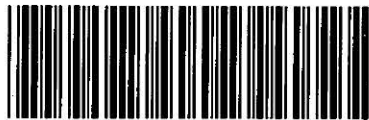


COMPANY REGISTRATION NUMBER: 05221898

Love Productions Limited
Financial Statements
31 December 2023

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COMPANIES HOUSE

SHIPLEYS LLP

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

Love Productions Limited
Financial Statements
Year ended 31 December 2023

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Love Productions Limited

Strategic Report

Year ended 31 December 2023

The Directors of Love Productions Limited ("the Company"), present their Strategic Report for the year ending 31 December 2023. 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

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

For the year ending 2023, the company did not have the benefit of the programme catalogue export sale completed in 2022 but programme production and delivery continues to grow between the UK and the US.

Key financial performance indicators (KPI's)

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

	2023	2022
Turnover (£000)	71,726	79,276
Gross profit (£000)	35,747	41,146
GP% (%)	50	52
EBITDA (£000)	21,770	25,856

Key non-financial performance indicators (KPI's)

Key Non KPI's 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.

Employment policies

The Group ("Love") 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 Group 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.

Love Productions Limited

Strategic Report *(continued)*

Year ended 31 December 2023

Future developments

Love Productions Limited has increased its number of returning series both in the UK and the US, and has finalised sales for more formats to go into production in the UK for sale around the world.

Going concern

The Directors have undertaken a rigorous assessment of whether the Company and Group were 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 and Group's ability to continue as a going concern.

Principal risks and uncertainties

The Company and Group manages business and financial risk and uncertainties as a whole rather than each individual production. For this reason the directors believe that the Company and Group have 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. Further details on financial risks are disclosed in the Directors Report.

Opportunities & risks

To promote the long-term sustainable success of the Company, Group 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 does not consider it practical to analyse the carbon and energy usage at the Company's 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:

The Company is a wholly owned subsidiary of Sky Ventures Limited (the immediate parent company) and operates as part of the Sky Group. Information on Sky's carbon footprint across Scope 1, Scope 2 and certain Scope 3 emissions, an appropriate intensity metric, and the total energy use of electricity, gas and transport fuel is not practical to determine at the Company level. The information is obtainable only at the Sky Group and the UK and Ireland levels, and there is no practical allocation method available (for example based on revenue or headcount) that would result in consistent and reliable information between companies in the Sky Group and over time. Accordingly, the table below presents the carbon footprint for the Sky Group and the UK and Ireland, which are the only levels at which the information can be practically obtained.

Love Productions Limited

Strategic Report *(continued)*

Year ended 31 December 2023

	2023 UK and Ireland £	2023 Sky Group £	2022 UK and Ireland £	2022 Sky Group £
Carbon emissions (tCO ₂ e)				
Emmissions from combustion of gas (Scope 1)	3,244	3,244	5,264	5,264
Emissions from the consumption of fuel for the purposes of transport (Scope 1)	17,469	19,992	20,075	22,836
Emmissions from purchased electricity (Scope 2 - Location based)	36,434	54,580	32,772	48,774
Emmissions from business travel in employee-owned vehicles where company is responsible for purchasing the fuel (Scope 3)	254	438	1,013	1,194
Total carbon emissions (tCO ₂ e)	57,401	78,254	59,124	78,068
Total energy consumption (kWh)	266,903,404	336,620,365	285,258,511	352,872,911

Methodology

The Company has revised the presentation of the metrics in line with the 2019 UK Government environmental reporting guidance.

The Company has calculated GHG emissions using the location-based method, in compliance with Streamlined Energy and Carbon Reporting (SECR) requirements. Sky's GHG emissions are calculated in carbon dioxide equivalent (CO₂e) according to the Greenhouse Gas Protocol Corporate Standard and associated guidance. Sky utilise the emission factors from the latest UK Government (DESNZ) Greenhouse Gas Conversion Factors for Company Reporting (2023), IEA Statistics Data Service: Emission Factors (2023 edition) and the EPA eGRID (2021 edition). Sky does not currently track emissions related to rental cars within Scope 3 business travel emissions.

Data for UK and Ireland includes Sky Limited's Joint Ventures, small international offices and news bureaus and business activities in Portugal.

Measures taken to increase energy efficiency

Sky was the first media company to go CarbonNeutral® in Scope 1 and 2 emissions in 2006. In 2020, Sky set a science-based target, verified by the Science Based Targets initiative, to halve Scope 1, 2 (market-based), and 3 emissions by 2030 from a 2018 baseline. From 2018 to 2023, Sky's total Scope 1, 2 (market-based) and 3 emissions have increased by 3%, driven by an increase in Scope 3 emissions.

Sky's focus for Scope 3 emission reductions is through engaging suppliers and designing products and services with energy efficiency and recyclability in mind. Sky is shifting the product mix to include more efficient streaming devices to help reduce emission impacts and incorporating product Life Cycle Assessment (LCA) data into future emissions reporting to better reflect this.

Between 2022 and 2023, the total Scope 1 and 2 (market-based) emissions have decreased by 17%. The reduction in Scope 1 and 2 emissions is a result of utilising more renewable electricity and decarbonising the fleet. Sky continues to be carbon neutral for Scope 1 and 2. During the year, to further reduce Scope 1 and 2 emissions, the Sky Group delivered a range of heating, ventilation, and air conditioning (HVAC) optimisations primarily focussed on building management initiatives for increasing energy efficiency.

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

Love Productions Limited

Strategic Report *(continued)*

Year ended 31 December 2023

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.

This section explains how the Directors of the Company, both individually and collectively, have had regard to the factors listed above in their decision making during the year ended 31 December 2023. As part of their decision-making process, the Directors have regard to the likely consequences of any decision in the long term.

The Company is a subsidiary of the Comcast Group and therefore consideration of stakeholder engagement is intrinsically linked to the wider Comcast strategy in order to achieve a greater aligned impact, rather than at an individual Company level. Decisions made by the Directors consider the Comcast Group's strategic goals and follow Comcast's Code of Conduct, which defines our principles of business conduct and reflects our shared commitment to integrity and seeks to ensure that the Company maintains high standards of business conduct. The Directors also have due regard to other relevant policies, frameworks and internal controls of the Comcast Group in relation to governance and stakeholder matters. Principal decisions made at the Company level include approving the annual financial statements and dividend distribution in Board meetings, among others.

Our employees

The Directors recognise that employees are central to our success. We celebrate diversity, equity and inclusion and seek to have a workforce that is inclusive and reflective of the diversity of our stakeholders, including our shareholders, employees, customers, suppliers and the communities where we operate.

The Company and its Directors are proud of our community of employee resource groups, which are voluntary, employee-led organisations dedicated to developing the careers of our employees, contributing to community service and building on an inclusive and collaborative workplace and culture. 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 in which all employment-related decisions (from recruitment to career development and progression) are based on the individual's qualifications, ability, performance, skills and potential. We communicate with our employees frequently and conduct employee engagement surveys.

Our partners

As a part of the Comcast Group, the Directors and the Company as a whole seek to build long-term relationships with our suppliers and customers and help them succeed. A critical part of doing business is partnering with others, and we believe that partnerships are built on trust and mutual advantage. The Comcast Group considers these relationships and the feedback received from engagement with our partners in its decision-making process.

We expect our suppliers and business partners to act ethically and share in our commitment to operate with integrity and in accordance with applicable laws and regulations, as set forth in our Code of Conduct for Suppliers and Business Partners, available here: <https://corporate.comcast.com/impact/values-integrity/integrity/our-suppliers-and-business-partners>.

Comcast's annual Statement on Modern Slavery and Supply Chain Values and Sky's Modern Slavery Update provide more information on Sky's approach to understanding and addressing the risks of modern slavery, and conducting human rights due diligence.

Love Productions Limited

Strategic Report *(continued)*

Year ended 31 December 2023

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 teammates, and our planet we can help create a world of open possibilities so that together we can build a future that benefits generations to come. We are focusing our efforts in the following areas:

Digital Equity - by helping people access the resources, skills and tools they need to succeed in an increasingly digital world

Diversity, Equality and Inclusion - by creating a truly diverse and equitable company and society.

Environment - by shaping a sustainable future by improving our environmental impact.

Values and Integrity - by fostering a company culture build on integrity and respect. Our values and principles guide everything we do.

Environment

The Directors and the Company as a whole have considered the importance of climate change and working towards the Comcast Group's strategy for a sustainable future, which includes setting a goal to be carbon neutral by 2035 in Scope 1 and 2 emissions across our global operations. Comcast Group also recently took the critical step of joining the Science Based Target initiative (SBTi) on climate action, committing to set near-term emissions reduction goals. To achieve these goals, we are focused primarily on sourcing renewable and clean energy and improving energy efficiency. We are also innovating to create more sustainable products and packaging. More details on the Comcast Group's environmental strategy can be found at corporate.comcast.com/impacUenvironment.

The Directors and management of the Company are responsible for ensuring the Company contributes to the progress toward these Group wide goals, and consideration of these goals, together with wider environmental impact considerations, are incorporated into the Company's decision-making processes. For more information on Group wide environmental performance and progress, see the 2023 Carbon Footprint Data Report, the Sustainability Accounting Standards Board (SASB) Report, the Task Force on on Climate-Related Financial Disclosures (TCFD) Report and the Carbon Disclosure Project (COP) Report, all available on Comcast Group's ESG Reporting website at www.cmcsa.com/esg-reporting.

Members

The Company is a wholly owned subsidiary of Sky Ventures Limited and is part of the Sky Group and is ultimately controlled by Comcast. The duties of the Directors are exercised in a way that is most likely to promote the success of the Company, the Sky Group and the Comcast Group as a whole, while having regard to the factors outlined in Section 172 of the Companies Act 2006.

This report was approved by the board of directors on 26/09/2024 and signed on behalf of the board by:



P Wedlock
Director

Love Productions Limited

Directors' Report

Year ended 31 December 2023

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

Directors

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

T C Richards
B Shingleton
P Wedlock

On 28 June 2024, T C Richards resigned as a director and R G McNeil was appointed as a director.

Dividends

The directors do not recommend the payment of a dividend.

Financial risk management objectives and policies

The Group's activities expose it to a number of financial risks as set out below.

Credit risk

The Group's principal financial instruments comprise bank balances, trade creditors and trade debtors. The main purpose of these instruments is to finance the Group's operations.

The Balance Sheet of the Company and the Group include receivables due from third parties, as well as intercompany balances due from related parties. The Company and Group are therefore exposed to credit risk on these balances and credit losses relating to these receivables are recognised as applicable.

Liquidity risk

The Director's view is that any exposure to liquidity risk is low.

The Group relies on the Comcast Group Treasury function to manage its liquidity and ensure that sufficient funds are available for ongoing operations and future developments.

The Group makes use of money market facilities where funds are available.

Foreign exchange risk

The Company's activities expose it to the financial risk of changes in foreign currency exchange rates specifically in respect of the intercompany receivable from the US subsidiary. The exposure to foreign currency risk is monitored on an ongoing basis by the management.

Love Productions Limited

Directors' Report *(continued)*

Year ended 31 December 2023

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 Group and the Company and the profit or or loss of the Group for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- 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 Group and Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and 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 Group and the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Love Productions Limited

Directors' Report *(continued)*

Year ended 31 December 2023

Auditor

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

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

This report was approved by the board of directors on 26/09/2024 and signed on behalf of the board by:



P Wedlock
Director

Love Productions Limited

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

Year ended 31 December 2023

Opinion

We have audited the financial statements of Love Productions Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2023 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 2023 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or the parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Love Productions Limited

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

(continued)

Year ended 31 December 2023

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Love Productions Limited

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

Year ended 31 December 2023

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the group and parent company 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 the group and parent company financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the group and parent company 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.

Love Productions Limited

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

(continued)

Year ended 31 December 2023

Auditor's responsibilities for the audit of the financial statements

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

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit, in respect to fraud, are: to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses; and to respond appropriately to fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and its management.

Our approach was as follows:

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the directors and other management (as required by auditing standards), and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations;
- We considered the legal and regulatory frameworks directly applicable to the financial statements reporting framework (UK GAAP and the Companies Act 2006) and the relevant tax compliance regulations in the UK;
- We considered the nature of the industry, the control environment and business performance, including the key drivers for management's remuneration;
- We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit;
- We considered the procedures and controls that the company has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those programmes and controls.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included: testing manual journals; reviewing minutes of meetings with those charged with governance; reviewing the financial statement disclosures and testing to supporting documentation; performing analytical procedures; and enquiring of management, and were designed to provide reasonable assurance that the financial statements were free from fraud or error.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further

Love Productions Limited

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

(continued)

Year ended 31 December 2023

removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's or the parent company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or the parent company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

Love Productions Limited

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

(continued)

Year ended 31 December 2023

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

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

Stephen Joberns

Stephen Joberns (Senior Statutory Auditor)

For and on behalf of
Shipleys LLP
Chartered accountants & statutory auditor
10 Orange Street
Haymarket
London
WC2H 7DQ
26 September 2024

Love Productions Limited
Consolidated Statement of Comprehensive Income
Year ended 31 December 2023

	Note	2023 £	2022 £
Turnover	4	71,726,213	79,375,765
Cost of sales		<u>(35,979,087)</u>	<u>(38,229,698)</u>
Gross profit		35,747,126	41,146,067
Administrative expenses		<u>(14,153,304)</u>	<u>(15,855,290)</u>
Operating profit	5	21,593,822	25,290,777
Other interest receivable and similar income	7	503,676	38,403
Interest payable and similar expenses	8	<u>(35)</u>	<u>(11,453)</u>
Profit before taxation		22,097,463	25,317,727
Tax on profit	9	<u>(4,815,968)</u>	<u>(4,890,785)</u>
Profit for the financial year		17,281,495	20,426,942
Foreign currency retranslation		<u>146,618</u>	<u>(346,439)</u>
Total comprehensive income for the year		17,428,113	20,080,503

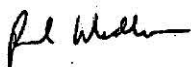
All the activities of the group are from continuing operations.

The notes on pages 21 to 35 form part of these financial statements.

Love Productions Limited
Consolidated Statement of Financial Position
31 December 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	10	1,057,796	1,312,926
Current assets			
Debtors	12	48,466,382	36,368,784
Cash at bank and in hand		<u>22,045,213</u>	<u>23,205,417</u>
		70,511,595	59,574,201
Creditors: amounts falling due within one year	13	<u>(11,518,250)</u>	<u>(18,264,099)</u>
Net current assets		58,993,345	41,310,102
Total assets less current liabilities		60,051,141	42,623,028
Provisions			
Provisions	14	<u>(55,000)</u>	<u>(55,000)</u>
Net assets		<u>59,996,141</u>	<u>42,568,028</u>
Capital and reserves			
Called up share capital	18	11,034	11,034
Share premium account	19	114,526	114,526
Foreign currency translation	19	(564,875)	(711,493)
Profit and loss account	19	<u>60,435,456</u>	<u>43,153,961</u>
Shareholders funds		<u>59,996,141</u>	<u>42,568,028</u>

These financial statements were approved by the board of directors and authorised for issue on 26/09/2024....., and are signed on behalf of the board by:



P Wedlock
Director

Company registration number: 05221898

The notes on pages 21 to 35 form part of these financial statements.

Love Productions Limited
Company Statement of Financial Position
31 December 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	10	1,034,329	1,239,581
Investments	11	501	501
		<u>1,034,830</u>	<u>1,240,082</u>
Current assets			
Debtors	12	51,093,284	40,999,061
Cash at bank and in hand		21,277,336	21,580,666
		<u>72,370,620</u>	<u>62,579,727</u>
Creditors: amounts falling due within one year	13	<u>(11,309,850)</u>	<u>(17,924,219)</u>
Net current assets		<u>61,060,770</u>	<u>44,655,508</u>
Total assets less current liabilities		<u>62,095,600</u>	<u>45,895,590</u>
Provisions			
Provisions	14	<u>(55,000)</u>	<u>(55,000)</u>
Net assets		<u><u>62,040,600</u></u>	<u><u>45,840,590</u></u>
Capital and reserves			
Called up share capital	18	11,034	11,034
Share premium account	19	114,526	114,526
Profit and loss account	19	<u>61,915,040</u>	<u>45,715,030</u>
Shareholders funds		<u><u>62,040,600</u></u>	<u><u>45,840,590</u></u>

The profit for the financial year of the parent company was £16,200,010 (2022: £20,450,236).

These financial statements were approved by the board of directors and authorised for issue on 26/09/2024....., and are signed on behalf of the board by:



P Wedlock
Director

Company registration number: 05221898

The notes on pages 21 to 35 form part of these financial statements.

Love Productions Limited
Consolidated Statement of Changes in Equity
Year ended 31 December 2023

	Called up share capital £	Share premium account £	Foreign currency translation £	Profit and loss account £	Total £
At 1 January 2022	11,034	114,526	(365,054)	22,727,019	22,487,525
Profit for the year				20,426,942	20,426,942
Other comprehensive income for the year:					
Foreign currency retranslation	—	—	(346,439)	—	(346,439)
Total comprehensive income for the year	—	—	(346,439)	20,426,942	20,080,503
At 31 December 2022	11,034	114,526	(711,493)	43,153,961	42,568,028
Profit for the year				17,281,495	17,281,495
Other comprehensive income for the year:					
Foreign currency retranslation	—	—	146,618	—	146,618
Total comprehensive income for the year	—	—	146,618	17,281,495	17,428,113
At 31 December 2023	<u>11,034</u>	<u>114,526</u>	<u>(564,875)</u>	<u>60,435,456</u>	<u>59,996,141</u>

The notes on pages 21 to 35 form part of these financial statements.

Love Productions Limited
Company Statement of Changes in Equity
Year ended 31 December 2023

	Called up share capital £	Share premium account £	Profit and loss account £	Total £
At 1 January 2022	11,034	114,526	25,264,794	25,390,354
Profit for the year	—	—	20,450,236	20,450,236
Total comprehensive income for the year	—	—	20,450,236	20,450,236
At 31 December 2022	11,034	114,526	45,715,030	45,840,590
Profit for the year	—	—	16,200,010	16,200,010
Total comprehensive income for the year	—	—	16,200,010	16,200,010
At 31 December 2023	<u>11,034</u>	<u>114,526</u>	<u>61,915,040</u>	<u>62,040,600</u>

The notes on pages 21 to 35 form part of these financial statements.

Love Productions Limited
Consolidated Statement of Cash Flows
Year ended 31 December 2023

	2023 £	2022 £
Cash flows from operating activities		
Profit for the financial year	17,281,495	20,426,942
<i>Adjustments for:</i>		
Depreciation of tangible assets	401,732	565,564
Other interest receivable and similar income	(503,676)	(38,403)
Interest payable and similar expenses	35	11,453
Tax on profit	4,815,968	4,890,785
Foreign currency movement	453,457	(466,276)
<i>Changes in:</i>		
Accrued (income)/expenses	(21,773,480)	4,617,380
Trade and other debtors	22,659,993	(16,022,121)
Trade and other creditors	(2,694,683)	631,161
Cash generated from operations	<u>20,640,841</u>	<u>14,616,485</u>
Interest paid	(35)	(11,453)
Interest received	474,124	38,403
Tax paid	(4,123,931)	(4,785,737)
Net cash from operating activities	<u>16,990,999</u>	<u>9,857,698</u>
Cash flows from investing activities		
Purchase of tangible assets	<u>(150,458)</u>	<u>(564,130)</u>
Net cash used in investing activities	<u>(150,458)</u>	<u>(564,130)</u>
Cash flows from financing activities		
Loans and advances from/(to) group undertakings	<u>(18,000,744)</u>	<u>(7,570)</u>
Net cash used in financing activities	<u>(18,000,744)</u>	<u>(7,570)</u>
Net (decrease)/increase in cash and cash equivalents	(1,160,203)	9,285,998
Cash and cash equivalents at beginning of year	23,205,417	13,919,419
Cash and cash equivalents at end of year	<u>22,045,214</u>	<u>23,205,417</u>

The notes on pages 21 to 35 form part of these financial statements.

Love Productions Limited
Notes to the Financial Statements
Year ended 31 December 2023

1. General information

Love Productions Limited ("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.

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 and the Group were 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 and the Group's ability to continue as a going concern.

Disclosure exemptions

The 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 the Group and all of its subsidiary undertakings.

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

The Company has applied the exemption contained in section 408 of the Companies Act 2006 and has not included its individual statement of comprehensive income.

Love Productions Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

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:

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.

Love Productions Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

3. Accounting policies *(continued)*

Revenue recognition *(continued)*

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.

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.

Love Productions Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

3. Accounting policies *(continued)*

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.

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.

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)*

Year ended 31 December 2023

3. Accounting policies *(continued)*

Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the group's and parent company's statement of financial position when the group or parent company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial asset

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

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 company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors and loans from fellow group companies, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

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.

Love Productions Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023.

3. Accounting policies *(continued)*

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.

4. Turnover

Turnover arises from:

	2023	2022
	£	£
Television production	57,671,902	58,658,720
Production development	12,759	69,750
Secondary sales/Royalties	14,039,199	20,643,372
Other production	2,353	3,923
	<u>71,726,213</u>	<u>79,375,765</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:

	2023	2022
	£	£
United Kingdom	63,949,981	69,629,539
Overseas	7,776,232	9,746,226
	<u>71,726,213</u>	<u>79,375,765</u>

Love Productions Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

5. Operating profit

Operating profit or loss is stated after charging/crediting:

	2023	2022
	£	£
Depreciation of tangible assets	406,526	565,564
Impairment of trade debtors	176,659	–
Foreign exchange differences	790,341	(1,970,279)
Audit fee	35,000	32,500
Auditors fees - taxation advisory services	3,200	3,150
Auditors fees - other non audit services	5,250	5,350
Operating lease charges	<u>879,459</u>	<u>1,016,436</u>

6. Staff costs

Group

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

	2023	2022
	No.	No.
Production staff	103	101
Administrative staff	70	65
	<u>173</u>	<u>166</u>

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

	2023	2022
	£	£
Wages and salaries	8,496,268	12,222,183
Social security costs	1,247,660	1,412,669
Other pension costs	140,594	157,263
	<u>9,884,522</u>	<u>13,792,115</u>

Love Productions Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

6. 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.

	2023	2022
	£	£
Wages and salaries	3,860,962	3,525,446
Social security costs	343,859	357,243
Other pensions costs	78,808	39,385
	4,283,629	3,922,074

The directors did not receive any remuneration during the year (2022: £nil).

Company

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

	2023	2022
	£	£
Production staff	103	101
Administration staff	67	62
	170	163

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

	2023	2022
	£	£
Wages and salaries	8,005,907	10,604,554
Social security costs	1,247,660	1,412,669
Other pension costs	140,594	129,820
	9,394,161	12,147,043

These costs are incurred for the administrative staff only.

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

	2023	2022
	£	£
Wages and salaries	3,860,962	3,525,446
Social security costs	343,859	357,243
Other pension costs	78,808	39,385
	4,283,629	3,922,074

The directors did not receive any remuneration during the year (2022: £nil).

Love Productions Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

7. Other interest receivable and similar income

	2023	2022
	£	£
Interest on cash and cash equivalents	<u>503,676</u>	<u>38,403</u>

8. Interest payable and similar expenses

	2023	2022
	£	£
Other interest payable and similar charges	<u>35</u>	<u>11,453</u>

9. Tax on profit

Major components of tax expense

	2023	2022
	£	£
Current tax:		
UK current tax expense	6,067,112	4,721,006
Foreign current tax income	(11,020)	10,004
Total current tax	<u>6,056,092</u>	<u>4,731,010</u>
Deferred tax:		
Origination and reversal of timing differences	(1,240,124)	159,775
Tax on profit	<u>4,815,968</u>	<u>4,890,785</u>

Reconciliation of tax expense

The tax assessed on the profit on ordinary activities for the year is lower than (2022: higher than) the effective rate of corporation tax in the UK of 23.52% (2022: 19%).

	2023	2022
	£	£
Profit on ordinary activities before taxation	<u>22,097,463</u>	<u>25,317,727</u>
Profit on ordinary activities by rate of tax	5,197,441	4,810,368
Adjustment to tax charge in respect of prior periods	–	(1,283)
Effect of expenses not deductible for tax purposes	1,028,771	6,475
Effect of capital allowances and depreciation	7,220	(80,656)
Utilisation of tax losses	(226,623)	(3,893)
Deferred tax movement	(1,240,124)	159,774
Effect of different overseas tax rate	49,283	–
Tax on profit	<u>4,815,968</u>	<u>4,890,785</u>

Love Productions Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

9. Tax on profit *(continued)*

Prior to 1 April 2023 the Corporation tax rate of 19% generally applied to all companies whatever their size. From 1 April 2023, this rate has ceased to apply and has been replaced by variable rates ranging from 19% to 25%.

A small profits rate of 19% will apply to companies whose profits are equal to or less than £50,000.

The main Corporation Tax rate is increased to 25% and applies to companies with profits in excess of £250,000.

Companies with profits between £50,000 and £250,000 will pay tax at the main rate of 25% reduced by marginal relief. The marginal relief acts to adjust the rate of tax paid gradually increasing liability from 19% to 25%.

10. Tangible assets

Group	Leasehold improvements £	Plant and machinery £	Fixtures and fittings £	Equipment £	Total £
Cost					
At 1 January 2023	1,375,781	1,150,286	413,217	1,132,342	4,071,626
Additions	16,276	61,695	16,809	55,678	150,458
Foreign exchange differences	(21,436)	(12,551)	(9,637)	(16,628)	(60,252)
At 31 December 2023	<u>1,370,621</u>	<u>1,199,430</u>	<u>420,389</u>	<u>1,171,392</u>	<u>4,161,832</u>
Depreciation					
At 1 January 2023	688,108	851,157	338,085	881,350	2,758,700
Charge for the year	148,225	88,814	25,011	139,682	401,732
Foreign exchange differences	(18,461)	(12,080)	(9,407)	(16,448)	(56,396)
At 31 December 2023	<u>817,872</u>	<u>927,891</u>	<u>353,689</u>	<u>1,004,584</u>	<u>3,104,036</u>
Carrying amount					
At 31 December 2023	<u>552,749</u>	<u>271,539</u>	<u>66,700</u>	<u>166,808</u>	<u>1,057,796</u>
At 31 December 2022	<u>687,673</u>	<u>299,129</u>	<u>75,132</u>	<u>250,992</u>	<u>1,312,926</u>

Love Productions Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

10. Tangible assets *(continued)*

Company	Leasehold improvements £	Plant and machinery £	Fixtures and fittings £	Equipment £	Total £
Cost					
At 1 January 2023	967,906	911,456	229,848	815,950	2,925,160
Additions	<u>2,767</u>	<u>61,695</u>	<u>16,326</u>	<u>46,326</u>	<u>127,114</u>
At 31 December 2023	<u>970,673</u>	<u>973,151</u>	<u>246,174</u>	<u>862,276</u>	<u>3,052,274</u>
Depreciation					
At 1 January 2023	336,814	621,297	159,087	568,381	1,685,579
Charge for the year	<u>96,587</u>	<u>80,315</u>	<u>20,749</u>	<u>134,715</u>	<u>332,366</u>
At 31 December 2023	<u>433,401</u>	<u>701,612</u>	<u>179,836</u>	<u>703,096</u>	<u>2,017,945</u>
Carrying amount					
At 31 December 2023	<u>537,272</u>	<u>271,539</u>	<u>66,338</u>	<u>159,180</u>	<u>1,034,329</u>
At 31 December 2022	<u>631,092</u>	<u>290,159</u>	<u>70,761</u>	<u>247,569</u>	<u>1,239,581</u>

11. Investments

The group has no investments.

Company	Group undertakings £
Cost	
At 1 January 2023 and 31 December 2023	<u>501</u>
Impairment	
At 1 January 2023 and 31 December 2023	<u>-</u>
Carrying amount	
At 1 January 2023 and 31 December 2023	<u>501</u>
At 31 December 2022	<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:

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

Love Productions Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

11. 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.

12. Debtors

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Trade debtors	7,650,377	27,173,287	5,950,277	25,471,117
Amounts owed by group undertakings	18,000,000	–	23,987,745	9,055,095
Deferred tax asset	2,112,621	919,984	1,275,249	1,341
Prepayments and accrued income	20,260,138	5,865,437	19,468,008	4,112,175
Corporation tax repayable	233,242	2,135,850	233,242	2,135,850
Other debtors	210,004	274,226	178,763	223,483
	<u>48,466,382</u>	<u>36,368,784</u>	<u>51,093,284</u>	<u>40,999,061</u>

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

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Deferred tax asset	2,112,621	919,984	1,275,249	1,341
Other debtors	193,902	213,404	162,661	162,661
	<u>2,306,523</u>	<u>1,133,388</u>	<u>1,437,910</u>	<u>164,002</u>

The amounts owed by group undertakings are unsecured, interest free and repayable on demand.

Love Productions Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

13. Creditors: amounts falling due within one year

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Trade creditors	591,864	609,411	387,258	367,287
Amounts owed to group undertakings	399,228	399,972	399,228	399,972
Accruals and deferred income	9,450,180	13,473,174	9,450,180	13,383,880
Social security and other taxes	1,073,184	3,773,080	1,073,184	3,773,080
Other creditors	3,794	8,462	-	-
	<u>11,518,250</u>	<u>18,264,099</u>	<u>11,309,850</u>	<u>17,924,219</u>

The amounts owed to group undertakings are unsecured, interest free and repayable on demand.

14. Provisions

Group and company	Dilapidations £
At 1 January 2023 and 31 December 2023	<u>55,000</u>

The lease on the Company's office expires in May 2024. At the end of the lease the Company will be required to return the office to its original state and a provision of £55,000 has been provided against this expected cost.

15. Deferred tax

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

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Included in debtors (note 12)	<u>2,112,621</u>	<u>919,984</u>	<u>1,275,249</u>	<u>1,341</u>

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

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Accelerated capital allowances	56,045	(51,397)	64,686	(18,233)
Unused tax losses	860,938	1,496,526	-	-
Other deferred tax assets	7,043	19,574	21,968	19,574
Other timing differences - staff costs	1,188,595	(544,719)	1,188,595	-
	<u>2,112,621</u>	<u>919,984</u>	<u>1,275,249</u>	<u>1,341</u>

The deferred tax movement in the year is composed of the following items

	2023	2022	2023	2022
	£	£	£	£
Opening balance	919,984	975,586	1,341	74,678
Movement in period	1,306,900	(159,774)	1,273,908	(73,337)
Foreign exchange translation	(114,263)	104,172	-	-
	<u>2,112,621</u>	<u>919,984</u>	<u>1,275,249</u>	<u>1,341</u>

Love Productions Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

16. Employee benefits

Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £219,402 (2022: £196,648).

17. 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	
	2023	2022
	£	£
Financial assets that are debt instruments measured at amortised cost	<u>45,158,256</u>	<u>32,484,928</u>

Financial liabilities measured at amortised cost

	Group	
	2023	2022
	£	£
Financial liabilities measured at amortised cost	<u>10,065,068</u>	<u>11,726,197</u>

18. Called up share capital

Issued, called up and fully paid

	2023		2022	
	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.

19. 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)*

Year ended 31 December 2023

20. Analysis of changes in net debt

	At 1 Jan 2023	Cash flows	At 31 Dec 2023
	£	£	£
Cash at bank and in hand	23,205,417	(1,160,204)	22,045,213
Debt due within one year	(399,972)	744	(399,228)
	<u>22,805,445</u>	<u>(1,159,460)</u>	<u>21,645,985</u>

21. Operating leases

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

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Not later than 1 year	783,325	473,438	419,152	473,438
Later than 1 year and not later than 5 years	2,168,808	157,833	2,168,808	157,833
Later than 5 years	185,107	–	185,107	–
	<u>3,137,240</u>	<u>631,271</u>	<u>2,773,067</u>	<u>631,271</u>

22. Related party transactions

Company

The Company has availed of the exemption provided in FRS 102 Section 33 'Related Party Disclosures' for subsidiary undertakings 100% or more of whose voting rights are controlled within the group, from the requirements to give details of transactions with entities that are part of the group or investees of the group qualifying as related parties.

Key management remuneration during the period was £7,339,098 (2022: £4,369,583).

23. Controlling party

In the opinion of the Directors the immediate parent undertaking is Sky Ventures Limited, a company incorporated in England and Wales. The Company's ultimate parent company and the smallest and largest group in which the results of the Company are consolidated is Comcast Corporation, a company incorporated in the United States of America and registered in Pennsylvania.

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>.