounding the impact of COVID-19. The directors expect that the business will continue to generate significant cash flow from operating activities and we believe that these cash flows, together with our existing cash, cash equivalents and the international treasury cash pool facility will be sufficient for us to meet our current and long-term liquidity and capital requirements.

On the basis of our assessment, we have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future, with net assets of £3,788,000, and hence continue to adopt the going concern basis of accounting in preparing the financial statements.

#### **Critical accounting judgements**

The following are the critical judgements, apart from those involving estimations (which are dealt with separately below), that the directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

Determining whether there are indicators of impairment of the company's WIP in development. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset. Refer to note 10 for the carrying value of work in progress.

#### **Key sources of estimation uncertainty**

Estimates are used in determining the ultimate revenue on secondary sales of titles which impacts the level or amortisation on Television Costs. Refer to the accounting policy for Work in Progress in Note 2 for more detail. The carrying amount is £355,000 (2020 £2,744,000).

#### **Turnover**

Turnover comprises production fees and amounts receivable for the exploitation of rights, net of VAT/sales tax.

Production revenues are recognised when a programme is delivered to the broadcaster, on an episodic basis where applicable. Revenues received for funded development costs are included within turnover.

Royalties are recognised on a declared basis and only accrued where sufficient evidence of amounts due can be obtained or calculated as at the year-end reporting date.

#### **Finance income and costs policy**

Interest receivable is recognised as interest accrues, using the effective interest rate method. All interest receivable is recognised in the profit and loss account.

Interest payable is recognised as interest accrues. All interest payable is recognised in the profit and loss account.

## **HeyDay Television Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2021**

#### **Foreign currency transactions and balances**

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rate on the date when the fair value is re-measured.

Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

#### **Tax**

Tax is recognised in the profit or loss account, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the company intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax asset are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profits.

Deferred tax assets and liabilities are offset only if: a) the company has a legally enforceable right to set off current tax assets against current tax liabilities; and b) the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority and the entity intends either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

#### **Tangible assets**

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Residual value represents the estimated amount which would currently be obtained from disposal of an asset after deducting estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.

#### **Depreciation**

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

## HeyDay Television Limited

### Notes to the Financial Statements for the Year Ended 31 December 2021

#### Asset class

Land and buildings

#### Depreciation method and rate

Over the period of the lease

#### Investments

Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Dividends on equity shares are recognised in income when receivable.

#### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Trade debtors are derecognised when the contractual rights to the cash flows from the trade debtor expire or are settled

#### Work in progress

Work in progress is a reflection of the costs directly incurred in programme creation, which are held on the balance sheet until successful delivery of a project.

The company uses a long term contract accounting method for work in progress with respect to its programme creation. This basis considers all expected revenue streams, costs of production, distribution and exploitation in order to estimate a profit margin for the project. Costs are recognised proportionally in line with the anticipated margin. The assumptions on which the original model was based are reviewed periodically by management's review of impairment.

Estimates are used in determining the ultimate revenue on sales of titles which impacts the level of amortisation of work in progress assets.

#### Trade creditors

Trade creditors 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 the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities. Trade creditors are recognised at the transaction price. Trade creditors are derecognised only when the obligation specified in the contract has been discharged, cancelled or expires.

#### Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

## **HeyDay Television Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2021**

#### **Defined contribution pension obligation**

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

## HeyDay Television Limited

### Notes to the Financial Statements for the Year Ended 31 December 2021

#### 3 Turnover

The analysis of the company's turnover for the year from continuing operations is as follows:

	2021 £ 000	2020 £ 000
Rendering of services	181	-
Royalties	5,100	-
	<u>5,281</u>	<u>-</u>

An analysis of turnover by geographical market is given below:

	2021 £ 000	2020 £ 000
UK	3,083	-
USA	181	-
Rest of World	2,017	-
	<u>5,281</u>	<u>-</u>

#### 4 Operating profit/(loss)

Arrived at after charging/(crediting)

	2021 £ 000	2020 £ 000
Depreciation expense	128	124
Amortisation expense	57	(60)
Foreign exchange (gains)/losses	(28)	107
	<u>(28)</u>	<u>107</u>

#### 5 Interest payable and similar charges

	2021 £ 000	2020 £ 000
Interest on loans from group undertakings	1	-
	<u>1</u>	<u>-</u>

#### 6 Auditors' remuneration

	2021 £ 000	2020 £ 000
Audit of the financial statements	19	18
	<u>19</u>	<u>18</u>

## HeyDay Television Limited

### Notes to the Financial Statements for the Year Ended 31 December 2021

#### 7 Staff numbers and costs

The aggregate payroll costs, including those paid by other companies and recharged to the company, were as follows:

	2021 £ 000	2020 £ 000
Wages and salaries	924	1,073
Social security costs	87	89
Pension costs, defined contribution scheme	34	12
	<u>1,045</u>	<u>1,174</u>

The average number of persons employed by the company during the year, analysed by category was as follows:

	2021 No.	2020 No.
Production	5	4

The directors did not receive any remuneration through the company in the current year (2020: nil).

#### 8 Taxation

Tax charged/(credited) in the income statement

	2021 £ 000	2020 £ 000
<b>Current taxation</b>		
UK corporation tax	163	-
<b>Deferred taxation</b>		
Arising from origination and reversal of timing differences	(398)	-
Arising from changes in tax rates and laws	(4)	-
Total deferred taxation	<u>(402)</u>	<u>-</u>
Tax credit in the income statement	<u>(239)</u>	<u>-</u>

The differences between the total tax charge shown above and the amount calculated by applying the standard rate of UK corporation tax 19% (2020 - 19%) to the profit before tax is as follows:



## HeyDay Television Limited

### Notes to the Financial Statements for the Year Ended 31 December 2021

	2021 £ 000	2020 £ 000
Profit/(loss) before tax	<u>2,732</u>	<u>(2,262)</u>
Corporation tax at standard rate	519	(430)
Expenses not deductible for tax purposes	11	-
Deferred tax expense (credit) relating to changes in tax rates or laws	(4)	-
Increase (decrease) from tax losses for which no deferred tax asset was recognised	(765)	413
Other timing differences not recognised	<u>-</u>	<u>17</u>
Total tax credit	<u>(239)</u>	<u>-</u>

#### Deferred tax

Deferred tax assets and liabilities

2021	Asset £ 000
Difference between accumulated depreciation and amortisation and capital allowances	22
Tax losses	<u>380</u>
	<u>402</u>

The amount of the net reversal of deferred tax assets and deferred tax liabilities expected to occur during the year beginning after the reporting period is £384,000 (2020: £nil).

There are deferred tax assets of £nil (2020: £1,065,797) relating to unused tax losses and £nil (2020: £20,562) relating to other timing differences, which are not recognised on the Balance Sheet.

The rate of UK corporation tax that was in effect at the balance sheet date was 19%.

On 3 March 2021 the UK government announced an intention to increase the UK corporation tax rate to 25% with effect from 1 April 2023. This was substantively enacted on 24 May 2021. Deferred tax assets and liabilities on timing differences and tax losses have been calculated at the rate at which they are expected to reverse. There is no expiry date on timing differences or tax losses.

## HeyDay Television Limited

### Notes to the Financial Statements for the Year Ended 31 December 2021

#### 9 Tangible assets

	<b>Land and buildings £ 000</b>	<b>Total £ 000</b>
<b>Cost or valuation</b>		
At 1 January 2021	437	437
Foreign exchange movements	<u>6</u>	<u>6</u>
At 31 December 2021	<u>443</u>	<u>443</u>
<b>Depreciation</b>		
At 1 January 2021	253	253
Charge for the year	128	128
Foreign exchange movements	<u>6</u>	<u>6</u>
At 31 December 2021	<u>387</u>	<u>387</u>
<b>Carrying amount</b>		
At 31 December 2021	<u>56</u>	<u>56</u>
At 31 December 2020	<u>184</u>	<u>184</u>

## HeyDay Television Limited

### Notes to the Financial Statements for the Year Ended 31 December 2021

#### 10 Work in Progress

	<b>Production WIP £ 000</b>	<b>Development WIP £ 000</b>	<b>Total £ 000</b>
<b>Cost</b>			
1 January 2021	15,683	2,545	18,228
Additions/Transfers	(142)	(2,151)	(2,293)
Foreign exchange movements	-	(40)	(40)
At 31 December 2021	15,541	354	15,895
<b>Amortisation</b>			
At 1 January 2021	15,484	-	15,484
Amortisation Charge / Recovery	57	-	57
At 31 December 2021	15,541	-	15,541
<b>Carrying amount</b>			
At 31 December 2021	-	355	355
At 31 December 2020	199	2,545	2,744

WIP in production are the capitalised costs of producing a show that has been commissioned. These costs are then amortised using long term contract accounting. More information on this can be found in the accounting policies note under the heading work in progress.

WIP in development are the capitalised costs of those projects that meet the criteria to be capitalised per FRS 102 Section 18 but are not yet commissioned and hence are not being amortised since revenues are yet to be recognised. Once the project these costs related to is commissioned, these costs are then moved to WIP in production and amortised accordingly.

#### 11 Investments in subsidiaries

##### Details of undertakings

Details of the investments (including principal place of business of unincorporated entities) in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

## HeyDay Television Limited

### Notes to the Financial Statements for the Year Ended 31 December 2021

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held	2021	2020
<b>Subsidiary undertakings</b>					
HTVP Limited 1 Central St. Giles, St Giles High Street, London WC2H 8NU	United Kingdom	Ordinary shares	100%		100%

The principal activity of HTVP Limited is TV production.

#### 12 Debtors

	Note	2021 £ 000	2020 £ 000
Trade debtors		1	15
Owed by related parties		16,656	236
Prepayments		68	267
Deferred tax assets	8	402	-
VAT Receivable		-	48
Total current trade and other receivables		<u>17,127</u>	<u>566</u>

The balance of owed by related parties includes £2,993,000 (2020: £14,000) from other group companies and £13,663,000 (2020: £222,000) from subsidiaries.

Interest will be received at market rate from group undertakings on balances which are not trade in nature. These balances are repayable on demand.

#### 13 Creditors

	Note	2021 £ 000	2020 £ 000
<b>Due within one year</b>			
Trade creditors		40	70
VAT payable		485	-
Income tax liability	8	163	-
Accruals and deferred income		4,976	2,719
Owed to related parties		<u>8,579</u>	<u>2,858</u>
		<u>14,243</u>	<u>5,647</u>

## HeyDay Television Limited

### Notes to the Financial Statements for the Year Ended 31 December 2021

The balance of owed to related parties includes £8,383,000 (2020: £2,330,000) to parent companies and £196,000 (2020: £528,000) to other group companies.

Interest will be paid at market rate to group undertakings on balances which are not trade in nature. These balances are repayable on demand.

#### 14 Share capital

##### Allotted, called up and fully paid shares

	31 December 2021		31 December 2020	
	No. 000	£ 000	No. 000	£ 000
Ordinary shares of £0.01 each	-	-	-	-
Preference of £0.01 each	90	0.90	50	0.50
	<u>90</u>	<u>1</u>	<u>50</u>	<u>1</u>

##### Preference shares

During the year the company issued an additional 40,000 preference shares to Universal International Studios Limited for consideration of USD\$100 per share.

#### 15 Reserves

##### Profit and loss account

The profit and loss account reserve represents distributable cumulative profits or losses net of dividends paid and other adjustments.

#### 16 Pension and other schemes

##### Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £34,352 (2020 - £11,703).

## **HeyDay Television Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2021**

#### **17 Parent and ultimate parent undertaking**

The company's immediate parent is Universal International Studios Limited, incorporated in England and Wales.

The smallest group in which the results of the company was consolidated is that headed by Comcast Corporation, a company incorporated in the United States of America. The principal and registered place of business is One Comcast Center.

The largest group in which the results of the company are consolidated is that headed up by its ultimate parent undertaking and ultimate controlling party, Comcast Corporation, a company incorporated in United States of America. The principal and registered place of business is One Comcast Center. The consolidated financial statements are available upon request from 30 Rockefeller Plaza, New York, NY 10112-0015, USA and the One Comcast Center, 1701 John F. Kennedy Boulevard, Philadelphia, PA 19103-2838, USA or at [www.cmcsa.com](http://www.cmcsa.com) respectively.