

CBS Broadcast Services Limited

Annual report and financial statements

Registered number 2149581

31 December 2016

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Directors' report

The directors present their annual report and the audited financial statements of CBS Broadcast Services Limited ("the Company") for the year ended 31 December 2016.

Principal activities

The Company's principal activities are the provision of import, export and administrative services, principally to fellow group undertakings. At the end of 2016 the import and export activities carried out by the CBS Media Logistics division were transferred to CBS News (the UK branch of CBS Broadcasting Inc.). The directors do not foresee any further changes to the administrative activities of the Company.

Going concern

The Directors have considered the appropriateness of the going concern assumption. CBS Corporation Inc. has provided the Company with an undertaking that it will, for at least 12 months from the date of approval of these financial statements, continue to make available such funds as needed by the Company. This should enable the Company to continue its operational existence for the foreseeable future by meeting its liabilities as they fall due for payment. Based on this undertaking the directors believe that it remains appropriate to prepare the financial statements on a going concern basis.

Principal risks and uncertainties

The management of the Company and execution of the Company's strategy are subject to a number of risks. The directors have identified the need to manage the Company's material financial risks, including foreign exchange, liquidity and interest rate risks. These risks are monitored through a Group Treasury management function which invests surplus funds, mitigates foreign exchange exposure and manages borrowings for CBS Corporation group companies (the 'Group').

Group Treasury also seeks to limit counter-party risk by conducting all of its banking and dealing activities with a limited number of major international banks, whose status is kept under review.

Liquidity Risk

The Company finances its operations through a combination of intercompany payables, issued ordinary share capital and a commitment of financial support from the parent entity.

Foreign Exchange Risk

To the extent that the Company enters into banking arrangements and intercompany agreements in currencies different to that of the Company's functional currency, there is an exposure to movements in exchange rates. The Company does not participate in cross-currency hedging.

Key performance indicators (KPI)

Given the straightforward nature of the business, KPIs are limited to the financial results of the Company.

Results and Dividends

The results for the year are set out on page 6. The Company made a profit of £533,338 (2015 restated: £443,853). The directors do not recommend the payment of a dividend (2015: £nil).

The results are in line with expectations of the directors.

Directors' report *(continued)*

The directors who held office during the year and up to the date of signing these financial statements were as follows:

Armando Nuñez
Richard Jones
Stephen Tague
David Magness

Political contributions

The Company made no political or charitable donations during the year (2015: £nil).

Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

Approved by the board and signed on its behalf by


David Magness
Director

CBS Broadcast Services Limited
Company registered number: 2149581
Cannon Place
78 Cannon Street
London
EC4N 6AF

2 November 2017

Statement of directors' responsibilities in respect of the directors' report and the financial statements

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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), 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 period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and 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; 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CBS BROADCAST SERVICES LIMITED

We have audited the financial statements of CBS Broadcast Services Limited for the year ended 31 December 2016 set out on pages 6 to 18. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK 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 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.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 3, 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 Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year is consistent with the financial statements.

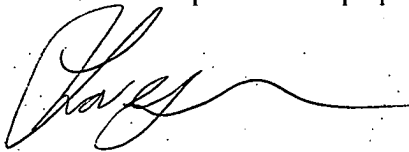
Based solely on the work required to be undertaken in the course of the audit of the financial statements and from reading the Directors' report:

- we have not identified material misstatements in that report; and
- in our opinion, that report has been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

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:

- 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; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.



James Lovegrove (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
London
E14 5GL

10 November 2017

Profit and loss account and Other Comprehensive Income

for the year ended 31 December 2016

	<i>Note</i>	2016 £	2015 – Restated ¹ £
Turnover	2	6,435,225	6,060,857
Cost of sales		(1,615,011)	(1,691,561)
		<hr/>	<hr/>
Gross profit		4,820,214	4,369,296
Administrative expenses	3,4	(4,314,581)	(3,887,148)
		<hr/>	<hr/>
Operating profit		505,633	482,148
Interest receivable and similar income	6	-	92
		<hr/>	<hr/>
Profit on ordinary activities before taxation		505,633	482,240
Tax on profit on ordinary activities	7	27,705	(38,387)
		<hr/>	<hr/>
Profit for the financial year		<u>533,338</u>	<u>443,853</u>

There were no other recognised gains and losses in the current or prior year other than those included in the profit and loss account shown above.

The notes on pages 8 to 20 form part of these financial statements.

¹ See note 1.11


Balance Sheet
As at 31 December 2016

	<i>Note</i>	2016	2015 – Restated ¹
		£	£
Tangible assets	8	962,568	1,320,317
Current assets			
Debtors	9	3,043,780	1,118,390
Cash at bank and in hand		2,806,789	4,089,289
		<u>5,850,569</u>	<u>5,207,679</u>
Creditors: amounts falling due within one year	10	<u>(4,987,931)</u>	<u>(5,256,340)</u>
Net current assets/(liabilities)		862,638	(48,661)
Total assets less current liabilities		1,825,206	1,271,656
Provisions for liabilities			
Other provisions	12	(345,555)	(345,555)
Net assets		<u>1,479,651</u>	<u>926,101</u>
Capital and reserves			
Called up share capital	14	2	2
Share based payment reserve	13	189,439	169,227
Profit and loss account		1,290,210	756,872
Shareholders' funds		<u>1,479,651</u>	<u>926,101</u>

The notes on pages 9 to 18 form part of these financial statements.

¹ See note 1.11

These financial statements were approved by the board of directors on 2 November 2017 and were signed on its behalf by:


David Magness
Director

Company registered number: 2149581

Statement of Changes in Equity

	Called up Share capital £	Share based payment reserve £	Profit and loss Account £	Total equity £
Balance at 1 January 2015	2	148,896	313,019	461,916
Total comprehensive income for the period:				
Profit or loss – restated ¹	-	-	443,853	443,853
Share based payments	-	20,331	-	20,331
Balance at 31 December 2015 – restated¹	2	169,227	756,872	926,101
Balance at 1 January 2016 as restated	2	169,227	756,872	926,101
Total comprehensive income for the period:				
Profit or loss	-	-	533,338	533,338
Share based payments	-	20,212	-	20,212
Balance at 31 December 2016	2	189,439	1,290,210	1,479,651

The notes on pages 9 to 18 form part of these financial statements.

¹ See note 1

Statement of Changes in Equity

	Called up Share capital £	Share based payment reserve £	Profit and loss Account £	Total equity £
Balance at 1 January 2015	2	148,896	313,019	461,916
Total comprehensive income for the period:				
Profit or loss – restated ¹	-	-	443,853	443,853
Share based payments	-	20,331	-	20,331
Balance at 31 December 2015 – restated¹	2	169,227	756,872	926,101
Balance at 1 January 2016 as restated	2	169,227	756,872	926,101
Total comprehensive income for the period:				
Profit or loss	-	-	533,338	533,338
Share based payments	-	20,212	-	20,212
Balance at 31 December 2016	2	189,439	1,290,210	1,479,651

The notes on pages 9 to 17 form part of these financial statements.

¹ See note 1

Notes to the financial statements

1 Accounting policies

CBS Broadcast Services Limited (the “Company”) is a company limited by shares and incorporated and domiciled in the UK.

The Company is exempt by virtue of s400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

These financial statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (“FRS 102”) as issued in August 2014. The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1.

As the Company is a wholly owned subsidiary of CBS Corporation, the Company has taken advantage of the exemption contained in Paragraph 33.1A of FRS 102 and has therefore not disclosed transactions or balances with the ultimate parent of the group or any other wholly owned subsidiaries.

The Company’s ultimate parent undertaking, CBS Corporation Inc. includes the Company in its consolidated financial statements. The consolidated financial statements of CBS Corporation Inc. are available to the public and may be obtained from 51 West 52 Street, New York, 10019-6188, USA. In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to end of the period;
- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

As the consolidated financial statements of CBS Corporation include the equivalent disclosures, the Company has also taken the exemptions under FRS 102 available in respect of the following disclosures:

- Certain disclosures required by FRS 102.26 *Share Based Payments*; and,
- The disclosures required by FRS 102.11 *Basic Financial Instruments* and FRS 102.12 *Other Financial Instrument Issues* in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

1.1 Measurement convention

The financial statements are prepared on the historical cost basis.

1.2 Measurement convention

CBS Corporation Inc. has provided the Company with an undertaking that it will, for at least 12 months from the date of approval of these financial statements, continue to make available such funds as are needed by the Company. This should enable the Company to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for payment. Based on this undertaking the directors believe that it remains appropriate to prepare the financial statements on a going concern basis.

1.3 Foreign currency

Transactions in foreign currencies are translated to the Company’s functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined. Foreign exchange differences arising on translation are recognised in the profit and loss account.

Notes to the Financial Statements (continued)

1 Accounting policies (continued)

1.4 Basic financial instruments

Trade and other debtors / creditors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents.

1.5 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Where parts of an item of tangible fixed assets have different useful lives, they are accounted for as separate items of tangible fixed assets, for example land is treated separately from buildings.

The company assesses at each reporting date whether tangible fixed assets (including those leased under a finance lease) are impaired.

Depreciation is charged to the profit and loss account on a straight-line basis over the estimated useful lives of each part of an item of tangible fixed assets. Leased assets are depreciated over the shorter of the lease term and their useful lives. Land is not depreciated. The estimated useful lives are as follows:

- Leasehold improvements 10-15 years
- machinery and equipment 3-5 years
- fixtures and fittings 3 years

Depreciation methods, useful lives and residual values are reviewed if there is an indication of a significant change since last annual reporting date in the pattern by which the company expects to consume an asset's future economic benefits.

1.6 Employee benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which the company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss account in the periods during which services are rendered by employees.

1.7 Provisions

A provision is recognised in the balance sheet when the Company has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the amount required to settle the obligation at the reporting date.

Where the Company enters into financial guarantee contracts to guarantee the indebtedness of other companies within its group, the company treats the guarantee contract as a contingent liability until such time as it becomes probable that the company will be required to make a payment under the guarantee.

Dilapidation provisions are recognised where as a result of a past event, there is a contractual obligation to remove an asset or return an asset to its previous condition. A provision is created based on the anticipated cost of fulfilling this obligation, discounted to present value where the effect of this is significant. Where the activity that caused this obligation is of a capital nature (see section 1.5) or is directly attributable to a capital asset, then the anticipated cost is treated as a tangible fixed asset and depreciated over the life of the asset.

1.8 Turnover

Turnover represents the invoiced value of import, export and administrative services supplied, excluding value added tax. Contribution towards overheads based on a mark-up of costs incurred is separately invoiced to other group companies and is included within other operating income.

Notes (continued)

1 Accounting policies (continued)

1.9 Expenses

Operating lease

Payments (excluding costs for services and insurance) made under operating leases are recognised in the profit and loss account on a straight-line basis over the term of the lease unless the payments to the lessor are structured to increase in line with expected general inflation; in which case the payments related to the structured increases are recognised as incurred. Lease incentives received are recognised in profit and loss over the term of the lease as an integral part of the total lease expense.

Interest receivable and Interest payable

Interest payable and similar charges include interest payable, unwinding of the discount on provisions, and net foreign exchange losses that are recognised in the profit and loss account (see foreign currency accounting policy).

Other interest receivable and similar income include interest receivable on funds invested and net foreign exchange gains.

Interest income and interest payable are recognised in profit or loss as they accrue, using the effective interest method.

Foreign currency gains and losses are reported on a net basis.

1.10 Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

1.11 Prior year adjustment

A prior year adjustment has been made to the comparative period financial information for the year ended 31 December 2015. In 2015, revenue earned of £259,869 was not recorded in the financial statements for that year. An adjustment has been made to correctly recognise this revenue in 2015 with a corresponding inter-company debtor recognised. The tax estimate has also been revised to correct the current tax payable on this income.

A reconciliation of 2015 financial statements previously filed to the 2015 restated amounts per the 2016 financial statements is outlined below:

Income Statement

	2015 – as reported	Adjustment	2015 – Restated
Turnover	5,800,989	259,869	6,060,857
Gross profit	4,109,428		4,369,296
Operating Profit	222,280		482,148
Profit before taxation	222,372		482,240
Tax on profit on ordinary activities	13,581	(51,968)	(38,387)
Profit for the financial year	235,953	207,901	443,853

Statement of financial position

	2015 – as reported	Adjustment	2015 – Restated
Current assets			
Debtors	910,489	207,901	1,118,390
Net current (liabilities)/assets	(256,562)		3,307
Total assets less current liabilities	1,063,775		1,323,624
Net assets	718,200		978,069
Capital and reserves			
Profit and loss account	548,971	207,901	756,872
Shareholders' funds	718,200		926,101

There were no adjustments to the balance sheet at 1 January 2015.

2 Turnover

	2016 £	2015 - Restated £
Rendering of services	<u>6,435,225</u>	<u>6,060,857</u>
Total turnover	<u>6,435,225</u>	<u>6,060,857</u>

	2016 £	2015 - Restated £
By geographical market:		
Netherlands	4,316,115	3,140,063
United Kingdom	2,119,110	2,920,795
	<u>6,435,225</u>	<u>6,060,857</u>

Turnover relates to the company's principal activity.

Notes (continued)

3 Expenses and auditor's remuneration

Included in profit/loss are the following:

	2016 £	2015 £
Staff costs (Note 4)	2,719,232	2,427,979
Operating lease charges		
- machinery & equipment	13,028	17,598
- other	1,013,479	1,088,528
Depreciation of tangible fixed assets (Note 8)	357,749	353,043

Auditor's remuneration:

	2016 £	2015 £
Audit of these financial statements	26,800	26,800
	<u>26,800</u>	<u>26,800</u>

4 Staff numbers and costs

The average number of persons employed by the Company (including directors) during the year, analysed by category, was as follows:

	Number of employees 2016	2015
Operations	7	7
Administration	14	13
	<u>21</u>	<u>20</u>

The aggregate payroll costs of these persons were as follows:

	2016 £	2015 £
Wages and salaries	1,830,612	1,682,282
Share based payments (See note 13)	141,570	181,808
Social security costs	236,714	205,662
Other pension costs	294,890	253,101
Other salary related costs	215,446	105,126
	<u>2,719,232</u>	<u>2,427,979</u>

Notes (continued)

5 Directors' remuneration

	2016 £	2015 £
Directors' remuneration	491,193	430,186

The aggregate remuneration of the highest paid director was £491,193 (2015: £430,186), and company pension contributions of £ 26,041 (2015: £25,834) were made to a money purchase scheme on his behalf. During the year, the highest paid director received shares under a long term incentive scheme.

	Number of directors 2016	2015
Retirement benefits are accruing to the following number of directors under: Money purchase schemes	1	1

The number of directors who exercised share options was 1.

6 Interest receivable and similar income

	2016 £	2015 £
HM Revenue & Customs repayment interest	-	92

7 Taxation on profit on ordinary activities

	2016 £	2015 - Restated £
Current Tax:		
Corporation tax on profit of the year	-	51,968
Total current tax (credit)/charge	-	51,968
Deferred tax:		
Origination and reversal of timing differences	(3,688)	(20,177)
Changes on tax rates	6,153	6,596
Adjustment in respect of previous periods	(30,170)	-
Total deferred tax credit	(27,705)	(13,581)
Total tax (credit)/charge	(27,705)	38,387

Notes (continued)

7 Taxation on profit on ordinary activities (continued)

The tax assessed for the year varied from the amount computed by applying the standard rate of corporation tax in the UK 20.00% (2015: 20.25%) to the profit on ordinary activities before tax. The differences were attributed to the following factors:

Reconciliation of effective tax rate

	2016 £	2015 - Restated £
Profit on ordinary activities before tax	505,633	482,240
Profit on ordinary activity multiplied by standard rate in the UK - 20.00% (2015: 20.25%)	101,127	97,654
Effects of:		
Expenses not deductible for tax purposes	17,574	17,989
Group relief from/ other group companies	(122,389)	(83,852)
Decrease in Deferred Tax Asset due to rate change	6,153	6,596
Adjustment in respect of prior periods	(30,170)	-
Total tax (credit)/charge included in profit or loss	(27,705)	38,387

Deferred tax is measured on a non-discounted basis at the tax rate which is expected to apply in the periods in which timing differences reverse, based on tax rates and laws substantively enacted at the balance sheet date. Reductions in the UK corporation rate from 23% to 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) were substantially enacted on 2 July 2013. Further reductions to 19% (effective from 1 April 2017) and to 17% (effective 1 April 2020) were substantively enacted in October 2015 and September 2016. The deferred tax balance at 31 December 2016 has been calculated based on these substantively enacted rates accordingly.

8 Tangible fixed assets

	Asset retirement obligations £	Leasehold Improvements £	Machinery and Equipment £	Fixtures and Fittings £	Total £
Cost					
Balance at 1 January 2016	345,555	4,332,998	106,939	143,948	4,929,440
Additions	-	-	-	9667	9,667
Disposals	-	-	(9,667)	-	(9,667)
Balance at 31 December 2016	345,555	4,332,998	97,272	153,615	4,929,440
Depreciation and impairment					
Balance at 1 January 2016	264,988	3,211,060	74,717	58,358	3,609,123
Depreciation charge for the year	23,036	307,675	2,064	24,974	357,749
Disposals	-	-	-	-	-
Balance at 31 December 2016	288,024	3,518,735	76,781	83,332	3,966,872
Net book value					
At 1 January 2016	80,567	1,121,938	32,222	85,590	1,320,317
At 31 December 2016	57,531	814,263	20,491	70,283	962,568

Notes (continued)

9 Debtors

	2016 £	2015 - Restated £
Amounts owed by group undertakings	2,325,525	413,280
Other debtors	44,871	61,632
Corporate tax refundable	50,532	29,032
VAT recoverable	72,417	64,145
Deferred tax assets (see note 11)	138,462	110,757
Prepayments and accrued income	411,973	439,514
	<u>3,043,780</u>	<u>1,118,390</u>

10 Creditors: amounts falling due within one year

	2016 £	2015 £
Trade creditors	6,401	4,777
Amounts owed to group undertakings	3,590,864	3,697,699
Other creditors	54,366	37,895
Accruals and deferred income	1,336,300	1,515,969
	<u>4,987,931</u>	<u>5,256,340</u>

11 Deferred tax assets and liabilities

The deferred tax debit was mainly as a result of the tax effect of timing differences as follows:

	2016 £	2015 £
Deferred tax asset/(liabilities)		
Balance as at 01 January	110,757	97,176
Origination and reversal of timing differences	27,705	20,177
Effect of changes in tax rates	-	(6,596)
	<u>138,462</u>	<u>110,757</u>
Balance as at 31 December	<u>138,462</u>	<u>110,757</u>

The elements of deferred taxation provided for in the financial statements are as follows:

	2016 £	2015 £
Difference between book depreciation and tax write down allowance	134,266	81,793
Accelerated capital allowances	-	-
Pension accrual	4,685	11,381
Other short term timing differences	(489)	17,583
	<u>138,462</u>	<u>110,757</u>
Total deferred tax debit	<u>138,462</u>	<u>110,757</u>

Notes (continued)

12 Provisions

	Dilapidation provisions £	Total £
Balance at 1 January 2015 and 31 December 2015	345,555	345,555

Dilapidation provisions relate to costs that may be incurred on completion of a property lease in 2019.

13 Employee benefits

Defined contribution plans

The Company operates a number of defined contribution pension plans. The total expense relating to these plans in the current year was £267,330 (2015: £253,101).

Share based payments

CBS Corporation operates a Restricted Stock Unit ("RSU") Scheme for certain employees of the group. A number of employees of the Company have been granted RSUs under this scheme. RSUs give the employees the right to receive CBS Corporation Class B Common Stock for nil consideration provided they remain in employment with the group.

In 2016, a grant of RSUs was given to eligible Company employees. As a result 4,693 (2015: 3,272 RSUs) were issued which will vest over four years in four equal annual instalments from the date of grant, 18 February 2016, subject to forfeiture and other restrictions. All RSU's awarded are equity settled, with an exercise price of £nil (2015: £nil).

At 31 December 2016 there were a total of 9,290 (2015: 8,304) RSU's outstanding with an exercise price of £nil, weighted average remaining contractual life of 3 years (2015: 3 years) and a weighted average fair value of \$26.37 (2015: £52.37) and of which none were exercisable. The total charge to the Income Statement for the year arising from these shares based payments was £141,570 (2015: £181,808).

The fair value of the RSUs in 2016 has been measured based upon the closing stock price of CBS Common Stock on the date of grant. Under the Scheme rules RSU holders are entitled to receive dividends from the date of grant, irrespective of the exercise date. The movement in unvested restricted stock units outstanding is summarised in the following table:

	2016	2016	2015	2015
	Number of unvested restricted stock units/ Restricted shares	Weighted average fair value \$	Number of unvested restricted stock units/ Restricted shares	Weighted average fair value \$
Outstanding at 1st January	8,304	52.37	9,125	26.89
Granted during the year	4,693	45.79	3,272	59.54
Vested during the year	(3,707)	52.86	(4,093)	35.68
Cancelled during the year	-	-	-	-
Outstanding at 31st December	9,290	26.37	8,304	52.37

The exercise price for all restricted stock units/restricted shares above are £nil.

14 Capital and reserves

Share capital

	2016 £	2015 £
Allotted, called up and fully paid		
2 ordinary shares of £1 each	2	2

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

Notes (continued)

15 Operating leases

Non-cancellable operating lease rentals are payable as follows:

	2016 £	2015 £
Less than one year		
Between one and five years	-	8,602
More than five years	1,022,265	985,000
	63,000	66,000
	<hr/>	<hr/>
	1,085,265	1,059,602
	<hr/>	<hr/>

16 Ultimate parent company and parent company of larger group

The Company's immediate parent is CBS Broadcast International B.V. The Company's ultimate parent is CBS Corporation which is incorporated in the USA. The ultimate controlling party is National Amusements Inc., the beneficial owner of the majority of CBS Corporation voting shares.

The only group in which the results of CBS Broadcast Services Limited are consolidated is CBS Corporation. The consolidated financial statements for this group are available to the public and can be obtained from 51 West 52 Street, New York, 10019-6188, USA

17 Subsequent events

Management is not aware of any other events that took place after balance sheet date that could have a material effect on the financial position of the Company.

18 Accounting estimates and judgments

Key sources of estimation uncertainty

The preparation of the financial statements requires management to make estimates and key assumptions that influence the application of principles and the reported values of assets and liabilities and of income and expenditure. The actual results may differ from these estimates. The estimates and the underlying key assumptions are constantly assessed. Revisions of estimates are recognised in the period in which the estimate is revised and in future periods for which the revision has consequences.

Key assumptions, concerning the future and other key sources of estimation at the balance sheet date, that may cause material adjustment to the carrying amounts of assets or liabilities within the next financial year, such as the recoverability of certain assets, are constantly assessed.