Registered number: 04404178

SWITCHDIGITAL (B&H) LIMITED

Financial statements

Information for filing with the registrar

For the 18 month period ended 31 December 2019

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SWITCHDIGITAL (B&H) LIMITED
Registered number:04404178

Balance Sheet
As at 31 December 2019

	Note		31 December 2019 £000		1 July 2018 £000
Current assets					
Debtors: amounts falling due within one year	5	**385**		2,107	
Cash at bank and in hand		**-**		5	
		385		2,112	
Creditors: amounts falling due within one year	6	**(90)**		(834)	
Net current assets			**295**		1,278
Total assets less current liabilities			**295**		1,278
Net assets			**295**		1,278
Capital and reserves					
Called up share capital	7		**-**		-
Profit and loss account			**295**		1,278
			295		1,278

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

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the profit and loss account in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 5 February 2021.

S Vickery
Director

The notes on pages 3 to 9 form part of these financial statements.

Statement of Changes in Equity
For the 18 month period ended 31 December 2019

	Called up share capital	Profit and loss account	Total equity
	£000	£000	£000
At 2 July 2018	-	1,278	1,278
Profit for the 18 month period	-	529	529
Dividends: Equity capital	-	(1,512)	(1,512)
At 31 December 2019	-	295	295

Statement of Changes in Equity
For the 12 month period ended 1 July 2018

	Called up share capital	Profit and loss account	Total equity
	£000	£000	£000
At 1 July 2017	-	780	780
Profit for the 12 month period	-	498	498
At 1 July 2018	-	1,278	1,278

The notes on pages 3 to 9 form part of these financial statements.

Notes to the Financial Statements
For the 18 month period ended 31 December 2019

1. General information

Switchdigital (B&H) Limited ("the Company") is a private company limited by shares, incorporated, domiciled and registered in England in the UK. The registered number is 04404178 and the registered address is Media House Peterborough Business Park, Lynch Wood, Peterbororugh, PE2 6EA.

During the period under review the Company continued to be a local digital multiplex operator under licence from Ofcom. This activity ceased on 30 November 2020 with the sale of the business to the Company's parent.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The current period has been extended to cover the 18 month period ended 31 December 2019. The prior period was based on a 52/53 week financial year ending on the Sunday nearest to 30 June 2018.

The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1,000.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Going concern

On 30 November 2020, the directors of the Company approved a sale of the Company's trade and assets to a fellow group company and the Company has ceased trading. The Company continued to trade from 1 January 2020 to 30 November 2020 whilst preparations were made to complete the sale.

In these circumstances it is not appropriate to prepare the financial statements on a going concern basis. As the Company has continued trading for a period of time subsequent to the year end and has realised its assets in an orderly fashion, the directors have determined that the accounting policies applied to individual items should be consistent with those adopted in the prior year.

2. Accounting policies (continued)

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

Revenue generated from the operation of local digital multiplexes is recognised over the life of the contract.

2.4 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Profit and Loss Account on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2. Accounting policies (continued)

2.5 Taxation

Tax is recognised in the Profit and Loss Account, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.6 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.7 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.8 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.9 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

In the application of the accounting policies, which are described in Note 2, the directors are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant, and are reviewed on an ongoing basis.

No critical judgments or key sources of estimation uncertainty in applying the Company's accounting policies have been identified in the current or preceding period.

4. Employees

The Company has no employees other than the directors (2018: none).

5. Debtors: Amounts falling due within one year

	31 December 2019 £000	1 July 2018 £000
Trade debtors	**51**	-
Amounts owed by group undertakings	**323**	2,090
Prepayments and accrued income	**11**	13
Tax recoverable	**-**	4
	385	2,107

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

6. Creditors: Amounts falling due within one year

	31 December 2019 £000	1 July 2018 £000
Amounts owed to group undertakings	**-**	728
Corporation tax	**68**	-
Other taxation and social security	**-**	8
Accruals and deferred income	**22**	98
	90	834

7. Share capital

	31 December 2019 £	1 July 2018 £
Allotted, called up and fully paid		
20 (2018: 20) A Ordinary shares shares of £1.00 each	**20**	20
80 (2018: 80) B Ordinary shares shares of £1.00 each	**80**	80
	100	100

The shares have attached to them full voting, dividend and capital distribution (including on winding up) rights; they do not confer any rights of redemption.

These shares rank pari passu with each other.

8. Commitments under operating leases

At 31 December 2019 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	31 December 2019 £000	1 July 2018 £000
Not later than 1 year	**195**	215
Later than 1 year and not later than 5 years	**556**	787
Later than 5 years	**524**	773
	1,275	1,775

9. Related party transactions

The Company has taken advantage of the exemption in Financial Reporting Standard 102 section 33.1A "Related party disclosures" and has not disclosed transactions with wholly owned group undertakings.

On 28 February 2019, 100% of the share capital of the Company was acquired by Bauer Digital Radio Limited from Wireless Group Media (GB) Limited.

This exemption has been taken for the period to 28 February 2019 in respect of the wholly owned group undertakings of Wireless Group Media (GB) Limited and for the period from 28 February 2019 to 31 December 2019 in respect of the wholly owned group undertakings of Bauer Digital Radio Limited.

10. Post balance sheet events

On 14 April 2020, the CMA lifted the hold separate order, and Bauer Digital Radio Limited took control of the Company.

On 22 October 2020 the board approved the reduction of the Company's share capital from £100 divided into 20 ordinary A shares of £1 each and 80 ordinary B shares of £1 each, to £1, comprising 1 ordinary £1 share.

On 30 November 2020 the board approved the sale of the entirety of Company's trade and assets to its parent company, Bauer Digital Radio Limited, in return for a Disposal Receivable. On 9 December 2020 the Company distributed the Disposal Receivable to that parent, where it was off-set and cancelled.

COVID-19 did not have a significant impact upon the trading results of the Company for the period from 1 January 2020 to 30 November 2020.

11. Relationship between entity and parents

On 28 February 2019, 100% of the share capital of the Company was acquired by Bauer Digital Radio Limited, registered at Media House, Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA.

Following the announcement of the acquisition, the Competitions and Markets Authority ("CMA") issued a hold separate order. At 31 December 2019, the Company was not controlled by its ultimate shareholder.

On 14 April 2020, the CMA lifted the hold separate order and from this date, Heinrich Bauer Verlag KG, established at Burchardstraße 11, 20095 Hamburg, Germany, is regarded by the directors as the Company's ultimate controlling party.

12. Auditor's information

The auditor's report on the financial statements for the 18 month period ended 31 December 2019 was unqualified.

The audit report was signed on 5 February 2021 by Adrian Bennett (Senior Statutory Auditor) on behalf of Ernst & Young LLP.