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Company Registration No 04435179

DTV Services Limited

STATUTORY FINANCIAL STATEMENTS

for the year ended

31 May 2012

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COMPANIES HOUSE

DTV Services Limited

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

Justin Bairamian
Charles Constable
Jacqui Bozeat
Nick Gregory
Susan Johnston

Rufus Radcliffe
Alexandra Pryde
Keith Underwood
Robert James Walker
Mark Winterbottom

SECRETARY

Peter Ranyard

REGISTERED OFFICE

27-29 Cursitor Street
London
EC4A 1LT

AUDITOR

Baker Tilly UK Audit LLP
2 Whitehall Quay
Leeds
LS1 4HG

DTV Services Limited

DIRECTORS' REPORT

The directors submit their report and the financial statements of DTV Services Limited for the year ended 31 May 2012

PRINCIPAL ACTIVITIES

The principal activity of the Company during the year was to promote digital terrestrial television

RESULTS AND DIVIDENDS

The loss for the year after taxation amounted to £3k The directors do not recommend the payment of a dividend

FUTURE DEVELOPMENTS

The Company expects to continue providing services to the shareholders as set out in the shareholders' agreement

DIRECTORS

The following directors have held office since 1 June 2011

Justin Bairamian	
Thomas Betts	(resigned 13 th January 2012)
Jacqui Bozeat	(appointed 24 th January 2013)
Charles Constable	(appointed 9 th May 2012)
Michael Finchen	(resigned 24 th January 2013)
Nick Gregory	
Stephen Holebrook	(resigned 30 th April 2012)
Susan Johnston	(appointed 13 th January 2012)
Sarah Owen	(appointed 4 th July 2011, resigned 8 th December 2011)
Julia Porter	(resigned 8 th December 2011)
Alexandra Pryde	
Rufus Radcliffe	(resigned 4 th July 2011, appointed 8 th December 2011)
Keith Underwood	
Robert James Walker	(appointed 8 th December 2011)
Mark Winterbottom	

None of the directors who held office at the end of the financial year had any disclosable interests in the shares of the Company According to the registrar of directors' interests, no rights to subscribe for shares in or debentures of the Company were granted to any of the directors or their immediate families, or exercised by them, during the financial year

DTV Services Limited

DIRECTORS' REPORT

AUDITOR


Baker Tilly UK Audit LLP has indicated its willingness to continue in office

STATEMENT AS TO DISCLOSURE OF INFORMATION TO THE AUDITOR

The directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditor is 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 auditor.

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

By order of the board



Peter Ranyard
Secretary

Date 22 February 2013

DTV Services Limited

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

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

Company law requires the directors to prepare financial statements for each financial year. Under that law 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 those financial statements, the directors are required to

- a select suitable accounting policies and then apply them consistently,
- b make judgements and estimates that are reasonable and prudent,
- c 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DTV SERVICES LIMITED

We have audited the financial statements on pages 6 to 15. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As more fully explained 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 International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 May 2012 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the directors' report.

Baker Tilly UK Audit LLP

STELLA COOPER (Senior Statutory Auditor)

For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor

Chartered Accountants

2 Whitehall Quay

Leeds

LS1 4HG

Date *22 February 2013*

DTV Services Limited

PROFIT AND LOSS ACCOUNT

for the year ended 31 May 2012

	<i>Notes</i>	2012 £'000	2011 £'000
OTHER OPERATING INCOME	1	8,876	9,316
Administration expenses		(8,876)	(9,316)
Shareholder loans written off		-	12,050
OPERATING PROFIT		-	12,050
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	2	-	12,050
Taxation	4	(3)	(7)
(LOSS)/PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		(3)	12,043

The loss for the year arises from the company's continuing operations

No separate Statement of Total Recognised Gains and Losses has been presented as all such gains and losses have been dealt with in the Profit and Loss Account

DTV Services Limited

BALANCE SHEET

31 May 2012

Company Registration No 04435179

	Notes	2012 £'000	2011 £'000
FIXED ASSETS			
Tangible assets	5	81	88
CURRENT ASSETS			
Debtors	6	1,195	1,122
Cash at bank and in hand		1,257	1,566
		2,452	2,688
CREDITORS Amounts falling due within one year	8	(2,263)	(2,503)
NET CURRENT ASSETS		189	185
TOTAL ASSETS LESS CURRENT LIABILITIES		270	273
CAPITAL AND RESERVES			
Called up share capital	9	30	30
Share premium account	10	270	270
Profit and loss account	11	(30)	(27)
SHAREHOLDERS' FUNDS		270	273

The financial statements on pages 6 to 15 were approved by the board of directors and authorised for issue on 22 February 2013 and are signed on its behalf by

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



Director – Charles Constable

DTV Services Limited

ACCOUNTING POLICIES

BASIS OF PREPARATION

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards

GOING CONCERN

The accounts have been prepared on a going concern basis on the assumption that the shareholders will continue to provide funding in accordance with the Shareholders Agreement. This will ensure that the company can continue to meet its debts as they fall due for at least twelve months from the approval of these financial statements.

CASH FLOW STATEMENT

The company has taken advantage of the small company exemption from preparing a cash flow statement under the terms of FRS1.

TANGIBLE FIXED ASSETS

Fixed assets are stated at historical cost. Depreciation is provided on all tangible fixed assets on a straight line basis over their useful economic lives as follows:

Plant and Equipment	-	over 5 years
Fixtures and Fittings	-	over 5 years
Computer Equipment	-	over 3 years
Leasehold Improvements	-	over 5 years

LEASED ASSETS AND OBLIGATIONS

Where assets are financed by leasing agreements that give rights approximating to ownership ("finance leases"), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable during the lease term. The corresponding leasing commitments are shown as obligations to the lessor.

Lease payments are treated as consisting of capital and interest elements, and the interest is charged to the profit and loss account in proportion to the remaining balance outstanding.

All other leases are "operating leases" and the annual rentals are charged to the profit and loss account on a straight line basis over the lease term.

DEFERRED TAXATION

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

OTHER OPERATING INCOME

Other operating income represents contributions from shareholders and advertising revenue as matched against costs incurred in the year.

PENSION COSTS

Contributions paid into personal pension plans are charged to the profit and loss account in the period in which they become payable.

DTV Services Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 May 2012

1 OTHER OPERATING INCOME

All other operating income arises from the same class of transactions. All income is derived in the United Kingdom.

2 PROFIT ON ORDINARY ACTIVITIES

2012
£'000

2011
£'000

Profit on ordinary activities before taxation is stated after charging

Auditors' remuneration

Audit

13 12

Other services

6 5

Depreciation - Owned assets

60 74

Loss on disposal of fixed assets

2 45

Operating lease payments

Land and buildings

141 154

3 EMPLOYEES

No emoluments were paid to directors during the financial year.

Pension costs of £34,672 (2011: £31,000) represent amounts paid into personal pension plans.

4 TAXATION

2012
£'000

2011
£'000

Corporation tax

Current tax

(3) 39

Overprovision in prior years

- (29)

Total current tax

(3) 10

Deferred taxation

6 (3)

Tax on profit on ordinary activities

3 7

DTV Services Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 May 2012

4 TAXATION*(continued)*

Factors affecting the tax charge for the year

The tax charge assessed for the year is lower than the standard rate of corporation tax in the UK (20%). The differences are explained below

	2012 £'000	2011 £'000
Profit on ordinary activities before tax	-	12,050
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20% (2011 21%)	-	2,531
Effects of		
Expenses not deductible	3	3
Depreciation in excess of capital allowances	-	4
Capital allowances in excess of depreciation	(6)	-
Ineligible depreciation	-	1
Tax losses utilised	-	(2,500)
Current tax charge for the year	(3)	39

DTV Services Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 May 2012

5 TANGIBLE FIXED ASSETS

	<i>Fixtures & Fittings £'000</i>	<i>Computer Equipment £'000</i>	<i>Leasehold Improvements £'000</i>	<i>Total £'000</i>
Cost				
1 June 2011	66	104	131	301
Additions	1	53	-	54
Disposals	(3)	(20)	-	(23)
31 May 2012	64	137	131	332
Depreciation				
1 June 2011	36	98	79	213
Charge for year	13	21	26	60
Eliminated on disposal	(2)	(20)	-	(22)
31 May 2012	47	99	105	251
Net book value				
31 May 2012	17	38	26	81
31 May 2011	30	6	52	88

6 DEBTORS	2012 £'000	2011 £'000
Trade debtors	-	42
Other debtors	404	311
Prepayments and accrued income	778	753
Deferred tax asset	10	16
Corporation tax	3	-
	1,195	1,122

DTV Services Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 May 2012

7	DEFERRED TAX		£'000
	The movement in the deferred tax asset during the year was		
	Balance at 1 June 2011		(16)
	Profit and loss account		6
			<hr/>
	Balance at 31 May 2012		(10)
			<hr/>
	The asset consists of the tax effect of timing differences in respect of		
		2012	2011
		£'000	£'000
	Depreciation in excess of capital allowances	(10)	(16)
		<hr/>	<hr/>
8	CREDITORS Amounts falling due within one year	2012	2011
		£'000	£'000
	Trade creditors	29	30
	Corporation tax	-	18
	Accruals	2,051	1,928
	Deferred income	101	439
	Other creditors	1	-
	Fixed asset funding from shareholders	81	88
		<hr/>	<hr/>
		2,263	2,503
		<hr/>	<hr/>

Deferred income represents monies received from the shareholders less the amounts released to the profit and loss account to cover expenditure. The shareholders have agreed to a maximum contribution that exceeds the total contributions paid by £173,181. The shareholders are committed to making this contribution in future years to meet future approved expenditure.

DTV Services Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 May 2012

9	SHARE CAPITAL	2012 £'000	2011 £'000
	Allotted, issued and fully paid 30,000 ordinary shares of £1 each	30	30
10	SHARE PREMIUM	2012 £'000	2011 £'000
	1 June 2011 and 31 May 2012	270	270
11	PROFIT AND LOSS ACCOUNT		2012 £'000
	Balance at 1 June 2011		(27)
	Loss for the year		(3)
	Balance at 31 May 2012		(30)
No separate note disclosing the movement in shareholders' funds is produced as the only movement is the (loss)/profit for the year			
12	COMMITMENTS UNDER OPERATING LEASES	2012 Land and Buildings £	2011 Land and Buildings £
	At 31 May the Company was committed to making the following payments during the next year under non-cancellable operating leases as follows		
	Expiring between 1 and 2 years	153,638	-
	Expiring between 2 and 5 years	-	153,638
		153,638	153,638

DTV Services Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 May 2012

13 RELATED PARTY DISCLOSURES

The Company is a joint venture and is equally controlled by the five shareholders Arqiva Services Limited (20%), BBC Free to View Limited (20%), British Sky Broadcasting Limited (20%), Channel Four Television Corporation (20%) and SDN Limited (20%)

The Company had the following transactions with the shareholders

	2012 £'000	2011 £'000
Profit and loss account		
Other operating income		
Cost contributions – Arqiva Services Limited	2,981	2,848
Cost contributions – BBC Free to View Limited	1,786	2,014
Cost contributions – British Sky Broadcasting Limited	537	435
Cost contributions – Channel Four Television Corporation	1,786	1,668
Cost contributions – SDN Limited	1,786	2,351
	<u>8,876</u>	<u>9,316</u>
	2012 £'000	2011 £'000
Expenses		
Marketing - Arqiva Services Limited	289	282
Marketing – British Broadcasting Corporation	46	8
Marketing - Channel Four Television Corporation	94	-
Marketing – ITV, associated with SDN Limited	102	1,010
	<u></u>	<u></u>
	2012 £'000	2011 £'000
Shareholder loans written off		
Arqiva Services Limited	-	1,270
BBC Free to View Limited	-	940
Channel Four Television Corporation	-	4,770
SDN Limited	-	5,070
	<u></u>	<u></u>

The Company had the following balances with the shareholders at 31 May 2012

	2012 £'000	2011 £'000
Debtors due within one year		
Accrued income		
Arqiva Services Limited	532	527
Channel Four Television Corporation	151	151
	<u></u>	<u></u>

DTV Services Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 May 2012

13 RELATED PARTY DISCLOSURES*(continued)*

	2012 £'000	2011 £'000
Creditors due within one year		
Accruals		
Arqiva Services Limited	532	527
BBC Free to View Limited	38	-
Channel Four Television Corporation	151	151
	<hr/>	<hr/>
	2012 £'000	2011 £'000
Creditors due within one year		
Deferred income		
Arqiva Services Limited	14	128
BBC Free to View Limited	28	96
British Sky Broadcasting Limited	49	69
Channel Four Television Corporation	7	75
SDN Limited	3	71
	<hr/>	<hr/>
	2012 £'000	2011 £'000
Fixed asset funding from shareholders		
Arqiva Services Limited	16	18
BBC Free to View Limited	16	18
British Sky Broadcasting Limited	16	18
Channel Four Television Corporation	16	18
SDN Limited	16	18
	<hr/>	<hr/>