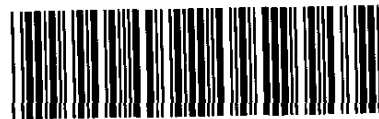


RTL Group Support Services Limited

Registered Number: 00889123

**Directors' report and financial statements for the
year ended 31 December 2019**

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RTL Group Support Services Limited

Registered Number: 00889123

Directors' report for the year ended 31 December 2019

The directors present their report and the audited financial statements of RTL Group Support Services Limited (the "Company") for the year ended 31 December 2019.

The Company is a private company and is incorporated and domiciled in the UK. The address of its registered office is 1 Stephen Street, London, W1T 1AL. The Company is registered in England and limited by shares.

Principal activities

The principal activity of the Company throughout the year was the provision of journalist support services to members of Bertelsmann SE & Co.KGaA, the ultimate controlling party, and RTL Group S.A. ("RTL Group"), the smallest group in which these financial statements consolidate. The Company has also provided information technology system support to members of the RTL Group and has assisted those members in the evaluation of global business development and overall strategic objectives.

Review of business and future developments

The Company's profit for the financial year ended 31 December 2019, as set out on page 5 of the financial statements, was £74,000 (2018 profit: £54,000), with a profit before taxation of £72,000 (2018 profit: £66,000) for the financial year and revenue of £1,676,000 (2018: £1,461,000). The Company's net assets reported for the year ended 31 December 2019 were £1,659,000 (2018: £1,585,000).

Revenue has increased due to the rise in the provision of services to group companies. This has resulted in an increase to profit on ordinary activities before taxation.

The results are in line with the expectations of the directors. The Company continues to provide journalist support and information technology system support to members of the RTL Group.

Key performance indicators

The Company's key performance indicator is considered to be as follows:

Profit for the financial year: £74,000 (2018 profit: £54,000).

Going Concern

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis in preparing the annual financial statements.

Financial risk management objectives and policies

The Company's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The Company does not use derivative financial instruments for speculative purposes.

RTL Group Support Services Limited

Registered Number: 00889123

Directors' report for the year ended 31 December 2019 (continued)

Cash flow risk

The Company's activities expose it to the financial risk of changes in interest rates, but the directors do not believe there is a material exposure to losses arising from these potential changes to warrant the use of hedging.

Credit risk

The Company's principal financial assets are cash and receivables. The Company's credit risk is primarily attributable to its receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows. The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies. The Company has no significant concentration of credit risk, with exposure spread primarily among related group parties.

Liquidity risk

Cash is held as cash at bank and in hand in order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments.

Dividends

The directors do not recommend the payment of a dividend for the year (2018: £nil). The profit for the financial year has been transferred to equity.

Post balance sheet events

At present, the Company is closely monitoring the situation in regards to Covid-19 and has taken steps to protect ongoing cashflow. As a result, there is no anticipated change to the companies Going Concern status.

Directors

The directors who held office during the year and up to the date of this report are given below:

V Pascaud
K-M Beisheim

RTL Group Support Services Limited

Registered Number: 00889123

Directors' report for the year ended 31 December 2019 (continued)

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'. 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 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.

RTL Group Support Services Limited

Registered Number: 00889123

Directors' report for the year ended 31 December 2019 (continued)

Disclosure of Audit requirements

The Company is a wholly owned subsidiary of RTL Group S.A. and is included in the consolidated financial statements of RTL Group S.A. which are publicly available. Consequently, the Company has taken advantage of the exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

Small company exemption

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

In accordance with section 414B of Companies Act 2006, The Company has applied the small companies' exemption in relation to the need to produce a strategic report.

By order of the board

DocuSigned by:



D65196BB9E5B48B

K-M Beisheim
Director

10th December 2020

RTL Group Support Services Limited

Registered Number: 00889123

Statement of Profit and Loss and Other Comprehensive Income for the year ended 31 December 2019

	Note	2019 £'000	2018 £'000
Revenue	4	1,676	1,461
Administrative expenses		(1,605)	(1,396)
Operating profit	6	71	65
Finance income	9	1	1
Profit before taxation		72	66
Tax on profit	10	2	(12)
Profit for the financial year		74	54
Total Comprehensive Income for the year		74	54

The notes to the financial statements are on pages 8 to 19 and form an integral part to these financial statements.

The above results were derived entirely from continuing operations.

RTL Group Support Services Limited

Registered Number: 00889123

Statement of Financial Position as at 31 December 2019

	Note	2019 £'000	2018 £'000
Fixed Assets			
Tangible Assets	13	89	-
		89	
Current assets			
Trade and other receivables	11	364	274
Cash at bank and in hand		1,615	1,404
		1,979	1,678
Creditors – amounts falling due within one year	12	(409)	(93)
Net current assets		1,570	1,585
Total assets less current liabilities		1,659	1,585
Net Assets		1,659	1,585
Equity			
Ordinary share capital	15	-	-
Retained earnings		1,659	1,585
Total shareholders' funds		1,659	1,585

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

The Company was entitled to exemption from the requirement to have an audit under section 479A of the Companies Act 2006.

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

The financial statements on pages 5 to 19 were approved by the board of directors on 10th December 2020 and signed on its behalf by:

DocuSigned by:

Michael Beisheim

D65196B89E5B4BB

K-M Beisheim

Director

RTL Group Support Services Limited

Registered Number: 00889123

RTL Group Support Services Limited

Registered number: 00889123

Statement of Changes in Equity for the year ended 31 December 2019

	Ordinary share capital £'000	Retained earnings £'000	Total shareholders' funds £'000
Balance as at 1 January 2018	-	1,531	1,531
Profit for the financial year	-	54	54
Other Comprehensive Income for the year	-	-	-
Total Comprehensive Income for the year	-	54	54
Total transactions with owners, recognised directly in equity	-	-	-
Balance as at 31 December 2018	-	1,585	1,585
Balance as at 1 January 2019	-	1,585	1,585
Profit for the financial year	-	74	74
Other Comprehensive Income for the year	-	-	-
Total Comprehensive Income for the year	-	74	74
Total transactions with owners, recognised directly in equity	-	-	-
Balance as at 31 December 2019	-	1,659	1,659

RTL Group Support Services Limited

Notes to the Financial Statements for the year ended 31 December 2019

1 Accounting policies

a) Basis of preparation

These financial statements are prepared under the historical cost convention and in accordance with the Companies Act 2006 and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101). The principal accounting policies are set out below and have been consistently applied throughout the financial year.

The Company meets its day-to-day working capital requirements through its cash reserves. The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing its financial statements.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 2.

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- IFRS 7, 'Financial Instruments: Disclosures';
- Paragraphs 91 to 99 of IFRS 13, 'Fair value measurement' (disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities);
- Paragraph 38 of IAS 1, 'Presentation of financial statements' comparative information requirements in respect of:
 - (i) paragraph 79(a)(iv) of IAS 1 (reconciliation for number of shares in issue); and
 - (ii) paragraph 73(e) of IAS 16 Property, plant and equipment (reconciliation of carrying amount components of fixed assets during the year);
- The following paragraphs of IAS 1, 'Presentation of financial statements':
 - 10(d) (statement of cash flows);
 - 10(f) (a statement of financial position as at the beginning of the preceding period when an entity applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements, or when it reclassifies items in its financial statements);
 - 16 (statement of compliance with all IFRS);
 - 38A (requirement for minimum of two primary statements, including cash flow statements);
 - 38B-D (additional comparative information);
 - 40A-D (requirements for a third statement of financial position);
 - 111 (cash flow statement information); and
 - 134-136 (capital management disclosures)
- IAS 7, 'Statement of cash flows'
- Paragraph 30 and 31 of IAS 8 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective)
- Paragraph 17 of IAS 24, 'Related party disclosures' (key management compensation)
- The requirements in IAS 24, 'Related party disclosures' to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

RTL Group Support Services Limited

Notes to the Financial Statements for the year ended 31 December 2019 (continued)

1 Accounting policies (continued)

b) New Accounting Standards

IFRS 16 is a new accounting standard that is effective for the year ended 31 December 2019; and has not had a material impact on the Company.

IFRS 16

The Company has applied IFRS 16 using the modified retrospective approach, under which the cumulative effect of initial application is recognised in retained earnings at 1 January 2019.

On transition to IFRS 16, the Company elected to apply the following practical expedients:

- the Company has not reassessed contracts that were not identified as leases under IAS 17 and IFRIC 4 to determine whether these is a lease under IFRS 16. Therefore, the definition of a lease under IFRS 16 was applied only to contracts entered into or modified on or after 1 January 2019.
- for leases previously classified as operating leases under IAS 17
- the Company has applied a single discount rate to a portfolio of leases with similar characteristics.
- the Company has applied the exemption not to recognise right-of-use assets and liabilities for leases with less than 12 months of remaining lease term at the date of application.

For leases that were classified as finance leases under IAS 17, the carrying amount of the right-of-use asset and the lease liability at 1 January 2019 are determined at the carrying amount of the lease asset and lease liability under IAS 17 immediately before that date.

The following tables summarise the impacts of adopting new reporting standards on the Company's financial statements.

Balance Sheet

	2019 £'000
Fixed Assets	
Tangible Assets	89
Creditors – amounts falling due within one year	(90)

Statement of Profit and Loss and Other Comprehensive Income

Administrative expenses	(92)
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RTL Group Support Services Limited

Notes to the Financial Statements for the year ended 31 December 2019 (continued)

1 Accounting policies (continued)

c) Consolidated financial statements

These financial statements are separate financial statements. The Company is exempt from the preparation of consolidated financial statements as it is a wholly owned subsidiary of RTL Group S.A. and is included in the financial statements of RTL Group S.A. which are publicly available.

d) Revenue

Services income is generated from the provision of information technology support to companies within the RTL Group S.A. and journalist support services to members of Bertelsmann SE & Co.KGaA. Revenue is calculated based on cost incurred to provide the services with a mark-up applied.

All revenue represents income net of value added tax. This is recognised in line with the periods in which the services relate. Revenue is accounted for on an accruals basis.

e) Foreign currencies

Transactions denominated in foreign currencies during the period are translated at rates ruling at the dates of the transactions. At the balance sheet date all monetary assets and liabilities denominated in foreign currencies are translated at period end rates. Exchange gains and losses are taken to the statement of profit and loss.

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in 'Pounds Sterling' (£), which is also the Company's functional currency.

f) Taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in shareholders' funds. In this case, the tax is also recognised in other comprehensive income or directly in shareholders' funds, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

RTL Group Support Services Limited

Notes to the Financial Statements for the year ended 31 December 2019 (continued)

1 Accounting policies (continued)

g) Deferred taxation

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income 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.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

h) Cash at bank and in hand

Cash at bank and in hand includes cash in hand and deposits held on call with banks.

i) Ordinary share capital

Ordinary shares are classified as equity.

i) Finance Income

Finance income is recognised on an accrual's basis.

k) Employee benefits

Other employee benefits include holiday pay accrual, a car allowance scheme and other benefits in kind. The costs associated with these benefits are recognised when an employee has rendered services in exchange for the contributions due by the employer.

RTL Group Support Services Limited

Notes to the Financial Statements for the year ended 31 December 2019 (continued)

2 Critical accounting estimates and judgements

a) Pension costs

During 2019, the Company participated in the FremantleMedia Group Personal Pension Plan, a defined contribution scheme. FremantleMedia Group Limited is a wholly owned subsidiary of RTL Group S.A. FremantleMedia Group Limited is the sponsoring entity of the Plan.

Although the Company participates in both the defined benefit and defined contribution section, the Company is unable to identify its share of the underlying assets and liabilities and hence accounts for its participation as defined contribution.

The Company's profit and loss charge represents its participation for the year to 31 December 2019.

b) Impairment of receivables

The Company makes an estimate of the recoverable value of receivables and reviews them for impairment on an annual basis. When assessing the impairment of receivables, management considers the position of the counterparty within the RTL Group S.A group and makes appropriate enquiries to consider the recoverability of amounts owed by group undertakings.

c) Recognition of deferred tax assets

The recognition of deferred tax assets is based upon whether it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Where the temporary differences are related to losses, relevant tax law is considered to determine the availability of the losses to offset against the future taxable profits.

3 Cash flow statement

The Company is a wholly owned subsidiary of RTL Group S.A. and is included in the consolidated financial statements of RTL Group S.A., which are publicly available. Consequently, the Company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS 101.

RTL Group Support Services Limited

Registered Number: 00889123

**Notes to the Financial Statements for the year ended 31 December 2019
(continued)****4 Revenue****a) Analysis of revenue by geography:**

	2019	2018
	£'000	£'000
United Kingdom	1,676	1,461
	1,676	1,461

This revenue is solely generated from providing services.

5 Related party disclosures

The Company entered into related party transactions with members of RTL Group S.A., the smallest group in which these financial statements consolidate. The Company also entered into related party transactions with subsidiaries of Bertelsmann SE & Co. KGaA, the ultimate controlling party, and members of the Bertelsmann SE & Co. KGaA group, which are not wholly owned by RTL Group S.A.

These transactions are disclosed below.

There were no amounts written off in the year in respect of debts due from related parties, and no provision was required for doubtful debts due from such parties.

The services related to journalistic support, and compliance services.

Name of Related Party	Amounts receivable from related party		Amounts payable to related party		Other commitments received from related party	
	2019 £'000	2018 £'000	2019 £'000	2018 £'000	2019 £'000	2018 £'000
Arvato Financial Solutions Limited	-	1	-	-	-	-
Broadcasting Center Europe S.A.	47	18	-	-	129	78
InfoNetwork GmbH	112	72	-	-	-	-
RTL Group S.A.	32	-	-	-	-	-
Bertelsmann UK Services Limited	79	-	-	-	-	-
CLT-UFA S.A.	38	40	-	-	-	-
FremantleMedia Limited	-	-	135	5	-	-
	277	167	152	16	129	78

RTL Group Support Services Limited

Notes to the Financial Statements for the year ended 31 December 2019 (continued)

Related party disclosures (continued)

Name of Related Party	Revenue generated from related party		Expenditure for related party	
	2019 £'000	2018 £'000	2019 £'000	2018 £'000
Bertelsmann SE & Co. KGaA	-	-	-	1
Broadcasting Center Europe S.A.	141	101	-	-
InfoNetwork GmbH	1,219	1,088	-	-
RTL Group S.A.	103	30	-	-
CLT-UFA S.A.	103	164	1	-
FremantleMedia Group Limited	7	48	45	105
FremantleMedia Limited	-	-	7	11
RTL Adconnect UK Limited	103	30	-	-
	1,676	1,461	53	117

6 Operating (loss)/profit

Operating (loss)/profit is stated after charging:	2019 £'000	2018 £'000
Depreciation of tangible fixed assets (note 13)	89	-
Employee costs (note 7)	664	530

The auditors' remuneration in the current year was £4,323 (2018: £4,323).

7 Employee information

	2019 £'000	2018 £'000
Employee costs		
Wages and salaries	594	490
Social security costs	46	26
Other pension costs	24	14
	664	530

	2019 Number	2018 Number
The average monthly number of employees during the year was as follows:		
Services	5	5

RTL Group Support Services Limited

Notes to the Financial Statements for the year ended 31 December 2019 (continued)

8 Directors' emoluments

None of the directors received any fees or emoluments in respect of their services to the Company during the year ended 31 December 2019 (2018: £nil).

9 Finance income

	2019 £'000	2018 £'000
Bank interest	1	1

10 Tax on profit

a) Analysis of charge in the year

	2019 £'000	2018 £'000
Current tax charge:		
UK Corporation – current year	13	6
Total current tax charge (note 10(b))	13	6
Deferred tax (note 10(d))	(15)	6
Tax on profit	(2)	12

The standard rate of corporation tax in the United Kingdom changed from 20% to 19% with effect from 1 April 2017. Accordingly, the Company's profits are taxed at an effective rate of 19% (2018 19%)

RTL Group Support Services Limited

Notes to the Financial Statements for the year ended 31 December 2019 (continued)

10 Tax on profit (continued)

b) Factors affecting the tax charge for the year

The current tax charge differs from the standard rate of corporation tax in the UK of 19% (2018: 19%).

The differences are explained below:

	2019 £'000	2018 £'000
Profit before taxation	72	66
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2018: 19%)	13	13
Effects of:		
Change in tax rate	-	(1)
Total tax on profit (note 10(a))	13	12

c) Deferred tax asset

	2019 £'000	2019 £'000	2018 £'000	2018 £'000
	Recognised	Unrecognised	Recognised	Unrecognised
Tax losses carried forward	25	86	10	113
Capital losses	-	197	-	197
	25	283	10	310

RTL Group Support Services Limited

Registered Number: 00889123

**Notes to the Financial Statements for the year ended 31 December 2019
(continued)****10 Tax on profit (continued)****d) Movement in deferred tax asset**

	Tax Losses £'000
At 1 January 2018	16
(Charged) to the income statement	(6)
At 31 December 2018	10
(Charged) to the income statement	15
At 31 December 2019	25

A deferred tax asset has been recognised in respect of the losses to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilised. The standard rate of deferred tax used is 17% (2017: 17%).

The tax rate is 19% with effect from 1 April 2017 and will fall to 17% with effect from 1 April 2020. Accordingly, deferred tax has been provided at 17% (2017: 17%).

11 Trade and other receivables

	2019 £'000	2018 £'000
Amounts owed by group undertakings (note 5)	277	167
Prepayments and accrued income	62	97
Deferred taxation (note 10 (c))	25	10
	364	274

All amounts owed by group undertakings are unsecured, interest free and are repayable on demand. No impairment for doubtful debts was required.

12 Creditors - amounts falling due within one year

	2019 £'000	2018 £'000
Trade creditors	52	22
Amounts owed to group undertakings (note 5)	152	16
Accruals and deferred income	115	55
Lease Liabilities (note 14)	90	-
	409	93

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

RTL Group Support Services Limited

Notes to the Financial Statements for the year ended 31 December 2019 (continued)

13 Tangible Fixed assets

	Leasehold Property £'000
Cost or valuation	
At 1 January 2019	-
IFRS 16 Adoption	178
At 31 December 2019	178
Depreciation	
At 1 January 2019	-
Charge for the year	(89)
At 31 December 2019	(89)
Net book value	
At 31 December 2019	(89)
At 31 December 2018	-

The net book value of owned and leased assets included as "Tangible Fixed assets" in the Balance sheet is as follows

	2019 £'000
Tangible fixed assets owned	-
Right-of-use tangible fixed assets	89
	89

14 Leases

Lease liabilities are due as follows:

	2019 £'000	2018 £'000
Less than one year	90	-
	90	-

RTL Group Support Services Limited

Registered Number: 00889123

Notes to the Financial Statements for the year ended 31 December 2019 (continued)

15 Ordinary share capital

Called up shares of £1 each

	2019 Number	2019 £
Allotted and fully paid:		
At 1 January 2019	1	1
Issued during the year	-	-
At 31 December 2019	1	1

There is a single class of ordinary shares. There are no restrictions on the distribution of dividends and the repayment of capital.

16 Pension scheme

The Company participates in FremantleMedia Group Limited's defined benefit and defined contribution plans. FremantleMedia Group Limited is a wholly owned subsidiary of RTL Group S.A.

Although the Company participates in both the defined benefit and defined contribution plan, the Company is unable to identify its share of the underlying assets and liabilities and hence accounts for its participation as defined contribution.

At the year ended 31 December 2019 the total pension scheme plan was in surplus (2018: surplus).

No additional contributions from the Company have been requested.

17 Ultimate parent undertaking

The immediate parent undertaking is RTL Group Services Belgium a company registered in Belgium.

The smallest group to consolidate these financial statements is RTL Group S.A. Copies of the RTL Group S.A. financial statements can be obtained from the General Counsel at RTL Group S.A., 45 Boulevard Pierre Frieden, L-1543 Luxembourg.

The ultimate parent undertaking and controlling party is Bertelsmann SE & Co.KGaA, a company registered in Germany, which is the largest group to consolidate these financial statements. Copies of the Bertelsmann SE & Co.KGaA financial statements can be obtained from the General Counsel at Bertelsmann SE & Co.KGaA, Carl-Bertelsmann-Straße 270, 33311 Gütersloh, Germany.