

COMPANY REGISTRATION NUMBER: 10592143

Various Artists Limited
Financial Statements
31 March 2023

Parent company of
Henpocalypse Productions Ltd
(13508246)



Various Artists Limited

Financial Statements

Year ended 31 March 2023

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Various Artists Limited

Strategic Report

Year ended 31 March 2023

KEY PERFORMANCE INDICATORS AND FUTURE PROSPECTS

Review of Year Ending March 2023

This financial year has seen the Group recommence production in earnest as the post-Covid demand for content has continued, with the Company commencing production of several new series for British broadcasters and global streamers. As production of the Company's first new show only commenced half way through the year, the year was a loss-making year, but it ended with several shows in production and a number of others lined up for production in the following year.

The Company's operating loss for the financial year amounts to £1.2m (31 March 2022: £0.4m).

Total revenues for the financial year were £15m (31 March 2022: £1.5m).

The closing cash balance on 31 March 2023 was £2.9m (31 March 2022: £2.5m).

Net assets on 31 March 2022 stood at £4.1m (31 March 2022: £5.3m).

At the end of the year, Various Artists had several significant new television production commissions on its order book, for a range of UK and international broadcasters and streaming services, and entered the following financial year with a strong slate of future business. The Directors continue to see future prospects for Various Artists Ltd as very positive.

PRINCIPAL RISKS AND UNCERTAINTIES AND FINANCIAL RISK MANAGEMENT

The Group has reviewed the potential risks to the company with specific attention to the Covid-19 situation. A summary of the main risks in the business and how they are mitigated is as follows:

Market risk

Whereas there remains a level of risk of further disruption from the Covid-19 pandemic, that risk has eased. The Directors continue to ensure that each production is approached with suitable precautions to protect the company, and believe the Group is very well resourced in terms of both cash reserves and business experience to comfortably navigate any ongoing issues.

Operational/Compliance risk

There is always an operational and compliance risk whereby a failure to follow correct procedure could result in a breach of the Company's regulatory requirements. The Company has a strong management team briefed to monitor and review all its key procedures to ensure that the risk of any such breach is reduced as far as is possible.

Liquidity risk

The Group has a sophisticated forecasting model to monitor forecast liquidity and ensure that it has adequate headroom to satisfy its obligations.

Brexit

Management do not expect Brexit to have a significant impact on the business.

Various Artists Limited

Strategic Report *(continued)*

Year ended 31 March 2023

14 December 2023

This report was approved by the board of directors on and signed on behalf of the board by:

Greg Allon

G M Allon
Director

Various Artists Limited

Directors' Report

Year ended 31 March 2023

The directors present their report and the financial statements of the group for the year ended 31 March 2023.

Directors

The directors who served the company during the year were as follows:

G M Allon
J D Armstrong
S C Bain
M Bennett
P B Clarke
R A A Troni
BBC Studios Corporate Services
Limited

Dividends

No dividends will be distributed for the year ended 31 March 2023.

Future developments

Looking forward, the directors intend to seek new commissions whilst also maximising returns from distribution income.

Directors' responsibilities statement

The directors are responsible for preparing the strategic report, 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 group and the company and the profit or loss of the group 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 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.

Various Artists Limited

Directors' Report *(continued)*

Year ended 31 March 2023

Auditor

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

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

14 December 2023

This report was approved by the board of directors on and signed on behalf of the board by:

Greg Allon

G M Allon
Director

Various Artists Limited

Independent Auditor's Report to the Members of Various Artists Limited

Year ended 31 March 2023

Opinion

We have audited the financial statements of Various Artists Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2023 which comprise the consolidated income statement, consolidated statement of financial position, company statement of financial position, consolidated statement of changes in equity, company statement of changes in equity, consolidated statement of cash flows 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 FRS 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 March 2023 and of the group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 auditor's 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 UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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.

Various Artists Limited

Independent Auditor's Report to the Members of Various Artists Limited

(continued)

Year ended 31 March 2023

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year 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 group and the parent 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 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.

Various Artists Limited

Independent Auditor's Report to the Members of Various Artists Limited

(continued)

Year ended 31 March 2023

Responsibilities of directors

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

In preparing the financial statements, the directors are responsible for assessing the 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.

Auditor's responsibilities for the audit of the financial statements

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

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

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined the most significant are those that relate to the reporting framework ((FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice), the Companies Act 2006)) and the relevant tax compliance regulations in which the Company operates.
 - We understood how the Company is complying with those frameworks by making enquiries on the management and those responsible for legal and compliance procedures. We corroborated our enquiries through our review of board minutes and any correspondence received from regulatory bodies.
 - We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by inquiring with management during the planning, fieldwork and completion phase of our audit. We considered the controls that the Company has established to address risks identified, or that otherwise prevent, deter and detect fraud and how management monitors those controls. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk including revenue recognition. These procedures included testing manual journals and were designed to provide reasonable assurance that the financial statements were free from fraud or error.
 - Based on this understanding we designed our audit procedures to detect irregularities, including fraud. Testing undertaken included making enquiries of the management; journal entry testing; review of bank letters, and any correspondence received from regulatory bodies; reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations. These procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error.
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Various Artists Limited

Independent Auditor's Report to the Members of Various Artists Limited *(continued)*

Year ended 31 March 2023

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 on the effectiveness of the group'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 group's or the parent 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 auditor's 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 auditor's report. However, future events or conditions may cause the group or the parent 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. *We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.*

Various Artists Limited

Independent Auditor's Report to the Members of Various Artists Limited (continued)

Year ended 31 March 2023

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.

Use of our report

This report is made solely to the company's members, as a body, in accordance with chapter 3 of part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Lauren Gilman

Lauren Gilman (Senior Statutory Auditor)

For and on behalf of
Shipleys LLP
Chartered accountants & statutory auditor
10 Orange Street
Haymarket
London
WC2H 7DQ

19 December 2023

Various Artists Limited
Consolidated Income Statement
Year ended 31 March 2023

	Note	2023 £	2022 £
Turnover	4	15,092,293	1,600,726
Cost of sales		(17,722,542)	(2,636,367)
Gross loss		(2,630,249)	(1,035,641)
Administrative expenses		(2,339,179)	(1,670,989)
Other operating income	5	(7,185)	73,268
Operating loss	6	(4,976,613)	(2,633,362)
Other interest receivable and similar income	10	2,423	5,903
Loss before taxation		(4,974,190)	(2,627,459)
Tax on loss	11	3,773,635	2,211,095
Loss for the financial year		(1,200,555)	(416,364)

All the activities of the group are from continuing operations.

The group has no other recognised items of income and expenses other than the results for the year as set out above.

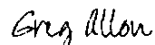
The notes on pages 16 to 24 form part of these financial statements.

Various Artists Limited**Consolidated Statement of Financial Position****31 March 2023**

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	12	181,402	30,003
Current assets			
Stocks	14	648,745	458,776
Debtors	15	10,323,190	4,399,755
Cash at bank and in hand		2,960,852	2,472,650
		<u>13,932,787</u>	<u>7,331,181</u>
Creditors: amounts falling due within one year	16	(9,972,704)	(2,019,144)
Net current assets		<u>3,960,083</u>	<u>5,312,037</u>
Total assets less current liabilities		<u>4,141,485</u>	<u>5,342,040</u>
Net assets		<u>4,141,485</u>	<u>5,342,040</u>
Capital and reserves			
Called up share capital	18	5	5
Share premium account	19	1,549,999	1,549,999
Profit and loss account	19	2,591,481	3,792,036
Shareholders funds		<u>4,141,485</u>	<u>5,342,040</u>

These financial statements were approved by the board of directors and authorised for issue on 14 December 2023 are signed on behalf of the board by:

2023



G M Allon
Director

Company registration number: 10592143

The notes on pages 16 to 24 form part of these financial statements.

Various Artists Limited**Company Statement of Financial Position****31 March 2023**

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	12	181,402	30,003
Investments	13	104	102
		<u>181,506</u>	<u>30,105</u>
Current assets			
Stocks	14	676,870	446,307
Debtors	15	5,016,517	3,811,063
Cash at bank and in hand		1,446,360	2,067,958
		<u>7,139,747</u>	<u>6,325,328</u>
Creditors: amounts falling due within one year	16	(3,179,770)	(1,013,394)
Net current assets		<u>3,959,977</u>	<u>5,311,934</u>
Total assets less current liabilities		<u>4,141,483</u>	<u>5,342,039</u>
Net assets		<u>4,141,483</u>	<u>5,342,039</u>
Capital and reserves			
Called up share capital	18	5	5
Share premium account	19	1,549,999	1,549,999
Profit and loss account	19	2,591,479	3,792,035
Shareholders funds		<u>4,141,483</u>	<u>5,342,039</u>

The loss for the financial year of the parent company was £1,200,556 (2022: £416,365).

These financial statements were approved by the board of directors and authorised for issue on 14 December 2023 and are signed on behalf of the board by:

2023

Greg Allon

G M Allon
Director

Company registration number: 10592143

The notes on pages 16 to 24 form part of these financial statements.

Various Artists Limited

Consolidated Statement of Changes in Equity

Year ended 31 March 2023

	Called up share capital £	Share premium account £	Profit and loss account £	Total £
At 1 April 2021	5	1,549,999	4,208,400	5,758,404
Loss for the year	—	—	(416,364)	(416,364)
Total comprehensive income for the year	—	—	(416,364)	(416,364)
At 31 March 2022	5	1,549,999	3,792,036	5,342,040
Loss for the year	—	—	(1,200,555)	(1,200,555)
Total comprehensive income for the year	—	—	(1,200,555)	(1,200,555)
At 31 March 2023	5	1,549,999	2,591,481	4,141,485

The notes on pages 16 to 24 form part of these financial statements.

Various Artists Limited**Company Statement of Changes in Equity****Year ended 31 March 2023**

	Called up share capital £	Share premium account £	Profit and loss account £	Total £
At 1 April 2021	5	1,549,999	4,208,400	5,758,404
Loss for the year	—	—	(416,365)	(416,365)
Total comprehensive income for the year	—	—	(416,365)	(416,365)
At 31 March 2022	5	1,549,999	3,792,035	5,342,039
Loss for the year	—	—	(1,200,556)	(1,200,556)
Total comprehensive income for the year	—	—	(1,200,556)	(1,200,556)
At 31 March 2023	<u>5</u>	<u>1,549,999</u>	<u>2,591,479</u>	<u>4,141,483</u>

The notes on pages 16 to 24 form part of these financial statements.

Various Artists Limited

Consolidated Statement of Cash Flows

Year ended 31 March 2023

	2023 £	2022 £
Cash flows from operating activities		
Loss for the financial year	(1,200,555)	(416,364)
<i>Adjustments for:</i>		
Depreciation of tangible assets	18,022	20,718
Other interest receivable and similar income	(2,423)	(5,903)
Tax on loss	(3,773,635)	(2,211,095)
Accrued income	(142,452)	(955,169)
<i>Changes in:</i>		
Stocks	(189,969)	(279,832)
Trade and other debtors	(1,766,006)	(164,506)
Trade and other creditors	5,418,827	(639,715)
Cash generated from operations	(1,638,191)	(4,651,866)
Interest received	2,423	5,903
Tax received/(paid)	2,293,391	(320,876)
Net cash from/(used in) operating activities	<u>657,623</u>	<u>(4,966,839)</u>
Cash flows from investing activities		
Purchase of tangible assets	(169,421)	(2,589)
Net cash used in investing activities	<u>(169,421)</u>	<u>(2,589)</u>
Net increase/(decrease) in cash and cash equivalents	488,202	(4,969,428)
Cash and cash equivalents at beginning of year	<u>2,472,650</u>	<u>7,442,078</u>
Cash and cash equivalents at end of year	<u>2,960,852</u>	<u>2,472,650</u>

The notes on pages 16 to 24 form part of these financial statements.

Various Artists Limited

Notes to the Financial Statements

Year ended 31 March 2023

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is 15 D'Arblay Street, London, W1F8DZ, England.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Disclosure exemptions

The parent company satisfies the criteria of being a qualifying entity as defined in FRS 102. As such, advantage has been taken of the following reduced disclosures available under FRS 102:

- (a) Disclosures in respect of each class of share capital have not been presented.
- (b) No cash flow statement has been presented for the company.
- (c) Disclosures in respect of financial instruments have not been presented.
- (d) No disclosure has been given for the aggregate remuneration of key management personnel.

Consolidation

The financial statements consolidate the financial statements of Various Artists Limited and all of its subsidiary undertakings.

The results of subsidiaries acquired or disposed of during the year are included from or to the date that control passes.

The parent company has applied the exemption contained in section 408 of the Companies Act 2006 and has not presented its individual profit and loss account.

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 amounts 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 if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Various Artists Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

5. Accounting policies *(continued)*

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Where projects span a longer period, turnover is determined by the stage of completion of the project. Where losses in respect of long term projects are expected and can be reliably measured they are provided for within the profit and loss account.

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in 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 using 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 probable 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 laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the profit and loss account.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Long leasehold property	-	25% straight line
Plant and machinery	-	25% straight line
Fixtures and fittings	-	25% straight line
Equipment	-	25% straight line

Various Artists Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

3. Accounting policies *(continued)*

Investments

Investments in subsidiary undertakings are recognised at cost.

Stocks

Work in progress is valued at the lower of cost and net realisable value.

Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

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.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

4. Turnover

Turnover arises from:

	2023 £	2022 £
Production revenue	15,092,293	1,600,726

The whole of the turnover is attributable to the principal activity of the group wholly undertaken in the United Kingdom.

5. Other operating income

	2023 £	2022 £
Other operating income	(7,185)	73,268

Various Artists Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

6. Operating profit

Operating profit or loss is stated after charging:

	2023	2022
	£	£
Depreciation of tangible assets	18,022	20,718
Foreign exchange differences	—	8,580

7. Auditor's remuneration

	2023	2022
	£	£
Fees payable for the audit of the financial statements	10,250	8,000
Fees payable to the company's auditor and its associates for other services:		
Taxation advisory services	1,200	—
Other non-audit services	4,000	—
	5,200	—

8. Staff costs

The average number of persons employed by the group during the year, including the directors, amounted to:

	2023	2022
	No.	No.
Production staff	19	20

The aggregate payroll costs incurred during the year, relating to the above, were:

	2023	2022
	£	£
Wages and salaries	1,522,849	1,068,727
Social security costs	192,219	130,584
Other pension costs	20,545	11,990
	1,735,613	1,211,301

9. Directors' remuneration

The directors' aggregate remuneration in respect of qualifying services was:

	2023	2022
	£	£
Remuneration	731,810	621,810

Remuneration of the highest paid director in respect of qualifying services:

	2023	2022
	£	£
Aggregate remuneration	204,000	156,250

Various Artists Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

10. Other interest receivable and similar income

	2023	2022
	£	£
Interest on cash and cash equivalents	1,031	5,290
Interest on bank deposits	1,392	613
	<u>2,423</u>	<u>5,903</u>

11. Tax on loss

Major components of tax income

	2023	2022
	£	£
Current tax:		
UK current tax income	(3,773,635)	(2,211,095)
Tax on loss	<u>(3,773,635)</u>	<u>(2,211,095)</u>

Reconciliation of tax income

The tax assessed on the loss on ordinary activities for the year is lower than (2022: lower than) the standard rate of corporation tax in the UK of 38% (2022: -19%).

	2023	2022
	£	£
Loss on ordinary activities before taxation	<u>(4,974,190)</u>	<u>(2,627,459)</u>
Loss on ordinary activities by rate of tax	(945,096)	(499,217)
Effect of expenses not deductible for tax purposes	7,553	1,798
Effect of capital allowances and depreciation	(38,423)	3,444
Effect of revenue exempt from tax	—	(181,811)
Utilisation of tax losses	—	(311,875)
Unused tax losses	975,966	—
High-end television tax relief	(3,773,635)	(1,899,220)
Deferred tax asset not recognised	—	675,786
Tax on loss	<u>(3,773,635)</u>	<u>(2,211,095)</u>

Various Artists Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

12. Tangible assets

Group and company	Long leasehold property £	Plant and machinery £	Fixtures and fittings £	Equipment £	Total £
Cost					
At 1 April 2022	21,073	18,690	41,024	18,707	99,494
Additions	—	41,919	125,455	2,047	169,421
At 31 March 2023	21,073	60,609	166,479	20,754	268,915
Depreciation					
At 1 April 2022	15,233	12,697	28,748	12,813	69,491
Charge for the year	2,892	3,337	8,069	3,724	18,022
At 31 March 2023	18,125	16,034	36,817	16,537	87,513
Carrying amount					
At 31 March 2023	2,948	44,575	129,662	4,217	181,402
At 31 March 2022	5,840	5,993	12,276	5,894	30,003

13. Investments

The group has no investments.

Company	Shares in group undertakings £
Cost	
At 1 April 2022	102
Additions	2
At 31 March 2023	104
Impairment	
At 1 April 2022 and 31 March 2023	—
Carrying amount	
At 31 March 2023	104
At 31 March 2022	102

Subsidiaries, associates and other investments

Details of the investments in which the parent company has an interest of 20% or more are as follows:

Subsidiary undertakings	Class of share	Percentage of shares held
VALFAL Limited	Ordinary	100
Juice Productions Limited	Ordinary	100

Various Artists Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

13. Investments *(continued)*

	Class of share	Percentage of shares held
Henpocalypse Productions Limited	Ordinary	100
Filow Productions Limited	Ordinary	100
Such Brave Girls Productions Limited	Ordinary	100

The above subsidiary results are included in the consolidated financial statements.

The above subsidiaries are exempt from the requirements of the Companies Act 2006 under the provisions of s479A-s479C relating to the audit of individual financial statements.

14. Stocks

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Work in progress	648,745	458,776	676,870	446,307

15. Debtors

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Trade debtors	1,579,961	254,553	1,113,464	148,354
Amounts owed by group undertakings	—	—	2,374,198	2,704,296
Prepayments and accrued income	3,683,521	1,086,912	95,629	565,120
VAT recoverable	140,164	82,532	—	(3,615)
Corporation tax recoverable	4,371,903	2,890,723	311,875	311,875
Other debtors	547,641	85,035	1,121,351	85,033
	10,323,190	4,399,755	5,016,517	3,811,063

The debtors above include the following amounts falling due after more than one year:

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Other debtors	85,000	85,000	85,000	85,000

Various Artists Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

16. Creditors: amounts falling due within one year

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Trade creditors	576,831	174,975	38,871	130,499
Amounts owed to group undertakings	–	–	1,901,005	–
Accruals and deferred income	7,784,950	1,701,505	1,410,981	775,187
Social security and other taxes	138,507	52,103	68,009	42,045
Production loan	1,472,416	25,000	–	–
Other creditors	–	65,561	104	65,663
	<u>9,972,704</u>	<u>2,019,144</u>	<u>3,179,770</u>	<u>1,013,394</u>

17. Employee benefits

Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £20,545 (2022: £11,990).

18. Called up share capital

Issued, called up and fully paid

	2023		2022	
	No.	£	No.	£
Ordinary shares of £1 each	<u>5</u>	<u>5</u>	<u>5</u>	<u>5</u>

19. Reserves

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meeting of the company. The holders of Ordinary A class shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the company. In addition, the holder of a majority of the A Share may from time to time appoint up to one person to act as a director.

On a return of assets, first each A Shareholder is entitled to be paid an amount equal to the amount credited as paid up for those A Shares minus any dividend or other distributions made to the relevant A Shareholders. Second all ordinary shares and A Ordinary Shares rank equally with regard to the company's residual assets.

20. Analysis of changes in net debt

	At 1 Apr 2022	Cash flows	At 31 Mar 2023
	£	£	£
Cash at bank and in hand	<u>2,472,650</u>	<u>458,202</u>	<u>2,960,852</u>

Various Artists Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

21. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Not later than 1 year	212,007	127,500	212,007	127,500
Later than 1 year and not later than 5 years	828,753	—	828,753	—
	<u>1,040,760</u>	<u>127,500</u>	<u>1,040,760</u>	<u>127,500</u>

22. Related party transactions

Company

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Transactions between group entities which have been eliminated on consolidation are not disclosed within the financial statements.