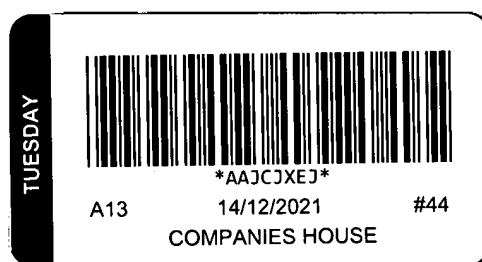


COMPANY REGISTRATION NUMBER: 5221898

Love Productions Limited
Financial Statements
31 December 2020



SHIPLEYS LLP
Chartered accountants & statutory auditor
10 Orange Street
Haymarket
London
WC2H 7DQ

Love Productions Limited

Financial Statements

Period from 1 July 2019 to 31 December 2020

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Love Productions Limited

Strategic Report

Period from 1 July 2019 to 31 December 2020

The directors of Love Productions Limited ("the Company"), present their Strategic Report for the 18 month period ending 31 December 2020. The purpose of the Strategic Report is to inform members of the Company and help them assess how the directors have performed their duty under section 172 of the Companies Act 2006 (duty to promote the Company).

Principal activities and business review

On 21 February 2020 Sky Ventures Limited acquired the remaining 30% shareholding in the Company with the Company becoming a wholly owned subsidiary of Sky Ventures Limited. The Company is ultimately controlled by Comcast Corporation ("Comcast"). The Company operates together with Comcast's other subsidiaries as a part of the Comcast Group.

The principal activity of the Company and its subsidiaries ("the Group") during the year was that of television production.

The increase in revenue is predominately due to the 18 month period being reported for 2020 as compared to 12 months in 2019. On a pro-rata 12 months basis turnover decreased by 6.9% and gross by 5.2%. Revenue movement is due to the below:

Covid 19 impact on US productions - it was not possible to safely film 4 series as a result of the impact of Covid 19 on safety and travel.

This was offset by UK production where the significant investment into extensive protocols, post - production technology and the creation of 'filming bubbles' allowed filming to continue. Although one series was suspended all other series successfully continued to production.

The cost of safely producing during the pandemic resulted in a lower gross profit for the period.

Key financial performance indicators (KPI's)

The key financial performance indicators of the Group are turnover and EBITDA which are summarised below:

	2020 £	2019 £
£000		
Turnover	85,778	61,429
Gross profit	43,571	30,636
GP%	51	50
EBITDA	23,648	21,048

Key non-financial performance indicators (KPI's)

Key non-financial performance indicators are the continued production of high quality content, the management and protection of programme brands, ongoing development of excellent creative content and the investment and development of staff.

Love Productions Limited

Strategic Report *(continued)*

Period from 1 July 2019 to 31 December 2020

Employment policies

The Company has continued its efforts to create a great place to work and to provide support and development for colleagues at all stages of their career.

Managing and developing our people

Equal opportunities

The Company has continued to support equality, diversity and inclusion and endeavours to ensure that all colleagues are valued, treated with dignity and respect, and have a meaningful voice on matters that affect them.

Employee engagement

At Love we listen to our people and encourage everyone to be involved. We know great ideas come from all corners of our business and we believe in harnessing these ideas for the benefit of our customers and our people.

Impact of Covid-19

The Company closed its offices March 2020 and paused all scheduled production and filming for 3 months. The company acted quickly and decisively by protecting and supporting their staff and investing into equipment and technology to allow remote editing. This allowed two of its series in post production at the time to continue production, and meet their Spring transmission without delay.

All production filming was paused for months whilst the company, in close consultation with its H&S and legal consultants, devised new ways of working by implementing extensive filming protocols to allow safe filming of 'The Great British Bake Off'. The company invested into the creation of a safe biosphere and in July 2020, it was the first production of scale to safely film following the Covid 19 UK outbreak 2020.

As it became clear that Covid restrictions would remain in place locally and globally for the rest of the year, the company adapted its extensive protocols, and rescheduled; finding new ways of filming most of its slate of programmes in the UK, and only standing down one of its series in production. Two US series scheduled to film outside of the US could not progress due to restrictions and it was no longer possible to safely film other series in discussion at the time.

Following the completion of 2019, the board declared a dividend in February 2020. However in light of Covid, no additional dividends were declared in 2020, nor have been declared in the subsequent events period in 2021

It is expected that the pandemic will continue to impact the business going forward at a tactical, strategic, operational and commercial level.

Future developments

As a result of the uncertainty, discussions around new developments paused and no new business of scale has been commissioned, though discussions are ongoing as we seek to respond creatively to the needs of the audiences following the global covid experience.

Love Productions Limited

Strategic Report *(continued)*

Period from 1 July 2019 to 31 December 2020

Going concern

The directors have undertaken a rigorous assessment of whether the Company was a going concern when the accounts were prepared, considering all available information about the future, covering a period of 12 months from the date of the approval of the accounts.

The directors are not aware of any material uncertainty arising from their assessment that would cast doubt on the Company's ability to continue as a going concern.

Principal risks and uncertainties

The Company manages business and financial risk and uncertainties as a whole rather than each individual production. For this reason the directors believe that the company has reduced exposure to business and financial risks given the variety in its television series portfolio. The television industry is a volatile industry susceptible to changes in the global economy, as well as changes in legislation, regulation and government policy which may affect the industry. Any of these may adversely affect consumer demand for television programmes or the ability to successfully finance or market television productions.

Opportunities & risks

To promote the long-term sustainable success of the Company and the Sky Group, Sky seeks to identify and capitalise on a broad range of opportunities whilst also mitigating risks. Sky has a formal risk management framework embedded within the business to support the identification and management of risk across the Sky Group. There is an ongoing monitoring process which is operated by the Sky Group risk team and supported by senior management across the Group, to identify and report on significant changes or new risks. The Sky Group Risk, Controls and Assurance function assists the business to develop risk registers and consolidates these to support both Sky's day to day approach to risk and to form part of Comcast's year end requirements.

Streamline energy and carbon reporting

The Company has been tracking and reporting our carbon footprint across all UK productions since 2018/2019 via the UK industry wide albert carbon calculator. The London office uses green energy and LED lighting and all of our production sets include as much LED/energy efficient lighting as possible, which we aim to improve on with each new year of production. In 2021 our lighting suppliers switched from using a standard diesel generator fuel to an HVO 100% Renewable Diesel that does not release any new carbon dioxide into the atmosphere. Wherever possible we reuse set materials and props across productions and returning series.

The Company does not consider it practical to analyse the carbon and energy usage at Company level, given the interconnected nature of the Company's operations within the Sky Group, and accordingly the disclosure has been included for the Sky Group as a whole as set out below:

We have been reporting our carbon footprint since 2005/06, which now includes our businesses in the UK, Republic of Ireland, Portugal, Germany, Austria and Switzerland, and Italy. In February 2020, we launched Sky Zero, our commitment to halve our greenhouse gas emissions across our value chain against a 2018 baseline, and become net zero carbon by 2030. Sky has been a CarbonNeutral® company since 2006, and we have already more than halved our operational emissions since 2012.

Over 2020 many of our sites across Europe remained open for our key worker engineers, journalists and broadcast operations employees. We replaced diesel generator fuel with low carbon HVO at three main sites, introduced 151 Ford Transit PHEV to Sky's commercial fleet, providing a 60% reduction in emissions against their diesel equivalents, and continue to invest in LED lighting. We optimised cooling at our technical sites and introduced automated computing power controls to our data centres, to maximise efficiency and reduce the number of physical devices needed at low demand times.

Love Productions Limited

Strategic Report *(continued)*

Period from 1 July 2019 to 31 December 2020

In September 2020 we launched a renewable energy offer to our people to help them reduce their emissions at home.

Further information including a detailed breakdown of our Scopes 1, 2 and 3 emissions, our progress towards net zero carbon by 2030 and historic reporting can be found in our annual impact reports at <https://www.skygroup.sky/reports>.

	2020		2019 (18 months)	
	UK and Ireland ⁽¹⁾	Sky Group	UK and Ireland ⁽¹⁾	Sky Group
Carbon Intensity				
Revenue (£m)	9,873	14,464	14,649	22,351
Carbon Intensity (Total Scopes 1 and 2 (location-based) tCO ₂ e/£m revenue)	5.93	6.05	6.81	6.57
Carbon Emissions (tCO₂e)				
Scope 1 (Fuel combustion and operation of facilities)	19,758	35,265	34,114	54,238
Scope 2 (market-based purchased energy)	4,983	21,191	11,213	44,689
Total Scope 1 and 2 (market-based purchased energy) ⁽²⁾	24,741	56,456	45,327	98,928
Scope 2 (location-based purchased energy)	38,820	52,276	65,692	92,712
Total Scope 1 and Scope 2 (location-based purchased energy) ⁽²⁾	58,579	87,541	99,806	146,951
Total Energy consumption (kWh)	240,674,393	361,617,988	384,385,368	564,758,108

Figures in the above table are reflecting UK and Ireland and Sky Group revenue figures only and therefore will not agree to the revenue reported in these financial statements.

Methodology

We calculate our greenhouse gas emissions in carbon dioxide equivalent (CO₂e) for Scopes 1 and 2 according to the Greenhouse Gas Protocol Corporate Standard and associated guidance. We use the emission factors from the latest UK Government Emissions Conversion Factors for Greenhouse Gas Company Reporting (Department for Business, Energy & Industrial Strategy, 2020), IEA emission factors (2020 edition) and the Reliable Disclosure (RE-DISS) European Residual Mixes 2019. (1) UK & Ireland includes Sky's Joint Ventures, small international offices and news bureaux and business activities in Portugal. (2) Our total gross CO₂e emissions include all Scope 1 and Scope 2 location-based greenhouse gas emissions; and our market-based emissions are those remaining after emissions factors from contractual instruments have been applied. Our energy providers retain, on our behalf, the Guarantees of Origin (GOs) and Renewable Energy Guarantee of Origin (REGOs). In addition, we offset our total gross emissions, including Scope 1, location-based Scope 2 and selected Scope 3 emissions, through the purchase of Voluntary Carbon Standard offsets. Our carbon emissions data and carbon intensity are subject to an annual independent assurance review, the results of which are published alongside our annual impact report. The 2020 carbon emissions data and carbon intensity have been independently assured by ERM CVS.

Love Productions Limited

Strategic Report *(continued)*

Period from 1 July 2019 to 31 December 2020

Section 172 statement

Under section 172(1) of the Companies Act 2006 ("Section 172"), the directors must act in the way that they consider, in good faith, would most likely promote the success of the Company for the benefit of its members as a whole and in doing so have regard (amongst other matters) to:

- the likely consequences of any decisions in the long-term;
- the interests of the Company's employees;
- the need to foster the Company's business relationships with suppliers, customers and others;
- the impact of the Company's operations on the community and environment;
- the desirability of the Company maintaining a reputation for high standards of business conduct
- the need to act fairly between members of the Company.

The directors of the Company consider that they have discharged their duties under section 172 in the decisions made during the period ending 31 December 2020.

Key decisions made at Company level over the 18 month period include approving dividends against the financial year 2019, approving the level of risk and investment responding to the pandemic 2020, and as a result of the Covid crisis, agreeing that dividends would not be taken on financial year 2020.

Our employees

The Company recognises that employees are central to our success. We celebrate diversity, equality and inclusion and seek to have a workforce that is inclusive and reflective of modern society.

The Company is committed to equal opportunities in employment and recruitment and promoting the diversity of our workforce in respect of, among others, disability, race, gender, age, sexual orientation, pregnancy, marital status or fixed or part time status. We aim to ensure a transparent, professional working environment where employees treat each other with respect and which all employment related decisions are based on ability, performance, skills and potential.

Our partners

The Company understands the need to foster relationships with suppliers and freelance staff. We seek to build long term relationships with them and help them succeed. We interact honestly and with integrity in the industry and expect our business and creative partners to do the same.

Our communities

As part of the Comcast group, a global media and technology company, we are committed to using the power of our platforms, our people and our reach to create positive change and a more equitable society. By supporting local communities, our work colleagues, and our planet we can help create a world of open possibilities - so together we can build a future that benefits generations to come. We are focusing our efforts in the following areas:

Digital Equity: Helping people access the resources, skills and tools they need to succeed in an increasingly digital world

Diversity, Equality and Inclusion. Creating a more diverse and equitable company and society.

Environment. Shaping a more sustainable future by improving our environmental impact.

Values and Integrity. Fostering a company culture built on integrity and respect. Our values and principles guide everything we do.

Love Productions Limited

Strategic Report *(continued)*

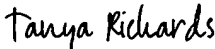
Period from 1 July 2019 to 31 December 2020

Members

The Company is a wholly owned subsidiary of Sky Ventures Limited and is part of the Sky Group and ultimately the Comcast Group. The duties of the directors are exercised in a way that is most likely to promote the success of the Company and Sky and Comcast as a whole, while having regard to factors outlined in section 172.

09 December 2021

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

DocuSigned by:

5061B9D9B2254DC...
Director

Love Productions Limited

Directors' Report

Period from 1 July 2019 to 31 December 2020

The directors present their report and the financial statements of the group for the period ended 31 December 2020.

Directors

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

R McKerrow
J H Millichip
C L Cooper
L E Kavanagh
G Davey (Appointed 13 November 2019)

The following directors resigned on 31 May 2021:

L E Kavanagh
R McKerrow
G Davey
C L Cooper
J H Millichip

The following directors were appointed on 31 May 2021:

S Robson
T C Richards
C Smith

Dividends

Particulars of recommended dividends are detailed in note 12 to the financial statements.

Financial risk management objectives and policies

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

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

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

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

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

Love Productions Limited

Directors' Report *(continued)*

Period from 1 July 2019 to 31 December 2020

Overseas branches

The Company is incorporated in the United Kingdom. It has no overseas branches but trading activities are carried on through its US subsidiary.

Directors insurance

Directors and officers insurance is in place to indemnify the directors against liabilities arising from the discharge of their duties as directors of the company.

Business relationships

See section 172 disclosures in the Strategic Report.

Energy and carbon reporting

See disclosure "Streamline energy and carbon reporting" in the Strategic Report.

Disclosure of information in the strategic report

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

Directors' responsibilities statement

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with 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 company and the profit or loss of the company for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

Love Productions Limited

Directors' Report *(continued)*

Period from 1 July 2019 to 31 December 2020


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.

09 December 2021

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

DocuSigned by:

5061B9D9B2254DC...
Director

Love Productions Limited

Independent Auditor's Report to the Members of Love Productions Limited

Period from 1 July 2019 to 31 December 2020

Opinion

We have audited the financial statements of Love Productions Limited (the 'parent company') and its subsidiaries (the 'group') for the 18 month period ended 31 December 2020 which comprise the consolidated statement of comprehensive income, 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 December 2020 and of the group's profit for the period 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 company 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.

The impact of macro-economic uncertainties on our audit

Our audit of the financial statements requires us to obtain an understanding of all relevant uncertainties, including those arising as a consequence of the effects of macro-economic uncertainties such as Covid-19 and Brexit. All audits assess and challenge the reasonableness of estimates made by the directors and the related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the company's future prospects and performance.

Covid-19 and Brexit are amongst the most significant economic events currently faced by the UK, and at the date of this report their effects are subject to continued levels of uncertainty. We applied a standardised firm-wide approach in response to these uncertainties when assessing the Company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a company associated with these particular events.

Love Productions Limited

Independent Auditor's Report to the Members of Love Productions Limited (continued)

Period from 1 July 2019 to 31 December 2020

Conclusions relating to going concern

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

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

Other information

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

Love Productions Limited

Independent Auditor's Report to the Members of Love Productions Limited

(continued)

Period from 1 July 2019 to 31 December 2020

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.

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.

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.

Love Productions Limited

Independent Auditor's Report to the Members of Love Productions Limited (continued)

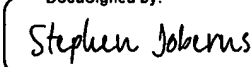
Period from 1 July 2019 to 31 December 2020

- 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.

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.

DocuSigned by:

CFD82CF5D9D1412...

Stephen Joberns (Senior Statutory Auditor)

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

Love Productions Limited
Consolidated Statement of Comprehensive Income
Period from 1 July 2019 to 31 December 2020

		Period from 1 Jul 19 to 31 Dec 20	Year to 30 Jun 19 (restated)
	Note	£	£
Turnover	4	85,778,200	61,429,063
Cost of sales		(42,207,294)	(30,793,455)
Gross profit		43,570,906	30,635,608
Administrative expenses		(21,599,897)	(10,032,129)
Other operating income	5	595,057	–
Operating profit	6	22,566,066	20,603,479
Other interest receivable and similar income	9	35,302	41,981
Interest payable and similar expenses	10	–	(8,854)
Profit before taxation		22,601,368	20,636,606
Tax on profit	11	(194,736)	(3,945,406)
Profit for the financial period		22,406,632	16,691,200
Foreign currency retranslation		74,550	(27,969)
Total comprehensive income for the period		22,481,182	16,663,231

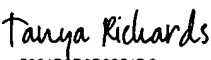
All the activities of the group are from continuing operations.

The notes on pages 20 to 37 form part of these financial statements.

Love Productions Limited
Consolidated Statement of Financial Position
31 December 2020

	Note	31 Dec 20 £	30 Jun 19 (restated) £
Fixed assets			
Tangible assets	13	1,647,419	1,474,059
Current assets			
Debtors	15	31,890,631	14,019,410
Cash at bank and in hand		8,394,443	16,438,153
		<u>40,285,074</u>	<u>30,457,563</u>
Creditors: amounts falling due within one year	16	<u>(32,741,438)</u>	<u>(21,783,311)</u>
Net current assets		<u>7,543,636</u>	<u>8,674,252</u>
Total assets less current liabilities		<u>9,191,055</u>	<u>10,148,311</u>
Provisions			
Other provisions	17	<u>(55,000)</u>	<u>(55,000)</u>
Net assets		<u>9,136,055</u>	<u>10,093,311</u>
Capital and reserves			
Called up share capital	23	11,034	11,034
Share premium account	24	114,526	114,526
Foreign currency translation	24	(314,038)	(388,588)
Profit and loss account	24	9,324,533	10,356,339
Shareholders funds		<u>9,136,055</u>	<u>10,093,311</u>

These financial statements were approved by the board of directors and authorised for issue on 09 December 2021, and are signed on behalf of the board by:

DocuSigned by:

5061B9D9B2254DC...
Director

Company registration number: 5221898

The notes on pages 20 to 37 form part of these financial statements.

Love Productions Limited
Company Statement of Financial Position
31 December 2020

	Note	31 Dec 20 £	30 Jun 19 (restated) £
Fixed assets			
Tangible assets	13	1,351,816	734,917
Investments	14	501	501
		<u>1,352,317</u>	<u>735,418</u>
Current assets			
Debtors	15	32,799,285	13,920,811
Cash at bank and in hand		8,188,591	15,909,041
		<u>40,987,876</u>	<u>29,829,852</u>
Creditors: amounts falling due within one year	16	(32,164,569)	(20,067,765)
Net current assets		<u>8,823,307</u>	<u>9,762,087</u>
Total assets less current liabilities		<u>10,175,624</u>	<u>10,497,505</u>
Provisions			
Other provisions	17	(55,000)	(55,000)
Net assets		<u>10,120,624</u>	<u>10,442,505</u>
Capital and reserves			
Called up share capital	23	11,034	11,034
Share premium account	24	114,526	114,526
Profit and loss account	24	9,995,064	10,316,945
Shareholders funds		<u>10,120,624</u>	<u>10,442,505</u>

The profit for the financial period of the parent company was £23,116,557 (2019: £15,876,189).

These financial statements were approved by the board of directors and authorised for issue on 09 December 2020 and are signed on behalf of the board by:

DocuSigned by:

Tanya Richards

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Director

Company registration number: 5221898

The notes on pages 20 to 37 form part of these financial statements.

Love Productions Limited

Consolidated Statement of Changes in Equity

Period from 1 July 2019 to 31 December 2020

	Called up share capital £	Share premium account £	Foreign currency translation £	Profit and loss account £	Total £
At 1 July 2018	11,034	114,526	(360,619)	12,665,139	12,430,080
Profit for the period				16,691,200	16,691,200
Other comprehensive income for the period:					
Foreign currency retranslation	—	—	(27,969)	—	(27,969)
Total comprehensive income for the period	—	—	(27,969)	16,691,200	16,663,231
Dividends paid and payable 12	—	—	—	(19,000,000)	(19,000,000)
Total investments by and distributions to owners	—	—	—	(19,000,000)	(19,000,000)
At 30 June 2019	11,034	114,526	(388,588)	10,356,339	10,093,311
Profit for the period				22,406,632	22,406,632
Other comprehensive income for the period:					
Foreign currency retranslation	—	—	74,550	—	74,550
Total comprehensive income for the period	—	—	74,550	22,406,632	22,481,182
Dividends paid and payable 12	—	—	—	(23,438,438)	(23,438,438)
Total investments by and distributions to owners	—	—	—	(23,438,438)	(23,438,438)
At 31 December 2020	<u>11,034</u>	<u>114,526</u>	<u>(314,038)</u>	<u>9,324,533</u>	<u>9,136,055</u>

The notes on pages 20 to 37 form part of these financial statements.

Love Productions Limited

Company Statement of Changes in Equity

Period from 1 July 2019 to 31 December 2020

	Called up share capital £	Share premium account £	Profit and loss account £	Total £
At 1 July 2018	11,034	114,526	13,440,756	13,566,316
Profit for the period			15,876,189	15,876,189
Total comprehensive income for the period	—	—	15,876,189	15,876,189
Dividends paid and payable 12	—	—	(19,000,000)	(19,000,000)
Total investments by and distributions to owners	—	—	(19,000,000)	(19,000,000)
At 30 June 2019	11,034	114,526	10,316,945	10,442,505
Profit for the period			23,116,557	23,116,557
Total comprehensive income for the period	—	—	23,116,557	23,116,557
Dividends paid and payable 12	—	—	(23,438,438)	(23,438,438)
Total investments by and distributions to owners	—	—	(23,438,438)	(23,438,438)
At 31 December 2020	<u>11,034</u>	<u>114,526</u>	<u>9,995,064</u>	<u>10,120,624</u>

The notes on pages 20 to 37 form part of these financial statements.

Love Productions Limited

Consolidated Statement of Cash Flows

Period from 1 July 2019 to 31 December 2020

	31 Dec 20 £	30 Jun 19 (restated) £
Cash flows from operating activities		
Profit for the financial period	22,406,632	16,691,200
<i>Adjustments for:</i>		
Depreciation of tangible assets	1,082,022	444,362
Government grant income	(498,643)	–
Other interest receivable and similar income	(35,302)	(41,981)
Interest payable and similar expenses	–	8,854
Loss on disposal of tangible assets	5,473	–
Tax on profit	194,736	3,945,406
Accrued (income)/expenses	(6,548,138)	543,174
Foreign currency movement	160,732	(27,969)
<i>Changes in:</i>		
Trade and other debtors	(14,637,344)	6,865,702
Trade and other creditors	758,330	43,012
Provisions	–	45,000
Cash generated from operations	2,888,498	28,516,760
Interest paid	–	(8,854)
Interest received	35,302	41,981
Tax paid	(5,687,084)	(4,932,353)
Net cash (used in)/from operating activities	(2,763,284)	23,617,534
Cash flows from investing activities		
Purchase of tangible assets	(1,284,514)	(1,037,549)
Net cash used in investing activities	(1,284,514)	(1,037,549)
Cash flows from financing activities		
Proceeds from loans from group undertakings	18,943,883	2,842
Government grant income	498,643	–
Dividends paid	(23,438,438)	(19,000,000)
Net cash used in financing activities	(3,995,912)	(18,997,158)
Net (decrease)/increase in cash and cash equivalents	(8,043,710)	3,582,827
Cash and cash equivalents at beginning of period	16,438,153	12,855,326
Cash and cash equivalents at end of period	8,394,443	16,438,153

The notes on pages 20 to 37 form part of these financial statements.

Love Productions Limited

Notes to the Financial Statements

Period from 1 July 2019 to 31 December 2020

1. General information

The Company is a private company limited by shares, registered in England and Wales. The address of the registered office is Grant Way, Isleworth, TW7 5QD. The principal place of business is 15 Macklin St, London, WC2B 5NG.

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 assets and liabilities as specified in the accounting policies below.

In the current year the company changed its year end from 30 June 2020 to 31 December 2020 so as to be in line with the group year end. As such the current year figures are not fully comparable with the prior year figures.

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

Going concern

The directors have undertaken a rigorous assessment of whether the Company was a going concern when the accounts were prepared, considering all available information about the future, covering a period of 12 months from the date of the approval of the accounts.

The directors are not aware of any material uncertainty arising from their assessment that would cast doubt on the Company's ability to continue as a going concern.

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

Consolidation

The financial statements consolidate the financial statements of Love Productions Limited and all of its subsidiary undertakings.

The results of subsidiaries acquired or disposed of during the period 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.

Love Productions Limited

Notes to the Financial Statements *(continued)*

Period from 1 July 2019 to 31 December 2020

3. Accounting policies *(continued)*

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome.

The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

Allowance for doubtful debts

The group maintains allowances for doubtful accounts for estimated losses resulting from the subsequent inability of customers to make required payments. If the financial conditions of customers were to deteriorate, resulting in an impairment of their ability to make payments, then additional allowances may be required in future periods.

Revenue

Revenue is recognised by reference to percentage completion of the production as set out in the "revenue recognition" policy below and although based on the underlying contracts it does involve a degree of management estimate of the total anticipated costs.

Revenue recognition

Turnover represents the revenue receivable on contracts for the production of television programmes and distribution of programme rights, net of value added tax.

For productions, revenue is recognised based on the stage of completion in accordance with the underlying contract. Where productions are in progress at the year end, and where the amounts invoiced is greater than the value of work carried out the excess is shown as deferred income, where costs incurred exceed amounts invoiced the associated revenue is recognised as accrued income.

Revenues relating to exploitation of programme rights are recognised in accordance with the underlying contract.

Revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period provided that the outcome can be reliably estimated. When the outcome cannot be reliably estimated, revenue is recognised only to the extent that it is probable the expenses recognised will be recovered.

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.

Love Productions Limited

Notes to the Financial Statements *(continued)*

Period from 1 July 2019 to 31 December 2020

3. Accounting policies *(continued)*

Income tax *(continued)*

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

Company

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.

Group

For the purposes of preparing consolidated financial statements, the assets and liabilities of foreign subsidiary undertakings are translated at the exchange rates ruling at the balance sheet date. Profit and loss items are translated at the average exchange rates for the year, unless exchange rates fluctuated significantly in the year, in which case the exchange rates ruling at the dates of the transactions are used. Exchange differences arising are taken to the group's foreign currency translation reserve.

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.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

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:

Leasehold property	-	Over the life of the lease
Plant and Machinery	-	25% reducing balance
Fixtures and fittings	-	25% reducing balance
Equipment	-	33% straight line

Investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

Love Productions Limited

Notes to the Financial Statements *(continued)*

Period from 1 July 2019 to 31 December 2020

3. Accounting policies *(continued)*

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received.

Government grants are recognised using the accrual model.

Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable.

Grant income in respect of the Job Retention Scheme has been recognised in the period to which the employment relates.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

Love Productions Limited

Notes to the Financial Statements *(continued)*

Period from 1 July 2019 to 31 December 2020

3. Accounting policies *(continued)*

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.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

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.

Trade and other debtors

Trade and other debtors are initially recognised at the transaction price and thereafter stated at amortised cost using the effective interest rate method, less impairment losses for bad and doubtful debts except where the effect of discounting would be immaterial. In such cases, the receivables are stated at cost less impairment for bad and doubtful debts.

Trade and other creditors

Trade and other creditors are initially recognised at the transaction price and are thereafter stated at amortised cost using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand, demand deposits with banks and other short term highly liquid investments with original maturities of three months or less and bank overdrafts.

Distributions to equity shareholders

Dividends to the Company shareholders are recognised in the retained earnings when the dividends are paid or approved for payment and no longer at the discretion of the Company.

Love Productions Limited

Notes to the Financial Statements *(continued)*

Period from 1 July 2019 to 31 December 2020

4. Turnover

Turnover arises from:

	Period from 1 Jul 19 to 31 Dec 20	Year to 30 Jun 19
	£	£
Television production	69,137,021	49,975,222
Production development	(22,610)	63,389
Secondary sales	16,635,043	11,379,275
Other production	28,746	11,177
	<u>85,778,200</u>	<u>61,429,063</u>

The turnover is attributable to the one principal activity of the group. An analysis of turnover by the geographical markets that substantially differ from each other is given below:

	Period from 1 Jul 19 to 31 Dec 20	Year to 30 Jun 19
	£	£
United Kingdom	78,125,194	44,512,195
Overseas	7,653,006	16,916,868
	<u>85,778,200</u>	<u>61,429,063</u>

5. Other operating income

	Period from 1 Jul 19 to 31 Dec 20	Year to 30 Jun 19
	£	£
Government grant income	498,643	—
Other operating income	96,414	—
	<u>595,057</u>	<u>—</u>

6. Operating profit

Operating profit or loss is stated after charging/crediting:

	Period from 1 Jul 19 to 31 Dec 20	Year to 30 Jun 19
	£	£
Depreciation of tangible assets	1,082,022	444,362
Foreign exchange differences	—	(345,451)
Audit fee	19,500	17,500
Auditors fees - taxation advisory services	3,205	2,950
Auditors fees - other non audit services	4,486	4,500
Operating lease charges	<u>1,578,704</u>	<u>817,075</u>

Love Productions Limited

Notes to the Financial Statements *(continued)*

Period from 1 July 2019 to 31 December 2020

7. Staff costs

Group

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

	31 Dec 20	30 Jun 19
	No.	No.
Production staff	92	80
Administrative staff	28	24
	<u>120</u>	<u>104</u>

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

	Period from	Year to
	1 Jul 19 to	30 Jun 19
	31 Dec 20	(restated)
	£	£
Wages and salaries	14,186,831	6,368,986
Social security costs	1,523,464	624,622
Other pension costs	258,839	104,766
	<u>15,969,134</u>	<u>7,098,374</u>

Love Productions Limited

Notes to the Financial Statements *(continued)*

Period from 1 July 2019 to 31 December 2020

7. Staff costs *(continued)*

These costs are incurred for the administrative staff only.

Below are the aggregate payroll costs incurred during the year relating to the production staff.

	Period from 1 July 19 to 31 Dec 20 £	Year to 30 June 19 £
Wages and salaries	3,857,939	1,780,603
Social security costs	121,715	140,247
Other pensions costs	17,863	12,906
	<u>3,997,517</u>	<u>1,933,756</u>

Company

The average number of persons employed by the company during the period, including the directors, amounted to:

	31 Dec 20 £	30 June 19 £
Production staff	79	73
Administration staff	28	24
	<u>107</u>	<u>97</u>

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

	Period from 1 Jul 19 to 31 Dec 20 £	Year to 30 Jun 19 (restated) £
Wages and salaries	11,534,679	4,911,251
Social security costs	1,523,464	624,622
Other pension costs	232,936	104,766
	<u>13,291,079</u>	<u>5,640,639</u>

These costs are incurred for the administrative staff only.

Below are the aggregate payroll costs incurred during the year relating to the production staff.

	Period from 1 Jul 19 to 31 Dec 20 £	Year to 30 Jun 19 £
Wages and salaries	3,857,939	1,780,603
Social security costs	121,715	140,247
Other pension costs	17,863	12,906
	<u>3,997,517</u>	<u>1,933,756</u>

Love Productions Limited

Notes to the Financial Statements *(continued)*

Period from 1 July 2019 to 31 December 2020

8. Directors' remuneration

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

	Period from 1 Jul 19 to 31 Dec 20	Year to 30 Jun 19 <i>(restated)</i>
	£	£
Remuneration	2,381,759	1,119,660
Company contributions to defined contribution pension plans	38,040	23,610
	<u>2,419,799</u>	<u>1,143,270</u>

The number of directors who accrued benefits under company pension plans was as follows:

	31 Dec 20	30 Jun 19
	No.	No.
Defined contribution plans	<u>2</u>	<u>2</u>

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

	Period from 1 Jul 19 to 31 Dec 20	Year to 30 Jun 19 <i>(restated)</i>
	£	£
Aggregate remuneration	1,196,220	791,336
Company contributions to defined contribution pension plans	10,500	13,610
	<u>1,206,720</u>	<u>804,946</u>

9. Other interest receivable and similar income

	Period from 1 Jul 19 to 31 Dec 20	Year to 30 Jun 19
	£	£
Interest on cash and cash equivalents	<u>35,302</u>	<u>41,981</u>

10. Interest payable and similar expenses

	Period from 1 Jul 19 to 31 Dec 20	Year to 30 Jun 19
	£	£
Other interest payable and similar charges	<u>-</u>	<u>8,854</u>

Love Productions Limited

Notes to the Financial Statements *(continued)*

Period from 1 July 2019 to 31 December 2020

11. Tax on profit

Major components of tax expense

	Period from 1 Jul 19 to 31 Dec 20	Year to 30 Jun 19
	£	£
Current tax:		
UK current tax expense	632,938	4,086,499
Foreign current tax income	(13,377)	4,626
Total current tax	<u>619,561</u>	<u>4,091,125</u>
Deferred tax:		
Origination and reversal of timing differences	(424,825)	(145,719)
Tax on profit	<u>194,736</u>	<u>3,945,406</u>

Reconciliation of tax expense

The tax assessed on the profit on ordinary activities for the period is lower than (2019: lower than) the standard rate of corporation tax in the UK of 19% (2019: 19%).

	Period from 1 Jul 19 to 31 Dec 20	Year to 30 Jun 19 <i>(restated)</i>
	£	£
Profit on ordinary activities before taxation	22,601,368	20,636,606
Profit on ordinary activities by rate of tax 19%	4,294,260	4,177,428
Adjustment to tax charge in respect of prior periods	(1,636,713)	–
Effect of expenses not deductible for tax purposes	881,577	47,124
Effect of capital allowances and depreciation	53,841	21,085
Utilisation of tax losses	(3,178,064)	–
Unused tax losses	204,660	–
Deferred tax movement	(424,825)	(145,719)
Utilisation of losses	–	(154,512)
Tax on profit	<u>194,736</u>	<u>3,945,406</u>

12. Dividends

Dividends paid during the period (excluding those for which a liability existed at the end of the prior period):

	31 Dec 20	30 Jun 19 <i>(restated)</i>
	£	£
Dividends on equity shares	<u>23,438,438</u>	<u>19,000,000</u>

Love Productions Limited

Notes to the Financial Statements *(continued)*

Period from 1 July 2019 to 31 December 2020

13. Tangible assets

Group	Leasehold improve- ments £	Plant and machinery £	Fixtures and fittings £	Equipment £	Total £
Cost					
At 1 July 2019	600,175	1,064,670	247,056	562,023	2,473,924
Additions	611,936	404,122	91,920	176,536	1,284,514
Disposals	–	(185,988)	(30,756)	(319,714)	(536,458)
Reclassification	–	(345,790)	–	345,790	–
Currency translation	(26,754)	(16,072)	(12,533)	(24,502)	(79,861)
At 31 December 2020	1,185,357	920,942	295,687	740,133	3,142,119
Depreciation					
At 1 July 2019	68,958	528,305	71,638	330,964	999,865
Charge for the period	224,623	343,162	152,386	361,851	1,082,022
Disposals	–	(185,988)	(25,283)	(319,714)	(530,985)
Reclassification	–	(152,600)	–	152,600	–
Currency translation	(12,974)	(14,089)	(8,144)	(20,995)	(56,202)
At 31 December 2020	280,607	518,790	190,597	504,706	1,494,700
Carrying amount					
At 31 December 2020	904,750	402,152	105,090	235,427	1,647,419
At 30 June 2019	<u>531,217</u>	<u>536,365</u>	<u>175,418</u>	<u>231,059</u>	<u>1,474,059</u>
Company					
	Leasehold improve- ments £	Plant and machinery £	Fixtures and fittings £	Equipment £	Total £
Cost					
At 1 July 2019	222,599	492,049	70,199	562,023	1,346,870
Additions	605,741	404,122	88,956	170,819	1,269,638
Disposals	–	(185,988)	(25,283)	(266,746)	(478,017)
At 31 December 2020	828,340	710,183	133,872	466,096	2,138,491
Depreciation					
At 1 July 2019	–	258,473	22,516	330,964	611,953
Charge for the period	109,431	260,794	85,964	196,550	652,739
Disposals	–	(185,988)	(25,283)	(266,746)	(478,017)
At 31 December 2020	109,431	333,279	83,197	260,768	786,675
Carrying amount					
At 31 December 2020	718,909	376,904	50,675	205,328	1,351,816
At 30 June 2019	<u>222,599</u>	<u>233,576</u>	<u>47,683</u>	<u>231,059</u>	<u>734,917</u>

Love Productions Limited

Notes to the Financial Statements *(continued)*

Period from 1 July 2019 to 31 December 2020

13. Tangible assets *(continued)*

Capital commitments

	Group		Company	
	31 Dec 20	30 Jun 19	31 Dec 20	30 Jun 19
	£	£	£	£
Contracted for but not provided for in the financial statements	<u>36,794</u>	<u>474,380</u>	<u>36,794</u>	<u>474,380</u>

14. Investments

The group has no investments.

Company	Group under-takings £
Cost	
At 1 July 2019 and 31 December 2020	<u>501</u>
Impairment	
At 1 July 2019 and 31 December 2020	<u>—</u>
Carrying amount	
At 1 July 2019 and 31 December 2020	<u>501</u>
At 30 June 2019	<u>501</u>

Subsidiaries, associates and other investments

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

	Class of share	Percentage of shares held
Subsidiary undertakings		
Love Productions USA, Inc	Ordinary	100

Love Productions Limited

Notes to the Financial Statements *(continued)*

Period from 1 July 2019 to 31 December 2020

14. Investments *(continued)*

Love Productions USA, Inc is a company incorporated in the US and its principal activity is that of television production. The registered office address is 3415 S Sepulveda Blvd, Ste 1200, Los Angeles, CA90034.

Love Productions USA, Inc owns 100% of the following entities all of which are incorporated in the US and whose principal activity is that of television production:

- Love American Journeys LLC
- Baking Show LLC
- USA Love Development LLC
- Love Baking LLC
- Jet Tracks LLC
- Cotham Hill Productions LLC
- Eagle Street Productions LLC
- Media Core LLC

The registered office address of the above is 3415 S Sepulveda Blvd, Ste 1200, Los Angeles, CA90034.

- Welcome to Hollywood LLC
- International Journeys LLC

The registered office address of the above is 2029 Century Park East, Ste 1750, Los Angeles, CA90067.

15. Debtors

	Group		Company	
	31 Dec 20	30 Jun 19	31 Dec 20	30 Jun 19
		<i>(restated)</i>		<i>(restated)</i>
	£	£	£	£
Trade debtors	19,169,814	8,648,892	18,392,297	6,491,816
Amounts owed by group undertakings	–	–	4,978,953	3,808,419
Deferred tax asset	846,481	479,666	82,640	4,836
Prepayments and accrued income	8,665,654	4,678,191	6,265,672	3,403,079
Corporation tax repayable	2,867,062	–	2,867,062	–
Other debtors	341,620	212,661	212,661	212,661
	<u>31,890,631</u>	<u>14,019,410</u>	<u>32,799,285</u>	<u>13,920,811</u>

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

	Group		Company	
	31 Dec 20	30 Jun 19	31 Dec 20	30 Jun 19
	£	£	£	£
Deferred tax asset	846,481	479,666	82,640	4,836
Other debtors	207,879	210,855	162,661	162,661
	<u>1,054,360</u>	<u>690,521</u>	<u>245,301</u>	<u>167,497</u>

Love Productions Limited

Notes to the Financial Statements *(continued)*

Period from 1 July 2019 to 31 December 2020

16. Creditors: amounts falling due within one year

	Group		Company	
	31 Dec 20	30 Jun 19 <i>(restated)</i>	31 Dec 20	30 Jun 19 <i>(restated)</i>
	£	£	£	£
Trade creditors	410,692	314,465	376,730	254,132
Amounts owed to group undertakings	19,080,657	136,774	19,080,657	136,774
Accruals and deferred income	9,995,642	16,543,780	9,458,058	14,955,637
Corporation tax	–	2,195,948	–	2,186,499
Social security and other taxes	3,249,124	2,534,723	3,249,124	2,534,723
Other creditors	5,323	57,621	–	–
	<u>32,741,438</u>	<u>21,783,311</u>	<u>32,164,569</u>	<u>20,067,765</u>

17. Provisions

Group and company	Dilapidations £
At 1 July 2019 and 31 December 2020	<u>55,000</u>

18. Deferred tax

The deferred tax included in the statement of financial position is as follows:

	Group		Company	
	31 Dec 20	30 Jun 19	31 Dec 20	30 Jun 19
	£	£	£	£
Included in debtors (note 15)	<u>846,481</u>	<u>479,666</u>	<u>82,640</u>	<u>4,836</u>

The deferred tax account consists of the tax effect of timing differences in respect of:

	Group		Company	
	31 Dec 20	30 Jun 19	31 Dec 20	30 Jun 19
	£	£	£	£
Accelerated capital allowances	(30,513)	(148,716)	57,285	4,836
Unused tax losses	898,944	642,556	25,355	–
Other deferred tax assets	19,755	24,411	–	–
Other deferred tax liabilities	(41,705)	(38,585)	–	–
	<u>846,481</u>	<u>479,666</u>	<u>82,640</u>	<u>4,836</u>
	31 Dec 20	30 Jun 19	31 Dec 20	30 Jun 19
	£	£	£	£
Opening balance	479,666	318,320	4,836	4,836
Movement in period	424,825	145,719	77,804	–
Foreign exchange translation	(58,010)	15,627	–	–
	<u>846,481</u>	<u>479,666</u>	<u>82,640</u>	<u>4,836</u>

Love Productions Limited

Notes to the Financial Statements *(continued)*

Period from 1 July 2019 to 31 December 2020

19. Employee benefits

Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £276,702 (2019: £117,672).

20. Government grants

The amounts recognised in the financial statements for government grants are as follows:

	Group		Company	
	31 Dec 20	30 Jun 19	31 Dec 20	30 Jun 19
	£	£	£	£
Recognised in other operating income:				
Government grants recognised directly in income	<u>498,643</u>	<u>—</u>	<u>498,643</u>	<u>—</u>

During the period the company received Covid-19 government assistance in the form of Job Retention Scheme (JRS) grant income and other assistance such as deferral of VAT payments.

21. Financial instruments

The carrying amount for each category of financial instrument is as follows:

Financial assets that are debt instruments measured at amortised cost

	Group	
	31 Dec 20	30 Jun 19
	£	£
Financial assets that are debt instruments measured at amortised cost	<u>26,462,213</u>	<u>12,316,109</u>

Financial liabilities measured at amortised cost

	Group	
	31 Dec 20	30 Jun 19
	£	£
Financial liabilities measured at amortised cost	<u>28,698,038</u>	<u>16,203,892</u>

Love Productions Limited

Notes to the Financial Statements *(continued)*

Period from 1 July 2019 to 31 December 2020

22. Prior period adjustments

Company

Prior period adjustments were required to reflect adjustments needed in respect of; interim dividends incorrectly recognised as a dividend liability in FY 2019, recognition of a production expense in an incorrect period and recognition of costs which had not previously been recognised. The impact of the above adjustments from what was previously reported is summarised as follows:

- Cost of sales decreased by £621,667 and administration expenses increased by £1,971,522 for FY 30 June 2019
- Accruals increased by £9,235,945, prepayments increased by £621,667 and dividends payable decreased by £13,300,000 as at 30 June 2019.
- Decrease in reserves at 30 June 2018 of £7,264,422 and increase in reserves at 30 June 2019 of £4,685,723

23. Called up share capital

Issued, called up and fully paid

	31 Dec 20		30 Jun 19	
	No.	£	No.	£
Ordinary A shares of £1 each	7,724	7,724	7,724	7,724
Ordinary B shares of £1 each	3,310	3,310	3,310	3,310
	<u>11,034</u>	<u>11,034</u>	<u>11,034</u>	<u>11,034</u>

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 meetings of the company. All ordinary shares rank equally with regard to the company's residual assets.

24. Reserves

Share premium account - This reserve records the amount above the nominal value received for shares issued, less transaction costs.

Profit and loss account - This reserve records retained earnings and accumulated losses.

Foreign currency translation - This reserve records foreign exchange movement arising on the retranslation of foreign subsidiaries to the functional currency of the company.

Love Productions Limited

Notes to the Financial Statements *(continued)*

Period from 1 July 2019 to 31 December 2020

25. Analysis of changes in net debt

	At 1 Jul 2019	Cash flows	At 31 Dec 2020
	£	£	£
Cash at bank and in hand	16,438,153	(8,043,710)	8,394,443
Debt due within one year	(136,774)	(18,943,883)	(19,080,657)
	<u>16,301,379</u>	<u>(26,987,593)</u>	<u>(10,686,214)</u>

26. Operating leases

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

	Group		Company	
	31 Dec 20	30 Jun 19	31 Dec 20	30 Jun 19
	£	£	£	£
Not later than 1 year	1,007,405	1,062,350	490,543	530,225
Later than 1 year and not later than 5 years	1,724,723	3,063,664	1,327,109	1,806,461
	<u>2,732,128</u>	<u>4,126,014</u>	<u>1,817,652</u>	<u>2,336,686</u>

27. Related party transactions

Company

The Company is under the control of Sky Ventures Limited by virtue of having ownership of 100% of the issued ordinary share capital in the Company. This is an increase from the 70% shareholding held up to 21 February 2020 when Sky Ventures Limited acquired the remaining 30%.

During the period, 2 directors received dividends from the Company amounting to £3,345,453 between them (2019 restated: £2,711,838).

During the period, Sky Ventures Limited received dividends from the Company amounting to £16,502,912 (2019 restated: £13,959,825). At the period end the company owed Sky Ventures Limited £7,138,438 (2019 restated: £nil).

During the period, the company incurred expenses on behalf of one of the directors totalling £nil (2019: £7,313). At the period end, the Company was owed £nil (2019: £2,115) from a director.

During the period Sky UK Limited ("Sky") incurred £9,373,362 (2019: £6,671,188) relating to payroll costs and VAT on behalf of the Company which were re-charged to the Company.

During the period Sky incurred additional payroll costs in respect of bonuses and incentives due up to 30 June 2019 amounting to £11,259,370 which were recharged to the Company.

Distribution income totalling £337,022 (2019: £468,955) was received from Sky during the period.

As the period end, the company owed £11,942,219 (2019: £136,774) to Sky.

The directors are regarded as key management. Key management remuneration during the period was £2,419,799 (2019 restated: £1,143,270).

Love Productions Limited

Notes to the Financial Statements *(continued)*

Period from 1 July 2019 to 31 December 2020

28. Controlling party

In the opinion of the directors the immediate parent undertaking is Sky Ventures Limited, a company incorporated in England and Wales and which is controlled by Sky Limited (Sky). On 9 October 2018 Sky was acquired by Comcast Corporation, a company incorporated in the United States of America and registered in Pennsylvania. At this date Comcast Corporation became the ultimate controlling party of the Company.

The Company operates together with Comcast's other subsidiaries, as part of the Group. Other than Love Production Limited's own group accounts the only group in which the results of the Company are consolidated into is that headed by Comcast Corporation. The consolidated financial statements of Comcast Corporation are available to the public and may be obtained from Company Investor Relations at Comcast Corporation, One Comcast Center, Philadelphia, PA 19013, USA or at <https://www.cmcsa.com/investors>.