

**HAT TRICK HOLDINGS (2019) LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

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## HAT TRICK HOLDINGS (2019) LIMITED

### COMPANY INFORMATION

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<b>Directors</b>	J Mulville P Mckenna P Cohen A Dugdale K Wilson J Sharkey K Mulville
<b>Registered number</b>	12025781
<b>Registered office</b>	7 Savoy Court London WC2R 0EX
<b>Trading Address</b>	33 Oval Road London NW1 7EA
<b>Independent auditors</b>	Sopher + Co LLP Chartered Accountants & Statutory Auditors 5 Elstree Gate Elstree Way Borehamwood Hertfordshire WD6 1JD
<b>Bankers</b>	Coutts 440 Strand London WC2R 0QS
<b>Solicitors</b>	Harbottle & Lewis LLP 7 Savoy Court London WC2R 0EX

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**HAT TRICK HOLDINGS (2019) LIMITED**

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**HAT TRICK HOLDINGS (2019) LIMITED**

**GROUP BUSINESS HIGHLIGHTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

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Hat Trick would like to highlight the following achievements:..

- Adjusted Profit after Tax of £5.3m, a new record.
- HTM Television, our joint venture with Jed Mercurio, delivered three programmes: *Trigger Point S1*, *DI Ray S1* and *Bloodlands S2*, whilst filming the first series of *Payback* and entering pre-production of *Trigger Point S2*.
- We continue to produce new series of our long-running non-scripted programmes, including *Have I Got News For You*, *Whose Line is it Anyway?*, *Dinner Date*, *Mastermind* and *Hypothetical*.
- We had one of our best years in comedy, with the third and final series of *Derry Girls*, second series of *Kate and Koji*, along with *Stuck*, *The Family Pile* and *Prince Andrew: The Musical*.
- *Derry Girls* went on to win numerous industry awards including three BAFTA's, two RTS's, an IFTA and two Broadcast awards.

Our unparalleled catalogue continues to underpin our rights income, with a new record set in 2022.

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## HAT TRICK HOLDINGS (2019) LIMITED

### GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

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#### Introduction

The directors present their Strategic Report for the year ended 31 December 2022.

#### Business review

With a library of long-running, award-winning television programming, we are an industry-leading content creator and rights owner. Our goal remains simple; to make highly successful programmes for profit. We do this in two ways. We develop, create and exploit content in the areas of Comedy, Drama and Entertainment. We also use our substantial creative and business support experience to make investments in early-stage content creation companies, with a view to helping them reach their full potential more quickly than they otherwise might be able to.

#### Content creation

Hat Trick produced programmes for BBC1, BBC2, ITV, ITVBe, Channel 4, Channel 5, Dave, and The CW in 2022.

In entertainment, we delivered the 63rd and 64th series of *Have I Got News For You* and co-produced *Mastermind* with Hindsight Productions for the BBC, we were in production on the 12th series of *Dinner Date* and *Whose Line is it Anyway?* for ITV and The CW respectively and delivered the 4th series of *Hypothetical* for Dave.

HTM Television, our joint venture with Jed Mercurio, continued to build on its recent success, with four programmes in production: including the first series of *Payback* and second series of *Trigger Point* and *DI Ray* for ITV, along with *Bloodlands S2* for the BBC.

In comedy, we delivered four series: *Derry Girls S3* (Channel 4), *Kate and Koji S2* (ITV), *The Family Pile* (ITV) and *Stuck* (BBC2). We also produced the one-hour special *Prince Andrew: the Musical* (Channel 4).

#### Rights exploitation

We continue to exploit the majority of our extensive programming catalogue in-house through Hat Trick International (HTI), although as the cost of scripted programming continues to rise, we continue to expand our network of distribution and financing partners to meet increasing deficits. HTI continues to benefit from Hat Trick's strong production pipeline, as well as through its relationships with other production companies.

#### Investments

Plum Pictures had an exceptional year producing shows for a number of different broadcasters and streamers both in the UK and US. Some of their key shows include *James May: Our Man in Italy* and *James May: Oh Cook!* (Amazon Prime), *George Clarke's Amazing Spaces* (Channel 4) and *Piers Morgan's Killers* (Fox Nation).

Emporium Productions also had one of their best years, producing shows for the BBC Channel 4, Channel 5, CBS Reality and Netflix. Key shows include the *Rich House Poor House* and *World's Toughest* (Netflix) franchises for C5 and Netflix respectively.

Livewire Pictures continues to televise some of the nation's biggest musical events including *The Proms* for the BBC. They also produced the critically acclaimed documentary *Paxman: Putting Up With Parkinson's*.

#### COVID

Although the TV industry continued to be impacted by Covid in 2022, the costs incurred continued to reduce as the year progressed and we now expect the additional costs to be negligible going forward.

As highlighted in previous reports, rights income will continue to be affected for several years to come as the

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## HAT TRICK HOLDINGS (2019) LIMITED

### GROUP STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

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additional costs incurred due to Covid are shared by us, the broadcaster and the distributor through recoupable advances, which in turn reduces the net receipts owed to us as the producer.

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

##### Foreign exchange risk

The Group operates primarily within the UK and so has limited exposure to foreign exchange movements. However, any material exposure is hedged on a case by case basis.

##### Credit risk

A large percentage of the Group's programming is conducted with the BBC and other established broadcasters. Therefore, the company does not have a significant exposure to credit defaults.

##### Liquidity risk

The Group has sufficient cash reserves to cover day to day working capital requirements. The working capital of the business is closely monitored to ensure these commitments are met.

#### **Financial key performance indicators**

Hat Trick uses Adjusted Profit after Tax (profit after tax, excluding amortisation and share options charge) as its key performance indicator.

Adjusted profit after tax was £5.3m in the period, £2.5m higher than 2021, due to increased production activity across the group.

#### **Other key performance indicators**

We consider the number of series in production and delivered in the year to be Hat Trick's main non-financial key performance indicators.

There were twelve series in production in 2022, with seven series delivered to broadcasters.

This report was approved by the board on 27 September 2023 and signed on its behalf.

**P Cohen**  
Director

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**HAT TRICK HOLDINGS (2019) LIMITED**

**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

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The directors present their report and the financial statements for the year ended 31 December 2022.

**Directors**

The directors who served during the year were:

J Mulville  
P McKenna  
P Cohen  
A Dugdale  
K Wilson  
J Sharkey  
K Mulville

**Results and dividends**

The profit for the year, after taxation, amounted to £4,472,582 (2021 - £1,863,763).

The directors have paid interim dividends of £2,699,805 (2021 - £1,100,193). The directors do not recommend the payment of a final dividend (2021 - £Nil).

**Directors' responsibilities statement**

The directors are responsible for preparing the Group Strategic Report, the Directors' Report and the consolidated 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 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 the Group and of the profit or loss of the Group for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Group's financial statements and then 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 Group 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 the Group 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Future developments**

Hat Trick benefits from a raft of returning series, as well as a strong pipeline of new programming in various stages of development.

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**HAT TRICK HOLDINGS (2019) LIMITED**

**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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**Engagement with employees**

The Group has continued throughout the year to provide employees with relevant information and to seek their views on matters of common concern. Priority is given to ensuring that employees are aware of all significant matters affecting the Group.

**Disclosure of information to auditors**

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 and the Group'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 and the Group's auditors are aware of that information.

**Auditors**

Under section 487(2) of the Companies Act 2006, Sophor + Co LLP will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

This report was approved by the board on 27 September 2023 and signed on its behalf.

**P Cohen**  
Director



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## HAT TRICK HOLDINGS (2019) LIMITED

### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HAT TRICK HOLDINGS (2019) LIMITED

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#### Opinion

We have audited the financial statements of Hat Trick Holdings (2019) Limited (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2022, which comprise the Group Statement of Comprehensive Income, the Group and Company Statements of Financial Position, the Group Statement of Cash Flows, the Group and Company 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 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent Company's affairs as at 31 December 2022 and of the Group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### 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 Group 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

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 Group's or the parent 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.

#### 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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HAT TRICK HOLDINGS (2019) LIMITED (CONTINUED)

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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 Group Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group 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 Group and the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group 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 by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company 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.

**Responsibilities of directors**

As explained more fully in the Directors' Responsibilities Statement set out 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 Group's and the parent 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 Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HAT TRICK HOLDINGS (2019) LIMITED (CONTINUED)

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**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 Group financial statements

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:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the Company through discussions with directors and other management, and from our commercial knowledge and experience of the television programmes production industry;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the Company, including the Companies Act 2006, taxation legislation and data protection, anti-bribery, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the Company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and
- understanding the design of the Company's remuneration policies.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators and the Company's legal advisors.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HAT TRICK HOLDINGS (2019) LIMITED (CONTINUED)

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There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

**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 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, as a body, for our audit work, for this report, or for the opinions we have formed.

Stephen Iseman FCA (Senior Statutory Auditor)

for and on behalf of

**Sopher + Co LLP**

Chartered Accountants

Statutory Auditors

5 Elstree Gate

Elstree Way

Borehamwood

Hertfordshire

WD6 1JD

27 September 2023

HAT TRICK HOLDINGS (2019) LIMITED

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022 £	2021 £
<b>Turnover</b>			
Group and share of joint ventures' turnover		50,344,259	43,651,348
Less: share of joint ventures' turnover		(12,054,927)	(11,726,631)
<b>Group turnover</b>	5	38,289,332	31,924,717
Cost of sales		(28,097,745)	(25,111,793)
<b>Gross profit</b>		10,191,587	6,812,924
Administrative expenses		(10,228,444)	(9,084,158)
Other operating income	6	2,592,935	1,797,986
<b>Operating profit/(loss)</b>	7	2,556,078	(473,248)
Share of profit of associates		613,493	382,452
<b>Total operating profit/(loss)</b>		3,169,571	(90,796)
Interest receivable and similar income	11	88,179	59,197
Interest payable and similar expenses	12	(2,929)	(6,431)
<b>Profit/(loss) before taxation</b>		3,254,821	(38,030)
Taxation	13	1,217,761	1,901,793
<b>Profit for the financial year</b>		4,472,582	1,863,763
<b>Other comprehensive income for the year</b>			
Foreign exchange reserve movement		1,664	21,039
Share option reserve movement		778,010	873,694
<b>Other comprehensive income for the year</b>		779,674	894,733
<b>Total comprehensive income for the year</b>		5,252,256	2,758,496

The notes on pages 17 to 39 form part of these financial statements.

**HAT TRICK HOLDINGS (2019) LIMITED**  
**REGISTERED NUMBER:12025781**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2022**

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Intangible assets	16	250,000	300,000
Tangible assets	17	605,354	596,183
Investments	18	1,308,921	1,154,081
		<u>2,164,275</u>	<u>2,050,264</u>
<b>Current assets</b>			
Work in progress	19	112,221	72,351
Debtors: amounts falling due within one year	20	15,892,935	14,987,286
Cash at bank and in hand	21	6,190,969	4,449,297
		<u>22,196,125</u>	<u>19,508,934</u>
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	22	(15,076,167)	(14,752,920)
		<u>7,119,958</u>	<u>4,756,014</u>
<b>Net current assets</b>			
		<u>9,284,233</u>	<u>6,806,278</u>
<b>Total assets less current liabilities</b>			
Creditors: amounts falling due after more than one year	23	(177,881)	(252,377)
		<u>9,106,352</u>	<u>6,553,901</u>
<b>Net assets</b>			
<b>Capital and reserves</b>			
Called up share capital	28	61,429	61,429
Share premium account	29	2,110,534	2,110,534
Capital redemption reserve	29	50,260	50,260
Share option reserve	29	2,372,149	1,594,139
Merger reserve	29	(2,986,742)	(2,986,742)
Profit and loss account	29	7,498,722	5,724,281
		<u>9,106,352</u>	<u>6,553,901</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 27 September 2023.

**A Dugdale**

Director

The notes on pages 17 to 39 form part of these financial statements.

**HAT TRICK HOLDINGS (2019) LIMITED**  
**REGISTERED NUMBER:12025781**

**COMPANY STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2022**

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Investments	18	27,021,361	27,021,361
<b>Current assets</b>			
Debtors: amounts falling due within one year	20	3,550,348	850,542
Cash at bank and in hand	21	711	-
		<u>3,551,059</u>	<u>850,542</u>
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	22	(5,376,027)	(2,606,547)
<b>Net current liabilities</b>		<u>(1,824,968)</u>	<u>(1,756,005)</u>
<b>Net assets</b>		<u><u>25,196,393</u></u>	<u><u>25,265,356</u></u>
<b>Capital and reserves</b>			
Called up share capital	28	61,429	61,429
Merger reserve	29	23,895,492	23,895,492
Profit and loss account carried forward		1,239,472	1,308,435
		<u><u>25,196,393</u></u>	<u><u>25,265,356</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 27 September 2023.

**A Dugdale**

Director

The notes on pages 17 to 39 form part of these financial statements.

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Called up share capital	Share premium account	Capital redemption reserve	Share option reserve	Merger reserve	Profit and loss account	Total equity
	£	£	£	£	£	£	£
<b>At 1 January 2021</b>	<b>61,429</b>	<b>2,110,534</b>	<b>50,260</b>	<b>720,445</b>	<b>(2,986,742)</b>	<b>4,939,672</b>	<b>4,895,598</b>
Profit for the year	-	-	-	-	-	1,863,763	1,863,763
Foreign exchange reserve movement	-	-	-	-	-	21,039	21,039
Share option charge	-	-	-	873,694	-	-	873,694
Dividends: Equity capital	-	-	-	-	-	(1,100,193)	(1,100,193)
<b>At 1 January 2022</b>	<b>61,429</b>	<b>2,110,534</b>	<b>50,260</b>	<b>1,594,139</b>	<b>(2,986,742)</b>	<b>5,724,281</b>	<b>6,553,901</b>
Profit for the year	-	-	-	-	-	4,472,582	4,472,582
Foreign exchange reserve movement	-	-	-	-	-	1,664	1,664
Share option charge	-	-	-	778,010	-	-	778,010
Dividends: Equity capital	-	-	-	-	-	(2,699,805)	(2,699,805)
<b>At 31 December 2022</b>	<b>61,429</b>	<b>2,110,534</b>	<b>50,260</b>	<b>2,372,149</b>	<b>(2,986,742)</b>	<b>7,498,722</b>	<b>9,106,352</b>

The notes on pages 17 to 39 form part of these financial statements.



**HAT TRICK HOLDINGS (2019) LIMITED**

**COMPANY STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Called up share capital	Merger reserve	Profit and loss account	Total equity
	£	£	£	£
<b>At 1 January 2021</b>	<b>61,429</b>	<b>23,895,492</b>	<b>1,314,016</b>	<b>25,270,937</b>
Profit for the year	-	-	1,094,613	1,094,613
Dividends: Equity capital	-	-	(1,100,193)	(1,100,193)
	<hr/>	<hr/>	<hr/>	<hr/>
<b>At 1 January 2022</b>	<b>61,429</b>	<b>23,895,492</b>	<b>1,308,436</b>	<b>25,265,357</b>
Profit for the year	-	-	2,630,841	2,630,841
Dividends: Equity capital	-	-	(2,699,805)	(2,699,805)
	<hr/>	<hr/>	<hr/>	<hr/>
<b>At 31 December 2022</b>	<b><u>61,429</u></b>	<b><u>23,895,492</u></b>	<b><u>1,239,472</u></b>	<b><u>25,196,393</u></b>

The notes on pages 17 to 39 form part of these financial statements.

HAT TRICK HOLDINGS (2019) LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2022

	2022 £	2021 £
<b>Cash flows from operating activities</b>		
Profit for the financial year	4,472,582	1,863,763
<b>Adjustments for:</b>		
Amortisation of intangible assets	50,000	50,000
Depreciation of tangible assets	229,029	217,908
Interest paid	2,929	6,431
Interest received	(88,179)	(59,197)
Taxation charge	(1,217,761)	(1,901,793)
(Increase)/decrease in work in progress	(39,870)	242,529
(Increase)/decrease in debtors	(4,226,369)	1,913,294
Decrease/(increase) in amounts owed by associates	2,224,125	(519,767)
(Decrease)/increase in creditors	(2,830,955)	2,537,590
Corporation tax received/(paid)	2,427,730	(26,571)
Net share of profits less losses of participating interests	(608,739)	(384,022)
Exchange differences on translation of foreign subsidiaries	1,664	21,039
Share option charge	778,010	873,694
Dividends received from associates	340,525	281,150
<b>Net cash generated from operating activities</b>	<b>1,514,721</b>	<b>5,116,048</b>
<b>Cash flows used in investing activities</b>		
Purchase of tangible fixed assets	(238,200)	(97,586)
Interest received	3,550	735
HP interest paid	(2,929)	(4,045)
Joint ventures interest received	84,629	58,462
<b>Net cash used in investing activities</b>	<b>(152,950)</b>	<b>(42,434)</b>

HAT TRICK HOLDINGS (2019) LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2022

	2022 £	2021 £
<b>Cash flows from/(used in) financing activities</b>		
New secured loans	3,355,662	-
Repayment of loans	(248,364)	(858,636)
Repayment of finance leases	(12,316)	(11,200)
Dividends paid	(2,699,805)	(1,100,193)
Interest paid	-	(2,386)
<b>Net cash from/(used in) financing activities</b>	<b>395,177</b>	<b>(1,972,415)</b>
<b>Net increase in cash and cash equivalents</b>	<b>1,756,948</b>	<b>3,101,199</b>
Cash and cash equivalents at beginning of year	4,424,840	1,323,642
<b>Cash and cash equivalents at the end of year</b>	<b>6,181,788</b>	<b>4,424,841</b>
<b>Cash and cash equivalents at the end of year comprise:</b>		
Cash at bank and in hand	6,190,969	4,449,297
Bank overdrafts	(9,181)	(24,456)
	<b>6,181,788</b>	<b>4,424,841</b>

CONSOLIDATED ANALYSIS OF NET DEBT  
FOR THE YEAR ENDED 31 DECEMBER 2022

	At 1 January 2022 £	Cash flows £	At 31 December 2022 £
Cash at bank and in hand	4,449,297	1,741,672	6,190,969
Bank overdrafts	(24,456)	15,275	(9,181)
Debt due within 1 year	(248,364)	(3,107,298)	(3,355,662)
Finance leases	(40,297)	12,316	(27,981)
	<b>4,136,180</b>	<b>(1,338,035)</b>	<b>2,798,145</b>

The notes on pages 17 to 39 form part of these financial statements.

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## HAT TRICK HOLDINGS (2019) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

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#### 1. General information

The Group is an industry leading content creator and rights owner with a library of long running award winning television programmes.

Hat Trick Holdings (2019) Limited is a private limited liability company incorporated in England and Wales, with its registered office address at 7 Savoy Court, London, WC2R 0EX.

The principal activity of the Company is that of a holding company.

#### 2. Accounting policies

##### 2.1 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 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgement in applying the Group's accounting policies (see note 3).

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements.

The following principal accounting policies have been applied:

##### 2.2 Basis of consolidation

As part of a group restructure in 2019, the Company became the ultimate holding company for the interests of Hat Trick Holdings Limited, a company registered in England and Wales. This transaction was accounted for as a group reconstruction, using the principles of merger accounting, as set out in FRS 102.

The acquired assets and liabilities are stated at historical cost, and have been included in the consolidated financial statements from the beginning of the earliest period presented as if the entities and business acquired had always formed a group. As such, the figures have been presented to reflect the financial position and results as though Hat Trick Holdings (2019) Limited had always been the parent company.

The consolidated financial statements present the results of the Company and its subsidiaries (together "the Group") as if they formed a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

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## HAT TRICK HOLDINGS (2019) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

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## 2. Accounting policies (continued)

### 2.3 Participating interests

An entity is treated as a joint venture where the Group is a party to a contractual agreement with one or more parties from outside the Group to undertake an economic activity that is subject to joint control.

An entity is treated as an associated undertaking where the Group exercises significant influence in that it has the power to participate in the operating and financial policy decisions.

In the consolidated accounts, interests in associated undertakings are accounted for using the equity method of accounting. Under this method an equity investment is initially recognised at the transaction price (including transaction costs) and is subsequently adjusted to reflect the investors share of the profit or loss, other comprehensive income and equity of the associate. The Consolidated Statement of Comprehensive Income includes the Group's share of the operating results, interest, pre-tax results and attributable taxation of such undertakings applying accounting policies consistent with those of the Group. In the Consolidated Statement of Financial Position, the interests in associated undertakings are shown as the Group's share of the identifiable net assets, including any unamortised premium paid on acquisition.

Any premium on acquisition is dealt with in accordance with the goodwill policy.

### 2.4 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding Value Added Tax.

Turnover comprises production fees and amounts receivable for the exploitation of rights and royalties net of VAT.

Production turnover and gross profit are recognised over the period of production on a stage of completion and straight line basis respectively.

Fees in respect of services provided are recognised over the period of the service agreement on a stage of completion basis.

Sums receivable from distribution by related parties are recognised when receivable. Where third party distributors are used, turnover is recognised on a receivable basis in accordance with distribution statements, unless an advance is received, in which case turnover is then recognised on the later of the license period start date or completion of all deliverables.

Royalties receivable are accounted for on a royalty earnings basis as part of turnover. Non-returnable, recoupable advances are accounted for on a completion of delivery requirements.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022

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**2. Accounting policies (continued)**

**2.5 Intangible assets**

**Goodwill**

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities.

Goodwill is amortised over its useful life of ten years.

**Format licences**

Acquired format licences are initially recognised at cost as an intangible asset. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

**2.6 Tangible fixed assets**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Short-term leasehold property	- over the period of the lease
Plant and machinery	- 25% straight line
Motor vehicles	- 25% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

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## HAT TRICK HOLDINGS (2019) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

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## 2. Accounting policies (continued)

### 2.7 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

#### Participating interests

The Group's share of profits less losses of associated undertakings is included in the Consolidated Statement of Comprehensive Income and the Group's share of their net assets is included in the Consolidated Statement of Financial Position. These amounts are taken from the latest financial statements of the undertakings concerned. Joint ventures are accounted for using the gross equity method.

#### Other investments

Investments held as fixed assets are shown at cost less any provision for impairment.

### 2.8 Work in progress

Project development costs, carried forward under work in progress, represent costs incurred on projects in development and are stated at the lower of cost and estimated net realisable value.

### 2.9 Debtors

Short term debtors are measured at the transaction price, less any impairment.

### 2.10 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Consolidated Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

### 2.11 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

### 2.12 Share options

The Group issues equity-settled share-based payments to certain employees. These share options are measured at fair value (excluding the effect of non market-based vesting conditions) at the date of the grant. The fair value of the share options issued is expensed on a straight line basis over the period to when management estimates the options will be exercised as adjusted for known vesting conditions.

Fair value is measured by use of the Black-Scholes pricing model. The principal assumptions made in the model are described in note 30.

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**HAT TRICK HOLDINGS (2019) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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**2. Accounting policies (continued)**

**2.13 Financial instruments**

The Group only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties and loans to and from related parties.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Income Statement.

**2.14 Dividends**

Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

**2.15 Operating leases: the Group as lessee**

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

**2.16 Pensions**

**Defined contribution pension plan**

The Group contributes to a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in the Consolidated Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the the Consolidated Statement of Financial Position. The assets of the plan are held separately from the Group in independently administered funds.



NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022

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**2. Accounting policies (continued)**

**2.17 Foreign currency translation**

**Functional and presentation currency**

The Company's functional and presentational currency is £ Sterling.

**Transactions and balances**

Foreign currency transactions are translated into the functional currency 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. Non-monetary 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.

On consolidation, the results of overseas operations are translated into Sterling at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

**2.18 Holiday pay accrual**

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the reporting date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the reporting date.

**2.19 Interest income**

Interest income is recognised in the Consolidated Statement of Comprehensive Income using the effective interest method.

**2.20 Finance costs**

Finance costs are charged to the Consolidated Statement of Comprehensive Income 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.

**2.21 Borrowing costs**

All borrowing costs are recognised in the Consolidated Statement of Comprehensive Income in the year in which they are incurred.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022

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**2. Accounting policies (continued)**

**2.22 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the reporting date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

**3. Judgements in applying accounting policies and key sources of estimation uncertainty**

In preparing these financial statements, the directors have made the following judgements:

- a) Determine whether leases entered into by the Group as a lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.
- b) Determine whether there are indicators of impairment of the Group's tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset.
- c) Determine at the year end the fair value of share options granted. The shares of the Group are not actively traded in a market and therefore directors use their judgement to ensure they adopt the most appropriate valuation method to determine fair value. Vesting conditions are taken into account when estimating the fair value of the share options.

In preparing these financial statements, the directors have considered the following key sources of estimation uncertainty:

Tangible and intangible assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and estimated disposal values.

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## HAT TRICK HOLDINGS (2019) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

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#### 4. Share based payments

A Dugdale, K Wilson, J Sharkey and P Cohen, who are directors of the Company are part of the Hat Trick Enterprise Management Incentive Plan. The scheme was approved by the shareholders of Hat Trick Holdings (2019) Limited on 5 August 2019 and the options were granted on the same date. The scheme comprises an option to subscribe for ordinary shares of £1 each in Hat Trick Holdings (2019) Limited for an exercise price of £242 and £390 per ordinary share. The awards become exercisable on or after the earlier of an exit event and any date(s) as specified in the option agreement. Under the scheme rules, an exit event is defined as the earlier of a share sale, a listing or a trade sale.

#### 5. Turnover

Analysis of turnover by country of destination:

	2022 £	2021 £
United Kingdom	26,795,650	22,792,153
Rest of Europe	2,631,029	2,329,072
Rest of the world	8,862,653	6,803,492
	<u>38,289,332</u>	<u>31,924,717</u>

#### 6. Other operating income

	2022 £	2021 £
Occupancy and personnel cost recharges	<u>2,592,935</u>	<u>1,797,986</u>

#### 7. Operating profit/(loss)

The operating profit/(loss) is stated after charging:

	2022 £	2021 £
Exchange differences	(13,811)	69,273
Other operating lease rentals	<u>625,540</u>	<u>621,741</u>

**HAT TRICK HOLDINGS (2019) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**8. Auditors' remuneration**

During the year, the Group obtained the following services from the Company's auditors:

	<b>2022</b>	2021
	<b>£</b>	£
Audit of the consolidated and parent Company's financial statements	<b>43,000</b>	42,000
Taxation compliance services	<b>7,000</b>	6,860
	<u><b>50,000</b></u>	<u>48,860</u>

**9. Employees**

Staff costs, including directors' remuneration, were as follows:

	<b>Group</b>	Group
	<b>2022</b>	2021
	<b>£</b>	£
Wages and salaries	<b>6,162,891</b>	5,389,558
Social security costs	<b>752,540</b>	575,789
Cost of defined contribution scheme	<b>250,458</b>	278,290
	<u><b>7,165,889</b></u>	<u>6,243,637</u>

The average monthly number of employees, including the directors, during the year was as follows:

	<b>Group</b>	Group	<b>Company</b>	Company
	<b>2022</b>	2021	<b>2022</b>	2021
	<b>No.</b>	No.	<b>No.</b>	No.
Management	<b>9</b>	9	7	6
Administration	<b>43</b>	40	-	-
Production, development and writing	<b>24</b>	20	-	-
	<u><b>76</b></u>	<u>69</u>	<u>7</u>	<u>6</u>

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**HAT TRICK HOLDINGS (2019) LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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**10. Directors' remuneration**

	2022 £	2021 £
Directors' emoluments	1,137,114	994,925
Group contributions to defined contribution pension schemes	57,150	86,066
	<u>1,194,264</u>	<u>1,080,991</u>

During the year retirement benefits were accruing to 6 directors (2021 - 6) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £381,633 (2021 - £387,237).

The value of the Group's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £23,962 (2021 - £18,917).

**11. Interest receivable**

	2022 £	2021 £
Share of joint ventures' interest receivable	84,629	58,462
Other interest receivable	3,550	735
	<u>88,179</u>	<u>59,197</u>

**12. Interest payable and similar expenses**

	2022 £	2021 £
Finance leases and hire purchase contracts	2,929	4,045
Other interest payable	-	2,386
	<u>2,929</u>	<u>6,431</u>

HAT TRICK HOLDINGS (2019) LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022

13. Taxation

	2022 £	2021 £
<b>Corporation tax</b>		
Current tax on profit for the year	(1,184,532)	(1,930,462)
Share of tax of associates	113,374	75,951
	<u>(1,071,158)</u>	<u>(1,854,511)</u>
<b>Foreign tax</b>		
Foreign tax on income for the year	115,464	117,767
	<u>115,464</u>	<u>117,767</u>
<b>Total current tax</b>	<b>(955,694)</b>	<b>(1,736,744)</b>
<b>Deferred tax</b>		
Origination and reversal of timing differences	(262,067)	(165,049)
	<u>(262,067)</u>	<u>(165,049)</u>
<b>Taxation on loss on ordinary activities</b>	<b><u>(1,217,761)</u></b>	<b><u>(1,901,793)</u></b>

**HAT TRICK HOLDINGS (2019) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**13. Taxation (continued)**

**Factors affecting tax charge for the year**

The tax assessed for the year is lower than (2021 - lower than) the standard rate of corporation tax in the UK of 19% (2021 - 19%). The differences are explained below:

	2022 £	2021 £
Profit/(loss) on ordinary activities before tax	<u>3,254,821</u>	<u>(38,030)</u>
Profit/(loss) on ordinary activities multiplied by the standard rate of corporation tax in the UK of 19% (2021 - 19%)	618,416	(7,226)
<b>Effects of:</b>		
Expenses not deductible for tax purposes	38,709	25,043
Difference between capital allowance and depreciation for the year	(22,859)	7,106
Non-taxable charge in respect of employee options	147,822	166,002
Foreign tax	115,464	117,767
High-end Television Tax Relief	(1,744,000)	(2,115,000)
Other factors affecting associates leading to a (decrease)/increase in the tax charge	(3,189)	3,285
Short term timing difference leading to an decrease in taxation	(322)	(818)
Utilisation of brought forward tax losses	(105,735)	(158,585)
Unrelieved tax losses carried forward	-	225,682
Deferred tax	(262,067)	(165,049)
<b>Total tax charge for the year</b>	<u>(1,217,761)</u>	<u>(1,901,793)</u>

**Factors that may affect future tax charges**

There were no factors that may affect future tax charges.

**14. Dividends**

	2022 £	2021 £
Dividends paid on equity shares	<u>2,699,805</u>	<u>1,100,193</u>

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**HAT TRICK HOLDINGS (2019) LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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**15. Parent company profit for the year**

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements. The profit after tax of the parent Company for the year was £2,630,841 (2021 - £1,094,612).

**16. Intangible assets****Group**

	<b>Format licence</b>	<b>Goodwill</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>			
At 1 January 2022	500,000	22,708,166	23,208,166
At 31 December 2022	500,000	22,708,166	23,208,166
<b>Amortisation</b>			
At 1 January 2022	200,000	22,708,166	22,908,166
Charge for the year on owned assets	50,000	-	50,000
At 31 December 2022	250,000	22,708,166	22,958,166
<b>Net book value</b>			
At 31 December 2022	250,000	-	250,000
At 31 December 2021	300,000	-	300,000



HAT TRICK HOLDINGS (2019) LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022

17. Tangible fixed assets

Group

	Short-term leasehold property £	Plant and machinery £	Motor vehicles £	Total £
<b>Cost</b>				
At 1 January 2022	1,234,233	4,037,300	176,727	5,448,260
Additions	-	238,200	-	238,200
At 31 December 2022	1,234,233	4,275,500	176,727	5,686,460
<b>Depreciation</b>				
At 1 January 2022	894,197	3,825,334	132,546	4,852,077
Charge for the year on owned assets	61,910	122,938	44,181	229,029
At 31 December 2022	956,107	3,948,272	176,727	5,081,106
<b>Net book value</b>				
At 31 December 2022	278,126	327,228	-	605,354
At 31 December 2021	340,036	211,966	44,181	596,183

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2022 £	2021 £
Plant and machinery	20,385	33,259

HAT TRICK HOLDINGS (2019) LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022

18. Fixed asset investments

Group

	Investments in associates £	Other fixed asset investments £	Investment in joint ventures £	Total £
<b>Cost</b>				
At 1 January 2022	1,149,333	25,000	4,748	1,179,081
Dividends received	(340,525)	-	-	(340,525)
Share of profit/(loss)	500,113	-	(4,748)	495,365
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2022	1,308,921	25,000	-	1,333,921
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Impairment</b>				
At 1 January 2022	-	25,000	-	25,000
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2022	-	25,000	-	25,000
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Net book value</b>				
At 31 December 2022	<u>1,308,921</u>	<u>-</u>	<u>-</u>	<u>1,308,921</u>
<b>At 31 December 2021</b>	<u>1,149,333</u>	<u>-</u>	<u>4,748</u>	<u>1,154,081</u>

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HAT TRICK HOLDINGS (2019) LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022

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**Company**

**Investments in  
subsidiary  
companies  
£**

**Cost**

At 1 January 2022

27,021,361

At 31 December 2022

27,021,361

**Net book value**

At 31 December 2022

27,021,361

At 31 December 2021

27,021,361

**Direct subsidiary undertaking**

The following was a direct subsidiary undertaking of the Company:

**Name**

**Class of  
shares**

**Holding**

Hat Trick Holdings Limited

Ordinary

100

%

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**HAT TRICK HOLDINGS (2019) LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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**Indirect subsidiary undertakings**

The following were indirect subsidiary undertakings of the Company:

<b>Name</b>	<b>Class of shares</b>	<b>Holding</b>
Hat Trick Productions Limited		100
	Ordinary	%
Hat Trick International Limited		100
	Ordinary	%
Hat Trick Television Limited		100
	Ordinary	%
Hat Trick (DG) Limited		100
	Ordinary	%
Hat Trick (Face) Limited (previously known as Hat Trick (SLD) Limited)		100
	Ordinary	%
Hat Trick (Stuck) Limited		100
	Ordinary	%
Hat Trick Holdings Inc.		100
	Ordinary	%
Hat Trick Entertainment Inc.		100
	Ordinary	%
Hat Trick East Inc.		100
	Ordinary	%
Hat Trick (FTM) Limited		100
	Ordinary	%
Hat Trick (Flack) Limited		100
	Ordinary	%
Hat Trick (K&K) Limited		100
	Ordinary	%
Hat Trick (TFP) Limited		100
	Ordinary	%

All of the above companies have their registered office at 7 Savoy Court, London, WC2R 0EX, apart from Hat Trick Holdings Inc., Hat Trick East Inc. and Hat Trick Entertainment Inc. whose business address is 33 Oval Road, London, NW1 7EA.

The principal activity of all the above companies is creation of content for broadcast media apart from Hat Trick International Limited which is Distribution of content.

**Associates**

The following were associates of the Company:

<b>Name</b>	<b>Class of shares</b>	<b>Holding</b>
Plum Pictures Limited		25
	Ordinary	%
Emporium Limited		49
	Ordinary	%

**Joint ventures**

The following were joint ventures of the Company:

<b>Name</b>	<b>Holding</b>
Toff Media Limited	50
	%

HTM Television Limited

50

Livewire Pictures Limited

%

50

%

The principal activity of all the above associates and joint ventures is creation of content for broadcast media.

**HAT TRICK HOLDINGS (2019) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**19. Work in progress**

	<b>Group 2022 £</b>	<b>Group 2021 £</b>
Work in progress	<u><b>112,221</b></u>	<u><b>72,351</b></u>

**20. Debtors**

	<b>Group 2022 £</b>	<b>Group 2021 £</b>	<b>Company 2022 £</b>	<b>Company 2021 £</b>
Trade debtors	<b>8,693,142</b>	3,361,817	-	-
Amounts owed by group undertakings	-	-	<b>3,550,345</b>	850,541
Amounts owed by joint ventures and associated undertakings	<b>889,141</b>	3,113,266	-	-
Other debtors	<b>324,213</b>	225,309	<b>3</b>	1
Prepayments and accrued income	<b>4,329,839</b>	5,659,977	-	-
Tax recoverable	<b>1,056,628</b>	2,289,012	-	-
Deferred taxation	<b>599,972</b>	337,905	-	-
	<u><b>15,892,935</b></u>	<u><b>14,987,286</b></u>	<u><b>3,550,348</b></u>	<u><b>850,542</b></u>

The carrying value of all debtor balances above equates to fair value. No balances were impaired at the year end (2021 - same).

Amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

**21. Cash and cash equivalents**

	<b>Group 2022 £</b>	<b>Group 2021 £</b>	<b>Company 2022 £</b>	<b>Company 2021 £</b>
Cash at bank and in hand	<b>6,190,969</b>	4,449,297	<b>711</b>	-
Less: bank overdrafts	<b>(9,181)</b>	(24,456)	-	(20)
	<u><b>6,181,788</b></u>	<u><b>4,424,841</b></u>	<u><b>711</b></u>	<u><b>(20)</b></u>

**HAT TRICK HOLDINGS (2019) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**22. Creditors: Amounts falling due within one year**

	<b>Group 2022 £</b>	<b>Group 2021 £</b>	<b>Company 2022 £</b>	<b>Company 2021 £</b>
Bank overdrafts	9,181	24,456	-	20
Bank loans	3,355,662	248,364	-	-
Trade creditors	661,619	878,250	-	-
Amounts owed to group undertakings	-	-	5,371,027	2,601,527
Other taxation and social security	1,283,843	1,562,330	-	-
Obligations under finance lease and hire purchase contracts	13,432	12,317	-	-
Other creditors	407,135	128,731	-	-
Accruals and deferred income	9,345,295	11,898,472	5,000	5,000
	<b>15,076,167</b>	<b>14,752,920</b>	<b>5,376,027</b>	<b>2,606,547</b>

**Secured loans**

The bank facilities are secured by a fixed and floating charge over certain specific assets. The short term bank loan was repaid on 27 April 2023.

Amounts owed to group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

**23. Creditors: Amounts falling due after more than one year**

	<b>Group 2022 £</b>	<b>Group 2021 £</b>
Net obligations under finance leases and hire purchase contracts	14,548	27,981
Accruals and deferred income	163,333	224,396
	<b>177,881</b>	<b>252,377</b>

**HAT TRICK HOLDINGS (2019) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
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**24. Hire purchase and finance leases**

Minimum lease payments under hire purchase fall due as follows:

	<b>Group 2022 £</b>	<b>Group 2021 £</b>
Within one year	<b>13,432</b>	12,317
Between 1-5 years	<b>14,548</b>	27,981
	<b><u>27,980</u></b>	<b><u>40,298</u></b>

**25. Deferred taxation**

**Group**

	<b>2022 £</b>	<b>2021 £</b>
At beginning of year	<b>337,905</b>	172,856
Charged to profit or loss	<b>262,067</b>	165,049
<b>At end of year</b>	<b><u>599,972</u></b>	<b><u>337,905</u></b>

The deferred tax asset is made up as follows:

	<b>Group 2022 £</b>	<b>Group 2021 £</b>
Decelerated capital allowances	<b>6,935</b>	35,114
Tax losses carried forward	<b>593,037</b>	302,791
	<b><u>599,972</u></b>	<b><u>337,905</u></b>

**26. Pension commitments**

The Group contributes to a defined contribution pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund and amounted to £250,458 (2021 - £278,290). Contributions totalling £17,008 (2021 - £8,357) were payable to the fund at the reporting date and are included in creditors.



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**HAT TRICK HOLDINGS (2019) LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
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**27. Commitments under operating leases**

At 31 December 2022 the Group and the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	<b>Group 2022 £</b>	<b>Group 2021 £</b>
Not later than 1 year	<b>700,000</b>	700,000
Later than 1 year and not later than 5 years	<b>2,800,000</b>	2,800,000
Later than 5 years	<b>700,000</b>	1,400,000
	<b><u>4,200,000</u></b>	<b><u>4,900,000</u></b>

**28. Share capital**

	<b>2022 £</b>	<b>2021 £</b>
<b>Allotted, called up and fully paid</b>		
61,429 (2021 - 61,429) Ordinary shares of £1 each	<b><u>61,429</u></b>	<b><u>61,429</u></b>

**29. Reserves****Share premium account**

This reserve represents the amount above the nominal value received for issued share capital, less transaction costs.

**Capital redemption reserve**

This reserve records the nominal value of shares repurchased by the Group.

**Share option reserve**

This reserve records all changes in relation to the enterprise management share option scheme implemented by the Group.

**Merger Reserve**

The merger reserve represents equity recognised on the acquisition of Hat Trick Holdings Limited being the difference between the fair value of the consideration paid and the nominal value of the shares acquired.

**Profit and loss account**

This reserve represents the cumulative balance of retained profits and losses to the reporting date, all of which are distributable.

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**HAT TRICK HOLDINGS (2019) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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**30. Share-based payments**

**Equity-settled share option scheme**

The group of which the Company is a member has implemented an enterprise management incentive share option schemes for certain directors and key employees on 5 August 2019.

Share options granted under the scheme are only exercisable on or after the earlier of an exit event and any date(s) as specified in the option agreement. Under the scheme rules, an exit event is defined as the earlier of a share sale, a listing or a trade sale.

At 31 December 2022, 7,405 (2021 - 6,752) options remained outstanding. Options are forfeited if the employee leaves the Group before they have been exercised.

The weighted average remaining contractual life of the share options outstanding at the end of the period was 3 years.

The aggregate of the estimated fair value of the share options granted is £2,695,231, resulting in a positive net charge of £778,010 (2021 - £873,694) in the Statement of Comprehensive Income due to cancelled options.

## HAT TRICK HOLDINGS (2019) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### 31. Related party transactions

During the year, the Group entered into transactions on an arms length basis, in the ordinary course of the business, and had balances at the year end with the following parties.

	Year ended 31 Dec 2022	Year ended 31 Dec 2022	Year ended 31 Dec 2022	Year ended 31 Dec 2021	Year ended 31 Dec 2021	Year ended 31 Dec 2021
	Sales	Purchases	Debtor/ (Creditor)	Sales	Purchases	Debtor/ (Creditor)
	£	£	£	£	£	£
Plum Pictures Limited	911,113	879,681	(279,824)	488,028	761,987	111,971
Emporium Productions Limited	177,697	5,288	(13,962)	41,566	18,984	(9,858)
HTM Television Limited	551,393	317,442	(11,802)	1,603,133	-	2,470,275
Livewire Pictures Limited	429,137	-	884,359	447,259	-	979,652
Toff Media Limited	-	2,360	(686)	-	-	-
	<u>2,069,340</u>	<u>1,204,771</u>	<u>578,085</u>	<u>2,579,986</u>	<u>780,971</u>	<u>3,552,040</u>

During the year the Group paid total dividends of £2,429,820 (2021 - £990,172) to J Mulville and K Mulville, directors of the Company.

At the reporting date the Group was owed £301 (2021 - £4,166) by J Mulville included in other debtors which was repaid after the year end.

During the year the Group paid dividends amounting to £269,985 (2021 - £110,021) to P McKenna, a director of the Company.

The Company has taken advantage of the exemption under FRS102 33.1A Related Party Disclosures not to disclose transactions entered into between two or more members of a group, provided that any subsidiary undertaking which is a party to the transaction is wholly owned by a member of that group.

#### Key management personnel

During the year, the Group paid remuneration totalling £1,878,126 (2021 - £1,745,707) to its key management personnel.

#### 32. Ultimate controlling party

The directors regard J Mulville, a director of the Company, as the ultimate controlling party.



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