

Company Registration No. 11713493 (England and Wales)

Bad Wolf (IHS) Limited

**Financial statements
for the year ended 31 March 2023**

Pages for filing with the registrar

Bad Wolf (IHS) Limited

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Bad Wolf (IHS) Limited

Statement of financial position

As at 31 March 2023

			2023	2022
	Notes	£	£	£
Current assets				
Debtors	5	74,923	140	
Cash at bank and in hand		133,039	134,091	
		<u>207,962</u>	<u>134,231</u>	
Creditors: amounts falling due within one year	6	(175,461)	(111,730)	
Net current assets			<u>32,501</u>	<u>22,501</u>
Capital and reserves				
Called up share capital	7		1	1
Profit and loss reserves			32,500	22,500
Total equity			<u>32,501</u>	<u>22,501</u>

The directors of the company have elected not to include a copy of the income statement within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 27 June 2023 and are signed on its behalf by:

Mary Furlong
Director

Company Registration No. 11713493 (England and Wales)

Bad Wolf (IHS) Limited

Notes to the financial statements For the year ended 31 March 2023

1 Accounting policies

Company information

Bad Wolf (IHS) Limited is a private company limited by shares incorporated in England and Wales. The registered office is Wolf Studios Wales, Trident Industrial Park, Glass Avenue, Cardiff, CF24 5EN.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues': Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment': Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of Sony Group Corporation. These consolidated financial statements are available from its registered office, see Note 10.

1 Accounting policies (continued)

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Reporting period

The prior period financial statements were presented for the 15 month period ending 31 March 2022. The period was lengthened to align with the period end of the group of which the company is a member. The current reporting period is 1 April 2022 to 31 March 2023, therefore, the periods are not entirely comparable.

1.4 Turnover

In respect of long-term contracts for on-going services, turnover represents the value of work done in the period, including estimates of amounts not invoiced. Value of work done in respect of long-term contracts and contracts for on-going services is determined by reference to the stage of completion.

The "percentage of completion method" is used to determine the appropriate amount to recognise in a given period. The stage of completion is measured by the proportion of contract costs incurred for work performed to date compared to the estimated total contract costs. Costs incurred in the period in connection with future activity on a contract are excluded from contract costs in determining the stage of completion. These costs are presented in stocks, prepayments or other assets depending on their nature, and provided it is probable they will be recoverable.

1.5 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.6 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

1 Accounting policies (continued)

Basic financial assets

Basic financial assets, which include debtors, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method 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. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

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 company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, 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 payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts 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 creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.7 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.8 Taxation

The tax expense represents the sum of the tax currently recoverable.

Current tax

The tax currently recoverable is based on relievable losses arising in the period as a result of High End Television tax relief legislation. Relievable losses differs from net losses as reported in the income statement because they include an additional deduction relating to qualifying television development expenditure and exclude items of income or expense that are taxable or deductible in other periods as well as items that are never taxable or deductible. The company's tax position is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

2 Critical accounting judgements and key sources of estimation uncertainty

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.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Tax credit estimate

The key accounting estimate within the financial statement for this Company is the valuation of the high-end TV tax credit available. The estimate is based on the assessment of the value of qualifying expenditure as per HMRC legislations and guidance plus assessment of the qualification of the underlying production as eligible for the tax relief.

3 Turnover and other revenue

	Year ended 31 March 2023 £	Period ended 31 March 2022 £
Turnover analysed by class of business		
Sale of rights	278,983	25,067
Production service fee	10,000	12,500
	<u>288,983</u>	<u>37,567</u>
	Year ended 31 March 2023 £	Period ended 31 March 2022 £
Other significant revenue		
Insurance claims receivable	-	12,940
	<u></u>	<u></u>

Bad Wolf (IHS) Limited**Notes to the financial statements (continued)****For the year ended 31 March 2023****4 Employees**

The average monthly number of persons (including directors) employed by the company during the year was 3 (period ended 31 March 2022: 3).

Directors received no remuneration for their services to the company and receive all related remuneration from the parent company.

5 Debtors

	2023	2022
	£	£
Amounts falling due within one year:		
Corporation tax recoverable	74,748	-
Other debtors	175	140
	<u>74,923</u>	<u>140</u>

6 Creditors: amounts falling due within one year

	2023	2022
	£	£
Amounts owed to parent company	106,701	73,756
Other creditors	68,760	37,974
	<u>175,461</u>	<u>111,730</u>

7 Called up share capital

	2023	2022	2023	2022
	Number	Number	£	£
Ordinary share capital Issued and fully paid				
Ordinary share of £1 each	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

8 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

8 Audit report information (continued)

Senior Statutory Auditor:	Darren Drake
Statutory Auditors:	Saffery Champness LLP

9 Related party transactions

The company has taken advantage of the exemption under paragraph 33.1a of FRS 102 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.

10 Ultimate controlling party

The company's immediate parent company is Bad Wolf Ltd. The parent company is registered in England and Wales.

The company's ultimate parent company is Sony Group Corporation, a company registered in Japan.

The directors consider there to be no one ultimate controlling party.

The largest group in which the results of the company are consolidated is that headed by Sony Group Corporation. The financial statements for Sony Group Corporation are publicly available and can be obtained from Baker & McKenzie, 100 New Bridge Street, London, EC4V 6JA.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.