

# Broadcasting Dataservices Limited

## ANNUAL REPORT AND FINANCIAL STATEMENTS

for the year ended

30 June 2014

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# Broadcasting Dataservices Limited

## COMPANY INFORMATION

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**DIRECTORS**

Markus Feld  
Thorsten Sauer

**COMPANY SECRETARY**

James Arnold

**COMPANY NUMBER**

02554733

**REGISTERED OFFICE**

c/o Mr James Arnold  
7<sup>th</sup> Floor Ealing Cross  
85 Uxbridge Road  
London  
United Kingdom  
W5 5TH

**INDEPENDENT AUDITORS**

PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
1 Embankment Place  
London  
WC2N 6RH

# Broadcasting Dataservices Limited

## STRATEGIC REPORT FOR THE YEAR ENDED 30 JUNE 2014

The Directors submit their strategic report and the audited financial statements of the Company for the year ended 30 June 2014.

### Principal activities

The principal activity of the Company is the creation and collection of television programme listings and metadata for broadcasters platforms and the delivery of the data for print and electronic programme guide customers.

The Company is owned by Red Bee Media Limited. Its ultimate parent is Telefonaktiebolaget LM Ericsson (publ) ("Ericsson").

### Results

The results for the Company are set out in the statement of comprehensive income on page 9. The results show revenue of £12.1m (2013: £10.2) and an operating loss of £0.2m (2013: £0.8m).

The net assets of the Company have decreased to £6.2m at 30 June 2014 from £6.5m at 30 June 2013 as set out in the statement of financial position on page 10.

From these results and the expected future developments (see below), the Directors deem it appropriate to prepare these financial statements on a going concern basis.

### Review of business

The Company has continued to develop its product set and service delivery offering around Rich Metadata and Content Discovery. The Company has also continued investment in its TeleView metadata system, extensive archive of data and editorial processes that manage the creation of that data and the experienced staff involved in the technology and editing work. Editorial and metadata processes continue to be tailored to an evolving set of client and roadmap requirements winning new contracts with Peel Technologies Inc and expanding on existing contracts covering new territories this year with Samsung and UPC. Technology investment is taking place to implement an images content management system and integrate it into the TeleView system.

### Key performance indicators

The key performance indicators on which the business is measured are revenue and earnings before interest, tax, depreciation and amortisation (EBITDA). The Company has performed in line with expectations.

#### *Operating and Financial Performance*

	2014 £'000	2013 £'000
Revenue	12,121	10,183
Operating costs excluding depreciation, amortisation and impairment	(11,221)	(10,401)
<b>EBITDA</b>	<b>900</b>	<b>(218)</b>
Depreciation, amortisation and impairment	(1,137)	(631)
<b>Operating loss</b>	<b>(237)</b>	<b>(849)</b>

The Company delivered revenue of £12.1m (2013: £10.2m) and EBITDA of £0.9m (2013: loss of £0.2m) in the year to 30 June 2014. During the year, EBITDA margin increased to 7.4% (2013: negative 2.1%), this increase was due to operating improvement measures.

The Company remained cash generative, raising £0.6m (2013: £1.5m) from operations.

# Broadcasting Dataservices Limited

## STRATEGIC REPORT FOR THE YEAR ENDED 30 JUNE 2014

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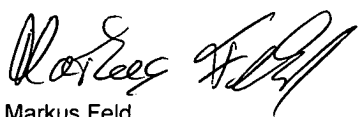
### Going Concern

The Company is a cash generative business with growth opportunities leveraging its unique portfolio of digital metadata. At the same time improvements to efficiency and productivity continue to ensure the business has a robust platform.

### Principal risks and uncertainties and financial risk management

Creative Broadcast Services Holdings (2) Limited and its subsidiaries', which includes the Company ("the Group") manage risk at a Group level, rather than at an individual business unit level. The principal risks and uncertainties of the Group which include those of the Company are discussed on page 3 of Creative Broadcast Services Holdings (2) Limited Annual Report which does not form part of this report.

Approved and signed on behalf of the board



Markus Feld  
Director

19 February 2015  
Registered Office  
7<sup>th</sup> Floor Ealing Cross  
85 Uxbridge Road  
London  
United Kingdom  
W5 5TH

# Broadcasting Dataservices Limited

## DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2014

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The Directors submit their directors' report and the audited financial statements of the Company for the year ended 30 June 2014.

### Directors

The following persons held office as directors of the Company during the year and up to the date of this report:

Michael Cook (resigned 9 May 2014)  
Patrick Tillieux (resigned 9 May 2014)  
Andrew Court (resigned 9 May 2014)  
Markus Feld (appointed 9 May 2014)  
Thorsten Sauer (appointed 9 May 2014)

Michael Cook was an employee of a subsidiary of Macquarie Group Limited.

Patrick Tillieux and Andrew Court were employees of Red Bee Media Limited.

Markus Feld and Thorsten Sauer are employees of a subsidiary of Telefonaktiebolaget LM Ericsson (publ).

All directors' emoluments were borne by their employers. It is not possible to make an allocation of this remuneration between Group companies as their remuneration is determined on the basis of their services to the Group as a whole.

### Statement of directors' responsibilities

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. 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 accounting estimates that are reasonable and prudent;
- state whether applicable International Financial Reporting Standards (IFRSs) as adopted by the European Union 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 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.

### Dividends

The Directors do not propose to pay a dividend for the year (2013: £nil). The loss for the financial year of £0.2m (2013: £0.4m) was withdrawn from reserves.

### Future developments

The move towards catch-up TV, IPTV and on-demand services is a growth opportunity for the Company. Existing and new clients in the UK are looking to enhance the sophistication of their viewer experience, and this is primarily through additional metadata requirements. The launch of new platforms such as Youview and the popularity of devices such as smart phones, iPads and various gaming consoles are increasing the importance of rich metadata still further. During the year the Company won a new contract with Peel Technologies Inc and expanded on existing contracts covering new territories with Samsung and UPC.

# Broadcasting Dataservices Limited

## DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2014

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### **Employee participation**

There is a comprehensive structure of union liaison meetings, at all levels, with the recognised trade union NUJ, which meets the requirements of UK and European legislation. In addition, the Company monitors all staff views, whether union members or not, through local management forums, an annual staff survey and a variety of online mechanisms.

### **Equal opportunities**

The Company is committed to equal opportunities for all irrespective of race, religion or belief, ethnic or national origin, gender, marital status, sexuality, disability or age.

Recruitment, training and promotion procedures are based on the requirements of the job. Ethnic and gender targets have been set with the aim of ensuring that the Company's workforce reflects the UK population as far as possible and are supported by a number of equal opportunities initiatives.

### **Disabled persons**

Disabled persons are fully and fairly considered for vacancies arising within the Company and are given equal opportunities in relation to training, career development and promotion.

Existing employees who become disabled are retained in employment wherever possible after the provision of any necessary rehabilitation or training.

### **The environment**

Although the Company does not operate in industries where there is potential for serious industrial pollution the Company recognises its responsibility to be aware of and take steps to control and minimise any damage its business may cause to the environment.

### **Health and safety**

The Company is committed to providing all employees with a safe and healthy workplace and to ensuring that staff, contractors, visitors and members of the public are not placed at risk by its activities.

### **Statement as to disclosure of information to auditors**

The Directors who were in office on the date of approval of these financial statements have confirmed that, as far as they are aware, there is no relevant audit information of which the auditors are unaware. Each of the Directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditors.

### **Financial risk management**

Creative Broadcast Services Holdings (2) Limited and its subsidiaries', which includes the Company ("the Group") manage risk at a Group level, rather than at an individual business unit level. The principal risks and uncertainties of the Group which include those of the Company are discussed on page 3 of Creative Broadcast Services Holdings (2) Limited Annual Report which does not form part of this report.

# Broadcasting Dataservices Limited

## DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2014

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### Independent auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office, and a resolution that they be re-appointed will be proposed at the annual general meeting.

Approved on behalf of the board



Markus Feld  
Director

19 February 2015  
Registered Office  
7<sup>th</sup> Floor Ealing Cross  
85 Uxbridge Road  
London  
United Kingdom  
W5 5TH

# Broadcasting Dataservices Limited

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BROADCASTING DATASERVICES LIMITED

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### Report on the financial statements

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#### Our opinion

In our opinion the financial statements, defined below:

- give a true and fair view of the state of the company's affairs as at 30 June 2014 and of its loss and cash flows for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

This opinion is to be read in the context of what we say in the remainder of this report.

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#### What we have audited

The financial statements, which are prepared by Broadcasting Dataservices Limited, comprise:

- the Statement of Financial Position as at 30 June 2014;
- the Statement of Comprehensive Income for the year then ended;
- the Statement of Cash Flows for the year then ended;
- the Statement of Changes in Equity for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in their preparation is applicable law and IFRSs as adopted by the European Union.

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

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#### What an audit of financial statements involves

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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### Opinion on other matter prescribed by the Companies Act 2006

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In our opinion the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.



# Broadcasting Dataservices Limited

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BROADCASTING DATASERVICES LIMITED

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### Other matters on which we are required to report by exception

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#### Adequacy of accounting records and information and explanations received

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

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

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#### Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

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### Responsibilities for the financial statements and the audit

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#### Our responsibilities and those of the directors

As explained more fully in the directors' responsibilities statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and ISAs (UK & Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

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.



Julian Jenkins (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
London  
19 February 2015

# Broadcasting Dataservices Limited

## STATEMENT OF COMPREHENSIVE INCOME

for the year ended 30 June 2014

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	Note	2014 £'000	2013 £'000
<b>REVENUE</b>	<b>4</b>	<b>12,121</b>	<b>10,183</b>
Cost of sales		(1,050)	(579)
<b>GROSS PROFIT</b>		<b>11,071</b>	<b>9,604</b>
Administrative expenses		(11,308)	(10,453)
<b>OPERATING LOSS</b>	<b>5</b>	<b>(237)</b>	<b>(849)</b>
Finance income	<b>6</b>	156	235
<b>LOSS BEFORE TAX</b>		<b>(81)</b>	<b>(614)</b>
Taxation	<b>8</b>	(165)	217
<b>LOSS AND TOTAL COMPREHENSIVE EXPENSE FOR THE YEAR</b>	<b>16</b>	<b>(246)</b>	<b>(397)</b>

The accounting policies and notes on pages 13 to 30 form part of these financial statements.

The above results before taxation relate wholly to continuing operating during the year.

**Broadcasting Dataservices Limited** (Company Registration No.02554733)  
**STATEMENT OF FINANCIAL POSITION**  
**as at 30 June 2014**

	<b>Note</b>	<b>2014 £'000</b>	<b>2013 £'000</b>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	<b>10</b>	1,410	2,782
Intangibles	<b>11</b>	772	-
Deferred tax asset	<b>17</b>	391	476
		<b>2,573</b>	<b>3,258</b>
<b>CURRENT ASSETS</b>			
Trade and other receivables	<b>12</b>	5,379	5,110
Cash and cash equivalents		362	288
		<b>5,741</b>	<b>5,398</b>
<b>TOTAL ASSETS</b>		<b>8,314</b>	<b>8,656</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	<b>13</b>	(1,983)	(2,072)
Provisions	<b>14</b>	(15)	(15)
		<b>(1,998)</b>	<b>(2,087)</b>
<b>NON-CURRENT LIABILITIES</b>			
Provisions	<b>14</b>	(88)	(95)
<b>TOTAL LIABILITIES</b>		<b>(2,086)</b>	<b>(2,182)</b>
<b>NET ASSETS</b>		<b>6,228</b>	<b>6,474</b>
<b>EQUITY ATTRIBUTABLE TO OWNERS</b>			
Ordinary share capital	<b>15</b>	2,550	2,550
Retained earnings	<b>16</b>	3,678	3,924
<b>TOTAL EQUITY</b>		<b>6,228</b>	<b>6,474</b>

The financial statements on pages 9 to 30 were approved by the board of directors on 19 February 2015 and signed on its behalf by:



Markus Feld  
Director

# Broadcasting Dataservices Limited

## STATEMENT OF CHANGES IN EQUITY

for the year ended 30 June 2014

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	Notes	Ordinary share capital £'000	Retained earnings £'000	Total Equity £'000
<b>1 July 2012</b>	<b>15, 16</b>	2,550	4,321	6,871
<b>TOTAL COMPREHENSIVE INCOME/ ( EXPENSE)</b>				
Loss for the year	16	-	(397)	(397)
<b>30 June 2013</b>		<b>2,550</b>	<b>3,924</b>	<b>6,474</b>
<b>TOTAL COMPREHENSIVE INCOME/ ( EXPENSE)</b>				
Loss for the year	16	-	(246)	(246)
<b>30 June 2014</b>		<b>2,550</b>	<b>3,678</b>	<b>6,228</b>

Ordinary share capital consists of 2,550,100 (2013: 2,550,100) ordinary shares of £1 each.

The retained earnings reserve consists of the brought forward profits with the addition of any loss or profit made in the respective year.

# Broadcasting Dataservices Limited

## STATEMENT OF CASH FLOWS for the year ended 30 June 2014

	Note	2014 £'000	2013 £'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Loss for the year before tax		(81)	(614)
Adjustments for:			
Depreciation of property, plant and equipment	10	447	631
Amortisation	11	690	-
Finance income	6	(156)	(235)
Decrease in provisions	14	(8)	(8)
<b>Operating cash flows before movements in working capital</b>		<b>892</b>	<b>(226)</b>
(Increase)/ decrease in receivables		(113)	1,538
(Decrease)/ increase in payables		(168)	174
<b>Cash generated from operations</b>		<b>611</b>	<b>1,486</b>
<b>NET CASH GENERATED FROM OPERATING ACTIVITIES</b>		<b>611</b>	<b>1,486</b>
<b>INVESTING ACTIVITIES</b>			
Purchase of plant and equipment	10	(537)	(1,389)
<b>NET CASH USED IN INVESTING ACTIVITIES</b>		<b>(537)</b>	<b>(1,389)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>		<b>74</b>	<b>97</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>		<b>288</b>	<b>191</b>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>		<b>362</b>	<b>288</b>

For the purpose of the statement of cash flows, cash and cash equivalents comprise cash at bank and in hand.

The accounting policies and related notes on pages 13 to 30 form part of these financial statements.

# Broadcasting Dataservices Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2014

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### 1 PRINCIPAL ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### BASIS OF ACCOUNTING

The company is a Limited Company, which is incorporated and domiciled in the United Kingdom. The address of its registered office is 7<sup>th</sup> Floor, Ealing Cross, 85 Uxbridge Road, Ealing, London, W5 5TH, United Kingdom. These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and IFRIC interpretations endorsed by the European Union (EU) and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS. The financial statements have been prepared under the historical cost convention, modified for the revaluation of certain financial assets and liabilities to fair value.

The preparation of financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results ultimately may differ from those estimates. Further details regarding areas requiring significant assumptions and estimates are provided in the relevant note to the financial statements.

There is no material difference between the fair value of financial assets and liabilities and their carrying amount. Amounts in the financial reports have been rounded to the nearest thousand pounds, or in certain cases, the nearest pound.

A summary of the more important group accounting policies is set out below.

#### GOING CONCERN

The Company prepares its financial statements on the going concern basis of accounting based on available facilities and projections of future profit and cash flows, which lead the Directors of the Company to have a reasonable expectation that the Group will have adequate resources to continue in operational existence for the foreseeable future.

#### PROPERTY, PLANT AND EQUIPMENT

Plant and machinery and fixtures and fittings are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the financial year in which they are incurred.

Depreciation on property, plant and equipment is calculated using the straight line method to allocate their cost, net of their residual values, over their estimated useful lives, as follows:

Plant and machinery	3 – 7.5 years straight line
Fixtures and fittings	5 years straight line
Assets under construction	Depreciated when in use

The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Assets under construction represent assets that are not operational. As a result these assets are not depreciated until transferred to appropriate asset class and brought in to use. These assets are held at cost.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the income statement

# Broadcasting Dataservices Limited

## NOTES TO THE FINANCIAL STATEMENTS

### for the year ended 30 June 2014

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#### 1 PRINCIPAL ACCOUNTING POLICIES (continued)

##### **IMPAIRMENT OF PROPERTY, PLANT AND EQUIPMENT**

At each reporting date, the Company reviews the carrying amounts of its property, plant and equipment to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

##### **PROVISIONS**

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated.

Provisions recognised represent the best estimate of the expenditures required to settle the present obligation at the current balance sheet date. The Company provides for the cost of any contractual requirements to return leasehold properties to their original condition in accordance with the recognition criteria specified in IAS 37.

##### **POST RETIREMENT BENEFITS**

Broadcasting Dataservices Limited contributes to both the Red Bee Media Limited defined benefit and defined contribution schemes for the benefit of employees. Further details on pension contributions can be seen in note 23.

##### **(i) Defined benefit schemes**

The defined benefit scheme provides benefits based on final pensionable pay. The assets of the scheme are held separately from those of the Company, in separate trustee administered funds. The Company accounts for the scheme as if it were a defined contribution scheme. This is because it is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reliable basis. The expenditure charge by the Company, therefore, represents the contributions payable in the accounting year. The scheme is administered and managed by the Company's immediate parent, Red Bee Media Limited.

##### **(ii) Defined contribution scheme**

The Company participates in a personal pension scheme which is a defined contribution scheme. The amounts charged as expenditure for the defined contribution scheme represents the contributions payable by the Company for the accounting years in respect of this scheme.

##### **TAXATION**

Taxable profit differs from net profit as reported in the statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated by using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction which affects neither the taxable profit nor the accounting profit.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled based on tax laws that have been enacted or substantively enacted at the reporting date. Deferred tax is charged or credited in profit or loss, except when it relates to items credited or charged directly to equity; in which case the deferred tax is also dealt with in equity, or items charged or credited directly to other comprehensive income, in which case the deferred tax is also recognised in other comprehensive income.

# Broadcasting Dataservices Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2014

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### 1 PRINCIPAL ACCOUNTING POLICIES (continued)

#### REVENUE RECOGNITION

Company revenue represents amounts chargeable to clients for professional services provided during the year, inclusive of direct expenses incurred on client assignments but excluding value added tax.

Revenue is recognised when a right to consideration has been obtained through performance under each contract. Consideration accrues as contract activity progresses by reference to the value of the work performed.

Revenue is not recognised where the right to receive payment is contingent on events outside the control of the Company.

#### FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognised when the Company has become a party to the contractual provisions of the instrument.

##### *Trade receivables*

Trade receivables are classified as loans and receivables and are initially recognised at fair value. They are subsequently measured at amortised cost using the effective interest method less any provision for impairment. A provision for impairment is made where there is objective evidence (including customers with financial difficulties or in default on payments) that amounts will not be recovered in accordance with original terms of the agreement.

##### *Cash and cash equivalents*

Cash and cash equivalents comprise cash in hand and at bank and other short-term deposits held with original maturities of less than three months. Any bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

##### *Financial liabilities*

Financial liabilities are initially measured at fair value, net of transaction costs. Financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount.

##### *Trade payables*

Trade payables are not interest bearing and are initially stated at fair value and subsequently measured at amortised cost using the effective interest method.

##### *Classification of debt and equity*

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

##### *Equity instruments*

Share capital issued by the Company and classified as equity, is recorded at the proceeds received, net of direct issue costs.

#### Accounting standards, interpretations and amendments to published standards

During the year, the Group adopted the following new accounting standards:

##### **(i) IFRS 10, 'Consolidated Financial Statements', effective 1 January 2013**

Requires a parent to present consolidated financial statements as those of a single economic entity. Replacing the requirements previously contained in IAS 27 Consolidated and Separate Financial Statements and SIC-12 Consolidation - Special Purpose Entities.

##### **(ii) IFRS 12, Disclosure of Interests with Other Entities, effective 1 January 2013**

Requires the extensive disclosure of information that enables users of financial statements to evaluate the nature of, and risks associated with, interests in other entities and the effects of those interests on its financial position, financial performance and cash flows.



# Broadcasting Dataservices Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2014

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### 1 ACCOUNTING POLICIES (continued)

#### **(iii) IFRS 13, Fair Value Measurement, effective 1 January 2013**

Entities are required to make various disclosures depending upon the nature of the fair value measurement (e.g. whether it is recognised in the financial statements or merely disclosed) and the level in which it is classified.

#### **(iv) IAS 1, 'Presentation of Financial Statements', effective 1 January 2013**

Amends the disclosure requirements in IFRS 7 Financial Instruments: Disclosures to require information about all recognised financial instruments that are set off in accordance with paragraph 42 of IAS 32 Financial Instruments: Presentation.

#### **(v) IAS 19 (revised), Employee Benefits, effective 1 January 2013**

Requires the recognition of changes in the net defined benefit liability (asset) including immediate recognition of defined benefit cost, disaggregation of defined benefit cost into components, recognition of re-measurements in other comprehensive income, plan amendments, curtailments. Also modifying accounting for termination benefits, including distinguishing benefits provided in exchange for service and benefits provided in exchange for the termination of employment and affect the recognition and measurement of termination benefits.

#### **(vi) IAS 27 (2011) Separate Financial Statements, effective 1 January 2013**

Amended version of IAS 27 which now only deals with the requirements for separate financial statements, which have been carried over largely unchanged from IAS 27 Consolidated and Separate Financial Statements. Requirements for consolidated financial statements are now contained in IFRS 10 Consolidated Financial Statements. The Standard requires that when an entity prepares separate financial statements, investments in subsidiaries, associates, and jointly controlled entities are accounted for either at cost, or in accordance with IFRS 9 Financial Instruments / IAS 39 Financial Instruments: Recognition and Measurement.

#### **(vii) IAS 32, 'Financial instruments: Presentation', effective 1 January 2013**

Presentation to clarify certain aspects because of diversity in application of the requirements on offsetting, focused on four main areas: the meaning of 'currently has a legally enforceable right of set-off', the application of simultaneous realisation and settlement, the offsetting of collateral amounts, the unit of account for applying the offsetting requirements.

#### **IFRS in issue but not applied in the current financial statements**

In addition, certain new standards, amendments and interpretations to existing standards have been published that are mandatory for the Group's accounting periods beginning on or after 1 July 2013 or later periods, but which the Group has not early adopted. The new standards which are relevant to the Group's operations are as follows:

- IFRS 3, 'Business Combinations', effective 1 July 2014
- IFRS 7, 'Financial Instruments', effective 1 January 2016
- IFRS 8, 'Operating segments', effective 1 July 2014
- IFRS 9, 'Financial instruments', effective 1 January 2017
- IFRS 12, 'Disclosure of interest in other entities', effective 1 January 2014
- IFRS 13, 'Fair Value Measurement', effective 1 July 2014
- IAS 16, 'Property, Plant and Equipment', effective 1 July 2014
- IAS 16, 'Property, Plant and Equipment', effective 1 January 2016
- IAS 19, 'Employee Benefits', effective 1 July 2014
- IAS 19, 'Employee Benefits', effective 1 January 2016
- IAS 24, 'Related Party Disclosures', 1 July 2014
- IAS 27, (2011) Separate Financial Statements', effective 1 January 2014
- IAS 27, (2011) Separate Financial Statements', effective 1 January 2016
- IAS 32, 'Financial instruments: Presentation', effective 1 January 2014
- IAS 36, 'Impairment of assets', effective 1 January 2014
- IAS 38, 'Intangible assets', effective 1 July 2014
- IAS 38, 'Intangible assets', effective 1 January 2016
- IAS 39, 'Financial instruments: Recognition and Measurement', effective 1 January 2014

# Broadcasting Dataservices Limited

## NOTES TO THE FINANCIAL STATEMENTS

### for the year ended 30 June 2014

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#### **CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT**

Estimates and judgements are continually evaluated and are based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances.

##### *Critical accounting estimates and assumptions*

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. However, management considers the estimates and assumptions used in the financial statements to be reasonable.

##### *Leasehold improvements*

The Company provides for the cost of any contractual requirements to return leasehold properties to their original condition in accordance with the recognition criteria specified in IAS 37.

#### **FOREIGN CURRENCY TRANSLATION**

##### ***(i) Functional and presentation currency***

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The financial statements are presented in sterling, which is the Company's functional and presentation currency.

##### ***(ii) Transactions and balances***

Transactions in foreign currencies are translated into Sterling using monthly average exchange rates. Monetary assets and liabilities denominated in foreign currencies are retranslated at the exchange rates ruling at the balance sheet date and any exchange differences arising are taken to the statement of comprehensive income.

#### **OPERATING LEASES**

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the statement of comprehensive income on a straight-line basis over the period of the lease.

# Broadcasting Dataservices Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2014

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### 2 FINANCIAL RISK

The Company's activities expose it to a variety of financial risks including liquidity risk and credit risk. These risks are managed at Group level through an effective risk management programme that seeks to minimise potential adverse effects on the Company's performance.

Exposure to financial risks is monitored by the group finance department under policies approved by the board. An assessment of the risks is provided to the board at regular intervals and is discussed to ensure that the risk mitigation procedures are compliant with the group policy and that any new risks are appropriately managed.

#### *Liquidity risk*

The Company closely monitors its access to bank and other credit facilities in comparison to its outstanding commitments on a regular basis to ensure that it has sufficient funds to meet the obligations of the Company as they fall due.

#### *Credit risk*

The Company's credit risk is primarily attributable to its trade receivables. The amounts presented in the statement of financial position are net of allowances for estimated irrecoverable amounts. The Company has some concentration of credit risk around its largest client, the BBC.

Cash and cash equivalents are held with banks that have a minimum of A rating. The Company's maximum exposure to credit risk relating to its financial assets is equivalent to their carrying value. This amount is:

	2014 £'000	2013 £'000
Trade and other receivables	4,255	4,057
Cash and cash equivalents	362	288
	<u>4,617</u>	<u>4,345</u>

### 3 CAPITAL MANAGEMENT

The Company manages its capital to ensure it will be able to continue as going concern through intercompany transactions performed with other members of the Creative Broadcast Holdings Limited group (see note 17). The capital structure of the Company consists of the equity attributable to owners of the Company, comprising issued share capital and retained earnings as disclosed in notes 15 and 16.

### 4 REVENUE

As the Company's revenue is derived principally from its operations in the United Kingdom, no secondary revenue analysis is presented.

# Broadcasting Dataservices Limited

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 June 2014

<b>5</b>	<b>OPERATING LOSS</b>	<b>2014 £'000</b>	<b>2013 £'000</b>
	Operating loss is stated after charging/(crediting):		
	Staff Costs	7,440	6,575
	Amortisation	690	-
	Depreciation of property, plant and equipment:	447	631
	Auditors' remuneration for audit services	8	8
	Operating lease rentals:		
	Land and buildings	335	234
	Foreign exchange gains	53	(2)
		<u>7,440</u>	<u>6,575</u>
<b>6</b>	<b>FINANCE INCOME</b>	<b>2014 £'000</b>	<b>2013 £'000</b>
	Other interest receivable on loan to parent undertaking	156	235
		<u>156</u>	<u>235</u>
<b>7</b>	<b>STAFF COSTS</b>	<b>2014 Number</b>	<b>2013 Number</b>
	The monthly average number of employees (including directors) and members of the Company during the year was:		
	TV listing data services	195	163
	Management and support	-	6
		<u>195</u>	<u>169</u>
		<b>2014 £'000</b>	<b>2013 £'000</b>
	Remuneration for the above persons:		
	Wages and salaries	6,630	5,863
	Social security costs	561	493
	Other pension costs	249	219
		<u>7,440</u>	<u>6,575</u>

Directors' emoluments of Patrick Tillieux and Andrew Court were borne by Red Bee Media Limited.

Directors' emoluments of Michael Cook were borne by a subsidiary of Macquarie Group Limited.

Directors' emoluments of Markus Feld, and Thorsten Sauer were borne by a subsidiary of Telefonaktiebolaget LM Ericsson (publ).

There are no recharges made to the Company in respect of the services provided by the Directors as their duties in respect of the Company are incidental to their duties as a whole.

# Broadcasting Dataservices Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2014

### 8 TAXATION

The taxation charge/ (credit) which arises in the Company is as follows:

	2014 £'000	2013 £'000
<b>Current tax:</b>		
Group relief receivable/ (payable) on results for the year	51	(235)
Adjustments in respect of prior year	29	-
<b>Total current tax charge/ (credit)</b>	<b>80</b>	<b>(235)</b>
<b>Deferred tax:</b>		
Origination and reversal of temporary differences	(44)	89
Adjustments in respect of prior year	129	(71)
<b>Total deferred tax (credit)/ charge (note 17)</b>	<b>85</b>	<b>18</b>
<b>Tax attributable to the Company</b>	<b>165</b>	<b>(217)</b>

UK corporation tax is calculated at 22.5% (2013: 23.75%) on the assessable loss for the year.

The credit for the year can be reconciled to the loss before tax as follows:

	2014 £'000	2013 £'000
Loss before tax:	(81)	(614)
<b>Tax at the UK corporation tax rate of 22.5% (2013: 23.75%)</b>	<b>(18)</b>	<b>(146)</b>
<b>Effects of:</b>		
Expenses that are not deductible for tax purposes	25	-
Adjustments in respect of prior year	158	(68)
Effect of tax rate change	-	(3)
<b>Tax charge/ (credit)</b>	<b>165</b>	<b>(217)</b>

On the enactment of the Finance Act 2012, the corporation tax rate was reduced from 23% to 21% effective from 1 April 2014. Accordingly the effective tax rate for the year is 22.5%.

### 9 FINANCIAL INSTRUMENTS RECOGNISED IN THE STATEMENT OF FINANCIAL POSITION

#### FINANCIAL ASSETS

	Note	2014 £'000	2013 £'000
<b>Current:</b>			
Trade and other receivables	12	4,255	4,057
Cash and cash equivalents		362	288
<b>Total</b>		<b>4,617</b>	<b>4,345</b>

#### OTHER FINANCIAL LIABILITIES

		2014 £'000	2013 £'000
<b>Current:</b>			
Trade and other payables	13	1,070	1,442

# Broadcasting Dataservices Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2014

### 10 PROPERTY, PLANT AND EQUIPMENT

	<i>Plant and machinery £'000</i>	<i>Furniture and fittings £'000</i>	<i>Assets under construction £'000</i>	<i>Total £'000</i>
<b>Cost</b>				
1 July 2012	8,090	644	185	8,919
Additions	-	-	1,389	1,389
Brought into service	172	10	(182)	-
30 June 2013	8,262	654	1,392	10,308
Additions	-	-	537	537
Reclassification	(1,029)	-	-	(1,029)
Brought into service	633	-	(1,066)	(433)
<b>30 June 2014</b>	<b>7,866</b>	<b>654</b>	<b>863</b>	<b>9,383</b>
<b>Accumulated Depreciation</b>				
1 July 2012	6,681	214	-	6,895
Charge in the year	527	104	-	631
30 June 2013	7,208	318	-	7,526
Charge in the year	342	105	-	447
<b>30 June 2014</b>	<b>7,550</b>	<b>423</b>	<b>-</b>	<b>7,973</b>
<b>Net book value</b>				
<b>30 June 2014</b>	<b>316</b>	<b>231</b>	<b>863</b>	<b>1,410</b>
30 June 2013	1,054	336	1,392	2,782

# Broadcasting Dataservices Limited

## NOTES TO THE FINANCIAL STATEMENTS

### for the year ended 30 June 2014

#### 11 INTANGIBLES

	<b>Software £'000</b>	<b>Total £'000</b>
<b>Cost</b>		
1 July 2012	-	-
Additions	-	-
Brought into service	-	-
	<hr/>	<hr/>
30 June 2013	-	-
Reclassification	1,029	1,029
Brought into service	433	433
	<hr/>	<hr/>
<b>30 June 2014</b>	<b>1,462</b>	<b>1,462</b>
	<hr/>	<hr/>
<b>Accumulated Amortisation</b>		
1 July 2012	-	-
Charge in the year	-	-
	<hr/>	<hr/>
30 June 2013	-	-
Charge in the year	690	690
	<hr/>	<hr/>
<b>30 June 2014</b>	<b>690</b>	<b>690</b>
	<hr/>	<hr/>
<b>Net book value</b>		
<b>30 June 2014</b>	<b>772</b>	<b>772</b>
	<hr/>	<hr/>
30 June 2013	-	-
	<hr/>	<hr/>

# Broadcasting Dataservices Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2014

### 12 TRADE AND OTHER RECEIVABLES

	Note	2014 £'000	2013 £'000
Trade receivables		740	894
Due from group undertakings		3,412	3,031
Other debtors		103	132
Prepayments and accrued income		1,124	1,053
		<u>5,379</u>	<u>5,110</u>

The Directors consider that the carrying amount of trade and other receivables approximates to their fair values.

#### *Trade receivables*

An allowance has been made for estimated irrecoverable amounts from trade receivables of £32,000 (2013: £38,000). The Company's policy is to provide for all debts to the extent that they may not be recoverable and is determined by review on a client by client basis.

A detailed review of the credit quality of each client is completed before an engagement commences. The age of and credit risk relating to trade receivables is analysed as follows:

	2014 £'000	2013 £'000
120 days or less, fully performing	772	932
Impairment provision	(32)	(38)
	<u>740</u>	<u>894</u>

The other classes of assets within trade and other receivables do not contain impaired assets. Movements on the group provision for impairment of trade receivables are as follows:

	2014 £'000	2013 £'000
At 1 July		
Provision for receivables impairment	38	27
Increase in provision	10	11
Used during the year	(11)	-
Unused amounts reversed	(5)	-
At 30 June	<u>32</u>	<u>38</u>



## for the year ended 30 June 2014

	Note	2014 £'000	2013 £'000
Trade payables		144	203
Due to group undertakings		514	322
Other payables		291	383
Accruals		913	630
		<b>1,862</b>	<b>1,538</b>
Taxation			
Other taxation and social security		121	534
		<b>121</b>	<b>534</b>
		<b>1,983</b>	<b>2,072</b>

## 14 PROVISIONS

	2014	2013
	£'000	£'000
Included in current liabilities	15	15
Included in non-current liabilities	88	95
	<u>103</u>	<u>110</u>

**15      ORDINARY SHARE CAPITAL**

	2014 £'000	2013 £'000
Authorised:		
2,550,100 (2013: 2,550,100) ordinary shares of £1 each	2,550	2,550
	<u>          </u>	<u>          </u>
Allotted, issued and fully paid:		
	2014 £'000	2013 £'000
2,550,100 (2013: 2,550,100) ordinary shares of £1 each	2,550	2,550

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# Broadcasting Dataservices Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2014

### 16 RETAINED EARNINGS

	<i>Total</i> £'000
1 July 2012	4,321
Loss for the year	(397)
30 June 2013	3,924
Loss for the year	(246)
<b>30 June 2014</b>	<b>3,678</b>

### 17 DEFERRED TAX ASSET

The movement in the year in the Company's deferred tax asset position was as follows:

	2014 £'000	2013 £'000
1 July	476	494
Charged to loss for the year	(85)	(18)
<b>30 June</b>	<b>391</b>	<b>476</b>

The following are the major deferred tax assets recognised by the Company, and the movements thereon, during the year:

	<i>Capital Allowances</i> £'000
1 July 2012	494
Charged to loss for the year	(18)
30 June 2013	476
Charged to loss for the year	(85)
<b>30 June 2014</b>	<b>391</b>

There are no unrecognised deferred tax assets.

### 18 RELATED PARTY TRANSACTIONS

During the year the Company's immediate parent company, Red Bee Media Limited, handled net cash transactions of £1,238k (2013: £1,618k) on behalf of the Company including sales receipts, payroll and other operating costs. Balances at month end were settled on a regular basis. Amounts owed by Red Bee Media Limited are disclosed in note 12. The balance outstanding at 30 June 2014 was £843k (2013: £318k payable to) payable from Red Bee Media Ltd, £90k (2013: £63k) receivable from TVGenius Ltd and a loan to Red Bee Media Ltd of £2,390k (2013: £2,968). There were no other material transactions with related parties during the current year.

Directors' remuneration was incurred by their employers. It is not possible to make an allocation of this remuneration between the Group companies as their remuneration is determined on the basis of their services to the Group as a whole.

# Broadcasting Dataservices Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2014

### 19 FUTURE LEASE PAYMENTS

The minimum lease payments under non-cancellable operating leases for the Company are, in aggregate, as follows:

	2014 £'000	2013 £'000
Amounts due:		
Within one year	175	155
Between two and five years	701	701
After five years	175	351
	<u>1,051</u>	<u>1,207</u>

Operating lease payments represent rentals payable by the Company for certain of its properties and office equipment.

### 20 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

#### Financial Instruments by Category

	Note	Loans and receivables £'000
<b>Year ended 30 June 2014</b>		
<b>Assets as per balance sheet</b>		
Trade receivables	12	740
Other receivables	12	3,515
		<u>4,255</u>

*Prepayments are excluded as this analysis is required only for financial instruments.*

	Note	Other financial liabilities at amortised cost £'000
<b>Year ended 30 June 2014</b>		
<b>Liabilities as per balance sheet</b>		
Trade and other payables	13	609
		<u>609</u>

*Statutory liabilities are excluded from the trade payables balance, as this analysis is required only for financial instruments.*

# Broadcasting Dataservices Limited

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 June 2014

### 20 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

	Note	Loans and receivables £'000
<b>Year ended 30 June 2013</b>		
<b>Assets as per balance sheet</b>		
Trade receivables	12	894
Other receivables	12	3,163
		<u>4,057</u>

*Prepayments are excluded as this analysis is required only for financial instruments.*

	Note	Other financial liabilities at amortised cost £'000
<b>Year ended 30 June 2013</b>		
<b>Liabilities as per balance sheet</b>		
Trade and other payables	13	525
		<u>525</u>

*Statutory liabilities are excluded from the trade payables balance, as this analysis is required only for financial instruments.*

#### Credit quality of Financial Assets

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (S&P) (if available) or to historical information about counterparty default rates:

	Company 2014 £'000	Company 2013 £'000
<b>Trade receivables</b>		
Counterparties without external credit rating		
Company 1	5	-
Company 2	21	32
Company 3	-	-
	<u>26</u>	<u>32</u>

Company 1 – new customers/related parties (less than 6 months)

Company 2 – existing customers/related parties (more than 6 months) with no defaults in the past

Company 3 – existing customers/related parties (more than 6 months) with some defaults in the past. All defaults were fully recovered.

# Broadcasting Dataservices Limited

## NOTES TO THE FINANCIAL STATEMENTS

### for the year ended 30 June 2014

#### 20 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

	Company 2014 £'000	Company 2013 £'000
<b>Cash at bank and short-term bank deposits</b>		
A1	362	288
	<u>362</u>	<u>288</u>

At 30 June 2014 there were no available-for-sale debt securities (30 June 2013: nil).

At 30 June 2014 there were no derivative financial assets (30 June 2013: nil)

At 30 June 2014 there was a loan to the parent company Red Bee Media Limited of £2,390,000 (30 June 2013: £2,390,000).

#### Market risk – Foreign exchange risk

The Company operates internationally and is exposed to foreign exchange risk as a result. The Company seeks to hedge any long term income and expense streams denominated in foreign currencies, with short term streams subject to volatility in exchange rates. Short term non-hedged income streams from foreign currencies are less than 3% of Company income.

At 30 June 2014 if Pound Sterling had strengthened by 10% against the Australian dollar, US dollar, Euro, Hong Kong dollar, and Singapore dollar with all other variables held constant, post tax loss for the year would have been £32,756 lower mainly as a result of trade receivables. There would have been no impact on equity.

The Company does not hold any foreign currency balances.

#### Market Risk – Cash flow interest rate risk

The Company has interest bearing assets. Interest bearing assets include only cash balances, which earn interest at money market rates, and inter-group loans. The Company has a policy of maintaining external debt at LIBOR plus a fixed rate.

At 30 June 2014, if interest rates on Pound Sterling denominated borrowings at that date had been 20% higher with all other variables held constant, there would be no impact on the Company's profits. This is based on a LIBOR increase and excludes related party loans.

#### Liquidity Risk

The Company actively maintains a mixture of long-term and short-term debt finance that is designed to ensure the Company has sufficient available funds for operations and planned expansions. The table below analyses the Company's financial liabilities into relevant maturity Groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. As the amounts included in the table are the contractual undiscounted cash flows, these amounts will not reconcile to the amounts disclosed on the statement of financial position for borrowings and trade and other payables.

# Broadcasting Dataservices Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2014

### 20 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

#### Company

	Less than 1 year	Over 1 year
<b>At 30 June 2014</b>		
Trade and other payables	144	376
<b>At 30 June 2013</b>		
Trade and other payables	203	705

#### Capital Risk Management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. This strategy is consistent with the prior year. Total capital is calculated as "equity" as shown in the balance sheet, plus net debt.

### 21 CONTINGENT LIABILITIES

There are no contingent liabilities in the company as at 30 June 2014.

### 22 CONTROLLING PARTY

The immediate parent undertaking is Red Bee Media Limited. The smallest group to consolidate these financial statements is the group headed by Creative Broadcast Services Holdings (2) Limited. Copies of the Creative Broadcast Services Holdings (2) Limited consolidated financial statements can be obtained from the Company Secretary at 7th Floor, Ealing Cross, 85 Uxbridge Road, London, W5 5TH.

Telefonaktiebolaget LM Ericsson (publ) is the parent of the largest group to consolidate these financial statements. Copies of the annual report and financial statements of Telefonaktiebolaget LM Ericsson (publ) can be obtained from [www.ericsson.com](http://www.ericsson.com).

The ultimate parent undertaking and controlling party is Telefonaktiebolaget LM Ericsson (publ), a Swedish registered company.

# Broadcasting Dataservices Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2014

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### 23 PENSION CONTRIBUTIONS

#### **Defined contribution scheme**

The Company operates, along with Red Bee Media Limited, a personal pension scheme, the Red Bee Media Group Personal Pension Scheme, which is a defined contribution scheme. The amounts charged to the statement of comprehensive income in respect of this scheme represent the employer's contributions payable by the Company for the relevant accounting year. Contributions paid during the year for Broadcasting Dataservices Limited totalled £132,000 (2013: £71,000).

#### **Defined benefit scheme**

Many company employees are members of the Red Bee Group Pension Scheme, which provides salary related pension benefits on a defined benefit basis from assets held in separate trustee-administered funds. The scheme is subject to independent valuation by a professionally qualified actuary at least every three years, on the basis of which the actuary certifies the rate of employer's contributions. These, together with the specified contributions payable by employees and proceeds from the scheme's assets, are expected to be sufficient to fund the benefits payable under the scheme. The most recent full actuarial valuation of the scheme was prepared as at 30 June 2012 by Lane Clark & Peacock, consulting actuaries, using the projected unit method. At 30 June 2014, the actuarial value of the assets was sufficient to cover the benefits due to members, after allowing for expected future increases in earnings.

The Company, following the provisions within IAS 19, accounts for the scheme as if it were a defined contribution scheme. This is because it is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The valuation identified a deficit on the scheme at 30 June 2014. Additional disclosure about the scheme and its financial position under IAS 19 is provided in the Creative Broadcast Services Holdings (2) Limited Consolidated Financial Statements that can be obtained from the Company Secretary, Creative Broadcast Services Holdings (2) Limited, 7th Floor, Ealing Cross, 85 Uxbridge Road, London, W5 5TH.