

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

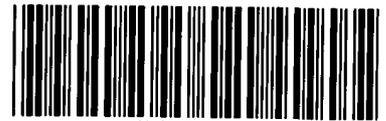
FOR THE YEAR ENDED 30 JUNE 2016

FOR

DHX WORLDWIDE LIMITED

Registered No. 05786060

WEDNESDAY



L6FE4WIH

LD6

20/09/2017

#36

COMPANIES HOUSE

DHX WORLDWIDE LIMITED

**CONTENTS OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2016**

	Page
Company Information	1
Directors' Report	2
Strategic Report	4
Independent Auditor's Report	5
Statement of Comprehensive Income	6
Balance Sheet	7
Statements of Changes in Equity	8
Notes to the Financial Statements	9

DHX WORLDWIDE LIMITED

COMPANY INFORMATION
for the year ended 30 June 2016

DIRECTORS:

Ms A S Mirviss
Mr M Gosine
Mr K P Byrne
Mr M P Donovan

SECRETARY:

Ms A Loi

REGISTERED OFFICE:

1 Queen Caroline Street
2nd Floor
London
W6 9YD

REGISTERED NUMBER:

05786060

INDEPENDENT AUDITORS:

Nexia Smith & Williamson
Portwall Place
Portwall Lane
Bristol
BS1 6NA

DHX WORLDWIDE LIMITED
DIRECTORS' REPORT
for the year ended 30 June 2016

The Directors present their report and the audited financial statements of the Company for the year ended 30 June 2016.

RESULTS AND DIVIDENDS

The Company's loss for the year ended 30 June 2016 is £7,987,411 (2015 profit- £6,784,955). During the year the Company paid no dividends (2015 - £2,203,535).

SUBSEQUENT EVENTS

Details of events which have occurred since the end of the financial year are provided in note 18 to the financial statements.

GOING CONCERN

The financial statements have been prepared on a going concern basis as the ultimate parent undertaking has indicated its intention to provide continuing financial support to the Company for at least twelve months from the date of signing these financial statements, and the foreseeable future thereafter.

DIRECTORS

The directors who served in the year and up to the date of signing the financial statements were:

Mr D A Levart (resigned 3 May 2016)
Ms A S Mirviss
Mr M Gosine
Mr M P Donovan (appointed 1 April 2016)
Mr K P Byrne (appointed 1 April 2016)

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Directors' Report, the Strategic 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 prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including FRS 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 year.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DHX WORLDWIDE LIMITED
DIRECTORS' REPORT (Continued)
for the year ended 30 June 2016

DISCLOSURE OF INFORMATION TO AUDITORS

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

- so far as that director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- that director has taken all the steps that ought to have been taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

ON BEHALF OF THE BOARD:



Ms A S Mirviss - Director

Date: 20 September 2017

DHX WORLDWIDE LIMITED

**STRATEGIC REPORT
for the year ended 30 June 2016**

The Directors present their Strategic Report for the year ended 30 June 2016.

PRINCIPAL ACTIVITY AND BUSINESS REVIEW

The Company's principal activity is the acquisition and global distribution of children's entertainment properties including television programmes and licensing of associated intellectual property rights. The Company expects to continue doing as such.

The directors are satisfied with the performance of the business during the year and the financial position of the company at the year end. The directors believe that the financial statements and related notes give a comprehensive view of the company's performance and financial position.

PRINCIPAL RISKS AND UNCERTAINTIES

The directors of DHX Media Ltd. (the ultimate parent company) manage the group's risk at a group level, rather than at an individual entity level, including financial risk management.

For this reason, the Company's directors believe that a discussion of the Company's risks would not be appropriate for an understanding of the development, performance or position of the business.

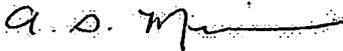
The principal risks and uncertainties of DHX Media Ltd., which include those of the Company, are disclosed in the group's annual report, which does not form part of this report.

Copies of DHX Media Ltd.'s consolidated financial statements are available from 1478 Queen Street, Halifax, Nova Scotia, Canada, B3J 2H7.

KEY PERFORMANCE INDICATORS ("KPIs")

Given the straightforward nature of the business, the Company's directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business. The KPI analysis and discussion has been performed in the annual report of the ultimate parent company.

ON BEHALF OF THE BOARD:



Ms A S Mirviss - Director

Date: 20 September 2017

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF DHX WORLDWIDE LIMITED

We were engaged to audit the financial statements of DHX Worldwide Limited for the year ended 30 June 2016 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the company's member 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 member 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 member for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's (FRC's) Ethical Standards for Auditors. Because of the matters described in the Basis for disclaimer of opinion on the financial statements paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's website at www.frc.org.uk/auditscopeukprivate.

Basis for disclaimer of opinion on the financial statements

The audit evidence available to us concerning the recognition of transactions and balances in the appropriate DHX group company was limited due to an absence of independent support. As a result of this, we have been unable to obtain sufficient appropriate audit evidence concerning revenue, cost of sales, administrative expenses and related investment, debtor and creditor balances.

Disclaimer of opinion on financial statements

Because of the significance of the matters described in the basis for disclaimer of opinion on the financial statements paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly we do not express an opinion on the financial statements.

Opinion on other matter prescribed by the Companies Act 2006

Notwithstanding our disclaimer of an opinion on the financial statements, in our opinion the information given in the Directors' Report and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

Arising from the limitation of our work referred to above:

- we have not obtained all the information and explanations that we considered necessary for the purpose of our audit; and
- we were unable to determine whether adequate accounting records have been kept.

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

- 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.

Nexia Smith & Williamson

Kelly Jones (Senior Statutory Auditor)

for and on behalf of

Nexia Smith & Williamson

Statutory Auditor

Chartered Accountants

Date:

20 September 2017

Portwall Place

Portwall Lane

Bristol

BS1 6NA

DHX WORLDWIDE LIMITED

STATEMENT OF COMPREHENSIVE INCOME
for the year ended 30 June 2016

	Notes	Year ended 30 June 2016 £	Year ended 30 June 2015 £
Turnover	3	17,287,246	11,401,136
Cost of sales		(8,504,889)	(2,540,118)
Gross profit		8,782,357	8,861,018
Exceptional costs	5	(15,210,025)	-
Other operating income		366,593	-
Administrative expenses		(1,083,703)	(1,136,635)
Operating (loss)/profit	4	(7,144,778)	7,724,383
Interest payable		(460,386)	(306,250)
(Loss)/profit before taxation		(7,605,164)	7,418,133
Taxation	7	(382,247)	(633,178)
(Loss)/profit and total comprehensive (expense)/income for the year		(7,987,411)	6,784,955

The notes on pages 9 to 19 form part of these financial statements.

DHX WORLDWIDE LIMITED (REGISTERED NUMBER: 05786060)

**BALANCE SHEET
as at 30 June 2016**

	Notes	30 June 2016 £	30 June 2015 £
FIXED ASSETS			
Investments	11	1,112	1,112
Intangible assets	8	3,938,940	865,931
Tangible assets	9	53,325	38,089
Investment in programmes	10	<u>22,326,433</u>	<u>14,905,775</u>
		26,319,810	15,810,907
CURRENT ASSETS			
Trade debtors: amounts falling due in more than one year	12	9,803,970	2,283,938
Trade debtors: amounts falling due in less than one year	12	30,351,666	7,178,476
Cash		<u>4,190,609</u>	<u>1,639,629</u>
		44,346,245	11,102,043
CREDITORS			
Amounts falling due within one year	13	<u>(45,639,009)</u>	<u>(11,467,192)</u>
		25,027,046	15,445,758
TOTAL ASSETS LESS CURRENT LIABILITIES			
		22,035,282	14,812,668
CREDITORS			
Amounts falling due after one year	13	<u>(2,974,875)</u>	<u>(587,953)</u>
PROVISIONS			
Deferred taxation	14	<u>(16,889)</u>	<u>(45,137)</u>
		22,035,282	14,812,668
NET ASSETS			
CAPITAL AND RESERVES			
Share capital	15	101,010	101,010
Share premium	16	15,210,025	-
Retained earnings	16	<u>6,724,247</u>	<u>14,711,658</u>
		22,035,282	14,812,668

The financial statements were approved by the Board of Directors and were signed on its behalf by:



Ms A.S Mirviss
Director

Date: 20 September 2017

The notes on pages 9 to 19 form part of these financial statements.

DHX WORLDWIDE LIMITED

**STATEMENT OF CHANGES IN EQUITY
for the year ended 30 June 2016**

	Share capital £	Share premium £	Retained earnings £	Total equity £
Balance at 1 July 2014	101,010	-	10,130,238	10,231,248
Profit for the year	-	-	6,784,955	6,784,955
Dividend paid	-	-	(2,203,535)	(2,203,535)
	<hr/>	<hr/>	<hr/>	<hr/>
Balance at 30 June 2015	101,010	-	14,711,658	14,812,668
Loss for the year	-	-	(7,987,411)	(7,987,411)
Dividend paid	-	-	-	-
Issue of equity share capital	-	15,210,025	-	15,210,025
	<hr/>	<hr/>	<hr/>	<hr/>
Balance at 30 June 2016	<u>101,010</u>	<u>15,210,025</u>	<u>6,724,247</u>	<u>22,035,282</u>

The notes on pages 9 to 19 form part of these financial statements.

DHX WORLDWIDE LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 June 2016

1. ACCOUNTING POLICIES

Basis of preparation

DHX Worldwide Limited is a private limited company registered in England and Wales. The address of the registered office is 1 Queen Caroline Street, 2nd Floor, London, W6 9YD.

These financial statements are the first annual financial statements of the Company prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". The first date at which FRS 102 was applied was 1 July 2014. In accordance with FRS 102 the Company has:

- provided comparative information;
- applied the same accounting policies throughout all periods presented;
- retrospectively applied FRS 102 as required; and
- applied certain optional exemptions and mandatory exceptions as applicable for first time adopters of FRS 102.

Further information about the transition to FRS 102 can be found in note 20.

The financial statements have been prepared under the historical cost convention.

In preparing these financial statements, the Company has taken advantage of the following exemptions available under FRS 102:

- the requirements of Section 7, Statement of Cash Flows;
- the requirements of Section 3, Financial Statement Presentation, paragraph 3.17(d);
- the requirements of Section 11, Financial Instruments, paragraphs 11.39 to 11.48A; and
- the requirements of Section 33, Related Party Disclosures, paragraphs 33.7 – 33.9.

Going concern

The financial statements have been prepared on a going concern basis as the ultimate parent undertaking has indicated its intention to provide continuing financial support to the Company for at least twelve months from the date of signing these financial statements, and the foreseeable future thereafter.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable from the distribution of entertainment content and related merchandising rights, net of VAT and other sales related taxes.

Distribution revenue is recognised on the latter of the delivery of materials and the beginning of the licencing period. Merchandising revenue for properties still in production is recognised over the licensing period. Where properties are no longer in production, revenue is recognised in line with the policy applied to distribution revenue.

Foreign currencies

Transactions in foreign currencies are recorded at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at the balance sheet date. Exchange differences are taken into account in arriving at the operating result.

Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the company but are presented separately due to their size or incidence.

DHX WORLDWIDE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2016**

1. ACCOUNTING POLICIES (CONTINUED)

Taxation

The tax expense represents the sum of the tax currently payable and any deferred tax.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Investments

Investments are stated at cost, less provision for permanent diminution in value.

Investment in Programmes

Investments in programmes comprise costs incurred in the production and acquisition of distribution rights to entertainment content and are stated at cost less any necessary provision for impairment in value determined with reference to projected future income on that property.

Investments in programmes are amortised on a straight line basis over their estimated useful life of 10 years.

Tangible assets

Tangible assets are recognised at cost with depreciation then provided to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Computer and office equipment	-	20-33% per annum
-------------------------------	---	------------------

Intangible assets

Intangible assets comprise capitalised trademark costs and merchandising rights which are held at cost less amortisation which is provided over their useful economic life as follows:

Merchandising rights	-	4-10% per annum
Trademark costs	-	20% per annum

Financial instruments

Financial assets and liabilities are recognised in the balance sheet when the Company becomes party to the contractual provisions of the instrument.

Debtors and creditors are classified as basic financial instruments and measured at initial recognition at transaction price. Debtors and creditors are subsequently measured at amortised cost using the effective interest rate method. A provision is established when there is objective evidence that the Company will not be able to collect all amounts due.

Cash and cash equivalents are classified as basic financial instruments and comprise cash in hand and at bank.

Financial liabilities and equity instruments issued by the group are classified in accordance with the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

DHX WORLDWIDE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued) for the year ended 30 June 2016

2. KEY SOURCES OF ESTIMATION UNCERTAINTY AND JUDGEMENTS

The preparation of financial statements in conformity with generally accepted accounting practice requires management to make estimates and judgements that affect the reported amounts of assets and liabilities as well as the disclosure of contingent assets and liabilities at the balance sheet date and the reported amounts of revenues and expenses during the reporting period.

The key areas of judgement and estimation uncertainty in these financial statements are highlighted below:

Impairment of investments in programmes

Investments in programmes comprise costs incurred in the production and distribution of entertainment content. These costs are released to the Statement of Comprehensive Income on a straight line basis over a 10 year period. When it becomes probable that the investment balance will exceed future revenues, an impairment charge is recognised in the Statement of Comprehensive Income.

Impairment of intangible assets

Capitalised trademark costs and merchandising rights are reviewed periodically by management for evidence of impairment with reference to the financial performance of the related properties. These costs are released to the Statement of Comprehensive Income over their useful economic life. Where indicators of impairment are identified, an impairment review is performed and an impairment charge is recognised to the extent necessary.

Amortisation of investments in programmes and intangibles

Investments in programmes and intangibles are amortised over their estimated useful life which is subject to management's judgement and prone to fluctuate by property and through technological developments in the wider market. Where the useful life of an asset is no longer considered to be appropriate, this estimate is adjusted and applied prospectively.

Impairment of investments in subsidiaries

Investment balances are reviewed periodically by management for evidence of impairment with reference to the financial position of the company in which the investment is held. Where indicators of impairment are identified, an impairment review is performed and an impairment charge is recognised to the extent necessary.

Valuation of debtors

Debtor balances are reviewed periodically by management for evidence of impairment with reference to the financial position of the counterparty. Where indicators of impairment are identified and it is considered probable that the debt will not be recovered in full, a provision is recognised.

DHX WORLDWIDE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued)
for the year ended 30 June 2016

3. TURNOVER

All turnover is derived from the licensing of intellectual property rights and originates in the United Kingdom.

Analysis of turnover by destination:

	Year ended 30 June 2016	Year ended 30 June 2015
	£	£
UK	6,667,659	6,858,438
Rest of Europe	3,982,984	978,822
Rest of World	6,636,603	3,563,876
	<u>17,287,246</u>	<u>11,401,136</u>

4. OPERATING (LOSS)/PROFIT

Operating (loss)/profit is stated after charging/(crediting):

	Year ended 30 June 2016	Year ended 30 June 2015
	£	£
Amortisation of investment in programmes	2,535,657	778,419
Amortisation of intangible assets	227,318	118,195
Depreciation	23,942	16,811
Foreign exchange (gains)/losses	(940,242)	177,310
	<u>(940,242)</u>	<u>177,310</u>

The audit fee for the company of £15,000 (2015 - £13,000) was borne by another group company.

5. EXCEPTIONAL COSTS

	Year ended 30 June 2016	Year ended 30 June 2015
	£	£
Impairment of investment in subsidiary	<u>15,210,025</u>	<u>-</u>

6. STAFF NUMBERS AND COSTS

The Company had 12 employees in the current year (2015 – 6).

The Company paid the following management charges to other DHX group companies in respect of staff costs:

	Year ended 30 June 2016	Year ended 30 June 2015
	£	£
Staff costs	<u>1,182,056</u>	<u>713,035</u>

Directors emoluments are borne by other group companies and are not recharged to DHX Worldwide Limited.

DHX WORLDWIDE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued)
for the year ended 30 June 2016

7. TAX ON PROFITS

a) Analysis of the tax charge

	Year ended 30 June 2016	Year ended 30 June 2015
	£	£
UK corporation tax charge	326,377	635,125
Adjustment in respect of prior periods	78,679	(6,460)
Overseas tax charge	243,448	189,152
Double taxation relief	(238,009)	(189,152)
Total current tax	410,495	628,665
Deferred tax		
Current year	(28,248)	4,513
	382,247	633,178

b) Factors affecting the tax charge for the year

The difference between the total tax expense shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax is as follows:

	Year ended 30 June 2016	Year ended 30 June 2015
	£	£
(Loss)/profit on ordinary activities before taxation	(7,605,164)	7,418,133
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in UK of 20% (2015: 20.75%)	(1,521,033)	1,539,313
Effects of:		
Expenses not deductible for tax purposes	3,043,514	514
Fixed asset differences	2,765	3,417
Group relief claimed	(1,225,240)	(903,606)
Foreign tax credits	5,439	-
Adjustments to tax charge in respect of previous periods	78,679	(6,460)
Adjustments for change in tax rate	(1,877)	-
	382,247	633,178

DHX WORLDWIDE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (Continued)
for the year ended 30 June 2016**

8. INTANGIBLE FIXED ASSETS

	Trademark costs £	Merchandising rights £	Total £
COST			
At 1 July 2015	513,466	855,965	1,369,431
Additions	724,096	2,576,231	3,300,327
Disposals	-	(385,322)	(385,322)
At 30 June 2016	<u>1,237,562</u>	<u>3,046,874</u>	<u>4,284,436</u>
ACCUMULATED AMORTISATION			
At 1 July 2015	37,800	465,700	503,500
Charge for the year	153,992	73,326	227,318
Disposals	-	(385,322)	(385,322)
At 30 June 2016	<u>191,792</u>	<u>153,704</u>	<u>345,496</u>
NET BOOK VALUE			
At 30 June 2016	<u>1,045,770</u>	<u>2,893,170</u>	<u>3,938,940</u>
At 30 June 2015	<u>475,666</u>	<u>390,265</u>	<u>865,931</u>

9. TANGIBLE FIXED ASSETS

	Computer and office equipment £
COST	
At 1 July 2015	64,770
Additions	39,178
Disposals	(25,593)
At 30 June 2016	<u>78,355</u>
ACCUMULATED DEPRECIATION	
At 1 July 2015	26,681
Charge for the year	23,942
Disposals	(25,593)
At 30 June 2016	<u>25,030</u>
NET BOOK VALUE	
At 30 June 2016	<u>53,325</u>
At 30 June 2015	<u>38,089</u>

DHX WORLDWIDE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (Continued)
for the year ended 30 June 2016**

10. INVESTMENT IN PROGRAMMES

	£
COST	
At 1 July 2015	38,471,765
Additions	9,956,315
At 30 June 2016	<u>48,428,080</u>
 ACCUMULATED AMORTISATION	
At 1 July 2015	23,565,990
Charge for the year	2,535,657
At 30 June 2016	<u>26,101,647</u>
 NET BOOK VALUE	
At 30 June 2016	<u>22,326,433</u>
At 30 June 2015	<u>14,905,775</u>

11. INVESTMENTS

	Investment in subsidiaries £
COST	
At 1 July 2015	1,112
Additions	15,210,025
At 30 June 2016	<u>15,211,137</u>
 ACCUMULATED IMPAIRMENT	
At 1 July 2015	-
Charge for the year	15,210,025
At 30 June 2016	<u>15,210,025</u>
 NET BOOK VALUE	
At 30 June 2016	<u>1,112</u>
At 30 June 2015	<u>1,112</u>

On 31 March 2016, DHX Worldwide Limited issued 1 ordinary A share to its parent company, DHX Worldwide Holdings Limited in consideration for a 100% shareholding in Cookie Jar Entertainment Holdings UK Ltd. In view of the net liability position of the Cookie Jar Entertainment Holdings UK Ltd subgroup, the investment is considered to be impaired and accordingly, has been written off to the Statement of Comprehensive Income in the current year.

DHX WORLDWIDE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued)
for the year ended 30 June 2016

11. INVESTMENTS (Continued)

The following are subsidiary undertakings of the Company:

Name	Country of Incorporation	Class of shares	Holding	Principal activity
Cookie Jar Entertainment UK Limited	United Kingdom	Ordinary	100%	Holding company
Cookie Jar Entertainment Holdings UK Limited	United Kingdom	Ordinary	100%	Holding company
DHX Worldwide (U) Limited	United Kingdom	Ordinary	100%	The acquisition and global distribution of children's entertainment properties and licensing of associated intellectual property rights.
Cookie Jar Distribution Limited	United Kingdom	Ordinary	100%	Motion picture and video production
Copyright Promotions Group Limited	United Kingdom	Ordinary	100%	Holding company
Stamhill Limited	United Kingdom	Ordinary	100%	Inactive
The Copyright Promotions Licensing Group Limited	United Kingdom	Ordinary	100%	Licensing intellectual properties on behalf of rights holders
Copyright Promotions Limited	United Kingdom	Ordinary	100%	Dormant
Copyright Promotions Europe BV	Netherlands	Ordinary	100%	Licensing intellectual properties on behalf of rights holders
Copyright Promotions Licensing Group GmbH	Germany	Ordinary	100%	Licensing intellectual properties on behalf of rights holders
Copyright Promotions Licensing Group Nordic AB	Sweden	Ordinary	100%	Licensing intellectual properties on behalf of rights holders
DHX-RD Developments Limited	United Kingdom	Ordinary	100%	Dormant
DHX-RD Holdings Limited	United Kingdom	Ordinary	100%	Dormant
DHX-RD Rights Limited	United Kingdom	Ordinary	100%	Dormant

DHX WORLDWIDE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (Continued)
for the year ended 30 June 2016**

12. DEBTORS

Amounts due within one year

	Year ended 30 June 2016	Year ended 30 June 2015
	£	£
Trade debtors	6,319,007	2,285,778
Prepayments and accrued income	9,085,607	2,834,254
Amounts due from group undertakings	14,947,052	2,058,444
	<u>30,351,666</u>	<u>7,178,476</u>

Amounts due after one year

	Year ended 30 June 2016	Year ended 30 June 2015
	£	£
Prepayments and accrued income	9,803,970	2,283,938
	<u>9,803,970</u>	<u>2,283,938</u>

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

13. CREDITORS

Amounts due within one year

	Year ended 30 June 2016	Year ended 30 June 2015
	£	£
Trade creditors	681,975	208,629
Amounts due to group undertakings	28,562,029	3,486,410
Other taxation and social security	1,127,933	963,694
Corporation tax	742,668	537,729
Other creditors	10,894,305	4,256,200
Accruals and deferred income	3,630,099	2,014,530
	<u>45,639,009</u>	<u>11,467,192</u>

Amounts due after one year

	Year ended 30 June 2016	Year ended 30 June 2015
	£	£
Other creditors	2,439,774	-
Accruals and deferred income	535,101	587,953
	<u>2,974,875</u>	<u>587,953</u>

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

DHX WORLDWIDE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (Continued)
for the year ended 30 June 2016**

14. DEFERRED TAXATION

	2016	2015
	£	£
Accelerated capital allowance	43,529	45,137
Short term timing differences	(26,640)	-
	16,889	45,137
	16,889	45,137

15. SHARE CAPITAL

	A Ordinary		B Ordinary	
Issued and fully paid	Number	£	Number	£
At 1 July 2015	505,050	50,505	505,050	50,505
Issued in the year	1	-	-	-
At 30 June 2016	505,051	50,505	505,050	50,505
	505,051	50,505	505,050	50,505

On 31 March 2016, DHX Worldwide Limited issued one share at par for consideration of £15,210,025.

16. RESERVES

Share premium account

Share premium reflects amounts received in excess of nominal value on the issue of share capital.

Retained earnings

This reserve relates to cumulative retained earnings less amounts distributed to shareholders.

17. CONTINGENCIES

The company is party to a cross guarantee dated 31 March 2016 with DHX UK Holdings Limited, DHX Media Ltd, DHX Media (UK) Limited and DHX Worldwide Holdings Limited.

Under the terms of this agreement, a fixed charge is provided over the shares of the company. At 30 June 2016 total borrowings subject to the agreement were £nil.

18. POST BALANCE SHEET EVENT

On 22 December 2016, DHX Worldwide Limited issued 108,657,070 A ordinary shares to its parent company, DHX Worldwide Holdings Limited in consideration for the assignment of a loan for the value of £10,865,707.

19. ULTIMATE PARENT COMPANY AND CONTROLLING PARTY

DHX Worldwide Holdings Limited is the immediate parent company, which is incorporated in the United Kingdom.

DHX Media Ltd. is the ultimate parent undertaking and has prepared consolidated financial statements incorporating the results of this company as at 30 June 2016. Copies of the consolidated financial statements of DHX Media Ltd. are available from 1478 Queen Street, Halifax, Nova Scotia, Canada, B3J 2H7.

There is not considered to be an ultimate controlling party of DHX Media Ltd.

DHX WORLDWIDE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued)
for the year ended 30 June 2016

20. TRANSITION TO FRS 102

This is the first year that DHX Worldwide Limited has presented its results under FRS 102. The date of transition to FRS 102 was 1 July 2014.

The transition to FRS 102 has resulted in a small number of changes to accounting policies. These have not impacted the financial performance or position of the Company.