Registered number: 08791458

HOUSE OF TOMORROW LIMITED

UNAUDITED DIRECTORS' REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021





18/02/2023 COMPANIES HOUSE

COMPANY INFORMATION

Directors Patrick Holland

Jacqueline Moreton Derek O'Gara

Registered number 08791458

Registered office Shepherds Building Central

Charecroft Way

London W14 0EE

Bankers Barclays Bank PLC

1 Churchill Place

London E14 9DZ

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DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

The Directors present their report and the financial statements for the year ended 31 December 2021.

Principal activity

The Company's principal activity continues to be that of television and film production.

A business review has not been completed for the Company because it is entitled to claim the exemption from doing so under Section 415A of the Companies Act 2006.

A summary of the principal risks and uncertainties facing the Company has not been completed because it is entitled to claim the exemption from the business review under section 415A of the Companies Act 2006.

Going concern

The Directors have a reasonable expectation that the Company has adequate resources to continue in operation in the twelve months from the signing date of these financial statements.

The financial statements have been prepared on a going concern basis. The Company has made a profit of £2,220,000 for the period ended 31 December 2021, is in a net asset position of £19,982,000 as at 31 December 2021 and is expecting to trade profitably in the foreseeable future based on forecasts.

The Company's performance is dependent upon its ability to develop, produce and deliver television productions to clients. The health of key talent, staff and contributors is fundamental to achieve this aim. In line with Government guidelines, appropriate measures have been taken regarding health and safety and travel restrictions. The company continues to monitor the impact of COVID-19 pandemic and further detail on the Company's assessment of COVID-19 can be seen within the COVID-19 disclosure below.

The Company's intermediate parent undertaking Banijay Group SAS has given a letter of support confirming it has the ability to and will provide continuing financial support to enable the Company to meet its obligations as and when they fall due for a period of twelve months from the date the directors approve the financial statements of the Company.

Banijay Group SAS has performed cashflow forecasting on the wider Banijay Group and is in a favorable liquidity position. One or more of the Company's directors holds a Group management position with visibility of the Group's position. Based on this information and on enquiries, the directors believe that Banijay Group SAS has the ability to provide financial support to the Company for a period of 12 months from the issuance date of these financial statements.

Taking into account the position of the intermediate parent, and their assessment of the impact on the Company, the directors are of the view, to the best of their current knowledge, that COVID-19 will not have a material adverse impact on the Company's ability to continue as a going concern. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

COVID-19

The Directors have considered the risks on the Company's liquidity and ongoing use of the going concern status in connection to the COVID-19 pandemic.

Management are continuously monitoring the evolution of the situation and, where necessary, imposing the appropriate course of action to ensure that the Company remains liquid and solvent. Television programmes have continued to be produced throughout the course of the period in accordance to COVID-19 regulations. Furthermore, as at the date of signing these financial statements, television programmes are expected to be produced in the foreseeable future.

As a result, the Directors remain confident at the date of signing these financial statements that the COVID-19 pandemic will not impact the ongoing use of the going concern basis.

Brexit

The Directors consider that they have taken all reasonable steps necessary to mitigate the risks associated with the withdrawal and the Directors remain confident at the date of signing these financial statements that the Brexit agreement will not impact the ongoing use of the going concern status of the Company.

Directors

The Directors who served during the year were:

Derek O'Gara Lucinda Hicks (resigned 31 May 2022) Peter Salmon (resigned 30 April 2022)

Directors' liabilities

The Company has granted an indemnity to one or more of its directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third party indemnity provisions were in force during the financial year and remains in force as at the date of approving the Directors' report.

Small companies note

In preparing this report, the Directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

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

Derek O'Gara Director

Date: Feb 17, 2023

Derek O'Gara

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2021

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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

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

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgements 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 to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2021

		2021	2020
	Note	£000	£000
Turnover		3,259	316
Cost of sales		(505)	(38)
Gross profit	_	2,754	278
Administrative expenses		(33)	(161)
Operating profit	_	2,721	117
Interest payable and similar expenses		-	(131)
Profit/(loss) before tax	_	2,721	(14)
Tax on profit/(loss)	9	(501)	(2,279)
Profit/(loss) for the financial year		2,220	(2,293)

The notes on pages 7 to 18 form part of these financial statements.

HOUSE OF TOMORROW LIMITED REGISTERED NUMBER: 08791458

BALANCE SHEET AS AT 31 DECEMBER 2021

	Note	2021 £000	2020 £000
Current assets			
Stocks		60	38
Debtors: amounts falling due within one year	11	25,295	25,771
Cash at bank and in hand		5	1
	_	25,360	25,810
Creditors: amounts falling due within one year	12	(5,378)	(8,048)
Net current assets	_	19,982	17,762
Total assets less current liabilities	_	19,982	17,762
Net assets	_	19,982	17,762
Capital and reserves	_		
Profit and loss account		19,982	17,762
	_	19,982	17,762
	- -		

The Directors consider that the Company is entitled to exemption from audit under section 479A of the Companies Act 2006.

The members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The Directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

Derek O'Gara

Director

Date: Feb 17, 2023

Derek O'Gara

The notes on pages 7 to 18 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2021

	Profit and loss account £000	Total equity £000
At 1 January 2020	20,055	20,055
Comprehensive income for the year Loss for the year	(2,293)	(2,293)
At 1 January 2021	17,762	17,762
Comprehensive income for the year Profit for the year	2,220	2,220
At 31 December 2021	19,982	19,982

The notes on pages 7 to 18 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1. General information

House of Tomorrow Limited's principal activity continues to be that of television production.

The Company is a private company limited by shares and is incorporated in England. The address of its registered office is Shepherds Building Central Legal Department, Endemol Shine UK, Charecroft Way, London, United Kingdom, W14 0EE.

2. Statement of compliance

The financial statements of House of Tomorrow Limited have been prepared in compliance with United Kingdom Accounting Standards including Financial Reporting Standard 102 (as amended in "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland" ("FRS 102") and the Companies Act 2006.

3. Accounting policies

3.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

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

The following principal accounting policies have been applied:

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

3. Accounting policies (continued)

3.2 Going concern

The Directors have a reasonable expectation that the Company has adequate resources to continue in operation in the twelve months from the signing date of these financial statements.

The financial statements have been prepared on a going concern basis. The Company has made a profit of £2,721,000 for the period ended 31 December 2021, is in a net asset position of £19,982,000 as at 31 December 2021 and is expecting to trade profitably in the foreseeable future based on forecasts.

The Company's performance is dependent upon its ability to develop, produce and deliver television productions to clients. The health of key talent, staff and contributors is fundamental to achieve this aim. In line with Government guidelines, appropriate measures have been taken regarding health and safety and travel restrictions. The company continues to monitor the impact of COVID-19 pandemic and further detail on the Company's assessment of COVID-19 can be seen within the COVID-19 disclosure below.

The Company's intermediate parent undertaking Banijay Group SAS has given a letter of support confirming it has the ability to and will provide continuing financial support to enable the Company to meet its obligations as and when they fall due for a period of twelve months from the date the directors approve the financial statements of the Company.

Banijay Group SAS has performed cashflow forecasting on the wider Banijay Group and is in a favorable liquidity position. One or more of the Company's directors holds a Group management position with visibility of the Group's position. Based on this information and on enquiries, the directors believe that Banijay Group SAS has the ability to provide financial support to the Company for a period of 12 months from the issuance date of these financial statements.

Taking into account the position of the intermediate parent, and their assessment of the impact on the Company, the directors are of the view, to the best of their current knowledge, that COVID-19 will not have a material adverse impact on the Company's ability to continue as a going concern. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

3.3 Exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with.

The Company has taken advantage of the following exemptions in its individual financial statements:

- From preparing a statement of cash flows required under FRS 102 paragraph 1.12(b) on the
 grounds that the Company is a qualifying entity as a member of a Group, where the consolidated
 financial statements of its ultimate parent undertaking include a cash flow statement and are
 publicly available (note 20);
- from the financial instrument disclosures, required under FRS 102 paragraphs, 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b), 11.48(c), 12.26, 12.27, 12.29(a), 12.29(b) and 12.29A, as the information is provided in the consolidated financial statement of its ultimate parent undertaking;
- from disclosing the Company key management personnel compensation, as required by FRS 102 paragraph 33.7.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

3. Accounting policies (continued)

3.4 Consolidation

The Company has taken advantage of the exemption under s400 of the Companies Act 2006 not to produce consolidated financial statements on the grounds that the Company is included in the consolidated financial statements of its ultimate parent company, which are publically available.

The financial statements present information about the Company as an individual undertaking and not about its group.

3.5 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

3.6 Related party transactions

As a wholly-owned subsidiary of Banijay Group SAS, the Company has taken advantage of the exemption under FRS 102 Paragraph 1AC.35 on the basis the disclosure need not be given regarding related party transactions with other wholly-owned subsidiaries of the group.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

3. Accounting policies (continued)

3.7 Revenue

In the view of the Directors, House of Tomorrow Limited has only one business segment, which is television production, to which all revenue can be attributed.

Production revenues (from producing television programs)

Production revenues are recognised when the programs are delivered to the client. Standard criteria to establish revenue recognition are:

- client's acceptance document (i.e. delivery notice signed/approved by the client, etc.)
- · delivery of a certain number of episodes, and
- expiry of the period stated in the contract to reject or return the product.

In case of partial delivery of the same program over several periods of time (series, etc.), revenue, costs and margin are recognised according to episodic deliveries.

Production revenues are booked net of grants, subsidies and co-producers' contributions.

Revenue not meeting these conditions is deferred. Revenue recognised in the Statement of comprehensive income but not yet invoiced is held on the Statement of financial position within prepayments and accrued income. Revenue invoiced but not yet recognised in the Statement of comprehensive income is held on the Statement of financial position within accruals and deferred income.

Distribution revenues (from the sale of finished programs)

Distribution revenues are recognised when the rights are transferred to the client:

- on the basis of a signed contract or a deal memo, and
- when the related rights are opened, and
- for the full revenue (revenues are not spread over the licensing period), as it is an access to right.

Inter-group and third-party royalty income

Inter-group royalty income is recognised in the financial statements on an accrual basis.

Royalty income from third party distributors is recognised on statement receipt basis as this is when the revenue is measurable.

Revenues from other rights and services

Other rights and services include merchandising, music rights, other ancillary revenues and digital services.

Merchandising revenues are recognised when the rights are transferred to the client:

- · on the basis of a signed contract or a deal memo, and
- when the licensing period begins, and
- for the full revenue (revenues are not spread over the licensing period), as it is an access to right.

Advanced payments are recognised as revenue when the above criteria are met.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

3. Accounting policies (continued)

3.8 Other operating income

The other operating income is comprised of CJRS grant income. The Coronavirus Job Retention Scheme (CJRS) is the UK government's flagship support measure for organisations during the COVID-19 pandemic. It offers grants to cover a proportion of the salaries of furloughed staff. The CJRS grant income is credited to the Statement of comprehensive income when the expense for salaries of furloughed staff is charged to the Statement of comprehensive income.

3.9 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

3.10 Taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

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

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

3.11 Investments

Investments are recorded at cost and adjusted for any impairment provisions. When an impairment has been identified it is reflected in the Profit and loss account.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

3. Accounting policies (continued)

3.12 Work in progress

Production costs are recognised:

- In work in progress until programmes are delivered.
- In the Statement of comprehensive income (in cost of sales) as soon as programmes are delivered and related production revenues are recognised
- Production costs are booked net of grants, subsidiaries and co-production financing.

An assessment over the recoverability of work in progress is made on an annual basis.

3.13 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective method, less any impairment. Any losses arising from impairment are recognised in the Profit and loss account and administrative expenses.

3.14 Cash and cash equivalents

Cash and short-term deposits in the Statements of financial position comprise cash at banks and in hand and short term deposits with an original maturity of three months or less.

Cash balances held on behalf of clients are maintained in the company bank accounts and controlled by the company. The corresponding amounts owed to clients are shown within trade creditors and accruals in current liabilities.

3,15 Creditors

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

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

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying value of assets and liabilities within the next financial year are addressed below:

Work in progress

During the year, management reviewed the recoverability of its programmes in the course of production which are included in the Balance sheet. The projects continue to progress satisfactorily and management continues to believe that the anticipated revenues will enable the carrying amount to be recovered in full.

Production costs

Production costs are expensed as cost of sales. Recognition of production cost per episode is based upon management's judgement of the estimated future cost of completing the production.

Deferred tax

Deferred tax assets and liabilities require management judgement in determining the amounts to be recognised, with consideration given to the timing and level of future taxable income.

5. Operating profit

Operating profit is stated after charging

	2021 £000	2020 £000
Auditors' remuneration - audit of financial statements Foreign exchange (gain)/loss	-	5 4
	-	9

The audit fees were paid on behalf of the company by Endemol Shine UK limited, a fellow group undertaking.

6. Employees

The average monthly number of persons employer by the Company (excluding three (2020: three) directors who are employed and remunerated by parent companies) during the year was nil (2020: nil)

Outstanding pension contributions payable at year end were £nil (2020: £nil)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

7. Directors' remuneration

Three directors (2020: three) who served during the year were employed by and remunerated by other Group companies and these companies are Endemol Shine UK Limited and Endemol Shine Group Holdings UK Limited.

During the year one director (2020: one) accrued benefits under the Endemol Shine UK Limited defined contribution money purchase pension scheme.

These costs have been paid by these Group companies and have not been recharged to the Company

8. Interest payable and similar expenses

		2021 £000	2020 £000
	Interest and fees payable	-	131
		-	131
9.	Taxation		
		2021 £000	2020 £000
	Corporation tax		
	Current tax on profits for the year	501	2,279
		501	2,279
	Total current tax	501	2,279
	Deferred tax		
	Total deferred tax		-
	Taxation on profit on ordinary activities	501	2,279

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

9. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is the same as (2020 - higher than) the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

	2021 £000	2020 £000
Profit/(loss) on ordinary activities before tax	2,721	(14)
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%) Effects of:	517	(3)
Payment for group relief	(517)	-
Group relief payable	517	2,282
Adjustment to prior year group relief	(16)	-
Total tax charge for the year	501	2,279

Factors that may affect future tax charges

The Finance Act 2021, enacted on 10 June 2021, included legislation to increase the rate of Corporation tax to 25% as of 1 April 2023.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

10. Investments

The Company has direct interests in the following subsidiaries:

Name	Country of incorporation	Class of shares	Holding	Nature of Business
House of Tomorrow Drama Limited	England & Wales	Ordinary	100 %	Television production Television
Black Mirror Drama Limited Black Mirror Drama (S4)	England & Wales	Ordinary	100 %	production Television
Limited Black Mirror Drama (S5)	England & Wales	Ordinary	100 %	production Television
Limited	England & Wales	Ordinary	100 %	production

The address of the subsidiaries registered office is Shepherds Building, Charecroft Way, London, W14 0EE.

	Investments in subsidiary companies £
Cost	
At 1 January 2021	5
At 31 December 2021	5
Net book value	
At 31 December 2021	5
At 31 December 2020	5

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

11.	Debtors		
		2021 £000	2020 £000
	Trade debtors	149	-
	Amounts owed by group undertakings	25,146	24,654
	Other debtors	-	1
	Prepayments and accrued income	-	1 ,116
		25,295	25,771

The amounts owed by Group undertakings are repayable on demand and do not bear interest.

12. Creditors: Amounts falling due within one year

	2021	2020
	£000	£000
Trade creditors	-	9
Amounts owed to group undertakings	4,768	7,902
Other taxation and social security	4	-
Accruals and deferred income	606	137
	5,378	8,048
		

The amounts owed to Group undertakings are repayable on demand and do not bear interest.

13. Share capital

	2021	2020
	£000	£000
Allotted, called up and fully paid		
100 (2020 - 100) Ordinary Shares shares of £1.00 each	-	-

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

14. Post balance sheet events

There are no adjusting or non-adjusting post-balance sheet events of note.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

15. Controlling party

The immediate parent undertaking is House of Tomorrow Holdings Limited, a company incorporated and registered in England and Wales.

The smallest group in which the results of the Company are consolidated is that headed by Banijay Media Limited. Consolidated financial statements for Banijay Media Limited are publicly available and can be obtained from The Shepherds Building, Charecroft Way, W14 0EE, London, England.

At the date of the statement of financial position the ultimate parent undertaking and controlling party is Stephane Courbit's LOV Group who control Banijay Group. The Banijay Group listed on the Euronext stock exchange through FL Entertainment, from 1 July 2022.