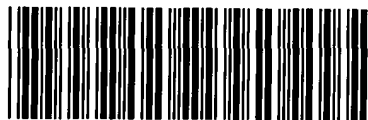


TECHNICOLOR CONNECTED HOME UK LTD  
ANNUAL REPORT AND FINANCIAL  
STATEMENTS  
31 DECEMBER 2017

WEDNESDAY



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# TECHNICOLOR CONNECTED HOME UK LTD

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# TECHNICOLOR CONNECTED HOME UK LTD

## COMPANY INFORMATION

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**Directors**

L Ihlen  
T Youlden

**Registered number**

08533993

**Registered office**

16 Great Queen Street  
Covent Garden  
London  
United Kingdom  
WC2B 5AH

**Auditor**

Mazars LLP  
Chartered Accountants & Statutory Auditor  
The Pinnacle  
160 Midsummer Boulevard  
Milton Keynes  
MK9 1FF

# TECHNICOLOR CONNECTED HOME UK LTD

## DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2017

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The directors present their report and the financial statements for the year ended 31 December 2017.

The directors have not prepared a separate strategic review in accordance with the exemption set out on section 414A(2) of the Companies Act 2006 for small companies.

### Directors

The directors who served during the year were:

L Ihlen  
T Youlden

### Directors indemnity

Appropriate directors' and officers' liability insurance cover is in place in respect of all of the company's directors.

### Disclosure of information to auditor

Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

### Auditor

The auditor, Mazars LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

### Approval of reduced disclosure

The company, as a qualifying entity, has taken advantage of the disclosure exemptions in FRS 102 paragraph 1.12.

### Going Concern

The financial statements have been prepared using the going concern basis of accounting. Further details regarding the adoption of the going concern basis can be found in the accounting policy 1.2 in the notes to the financial statements.

### 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.

# TECHNICOLOR CONNECTED HOME UK LTD

## DIRECTORS' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2017

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

*Tina Youlden*

**T Youlden**  
Director

Date: 30 August 2018

# TECHNICOLOR CONNECTED HOME UK LTD

## DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2017

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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 Accounting Standards and applicable law (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 judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

# TECHNICOLOR CONNECTED HOME UK LTD

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TECHNICOLOR CONNECTED HOME UK LTD FOR THE YEAR ENDED 31 DECEMBER 2017

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### Opinion

We have audited the financial statements of Technicolor Connected Home UK Ltd (the 'company') for the year ended 31 December 2017, which comprise the profit and loss account, the balance sheet, the statement of changes in equity and notes to the financial statements, 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 Financial Reporting Standard 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 company's affairs as at 31 December 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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

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

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

### Other information

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

# TECHNICOLOR CONNECTED HOME UK LTD

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TECHNICOLOR CONNECTED HOME UK LTD (continued) FOR THE YEAR ENDED 31 DECEMBER 2017

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

We have nothing to report in this regard.

### **Opinion 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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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;
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the 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 company or to cease operations, or have no realistic alternative but to do so.



# TECHNICOLOR CONNECTED HOME UK LTD

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TECHNICOLOR CONNECTED HOME UK LTD (continued) FOR THE YEAR ENDED 31 DECEMBER 2017

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### 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### Use of the audit 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 Brown (Senior Statutory Auditor)

for and on behalf of

**Mazars LLP**

Chartered Accountants & Statutory Auditor

The Pinnacle  
160 Midsummer Boulevard  
Milton Keynes  
MK9 1FF

Date: 30 August 2018

# TECHNICOLOR CONNECTED HOME UK LTD

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2017

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	Note	2017 £	2016 £
Turnover	2	2,591,681	2,570,803
Administrative expenses		(2,384,929)	(2,212,924)
<b>Operating profit</b>	3	<b>206,752</b>	357,879
Interest receivable and similar income	6	11,068	14,589
<b>Profit on ordinary activities before taxation</b>		<b>217,820</b>	372,468
Taxation on profit on ordinary activities	7	37,721	(50,877)
<b>Profit for the financial year</b>		<b>255,541</b>	321,591

There are no other items of Other Comprehensive Income for either this year or the prior year other than the profit for the year. Accordingly, no Statement of Other Comprehensive Income has been presented.

All items are related to continuing operations.

The notes on pages 11 to 21 form part of these financial statements.

**TECHNICOLOR CONNECTED HOME  
UK LTD**
**BALANCE SHEET  
AS AT 31 DECEMBER 2017**

	Note	2017 £	2016 £
<b>Fixed assets</b>			
Tangible assets	8	-	1,667
		-	1,667
<b>Current assets</b>			
Debtors: amounts falling due within one year	9	1,140,253	915,567
		1,140,253	915,567
Creditors: amounts falling due within one year	10	(313,008)	(345,530)
<b>Net current assets</b>		<b>827,245</b>	<b>570,037</b>
<b>Total assets less current liabilities</b>		<b>827,245</b>	<b>571,704</b>
<b>Net assets</b>		<b>827,245</b>	<b>571,704</b>
<b>Capital and reserves</b>			
Called up share capital	12	21,399	21,399
Profit and loss account	13	805,846	550,305
<b>Shareholders' funds</b>		<b>827,245</b>	<b>571,704</b>

The financial statements of Technicolor Connected Home UK Ltd on pages 8 to 21 were approved and authorised for issue by the board and were signed on its behalf by:



**T Youlden**  
Director

Date: 30 August 2018

The notes on pages 11 to 21 form part of these financial statements.

# TECHNICOLOR CONNECTED HOME UK LTD

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

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	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2016	21,399	228,714	250,113
Profit for the financial year	-	321,591	321,591
<b>Total comprehensive income for the year</b>	-	<b>321,591</b>	<b>321,591</b>
At 1 January 2017	21,399	550,305	571,704
Profit for the financial year	-	255,541	255,541
<b>Total comprehensive income for the year</b>	-	<b>255,541</b>	<b>255,541</b>
<b>At 31 December 2017</b>	<b>21,399</b>	<b>805,846</b>	<b>827,245</b>

The notes on pages 11 to 21 form part of these financial statements.

# TECHNICOLOR CONNECTED HOME UK LTD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

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### 1. Accounting policies

#### 1.1 Basis of preparation of financial statements

Technicolor Connected Home UK Limited provides marketing and support services to group companies.

The company is a private company limited by shares and is incorporated and domiciled in England and Wales. Its registered office is 16 Great Queen Street, Covent Garden, London, WC2B 5AH and its principal place of business is Net Lynk Building, 1 First Avenue, Maybrook Business Park, Minworth, B76 1BA.

The financial statements are presented in Sterling (£).

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006. These accounting standards have been consistently applied throughout the current and preceding year.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies. The directors believe that there are no critical accounting estimates.

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102:

- exemption from the requirement to present a statement of cash flows; and
- exemption from the requirement to disclose aggregate key management personnel compensation.

The company has also taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102, on the basis that equivalent information is included in the consolidated financial statements of Technicolor S A as at 31 December 2017 and these financial statements may be obtained from the registered office at 1, Rue Jeanne D'Arc, Issy-les-Moulineaux 92443, France:

- exemption from certain disclosures relating to financial instruments required by Section 11.

The financial statements have been prepared under the historical cost convention 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 judgment in applying the company's accounting policies.

The following principal accounting policies have been applied:

#### 1.2 Going concern

The company has adequate financial resources and as a consequence, the directors believe that the company is well placed to manage its business risks successfully. After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence and meet its liabilities as they fall due for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

# TECHNICOLOR CONNECTED HOME UK LTD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

---

### 1. Accounting policies (continued)

#### 1.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding value added tax.

##### Provision of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- The amount of revenue can be measured reliably;
- It is probable that the company will receive the consideration due under the contract; and
- The costs incurred and the costs to complete the contract can be measured reliably.

#### 1.4 Tangible fixed assets

Tangible fixed assets 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.

At each reporting date the company assesses whether there is any indication of impairment. If such an indication exists, the recoverable amount of the asset is determined as the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying value exceeds the recoverable amount.

The company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

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 bases:

Computer equipment	-	25% straight-line
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Gains and losses on disposal are determined by comparing the proceeds with the carrying amount and are recognised within 'administrative expenses' in the profit and loss account.

#### 1.5 Operating leases

Leases that do not transfer all the risks and rewards of ownership are classified as operating leases.

Rentals paid under operating leases are charged to the profit or loss on a straight line basis over the period of the lease.

#### 1.6 Interest income and expense

Interest income and expense is recognised in the profit and loss account using the effective interest method.

# TECHNICOLOR CONNECTED HOME UK LTD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

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### 1. Accounting policies (continued)

#### 1.7 Financial assets and liabilities

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the balance sheet when, and only when there exists a legally enforceable right to set off the recognised amounts and the company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Financial assets and financial liabilities are recognised when the company becomes party to the contractual provisions of the instrument.

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.

The company's policies for its major classes of financial assets and financial liabilities are set out below.

#### 1.8 Share capital

Ordinary shares are classified as equity.

# TECHNICOLOR CONNECTED HOME UK LTD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

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### 1. Accounting policies (continued)

#### 1.9 Foreign currency translation

##### Functional and presentation currency

The company's functional and presentational currency is Sterling (£).

##### 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 profit and loss account.

All foreign exchange gains and losses are presented in the profit and loss account within 'administrative expenses'.

#### 1.10 Pensions

##### Defined contribution pension plan

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in the profit and loss account when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

#### 1.11 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the profit and loss account.

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.

Deferred 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.



# TECHNICOLOR CONNECTED HOME UK LTD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

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### 2. Turnover

An analysis of turnover by class of business is as follows:

	2017 £	2016 £
Sales and marketing services	<u>2,591,681</u>	<u>2,570,803</u>

Analysis of turnover by country of destination:

	2017 £	2016 £
France	<u>2,591,681</u>	<u>2,570,803</u>

### 3. Operating profit

The operating profit is stated after charging:

	2017 £	2016 £
Depreciation of tangible fixed assets	1,667	2,500
Fees payable to the company's auditor for the audit of the company's annual financial statements	12,357	12,374
Exchange differences	22	512
Other operating lease rentals	40,000	40,000
Defined contribution pension cost	<u>91,056</u>	<u>90,437</u>

# TECHNICOLOR CONNECTED HOME UK LTD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

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### 4. Employees

Staff costs, including directors' remuneration, were as follows:

	2017 £	2016 £
Wages and salaries	1,638,965	1,457,853
Social security costs	200,802	191,934
Cost of defined contribution scheme	91,056	90,437
	<u>1,930,823</u>	<u>1,740,224</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2017 No.	2016 No.
Sales team	9	8
Administration	3	3
Research and development	7	7
	<u>19</u>	<u>18</u>

### 5. Directors' remuneration

	2017 £	2016 £
Directors' emoluments	105,365	109,004
Company contributions to defined contribution pension schemes	6,928	6,399
	<u>112,293</u>	<u>115,403</u>

During the year retirement benefits were accruing to 1 director (2016 - 1) in respect of defined contribution pension schemes.

### 6. Interest receivable

	2017 £	2016 £
Interest receivable from group companies	<u>11,068</u>	<u>14,589</u>

# TECHNICOLOR CONNECTED HOME UK LTD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

### 7. Taxation

	2017 £	2016 £
<b>Corporation tax</b>		
Current tax on profits for the year	-	50,877
Adjustments in respect of previous periods	<b>14,411</b>	-
<b>Total current tax</b>	<b>14,411</b>	50,877
<b>Deferred tax</b>		
Other timing differences	<b>10,281</b>	10,219
Adjustments in respect of previous periods	<b>(10,720)</b>	3,642
Deferred tax impairment	<b>(51,693)</b>	(13,861)
<b>Total deferred tax</b>	<b>(52,132)</b>	-
<b>Total tax (credit)/charge for the year</b>	<b>(37,721)</b>	50,877

#### Factors affecting tax (credit)/charge for the year

The tax assessed for the year is lower than (2016: lower than) the standard rate of corporation tax in the UK of 19.25% (2016: 20.00%). The differences are explained below:

	2017 £	2016 £
Profit on ordinary activities before taxation	<b>217,820</b>	372,468
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.25% (2016: 20.00%)	<b>41,930</b>	74,494
<b>Effects of:</b>		
Expenses not deductible for tax purposes	<b>999</b>	-
Adjustments to tax charge in respect of previous periods	<b>3,691</b>	3,642
Difference in applicable tax rates between corporation and deferred tax	<b>(1,361)</b>	(1,805)
Use of losses brought forward	-	(11,593)
Impairment of deferred tax asset	<b>(51,693)</b>	(13,861)
Group relief received without payment	<b>(31,287)</b>	-
<b>Total tax (credit)/charge for the year</b>	<b>(37,721)</b>	50,877

# TECHNICOLOR CONNECTED HOME UK LTD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

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### 7. Taxation (continued)

#### Factors that may affect future tax charges

The applicable rate of Corporation Tax changed from 20% to 19% on 1 April 2017, so the blended tax rate for the year is 19.25% (2016: 20%).

The deferred tax asset has been recognised in full at 31 December 2017 (at 31 December 2016: was fully impaired) based on the company's future profit forecasts.

A reduction in the UK corporation tax rate to 17%, effective from 1 April 2020, was substantively enacted as part of the Finance (No. 2) Act 2016 on 6 September 2016. Deferred taxes at the balance sheet date have been measured using these enacted tax rates based on when the timing difference is expected to reverse and reflected in these financial statements.

The 17% rate has been used to calculate the deferred tax balance at 31 December 2017, as it is unlikely to be realised before 2021.

### 8. Tangible fixed assets

	<b>Computer equipment £</b>
<b>Cost</b>	
At 1 January and at 31 December 2017	<u>10,000</u>
<b>Depreciation</b>	
At 1 January 2017	8,333
Charge for the year on owned assets	<u>1,667</u>
At 31 December 2017	<u>10,000</u>
<b>Net book value</b>	
At 31 December 2017	<u>-</u>
At 31 December 2016	<u>1,667</u>

# TECHNICOLOR CONNECTED HOME UK LTD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

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### 9. Debtors

	2017 £	2016 £
Trade debtors	-	2,854
Amounts owed by group undertakings	1,074,502	893,785
Other debtors	4,119	6,992
Prepayments and accrued income	9,500	11,936
Deferred taxation (see note 11)	52,132	-
	<u>1,140,253</u>	<u>915,567</u>

Amounts owed by group undertakings are unsecured and repayable on demand. They bear interest at 1 month LIBOR plus 1.10% (2016: 2.33%).

### 10. Creditors: amounts falling due within one year

	2017 £	2016 £
Trade creditors	6,118	10,028
Amounts owed to group undertakings	70,652	56,242
Other taxation and social security	49,594	-
Accruals and deferred income	186,644	279,260
	<u>313,008</u>	<u>345,530</u>

# TECHNICOLOR CONNECTED HOME UK LTD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

---

### 11. Deferred taxation

	2017 £
At beginning of year	-
Credit to profit or loss	439
Release of deferred tax impairment	51,693
<b>At end of year</b>	<b>52,132</b>

The deferred tax asset is made up as follows:

	2017 £	2016 £
Accelerated capital allowances	48,835	48,551
Provisions	3,297	3,142
Impairment of deferred tax asset	-	(51,693)
	<u>52,132</u>	<u>-</u>

### 12. Called up share capital

	2017 £	2016 £
<b>Allotted, called up and fully paid</b>		
25,000 Ordinary shares of €1 each	21,399	21,399

The shares have attached to them full voting, dividend and capital distribution (including on winding up) rights; they do not confer any rights of redemption.

### 13. Reserves

#### Profit and loss account

The profit and loss account includes all current and prior year retained profits and losses.

# TECHNICOLOR CONNECTED HOME UK LTD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

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### 14. Pension commitments

The company operates a defined contribution pension scheme for the benefit of its employees, The balance owing in relation to pension costs at 31 December 2017 was £19,392 (2016: £18,482).

### 15. Commitments under operating leases

At 31 December 2017 the company had future minimum lease payments under non-cancellable operating leases as follows:

	2017 £	2016 £
Not later than 1 year	40,000	38,904
2 - 5 years	38,904	-
	<u>78,904</u>	<u>38,904</u>

### 16. Related party transactions

The company has taken advantage of the exemption contained in FRS 102 section 33 "Related Party Disclosures" from disclosing transactions with entities which are a wholly owned part of the Group.

### 17. Parent undertaking and ultimate controlling party

The company's immediate parent undertaking is Technicolor Delivery Technologies SAS, a company registered in France. The company's ultimate parent undertaking and ultimate controlling party is Technicolor S A, a company registered in France.

The company's results are consolidated within the Technicolor S A group financial statements, which can be obtained from the Registered Office at 1, Rue Jeanne d'Arc, Issy-les-Moulineaux 92443, France. The company is not consolidated within any other group.