

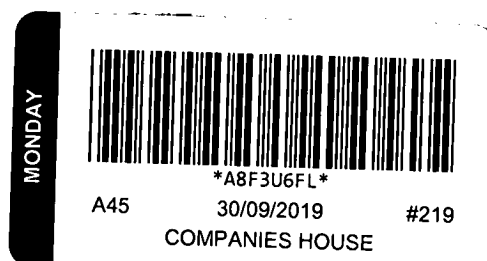
Registered number: 09918100

VOLANT MEDIA UK LIMITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 DECEMBER 2018



VOLANT MEDIA UK LIMITED

COMPANY INFORMATION

Directors	A K Toomey (resigned 1.1 January 2019) A A Alabdulkarim
Registered number	09918100
Registered office	Volant Media UK Limited C/O Fletcher Day 56 Conduit Street London W1S 2YZ
Independent auditor	James Cowper Kreston Chartered Accountants and Statutory Auditor Reading Bridge House George Street Reading Berkshire RG1 8LS

VOLANT MEDIA UK LIMITED
REGISTERED NUMBER: 09918100

BALANCE SHEET
AS AT 31 DECEMBER 2018


	Note	2018 £	2017 £
Fixed assets			
Intangible assets	4	-	1,358,787
Tangible assets	5	2,626,466	10,199,013
		<u>2,626,466</u>	<u>11,557,800</u>
Current assets			
Debtors: amounts falling due within one year	6	7,520,624	3,681,314
Cash at bank and in hand	7	14,047	6,227,775
		<u>7,534,671</u>	<u>9,909,089</u>
Creditors: amounts falling due within one year	8	(30,489,823)	(3,298,875)
Net current (liabilities)/assets		<u>(22,955,152)</u>	<u>6,610,214</u>
Total assets less current liabilities		<u>(20,328,686)</u>	<u>18,168,014</u>
Creditors: amounts falling due after more than one year	9	(33,070,580)	(25,666,022)
Provisions for liabilities			
Other provisions		(250,000)	-
		<u>(250,000)</u>	<u>-</u>
Net liabilities		<u>(53,649,266)</u>	<u>(7,498,008)</u>
Capital and reserves			
Called up share capital	11	50,000	50,000
Capital contribution reserve		22,395,095	18,843,214
Profit and loss account		(76,094,361)	(26,391,222)
		<u>(53,649,266)</u>	<u>(7,498,008)</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

The Company has opted not to file the statement of comprehensive income in accordance with 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:


A A Alabdulkarim
 Director
 Date: 27/09/2019

The notes on pages 3 to 11 form part of these financial statements.

VOLANT MEDIA UK LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Called up share capital	Capital Contribution reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2018	50,000	18,843,214	(26,391,222)	(7,498,008)
Comprehensive income for the year				
Loss for the year	-	-	(49,703,139)	(49,703,139)
Equity element of loan from parent company(see note 9)	-	3,551,881	-	3,551,881
At 31 December 2018	50,000	22,395,095	(76,094,361)	(53,649,266)

The notes on pages 3 to 11 form part of these financial statements.

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Called up share capital	Capital Contribution reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2017	50,000	-	(1,191,933)	(1,141,933)
Comprehensive income for the year				
Loss for the year	-	-	(25,199,289)	(25,199,289)
Equity element of loan from parent company(see note 9)	-	18,843,214	-	18,843,214
At 31 December 2017	50,000	18,843,214	(26,391,222)	(7,498,008)

The notes on pages 3 to 11 form part of these financial statements.

VOLANT MEDIA UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

1. Accounting policies

1.1 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 Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

1.2 Going concern

The financial statements have been prepared on a going concern basis which assumes that the Company will continue in operational existence for a period of at least 12 month from the balance sheet date.

This is considered appropriate as the directors expect the parent company to continue to provide funding as required and are satisfied that it has the means to do so.

1.3 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

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

Amortisation

Software - 3 years straight line

1.4 Tangible fixed assets

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

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

Depreciation is provided on the following basis:

Short-term leasehold property	- 10 years straight line
Plant and machinery	- 5 years straight line
Office equipment	- 5 years straight line
Computer equipment	- 3 years straight line

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

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

VOLANT MEDIA UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

1. Accounting policies (continued)

1.5 Impairment of fixed assets and goodwill

Assets that are subject to depreciation or amortisation are assessed at each balance sheet date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each balance sheet date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

1.6 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 interest method, less any impairment.

1.7 Cash and cash equivalents

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

1.8 Creditors and loans

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

VOLANT MEDIA UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

1. Accounting policies (continued)

1.9 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.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of Comprehensive Income within 'other operating income'.

1.10 Finance costs

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

1.11 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

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

1.12 Interest income

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

VOLANT MEDIA UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

1. Accounting policies (continued)

1.13 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Comprehensive Income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

2. General information

Volant Media UK Limited is a private Company limited by share capital and incorporated in England and Wales.

The address of the registered office is C/O Fletcher Day, 56 Conduit Street, London, England, W1S 2YZ. The principal place of business is 1st Floor, Building 11, Chiswick Park, 566 Chiswick High Road, London, W4 5YA.

The principal activity of the business is that of television programming and broadcasting activities.

3. Employees

The average monthly number of employees, including directors, during the year was 2 (2017 - 2).

VOLANT MEDIA UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

4. Intangible assets

	Computer software £
Cost	
At 1 January 2018	1,358,787
Additions	26,118
At 31 December 2018	<u>1,384,905</u>
Amortisation	
Charge for the year	138,905
Impairment charge	1,246,000
At 31 December 2018	<u>1,384,905</u>
Net book value	
At 31 December 2018	<u><u>-</u></u>
At 31 December 2017	<u><u>1,358,787</u></u>

VOLANT MEDIA UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

5. Tangible fixed assets

	Short-term leasehold property £	Plant and machinery £	Office equipment £	Computer equipment £	Total £
Cost or valuation					
At 1 January 2018	4,288,992	4,576,413	14,800	1,318,808	10,199,013
Additions	387,292	77,800	6,176	102,197	573,465
At 31 December 2018	4,676,284	4,654,213	20,976	1,421,005	10,772,478
Depreciation					
Charge for the year	388,096	925,533	3,436	456,759	1,773,824
Impairment charge	4,288,188	1,858,000	4,000	222,000	6,372,188
At 31 December 2018	4,676,284	2,783,533	7,436	678,759	8,146,012
Net book value					
At 31 December 2018	-	1,870,680	13,540	742,246	2,626,466
At 31 December 2017	4,288,992	4,576,413	14,800	1,318,808	10,199,013

6. Debtors

	2018 £	2017 £
Other debtors	7,041,285	3,016,486
Prepayments	479,339	664,828
	7,520,624	3,681,314

7. Cash and cash equivalents

	2018 £	2017 £
Cash at bank and in hand	14,047	6,227,775

VOLANT MEDIA UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

8. Creditors: Amounts falling due within one year

	2018 £	2017 £
Trade creditors	2,462,226	1,869,819
Amounts owed to group undertakings	27,265,419	-
Accruals and deferred income	762,178	1,429,056
	<u>30,489,823</u>	<u>3,298,875</u>

9. Creditors: Amounts falling due after more than one year

	2018 £	2017 £
Amounts owed to group undertakings	33,070,580	25,666,022
	<u>33,070,580</u>	<u>25,666,022</u>

Amounts owed to group undertakings represents a loan advanced by the parent company. The loan is repayable in November 2026 and only then if the company has sufficient funds to repay it whilst remaining able to meet its other financial obligations. The total amount advanced as at 31 December 2018 was £50,021,337 (2017: £42,175,961). Interest is accruing annually at 3%.

The directors consider that 3% is a below market rate and accordingly the balance outstanding on the loan does not represent its fair value. The balance has been adjusted to fair value using an estimated market rate of interest of 10%. The difference between the fair value and the sum advanced is £22,395,095 (2017: £18,843,214) represents a capital contribution by the parent company which has been transferred to equity.

Interest of £3,006,416 (2017: £2,333,275) has been charged to the profit and loss account based on the estimated market rate.

10. Provisions

	Other provision 1 £
Charged to profit or loss	250,000
At 31 December 2018	<u><u>250,000</u></u>

VOLANT MEDIA UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

11. Share capital

	2018 £	2017 £
Allotted, called up and fully paid		
50,000 (2017 - 50,000) Ordinary shares of £1.00 each	<u>50,000</u>	<u>50,000</u>

12. Capital commitments

At 31 December 2018 the Company had capital commitments as follows:

	2018 £	2017 £
Contracted for but not provided in these financial statements	-	460,724
	<u>-</u>	<u>460,724</u>

The capital commitment represents amounts payable by the Company for the construction of their studios in Chiswick Park.

13. Commitments under operating leases

At 31 December 2018 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2018 £	2017 £
No later than 1 year	1,318,170	1,318,170
Later than 1 year and not later than 5 years	3,295,425	4,613,595
	<u>4,613,595</u>	<u>5,931,765</u>

14. Related party transactions

The Company is exempt under the terms of FRS 102 from disclosing related party transactions with members of the group as the company is a wholly owned subsidiary. The parent company is Info Cast Cayman Limited.

15. Post balance sheet events

There have been no post balance sheet events that require disclosure in the accounts.

VOLANT MEDIA UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

16. Auditor's information

The auditor's report on the financial statements for the year ended 31 December 2018 was unqualified.

The audit report was signed on 27/9/19 by Alan Poole BA(Hons) FCA (Senior Statutory Auditor) on behalf of James Cowper Kreston.