CBS Broadcast Services Limited

Annual report and financial statements

Registered number 2149581

for the year ended 31 December 2021

Contents

Directors' report

The directors present their report and the audited financial statements of CBS Broadcast Services Limited ("the Company") for the year ended 31 December 2021.

Principal activities

The Company's principal activities are the provision of administrative and warehouse services, principally to fellow group undertakings. The directors do not foresee any further changes to the administrative activities of the Company.

Small business and Strategic report

Under Companies Act 2006, the directors were entitled to prepare the financial statements in accordance with the small companies' regime, electing to take advantage of the small companies' exemption from preparing a strategic report.

Going concern

The Directors have considered the appropriateness of the going concern assumption. Paramount Global 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 and liquidity. These risks are monitored through a Group Treasury management function which invests surplus funds, mitigates foreign exchange exposure and manages borrowings for Paramount Global 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.

Financial Risk Management

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 Company's results for the year are set out on page 8. The Company made a profit of £5,053,941 *(2020: profit of £5,803,694)*. The directors do not recommend the payment of a dividend *(2020: £nil)*.

The results are in line with the 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:

Richard Jones
David Magness
Gielijn Hilarius

Directors' Liability Insurance

A qualifying third party indemnity was in force during the financial year and also at the date of approval of the financial statements. These indemnity policies are held by the ultimate holding company, Paramount Global.

Political and charitable contributions

The Company made no political or charitable donations during the year *(2020: £nil)*.

Post balance sheet events

The COVID-19 pandemic has negatively impacted, and is expected to continue to impact, the macroeconomic environment in the U.S. and globally. In an effort to contain COVID-19 or slow its spread, governments around the world have enacted various measures, some of which have been subsequently rescinded, modified or reinstated, including travel bans, orders to close or limit access to businesses not deemed "essential," vaccination and masking requirements, requirements to isolate residents to their homes or places of residence, and social distancing. The difficult macroeconomic environment has included increased and prolonged unemployment, a decline in consumer confidence, global supply chain issues and inflation, and prolonged declines in economic growth, as well as changes in consumer behaviour in response to the pandemic, which have had, and may continue to have, a negative impact on Paramount Global's business, financial condition and results of operations. Paramount Global is the parent company of CBS Broadcast Services Limited (the company, hereafter). Other pandemics or widespread health emergencies may have similar effects.

While production has resumed, we are not able to predict whether we will encounter future production delays or shutdowns or if and to what extent content licensing revenues will continue to be negatively impacted.

The magnitude of the continuing impact of COVID-19 and its variants, which could be material to our business, financial condition and results of operations, will depend on numerous evolving factors that we may not be able to accurately predict or control, including the duration and extent of the pandemic, the impact of governmental actions, consumer behaviour in response to the pandemic and such governmental actions, and economic and operating conditions in the aftermath of COVID-19. Due to the evolving and uncertain nature of the pandemic, we are not able to estimate the full extent of the impact that COVID-19 will have on our business, financial condition and results of operations, and that impact could also exacerbate the other risks described herein. Even after COVID-19 has moderated and governmental restrictions have eased, we may continue to experience the same adverse effects on our business resulting from recessionary economic conditions that persist and long-term changes in the advertising and distribution markets and consumer engagement and viewing habits. As at 31 December 2021, the Company was in a profit-making position, with a net current asset position of £8.7m and positive equity of £8.2m.

Management currently believes that it has adequate liquidity and business plans to continue to operate the business and mitigate the risks associated with COVID-19 for the next 12 months from the date of this report.

From the 1st January 2022 CBS International (Netherlands) B.V. ("CIN BV", hereafter), has transferred all its TV Licenses and trading net assets to Paramount Pictures International Limited ("PPIL", hereafter). Based on this change the Company will continue to support the distribution of the TV Licenses in the UK market but on behalf of PPIL instead than prior licensor CIN BV.

Effective February 16, 2022, ViacomCBS Inc., the parent of the Company changed its name to Paramount Global.

Directors' confirmations

In the case of each Director in office at the date the Directors' Report is approved:

- so far as the Director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have 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.

Directors' report *(continued)*

Independent Auditors

Pursuant to Section 487 of the Companies Act 2006, the independent auditors PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the Annual General Meeting.

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

Approved by the board and signed on its behalf by

DocuSigned by:
Hilarius, Gielijn
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Gielijn Hilarius
Director

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

11th November 2022

Statement of Directors' Responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

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, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for 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.

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Hilarius, Gielijn
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Gielijn Hilarius
Director

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11th November 2022

Independent auditors' report to the members of CBS Broadcast Services Limited

Report on the audit of the financial statements

Opinion

In our opinion, CBS Broadcast Services Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual report and financial statements (the "Annual Report"), which comprise: the Balance Sheet as at 31 December 2021; the Profit and Loss Account and Other Comprehensive Income, and the Statement of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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

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

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

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

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Directors' report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' report for the year ended 31 December 2021 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Directors' report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities in respect of the financial statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

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

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to the Companies Act 2006, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to fraudulent financial reporting. Audit procedures performed by the engagement team included:

- Discussions with management and the legal counsel, including consideration of known or suspected instances of non-compliance;

- Evaluating and where appropriate, challenging assumptions and judgements made by management in determining significant accounting estimates; and
- Identifying and testing journal entries, in particular any entries posted with unusual account combinations.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: prepare financial statements in accordance with the small companies regime; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

Philip Stokes (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
11 November 2022

Profit and Loss account and Other Comprehensive Income

for the year ended 31 December 2021

	Note	2021 £	2020 £
Turnover	2	**8,335,479**	**9,251,726**
Cost of sales		**(2,016,807)**	**(2,036,797)**
Gross profit		**6,318,672**	**7,214,929**
Administrative expenses	*3,4*	**(889,275)**	**(2,140,780)**
Operating profit		**5,429,397**	**5,074,149**
Interest income	*6*	**21,729**	**1,213**
Interest expense	*6*	**(328,759)**	**(255,769)**
Profit before taxation		**5,122,367**	**4,819,593**
Tax on profit	*7*	**(68,426)**	**984,101**
Profit for the financial year		**5,053,941**	**5,803,694**
Other comprehensive expense	*13*	**(22,211)**	**(47,139)**
Profit and total comprehensive income		**5,031,730**	**5,756,555**

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 11 to 22 form part of these financial statements.

Balance Sheet
As at 31 December 2021

	Note	2021 £	£	2020 £	£
Fixed asset					
Tangible assets	*8*		**208,358**		**220,679**
Current assets					
Debtors	*9*	**21,574,137**		**15,048,840**	
Cash at bank and in hand		**869,498**		**1,081,344**	
		22,443,635		**16,130,184**	
Current liabilities					
Creditors: amounts falling due within one year	*10*	**(1,996,299)**		**(2,915,532)**	
Bank overdrafts		**(11,720,866)**		**(9,566,789)**	
		(13,717,165)		**(12,482,321)**	
Net current assets			**8,726,470**		**3,647,863**
Total assets less current liabilities			**8,934,828**		**3,868,542**
Provisions for liabilities					
Other provisions	*12*		**(728,459)**		**(693,903)**
Net assets			**8,206,369**		**3,174,639**
Capital and reserves					
Called up share capital	*14*		**2**		**2**
Share based payment reserve			**18,087**		**40,298**
Profit and loss account			**8,188,280**		**3,134,339**
Total Shareholders' funds			**8,206,369**		**3,174,639**

The financial statements on pages 8 to 22 were approved by the board of directors on the 11th November 2022 and were signed on its behalf by:

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Hilarius, Gielijn
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Gielijn Hilarius
Director

Company registered number: 2149581

Statement of Changes in Equity
for the year ended 31 December 2021

	Called up Share capital	**Share based payment reserve**	**Profit and loss Account**	**Total equity**
	£	**£**	**£**	**£**
Balance at 1 January 2020	**2**	**87,437**	**(2,669,355)**	**(2,581,916)**
Total comprehensive income for the year:				
Profit for the financial year	-	-	5,803,694	5,803,694
Share based payments	-	(47,139)	-	(47,139)
Balance at 31 December 2020	**2**	**40,298**	**3,134,339**	**3,174,639**
Balance at 1 January 2021	**2**	**40,298**	**3,134,339**	**3,174,639**
Total comprehensive income for the year:				
Profit for the financial year	-	-	5,053,941	5,053,941
Share based payments	-	(22,211)	-	(22,211)
Balance at 31 December 2021	**2**	**18,087**	**8,188,280**	**8,206,369**

The notes on pages 11 to 22 form part of these financial statements.

Notes to the financial statements

1 Accounting policies

CBS Broadcast Services Limited (the "Company") is a private company limited by shares and incorporated and domiciled in the England and Wales, the United Kingdom. The address of its registered office is Cannon Place, 78 Cannon Street, London EC4N 6AF.

These financial statements were prepared in accordance with the Companies Act 2006 under the 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 Paramount Global, 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, Paramount Global includes the Company in its consolidated financial statements. The consolidated financial statements of Paramount Global 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 Paramount Global 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 Going concern

Paramount Global 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.

As at 31 December 2021, the Company was in a profit-making position, with a net current asset position of £8.7m and positive equity of £8.2m.

The Directors believe the Company has adequate liquidity and business plans to continue to operate the business and mitigate the risks associated with COVID-19 for the next 12 months from the date of this report.

No other matters or circumstances have arisen since balance date and the date of this report that, in the opinion of the Directors of the Company, have significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in financial years subsequent to 31 December 2021.

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)*

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
- Furniture, fixtures and fittings 3-10 years
- Asset retirement obligation 10 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

The Company provides a range of benefits to employees, including defined contribution pension plans and share based payments.

i) *Short term benefits*

Short term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received.

ii) *Defined contribution pension plans*

The Company operates a defined contribution pension scheme. A defined contribution scheme is a pension plan under which the company pays fixed contributions into a separate entity. The assets of the schemes are held separately from those of the Company in an independently administered fund. Contributions to the schemes are charged to the Profit and loss account as they fall due for payment.

Notes to the Financial Statements *(continued)*

Accounting policies *(continued)*

iii) Share based payments

The Company participates in a number of equity-settled, share-based compensation plans operated by its parent Company, Paramount Global. The fair value of the employee services received in exchange for the grant of the options or shares is recognised as an expense. The total amount to be expensed over the vesting period is determined by reference to the fair value of the options or shares granted at the date of the grant, excluding the impact of any non-market vesting conditions (for example, profitability and sales growth targets). Non-market vesting conditions are included in assumptions about the number of options or shares that are expected to vest. At each balance sheet date, the Company revises its estimates of the number of options or shares that are expected to vest. It recognises the impact of the revision to original estimates, if any, in the Profit and loss account, with a corresponding adjustment to reserves.

Equity-settled share-based awards are measured at the date of using an option pricing methodology and expensed over vesting period of the award.

The Company has taken advantage of the exemption under paragraph 35.10(b) of FRS 102 in respect of share based payment transactions on the date of transition to FRS 102 (1 January 2014) and has elected not to apply Section 26 Share based payments to equity instruments granted before the date of transition to FRS 102. The previous framework has been applied to instruments granted prior to the date of transition.

1.7 Cash at bank and in hand

Cash at bank and in hand includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

1.8 Financial instruments

The Company has chosen to adopt sections 11 and 12 of FRS 102 in respect of financial instruments.

i) Financial assets

Basic financial assets, including amounts owed by group undertakings and cash and bank balances, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method where applicable.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the Profit and loss account.

Financial assets are derecognised when (i) the contractual rights to the cash flows from the asset expire or are settled, or (ii) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (iii) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

ii) *Financial Liabilities*

Basic financial liabilities, including Trade and other creditors amounts owed to group undertakings, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

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

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

The Company does not hold or issue derivative financial instruments.

iii) *Offsetting*

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

Notes to the Financial Statements *(continued)*

Accounting policies *(continued)*

1.9 Accrued Expense

Goods received or services rendered shall be accrued for when an invoice is not recorded in trade creditors or payment has not been made. Generally, an accrual must be recorded if a liability is known and can be reasonably estimated with supporting documentation.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in the Profit and loss account.

1.10 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.

1.11 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.

1.12 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.

Notes to the Financial Statements *(continued)*

Accounting policies *(continued)*

1.13 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 is it probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Notes to the Financial Statements *(continued)*

2 Turnover

	2021	2020
	£	£
Rendering of services	**8,335,479**	9,251,726

	2021	2020
	£	£
By geographical market:		
Netherlands	**6,284,409**	7,204,080
United Kingdom	**2,051,070**	2,047,646
	8,335,479	9,251,726

Turnover relates to the company's principal activity. The revenue from the Netherlands market recognition criteria is based on a percentage applied to the actual sales contributed by the UK office to the Netherlands market, plus all the yearly overhead costs.

3 Administrative expenses

Included in operating profit are the following:

		2021	2020
		£	£
Staff costs (Note 4)		**640,318**	1,646,303
Operating lease charges	- machinery & equipment	**10,915**	16,802
	- other	**1,215,343**	642,264
Depreciation of tangible fixed assets (Note 8)		**34,178**	60,233
Auditors' remuneration:			
Audit of these financial statements		**33,697**	31,973

Notes to the Financial Statements *(continued)*

4 Staff numbers and costs

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

	Number of employees	
	2021	2020
Operations	**5**	6
Administration	**10**	9
	15	15

The aggregate payroll costs of these persons were as follows:

	2021	2020
	£	£
Wages and salaries	**219,454**	1,170,344
Share based payments (See note 13)	**13,285**	79,334
Social security costs	**162,254**	182,771
Other pension costs	**216,126**	198,211
Other salary related costs	**29,199**	15,643
	640,318	1,646,303

5 Directors' remuneration

The current directors did not receive any remuneration for their services to the Company (*2020: £nil*). Therefore, the aggregate remuneration and the company pension contributions, of the highest paid directors, are not disclosed. During the year, the highest paid directors received shares, which are not attributable to the services of this Company or any other within the group, as they are part of a Corporate long term incentive scheme

No director exercised share options in 2021 (*2020: none*).

Notes to the Financial Statements *(continued)*

6 Net Interest expense

	2021 £	2020 £
Bank interest expense	**(328,759)**	(255,769)
Interest for late payment of Corporate Income Taxes	**21,729**	1,213
	(307,030)	(254,556)

7 Tax on profit

	2021 £	2020 £
Current Tax:		
Prior year reassessments	**95,000**	(994,666)
Corporation tax on profit of the year	**-**	-
Total current tax charge / (credit)	**95,000**	(994,666)
Deferred tax:		
Origination and reversal of timing differences	**1,154**	(18,715)
Changes on tax rates	**(54,165)**	-
Adjustment from previous periods	**26,437**	29,280
Total deferred tax (credit) /charge	**(26,574)**	10,565
Total tax charge / (credit)	**68,426**	(984,101)

The tax assessed for the year varied from the amount computed by applying the standard rate of corporation tax in the UK 19.00% (2021: 19.00%) to the profit / (loss) before taxation. The differences were attributed to the following factors:

Reconciliation of effective tax rate

	2021 £	2020 £
Tax:		
Profit before taxation	**5,122,367**	4,818,380
Profit multiplied by standard rate in the UK – 19.00% (2020: 19.00%)	**973,250**	915,492
Effects of:		
Expenses not deductible for tax purposes	**-**	9,270
Income not chargeable to tax	**(20,071)**	-
S75 Debt restatement - see Note 17	**-**	(168,910)
Group relief from/ other group companies	**(961,137)**	(775,267)
Adjustment in respect of prior periods	**76,384**	(964,686)
Total tax charge / (credit) included in profit or loss	**68,426**	(984,101)

Notes to the Financial Statements *(continued)*

7 Tax on profit *(continued)*

Deferred tax is measured on a non-discounted basis at the tax rate which is expected to apply in the peirods in which timing differences reverse, based on tax rates and laws substantively enacted at the balance sheet date. Finance Bill 2021 announced in March 2021 set the main rate of corporation tax to be 25% from the current 19% effective 1 April 2023. This new law was substantively enacted on 10 June 2021. The deferred tax balance at 31 December 2021 has been calculated based on these substantively enacted rates accordingly. On 23 September 2022, the UK Government announced that the main rate of corporation tax would no longer increase to 25% with effect from 1 April 2023, but would instead stay at 19%. On 14 October 2022, the UK Government announced that the tax rate would increase to 25% from 1 April 2023 as originally set out in the Spring Budget 2021.

8 Tangible assets

	Asset retirement obligations	**Leasehold Improvements**	**Machinery and Equipment**	**Furniture, Fixtures and Fittings**	**Total**
	£	**£**	**£**	**£**	**£**
Cost					
Balance at 1 January 2021	575,925	4,218,766	55,533	127,959	4,978,183
Additions	34,556	-	-	-	34,556
Balance at 31 December 2021	610,481	4,218,766	55,533	127,959	5,012,739
Accumulated depreciation and impairment					
Balance at 1 January 2021	374,392	4,218,717	55,533	108,862	4,757,504
Depreciation charge for the year	27,780	-	-	6,398	34,178
Write off	-	-	-	12,699	12,699
Balance at 31 December 2021	402,172	4,218,717	55,533	127,959	4,804,381
Net book value					
At 31 December 2020	201,533	49	-	19,097	220,679
At 31 December 2021	**208,309**	**49**	**-**	**-**	**208,358**

Notes to the Financial Statements *(continued)*

9 Debtors

	2021	2020
	£	£
Amounts owed by group undertakings	**20,440,627**	14,125,399
Corporate tax refundable	**286,778**	381,778
VAT recoverable	**-**	9,705
Deferred tax assets (see note 11)	**199,250**	172,676
Prepayments and accrued income	**647,482**	359,282
	21,574,137	15,048,840

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

10 Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	**-**	-
Amounts owed to group undertakings	**653,165**	635,559
Other creditors	**2,350**	65,079
VAT payable	**185**	-
Accruals and deferred income	**1,340,599**	2,214,894
	1,996,299	2,915,532

During 2019 the Company entered into an agreement to provide accounting services to the Foreign Broadcast Service (FBS). Under this agreement the Company as of 31 December 2021 holds cash on behalf of FBS for £75,928 (*2020: £75,928*) and offsetting liabilities for £65,081 (*2020: £65,081*) included in the other creditors and £10,847 (*2020: £10,847*) included in the amounts owed to group undertakings. Amounts owed to group undertakings are interest free and repayable on demand.

11 Deferred tax assets

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

	2021	2020
	£	£
Deferred tax asset		
Balance as at 01 January	**172,676**	183,241
Origination and reversal of timing differences	**(1,154)**	18,715
Effect of changes in tax rates	**54,165**	-
Adjustment from previous period	**(26,437)**	(29,280)
Balance as at 31 December	**199,250**	172,676

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

	2021	2020
	£	£
Difference between book depreciation and tax write down allowance	**23,759**	43,029
Pension accrual	**(6,624)**	(2,195)
Other short term timing differences	**182,115**	131,842
Total deferred tax debit	**199,250**	172,676

Notes to the Financial Statements *(continued)*

12 Other Provisions

	Dilapidation provision £
Balance at 1 January 2021	693,903
Additions	34,556
Balance at 31 December 2021	**728,459**

Dilapidation provisions relate to costs that may be incurred on completion of a property lease in 2029.

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 £216,126 *(2020: £198,211)*.

Share based payments reserve

Paramount Global 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 Paramount Global Class B Common Stock for nil consideration provided they remain in employment with the group.

In 2021, no grant of RSUs was given to eligible Company employees *(2020: 2,359 RSUs)*. When the RSU's are granted will vest over four years in four equal annual instalments from the date of grant, subject to forfeiture and other restrictions. All RSU's awarded are equity settled, with an exercise price of £nil *(2020: £nil)*.

At 31 December 2021 there were a total of 1,753 *(2020: 2,719)* RSU's outstanding with an exercise price of £nil, weighted average remaining contractual life of 3 years *(2020: 3 years)* and a weighted average fair value of $19.75 *(2020: $26.57)* and of which none were exercisable. The total charge to the Income Statement for the year arising from these shares based payments was £13,285 *(2020: £79,334)*.

The RSU based compensation change recognised in 2021 was £22,211 (*2020: £47,139*).

The fair value of the RSUs in 2021 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:

	2021	**2021**	2020	2020
	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	**2,719**	**26.57**	6,168	36.66
Outstanding at 1st January correction	**22**	**31.63**	-	-
Granted during the year	-	-	2,359	31.63
Vested during the year	**(988)**	**35.32**	(5,808)	38.06
Cancelled during the year	-	-	-	-
Outstanding at 31st December	**1,753**	**19.75**	2,719	26.57

The exercise price for all restricted stock units/restricted shares above are £nil (*2020:* nil).

Notes to the Financial Statements *(continued)*

14 Called up Share Capital

Share capital

	2021	2020
	£	£
Allotted, called up and fully paid		
2 (2020: 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.

15 Operating leases

Non-cancellable operating lease rentals are payable as follows:

	2021	2020
	£	£
Less than one year		
Between one and five years	1,251,303	1,251,580
More than five years	4,143,991	4,238,038
	2,865,398	4,011,557
	8,260,692	9,501,175

16 Ultimate parent company and parent company of larger group

The Company's immediate parent is Paramount Pictures International Limited ("PPIL", hereafter). The Company's ultimate parent is Paramount Global which is incorporated in the USA. The ultimate controlling party is National Amusements Inc., the beneficial owner of the majority of Paramount Global voting shares.

The only group in which the results of CBS Broadcast Services Limited are consolidated is Paramount Globalc. 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

From the 1st January 2022 CIN BV, has transferred all its TV Licenses and trading net assets to PPIL. Based on this change the Company will continue to support the distribution of the TV Licenses in the UK market but on behalf of PPIL instead than prior licensor CIN BV.

Effective 16 February 2022, ViacomCBS Corporation, the ultimate parent of the Company changed its name to Paramount Global.

No other matters or circumstances have arisen since balance date and the date of this report that, in the opinion of the Directors of the Company, have significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in financial years subsequent to 31 December 2021.

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.