

Company Registration No. 04104532 (England and Wales)

**UK DIGITAL RADIO LIMITED**  
**REPORT AND UNAUDITED FINANCIAL**  
**STATEMENTS**  
**FOR THE YEAR ENDED**  
**31 MARCH 2020**

THURSDAY



\*A9BTMNQR\*

A07

20/08/2020

#335

COMPANIES HOUSE

# UK DIGITAL RADIO LIMITED

## COMPANY INFORMATION

---

**Directors**

Ford Ennals (CEO)  
Will Harding (Chairman)  
Ashley Tabor  
Glyn Jones  
Jonathan Wall  
Deidre Ford  
Robin Holmes  
Siobhan Kenny  
David Woolgar

**Company number** 04104532

**Registered office**

6th Floor  
Albion House  
55 New Oxford Street  
London  
WC1A 1BS

---

# UK DIGITAL RADIO LIMITED

## DIRECTORS' REPORT

### FOR THE YEAR ENDED 31 MARCH 2020

---

The directors present their annual report and financial statements for the year ended 31 March 2020.

#### Principal activities

UK Digital Radio Limited works with Government, broadcasters, manufacturers, retailers, and a wide range of stakeholders to support the delivery of a digital future for radio whereby the significant majority of radio listening in home, in car and on the move is delivered on a digital platform. UK Digital Radio Limited's Board comprises representatives from the BBC, Arqiva, Global, Bauer Media, together with techUK and Radiocentre.

The company develops trade and consumer communications; manages the Digital Radio Tick Mark; and works closely with Government, Ofcom, broadcasters, transmission providers and the supply chain to coordinate activity, and monitor progress.

#### Directors

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

Adam Singer	(Resigned 31 December 2019)
Ford Ennals (CEO)	
Will Harding (Chairman)	
Ashley Tabor	
Michael Hawes	(Resigned 1 August 2019)
Thomas Wrathmell	(Resigned 4 June 2019)
Glyn Jones	
Robert Shennan	(Resigned 1 May 2019)
Jonathan Wall	(Appointed 1 May 2019)
Deidre Ford	
Robin Holmes	(Appointed 1 July 2019)
Siobhan Kenny	(Appointed 2 January 2020)
David Woolgar	(Appointed 1 January 2020)

#### Review of the business and future developments

UK Digital Radio Limited works closely with a wide range of industry stakeholders on the key areas of content; coverage; cars; communications; and consumer electronics. Stakeholders include Ofcom, broadcasters, car manufacturers, radio manufacturers, retailers and consumer groups.

#### Radio and Audio Review

With digital listening having reached the landmark of 50% in the 2018/19 financial year, a key UK Digital Radio Limited focus was coordination among shareholders to establish an aligned position on the future of digital radio post-50% and a proposal for a collaboration with Government and the supply chain to agree and deliver a package of measures to sustain the growth of digital radio.

To facilitate this in 2019/20, at the request of the DCMS, UK Digital Radio Limited conceived and organised a Workshop attended by senior level broadcasters, Ofcom, the supply chain and automotive stakeholders, to plan and scope the terms of reference for a proposed Radio and Audio Review. This culminated in the Digital Minister, Margot James, announcing the Radio and Audio Review in May 2019 at The Radio Festival in a keynote produced by UK Digital Radio Limited.

UK Digital Radio Limited has since continued to provide Project Management and Secretarial support for the Review Project, reporting to the DCMS.

# UK DIGITAL RADIO LIMITED

## DIRECTORS' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2020

---

#### Review of the business and future developments (continued)

##### Research Projects

UK Digital Radio Limited continued to lead on monitoring and research of digital radio, including communicating quarterly RAJAR data and regular CAP/SMMT data tracking digital radio progress.

As well as monitoring external research, UK Digital Radio Limited identifies and undertakes specific research projects. In this financial year, UK Digital Radio Limited fulfilled three major research briefs, which were in support of the organisation's retail engagement initiatives. The first piece of research, conducted through BBC Pulse and Global's brand tracker, examined the retail opportunity for broadcast radio devices by researching consumer attitudes to radio and audio devices, including preferred features, and underlying consumer needs and trends.

This research identified an opportunity for internet-enabled devices, and UK Digital Radio Limited undertook follow-up consumer research looking at the appeal of the internet-enabled features on radio devices and the use of the term Smart Radio.

In December 2019, UK Digital Radio Limited commissioned specialist retail agency, Ignite, to conduct an audit of retail store staff's attitude and understanding of digital radio. The audit highlighted major challenges for the radio category due to a lack of knowledge and understanding of the radio content proposition and of radio devices, and also an increased likelihood to recommend a smart speaker over a radio device.

UK Digital Radio Limited shared learnings with manufacturers and retailers from these research projects and are in ongoing discussions with retailers and manufacturers on applying the findings in retail-specific initiatives (as below).

##### Retail Initiatives

Working with manufacturers and retailers to support the radio category in store and online has been a key priority for UK Digital Radio Limited in 2019/20. As part of the Retail Innovation Project, UK Digital Radio Limited undertook key research, as detailed above, and is in ongoing discussions with retailers on how those findings can be applied, particularly in terms of POS and visibility in store and online; opportunities for improved staff training; and the possibility of leveraging airtime support.

In the last quarter of the financial year 2019/20, UK Digital Radio Limited developed a new visual approach to represent the combined broadcaster content offering under the theme of Radio's Digital Revolution. Working closely with the broadcaster communications teams for approvals, the concept and artwork was signed off at the start of the 2020/21 financial year. UK Digital Radio Limited has submitted approved artwork to John Lewis & Partners which is expected to be in place on their website in June 2020.

UK Digital Radio Limited has developed an industry digital radio content sizzle reel to feature on retailer websites, which will also launch in June.

##### Events and Stakeholder Engagement

UK Digital Radio Limited held two major stakeholder events in this financial year. In July 2019, the Digital Radio Stakeholder Meeting was hosted by Wireless at the News UK building. The event was attended by over 100 stakeholders including broadcasters, supply chain, consumer groups, Government and retailers, and covered a range of industry topics including the Radio and Audio Review; digital radio progress; and small-scale DAB planning and licencing.

In October 2019, UK Digital Radio Limited held a major industry conference, Drive to Digital 2019 at the British Library. The event was hosted by Penny Smith and marked the progress made by digital radio, highlighting the changing landscape for radio and audio, with an audience of over 200 delegates from across the wider UK radio industry including broadcasters, retailers, manufacturers, the automotive sector and Ofcom.

An important objective for the event was to improve diversity and inclusion in the speaker line up and the audience. UK Digital Radio Limited worked with a diversity consultant and 42% of speakers were women and 16% were from BAME backgrounds.

Both events were supported by Arqiva as headline sponsor and DTS Connected Radio as reception sponsor.

# UK DIGITAL RADIO LIMITED

## DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

---

### Review of the business and future developments (continued)

#### Communications

In this financial year, UK Digital Radio Limited has delivered four on air consumer campaigns for commercial stations promoting the benefits of digital radio to listeners. UK Digital Radio Limited has continued to liaise with broadcasters and supply chain to ensure the campaigns are optimized to support key priorities and messaging is aligned.

This year, for example, UK Digital Radio Limited created a campaign which introduced new messaging around how to listen to digital radio via smartphone in car, reflecting the increased importance of apps and online listening, plus the trend for smartphone integration in car. With DAB+ becoming increasingly important, communications around the Tick Mark were updated to indicate the inclusion of DAB+.

UK Digital Radio Limited maintains the getdigitalradio.com website including the digital radio Postcode Checker, and provides a consumer enquiries service to listeners on behalf of all digital radio broadcasters and transmission providers.

#### Automotive

In 2019/20 UK Digital Radio Limited continued to work with automotive manufacturers and the Society of Motor Manufacturers and Traders (SMMT) to encourage members to fit digital radio as standard in new vehicles. In the 12 months Q4 2018-Q4 2019, the proportion of new cars sold with DAB fitted as standard increased from 93.1% to 94.6%, and the proportion of new commercial vehicles with DAB fitted as standard increased from 56.8% to 64.2%.

UK Digital Radio Limited also worked with DCMS officials to support the introduction of the European Electronic Communications Code (EECC) regulations in the UK mandating that all new cars sold should have digital radio capability by the end of 2020.

#### Digital Radio Tick Mark

UK Digital Radio Limited continued to license the Digital Radio Tick Mark to manufacturers and retailers, and the majority of manufacturers - including Pure, Roberts, Ruark, JVC, John Lewis and Sony - produce Tick Mark approved product.

#### Future activities

The UK Digital Radio Limited Board has agreed five key areas of focus for UK Digital Radio Limited in 2020/21:

- Retail - Improve the engagement, understanding and support for the radio category
- Website - Explore options for a new consumer-facing digital radio website that showcases digital radio and audio content targeting both retail staff and consumers
- Marketing & Communications - Deliver digital radio consumer communication on-air campaigns. Communicate digital radio proposition and progress to all stakeholders.
- Automotive & Supply Chain - Encourage car and commercial vehicle manufacturers to deliver 100% of all vehicles fitted with DAB as standard. Maintain relationship with the SMMT, techUK and wider supply chain.
- Support for Digital Radio and Audio Review - Provision of project management, secretariat, and research support to facilitate the Radio and Audio Review.

#### Qualifying third party indemnity provisions

During the year the company maintained insurance covering directors' and officers' liability in relation to the company.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

**UK DIGITAL RADIO LIMITED**

**DIRECTORS' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2020**

---

On behalf of the board

  
.....  
Ford Ennals (CEO)

Director

.....  
21/07/2020

# **UK DIGITAL RADIO LIMITED**

## **DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 MARCH 2020**

---

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 elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards 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 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;
- 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.

# UK DIGITAL RADIO LIMITED

## INCOME STATEMENT

FOR THE YEAR ENDED 31 MARCH 2020

---

	Notes	2020 £	2019 £
Turnover		718,001	750,000
Administrative expenses		(697,761)	(749,625)
Profit before taxation		20,240	375
Tax on profit	4	(3,349)	(659)
Profit/(loss) for the financial year		<u>16,891</u>	<u>(284)</u>

**UK DIGITAL RADIO LIMITED****STATEMENT OF FINANCIAL POSITION  
AS AT 31 MARCH 2020**

	Notes	2020 £	£	2019 £	£
<b>Fixed assets</b>					
Tangible assets	5		6,182		382
<b>Current assets</b>					
Debtors	6	27,235		238,607	
Cash at bank and in hand		522,876		292,440	
		550,111		531,047	
<b>Creditors: amounts falling due within one year</b>	7	(553,512)		(545,975)	
<b>Net current liabilities</b>			(3,401)		(14,928)
<b>Total assets less current liabilities</b>			2,781		(14,546)
<b>Provisions for liabilities</b>	8		(436)		-
<b>Net assets/(liabilities)</b>			2,345		(14,546)
<b>Capital and reserves</b>					
Profit and loss reserves			2,345		(14,546)

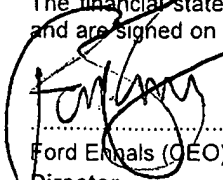
For the financial year ended 31 March 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 21 July 2020 and are signed on its behalf by:

  
Ford Ennals (CEO)  
Director

21/07/2020

# UK DIGITAL RADIO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

---

### 1 Accounting policies

#### Company information

UK Digital Radio Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is 6th Floor, Albion House, 55 New Oxford Street, London, WC1A 1BS.

#### Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £1.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### Going concern

The company operates on a pre-determined budget basis and its intention is to break even on an annual basis. The corporate members are committed to fund the budgeted costs of the company and any shortfall remaining at planned closure of business in accordance with the company's Articles of Association.

The Board and shareholders of UK Digital Radio Ltd have reviewed both the current and expected future impact of COVID - 19 and concluded that the entity is a going concern due to their ability and commitment to fund the activities and operational costs through the fiscal year 2020/21. Subscription funding for the first 6 months of UK Digital Radio's cost has already been received in advance and the shareholders have reaffirmed their commitment to paying the second 6 months in September which will cover all the projected costs of the entity. As part of this review cost-reduction activity has been initiated to provide a cost contingency fund and so mitigate any potential impact of COVID - 19 on the entity. As such there are no material uncertainties which cast significant doubt upon the entity's ability to continue as a going concern.

#### Turnover

Turnover is recognised at the fair value of the consideration received or receivable, excluding Value Added Tax, by way of subscription and sundry income from members. Turnover is recognised on a straight-line basis over the period of the subscription.

#### Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	20% per annum on cost
Furniture, fittings, computers and equipment	15% - 25% per annum on cost

# UK DIGITAL RADIO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

---

### 1 Accounting policies (Continued)

#### **Financial instruments**

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts 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.

#### **Basic financial assets**

Basic financial assets, which include trade and other debtors, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost, being transaction price less amounts settled and impairment losses.

#### **Basic financial liabilities**

Basic financial liabilities, including trade creditors and accruals are initially recognised at transaction price and subsequently carried at amortised cost being transaction price less amounts settled.

#### **Taxation**

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable. Current and deferred tax is charged or credited to profit or loss.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

#### **Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense.

#### **Retirement benefits**

For defined contribution schemes the amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

# UK DIGITAL RADIO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

### 1 Accounting policies (Continued)

#### Liability of members

The company does not have any share capital and is limited by guarantee. In the event of the company being wound up, the corporate members are committed to fund any shortfall in line with the going concern policy above. There were five (2019: five) corporate members at the reporting date.

#### Leased assets and obligations

Rentals payable under operating leases are charged against income on a straight line basis over the lease term. Costs associated with entering into a lease agreement are written off as incurred.

### 2 Employees

The average monthly number of persons (including directors receiving remuneration) employed by the company during the year was 3 (2019 - 5).

### 3 Directors' remuneration

	2020 £	2019 £
Remuneration paid to directors	285,500	276,910

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2019 - 1).

### 4 Taxation

	2020 £	2019 £
<b>Current tax</b>		
UK corporation tax on profits for the current period	2,917	706
Adjustments in respect of prior periods	(4)	(47)
Total current tax	2,913	659
<b>Deferred tax</b>		
Origination and reversal of timing differences	436	-
Total tax charge	3,349	659

# UK DIGITAL RADIO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

### 5 Tangible fixed assets

	Leasehold improvements	Furniture, fittings, computers and equipment	Total
	£	£	£
<b>Cost</b>			
At 1 April 2019	27,361	30,576	57,937
Additions	-	7,535	7,535
At 31 March 2020	27,361	38,111	65,472
<b>Depreciation and impairment</b>			
At 1 April 2019	27,361	30,194	57,555
Depreciation charged in the year	-	1,735	1,735
At 31 March 2020	27,361	31,929	59,290
<b>Carrying amount</b>			
At 31 March 2020	-	6,182	6,182
At 31 March 2019	-	382	382

### 6 Debtors

	2020 £	2019 £
<b>Amounts falling due within one year:</b>		
Trade debtors	-	217,500
Other debtors	27,235	21,107
	27,235	238,607

### 7 Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	61,093	54,110
Corporation tax	2,917	706
Other taxation and social security	91,275	84,373
Other creditors	398,227	406,786
	553,512	545,975

# UK DIGITAL RADIO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

### 8 Provisions for liabilities

	2020 £	2019 £
Deferred tax liabilities	436	-

### 9 Operating lease commitments

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2020 £	2019 £
Within one year	52,500	52,500
Between one and five years	30,625	83,125
	<u>83,125</u>	<u>135,625</u>

### 10 Related party transactions

The five corporate members (2019: five) are related by virtue of being represented on the board of directors as well as being a member of the company.

During the year membership subscriptions of £718,001 (2019: £750,000) were charged to members. Amounts due to the members at the reporting date totalled £38,399 (2019: Amounts due from the members £210,000). During the year the company was charged administration and property costs from members of £113,331 (2019: £119,257) of which £nil (2019: £42,228) was outstanding at the reporting date and is included in trade creditors.