Registered number: 10945969

CTM 8 PRODUCTIONS LIMITED

FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2019

CTM 8 PRODUCTIONS LIMITED

COMPANY INFORMATION

Directors	N J D Brown P J O Harris A McMullen V J Turton M J Swerling
Company secretary	A McMullen & M Ajibade
Registered number	10945969
Registered office	Berkshire House 168 - 173 High Holborn London WC1V 7AA
Independent auditors	Shipleys LLP 10 Orange Street Haymarket London WC2H 7DQ

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STRATEGIC REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2019

Principal activities and business review

The principal activity of the company during the period was the development and production of theatrical feature films.

During the period the company continued production of a television series entitled "Call the Midwife - Series 8". At the period end the television series was complete and was delivered.

Going Concern

The directors have undertaken a rigorous assessment of whether the company was a going concern when the accounts were prepared, considering all available information about the future, covering a period of 12 months from the date of the approval of the accounts.
The directors are not aware of any material uncertainty arising from their assessment that would cast doubt on the company's ability to continue as a going concern.

A detailed budget and cashflow have been prepared for the production and delivery of the television series. Funds to meet the cashflow requirements are contractually in place and the directors do not anticipate any material overspend. The directors are therefore satisfied that the going concern assumption remains appropriate.

Principal risks and uncertainties

The business of television production is subject to a number of risks.

The high-end television industry is a volatile industry susceptible to changes in the global economy, as well as changes in legislation, regulation and government policy which may affect the industry. Any of these may adversely affect consumer demand for television series or the ability to successfully finance or market films.

Key performance indicators

The company was incorporated solely to produce the television series 'Call the Midwife - Series 8'. Given this and the nature of the business, the company's directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business.

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

N J D Brown
Director

DIRECTORS' REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2019

The Directors present their report and the financial statements for the period ended 31 December 2019.

Principal activity

The principal activity of the Company during the period was the production and exploitation of high-end television programmes.

Directors

The Directors who served during the period were:

N J D Brown
P J O Harris
A McMullen
V J Turton
M J Swerling

Dividends

A dividend of £2,500,000 (Prior Period: £nil) per £1 ordinary share, amounting to £2,500,000 (Prior Period: £nil) was paid during the period to 31 December 2019.

Future developments

The commercial environment is expected to remain competitive in the coming period.

Financial instruments

The Company's principal financial instruments comprise bank balances, loans, trade creditors and trade debtors. The main purpose of these instruments is to raise funds for the Company's operations and to finance the Company's operations.

Due to nature of the financial instruments used by the Company, there is no exposure to price risk. The Company's approach to managing other risks applicable to the financial instruments concerned is shown below.

In respect of bank balances the liquidity risk is managed by maintaining a balance sufficient to meet the funds required for the Company's operations. The Company makes use of money market facilities where funds are available.

Trade debtors are managed in respect of credit and cash flow risk by ensuring that amounts due are received in a timely manner.

Trade creditors' liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

Overseas branches

The Company was incorporated in the United Kingdom and has no overseas branches.

Disclosure of information in the strategic report

In accordance with section 414C(11) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013, various matters previously dealt with in the Directors' Report are now included in the Strategic Report.

DIRECTORS' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 DECEMBER 2019

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 auditors are 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 auditors are aware of that information.

Small companies provisions

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 on 23/7/2020 and signed on its behalf.

N Brown

N J D Brown
Director

DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE PERIOD ENDED 31 DECEMBER 2019

The directors are responsible for preparing the Strategic Report, 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 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 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 then apply them consistently;
- make judgments 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 to 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CTM 8 PRODUCTIONS LIMITED

Opinion

We have audited the financial statements of CTM 8 Productions Limited (the 'Company') for the period ended 31 December 2019, which comprise the Profit and Loss Account, the Statement of Financial Position, the Statement of Changes in Equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 'Reduced Disclosure Framework'.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2019 and of its result for the period 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.

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 Auditors' 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 United Kingdom, including the Financial Reporting Council'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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

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 Strategic Report and the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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 Strategic Report or the Directors' Report.

We have nothing to report in respect of the following matters in relation to which 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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' Report and from the requirement to prepare a Strategic Report.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement on page 4, 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CTM 8 PRODUCTIONS LIMITED (CONTINUED)

Auditors' 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 Auditors' 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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' Report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditors' Report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CTM 8 PRODUCTIONS LIMITED (CONTINUED)

Use of our report

This report is made solely to the Company's members 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 Auditors' 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 for our audit work, for this report, or for the opinions we have formed.

Shipleys LLP

Lauren Gilman (Senior Statutory Auditor)

for and on behalf of
Shipleys LLP

10 Orange Street
Haymarket
London
WC2H 7DQ
Date: 23/7/2020

PROFIT AND LOSS ACCOUNT
FOR THE PERIOD ENDED 31 DECEMBER 2019

	Note	**Period ended 31 December 2019 £**	*Period ended 22 March 2019 £*
Turnover		**191,213**	*12,985,000*
Cost of sales		**(191,213)**	*(12,985,000)*
Gross profit		**-**	*-*
Tax on profit	5	**38,916**	*2,563,370*
Profit for the financial period		**38,916**	*2,563,370*

All 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.

CTM 8 PRODUCTIONS LIMITED
REGISTERED NUMBER: 10945969

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2019

	Note		31 December 2019 £		*22 March 2019 £*
Fixed assets					
Current assets					
Debtors: amounts falling due within one year	6	**54,064**		*2,581,919*	
Cash at bank and in hand		**48,323**		*130,331*	
		102,387		*2,712,250*	
Creditors: amounts falling due within one year	7	**(100)**		*(148,879)*	
Net current assets			**102,287**		*2,563,371*
Total assets less current liabilities			**102,287**		*2,563,371*
Net assets excluding pension asset			**102,287**		*2,563,371*
Net assets			**102,287**		*2,563,371*
Capital and reserves					
Called up share capital	8		**1**		*1*
Profit and loss account	9		**102,286**		*2,563,370*
			102,287		*2,563,371*

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 on
23/7/2020

N Brown

N J D Brown
Director

STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 DECEMBER 2019

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 October 2018	1	-	1
Comprehensive income for the period			
Profit for the period	-	2,563,370	2,563,370
Other comprehensive income for the period	-	-	-
Total comprehensive income for the period	-	2,563,370	2,563,370
Total transactions with owners	-	-	-
At 22 March 2019	1	2,563,370	2,563,371
Comprehensive income for the period			
Profit for the period	-	38,916	38,916
Other comprehensive income for the period	-	-	-
Total comprehensive income for the period	-	38,916	38,916
Dividends: Equity capital	-	(2,500,000)	(2,500,000)
Total transactions with owners	-	(2,500,000)	(2,500,000)
At 31 December 2019	1	102,286	102,287

The notes on pages 12 to 16 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2019

1. General information

The Company is a private company limited by shares, registered in England and Wales. The address of the registered office is Berkshire House, 168-173 High Holborn, London, WC1V 7AA, UK.

2. Statement of compliance

The financial statements of CTM 8 Productions Limited have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101).

3. Accounting policies

3.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with 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 following principal accounting policies have been applied:

3.2 Disclosure exemptions

The company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures
- 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

Where required equivalent disclosures are given in the group financial statements of DLG Acquisitions Limited. The group financial statements of DLG Acquisitions are available to the public and can be obtained a set out in note 11.

3.3 Comparatives

The accounts cover the period from 23 March 2019 to 31 December 2019. The comparatives cover the period from 20 October 2018 to 22 March 2019.

The accounting period has been shortened to align the company period end with the group period end.

3.4 Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transaction in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

3. Accounting policies (continued)

3.5 Significant estimation technique adopted

Accruals are estimated by reference to purchase orders raised by the period end and estimates to complete. Payments received on account are estimated by reference to percentage of completion of the television production as noted in "Revenue Recognition" below.

3.6 Revenue Recognition

Turnover relates to the exploitation of the television series "Call the Midwife - Series 8". Turnover is recognised when the company receives statements detailing the revenues received in the various territories and mediums, including theatrical, DVD and download to own (DTO), in which the television series is being distributed.

3.7 Income Tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in the 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 suing 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 probably 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 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.

3.8 Financial instruments

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

4. Particulars of employees

The company has been incorporated to produce a television series called "Call the Midwife - Series 8". In common with the film and television industry the majority of crew are hired on short term contracts for the duration of principal photography or are self-employed.

None of the Directors received any form of remuneration.

5. Taxation

	Period ended 31 December 2019 £	*Period ended 22 March 2019 £*
Corporation tax		
UK current tax income	**(38,916)**	*(2,563,370)*
	(38,916)	*(2,563,370)*
Tax on profit	**(38,916)**	*(2,563,370)*

Factors affecting tax charge for the period

The tax assessed for the period is lower than *(2019 - lower than)* the standard rate of corporation tax in the UK of 19% *(2019 - 19%)*. The differences are explained below:

	Period ended 31 December 2019 £	*Period ended 22 March 2019 £*
High-end television tax relief	**(38,916)**	*(2,563,370)*
Total tax charge for the period	**(38,916)**	*(2,563,370)*

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2019

6. Debtors

	Period from 23 Mar 19 to 31 Dec 19 £	*Period from 20 Oct 18 to 22 Mar 19 £*
Amounts owed by group undertakings	**11,757**	*2,027,742*
Corporation tax repayable	**38,916**	*456,055*
Other debtors	**1**	*1*
Prepayments and accrued income	**3,390**	*-*
VAT repayable	**-**	*98,121*
	54,064	*2,581,919*

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

7. Creditors: Amounts falling due within one year

	Period from 23 Mar 19 to 31 Dec 19 £	*Period from 20 Oct 18 to 22 Mar 19 £*
Trade creditors	**-**	*20,377*
Other taxation and social security	**100**	*2,714*
Accruals and deferred income	**-**	*125,788*
	100	*148,879*

8. Share capital

	Period from 23 Mar 19 to 31 Dec 19 £	*Period from 20 Oct 18 to 22 Mar 19 £*
Allotted, called up and fully paid		
1 Ordinary share of £1.00	**1**	*1*

There are no restrictions on the distribution of dividends and the repayment of capital.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2019

9. Reserves

Profit and loss account

This reserve records retained earnings and accumulated losses.

10. Related party transactions

The company was under the control of Neal Street Production Limited throughout the period.

No transactions with related parties were undertaken such as are required to be disclosed as this company has taken advantage of the exemption under the FRS 101 Reduced Disclosure Framework from disclosing transactions entered into between two or more members of a group, where any subsidiary undertaking which is party to the transaction is wholly owned by a member of that group.

11. Controlling party

In the opinion of the directors the immediate parent undertaking is Neal Street Productions Limited, a company incorporated in England and Wales.

The ultimate parent undertaking is DLG Acquisitions Limited. DLG Acquisitions Limited is the parent undertaking of the smallest and the largest group to consolidate these financial statements. Copies of its group financial statements, which include the company, are available from Berkshire House, 168-173 High Holborn, WC1V 7AA. The ultimate controlling parties at the balance sheet date are Liberty Global plc and Discovery Communications Inc., which own LGCI Holdco I B.V and Discovery Luxembourg Holdings 1 S.a.r.l respectively, who are equal joint venture owners of DLG Acquisitions.