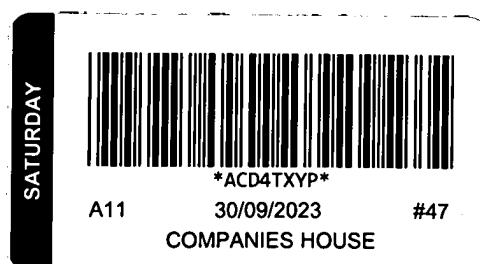


DTV SERVICES LIMITED

Report and financial statements

Registered number 04435179

31 December 2022



COMPANY INFORMATION

Directors	Tom Ansell Jane Callingham Jennifer Carey Khalid Hayat Paul Ridsdale Louisa Taylor Paul Thornton-Jones Mark Winterbottom
Secretary	Eric Mitchell
Company number	04435179
Registered office	Triptych Bankside 6th Floor 185 Park Street London SE1 9SH
Auditor	Ernst & Young LLP 1 More London Place London SE1 2AF

Directors' report

The directors present their report and the financial statements for the year ended 31 December 2022.

Principal activity

DTV Services Limited (the "Company") is a private company limited by shares incorporated in England and Wales. The registered office is Triptych Bankside, 6th Floor, 185 Park Street, London, SE1 9SH.

The principal activity of the Company during the period was the promotion of the Freeview brand.

Strategic Report

The company has taken advantage of the exemption contained in paragraph 414B (b) of the Companies Act 2006, which allows it not to prepare a strategic report.

Going Concern

In preparing the financial statements the Directors have considered the appropriateness of the going concern assessment. The Directors have considered going concern over the period to the end of December 2024 as this aligns to the period of the funding agreements in place with the shareholders.

The Company was created by its shareholders as a vehicle to promote the Freeview brand. As such the day to day operating expenses of the Company are funded by the shareholders. The shareholders have formally agreed, in the Shareholders Agreement, to provide the baseline funding to enable it to continue to meet its liabilities as they fall due for the period to 31 December 2024. The precise amount of funding is refined annually to match the Board approved budget approved in the November of the preceding year. For 2023 this was agreed in October 2022.

In addition, the Company undertakes a number of discretionary marketing activities on behalf of its shareholders. This voluntary contribution budget (discretionary marketing budget), which is in addition to the baseline funding, for the period to 31 December 2023 was approved at the Board on 4 October 2022 and provides clarity of marketing funding for the year. A voluntary contribution budget for 2024 will be agreed by the shareholders during Q4 2023 and the discretionary marketing expenditure will be brought in line with the available funding.

Considering these factors, the Directors believe it's appropriate to adopt the going concern basis of accounting in preparing the annual financial statements for the period ended 31 December 2024.

Results and dividends

The results for the period are set out on page 10. No dividend payment for the period has been recommended by the directors. There was also no dividend payment in the year to December 2021.

Political contributions

The Company made no political donations or incurred any political expenditure during the year.

Directors' report (continued)**Company shareholders**

The Company is limited by shares. The company is equally controlled by four shareholders: BBC Free to View Limited (20%), Sky UK Limited (20%), Channel Four Television Corporation (20%) and SDN Limited (20%). The company holds the remaining 20% of the shares. The shareholders of DTV Services Limited hold an equal share of voting rights and these are as follows:

	As at 31 December 2022 %	As at 31 December 2021 %
BBC Free to View Limited	25	25
SDN Limited	25	25
Channel Four Television Corporation	25	25
Sky UK Limited	25	25
Total	100	100

Directors

The directors who held office during the period and at the date of approval of the financial statements are as stated below:

Paul Thornton-Jones
Paul Ridsdale
Tom Ansell
Jennifer Carey
Khalid Hayat
Mark Winterbottom
Louisa Taylor
Justin Bahamian (resigned 19th August 2022)
Jane Callingham (appointed 19th August 2022)

Director's interests

None of the directors who held office at the end of the financial period had any disclosable interests in the shares of the company. According to the register 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 period.

Directors and officers of the company have the benefit of a directors' and officers' liability insurance policy which provides appropriate cover in respect of legal actions brought against the directors.

Neither the insurance nor the indemnity provides cover where the director has acted fraudulently or dishonestly.

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information

Directors' report (continued)

Auditor

During the year Ernst & Young LLP were appointed auditor and have expressed their willingness to continue in office.

By order of the board

DocuSigned by:

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Eric Mitchell

Secretary

28 September 2023

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2022

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 UK accounting standards and applicable law (UK Generally Accepted Accounting Practice). 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 UK Accounting Standards 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 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

Opinion

We have audited the financial statements of DTV Services Limited (the 'company') for the year ended 31 December 2022 which comprise the Statement of Income and Retained earnings, the Balance Sheet and the related notes 1 to 8, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 31 December 2022 and of its results 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and the provisions available for small entities, in the circumstances set out in note 1 to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period to the end of December 2024.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If,

based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which 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
- the directors were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 6, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the

primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

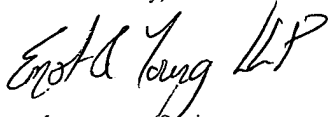
Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are those that relate to the reporting framework (International Accounting Standards and the Companies Act 2006), the relevant direct and indirect tax compliance regulation in the jurisdictions in which the company operates, employment laws in the relevant jurisdictions and reporting obligations in the UK including the Modern Slavery Act. In addition, the company has to comply with laws and regulations relating to its operations, including health and safety, data protection and anti-bribery and corruption.
- We understood how the company is complying with those frameworks by making enquiries of management and those charged with governance to understand how the company maintains its policies and procedures, in these areas and corroborated this by reviewing supporting documentation such as the Code of Conduct.
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur by considering the risk of management override and by assuming manipulation of expenses to be a fraud risk.
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved reviewing minutes from the Board of Directors, enquiries of management and journal entry testing, with a focus on manual journals and journals indicating significant unusual transactions identified by specific risk criteria based on our understanding of the business

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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.



James Lovegrove (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
London
28 September 2023

DTV SERVICES LIMITED
Report and financial statements
31 December 2022

Statement of Income and Retained earnings
for year ended 31 December 2022

	Notes	Year ended 31 December 2022 £000	Year ended 31 December 2021 £000
Turnover	2	14,558	15,053
Cost of Sales		(13,545)	(14,047)
Gross profit		1,013	1,006
Administrative expenses		(1,013)	(1,006)
Operating loss	4	-	-
Interest receivable and similar income		-	-
Profit for the financial period		-	-
Tax on profit		-	-
Profit for the financial period		-	-
Retained losses brought forward		(32)	(32)
Retained losses carried forward		(32)	(32)

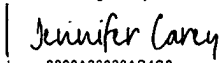
Statement of Financial Position
as at 31 December 2022

		Year ended 31 December 2022		Year ended 31 December 2021	
	Notes	£000	£000	£000	£000
Current assets					
Debtors	5	2,465		1,305	
Cash at bank and in hand		803		5,404	
		<u>3,268</u>		<u>6,709</u>	
Creditors: amounts falling due within one year	6	<u>(3,000)</u>		<u>(6,441)</u>	
Net current liabilities			<u>268</u>		<u>268</u>
Total assets less current liabilities			<u>268</u>		<u>268</u>
Creditors: amounts falling due after more than one year			-		-
Net assets			<u><u>268</u></u>		<u><u>268</u></u>
Capital and reserves					
Called up share capital	7		30		30
Share premium account			270		270
Profit and loss reserves			(32)		(32)
Total equity			<u><u>268</u></u>		<u><u>268</u></u>

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 28th September 2023 and are signed on its behalf by:

x-----DocuSigned by:



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Jennifer Carey
Director

Notes to the financial statements

1 Accounting policies

The Company's principal activities and nature of its operations are disclosed on page 3.

Accounting convention

These financial statements have been prepared in accordance with Financial Reporting Standard 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 company has benefited from the following disclosure exemptions that are subject to small companies' regime:

- the requirements to prepare a strategic report.
- the requirements of disclosure of financial impact of off-balance sheet arrangements on the company.
- the requirements of disclosure analysing employee numbers by category and staff costs.
- The requirements of statutory directors' remuneration disclosure.

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 £1,000.

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

Going concern

In preparing the financial statements the Directors have considered the appropriateness of the going concern assessment. The Directors have considered going concern over the period to the end of December 2024 as this aligns to the period of the funding agreements in place with the shareholders.

The Company was created by its shareholders as a vehicle to promote the Freeview brand. As such the day to day operating expenses of the Company are funded by the shareholders. The shareholders have formally agreed, in the Shareholders Agreement, to provide the baseline funding to enable it to continue to meet its liabilities as they fall due for the period to 31 December 2024. The precise amount of funding is refined annually to match the Board approved budget approved in the November of the preceding year. For 2023 this was agreed in October 2022.

In addition, the Company undertakes a number of discretionary marketing activities on behalf of its shareholders. This voluntary contribution budget (discretionary marketing budget), which is in addition to the baseline funding, for the period to 31 December 2023 was approved at the Board on 4 October 2022 and provides clarity of marketing funding for the year. A voluntary contribution budget for 2024 will be agreed by the shareholders during Q4 2023 and the discretionary marketing expenditure will be brought in line with the available funding.

Considering these factors, the Directors believe it's appropriate to adopt the going concern basis of accounting in preparing the annual financial statements for the period ended 31 December 2024.

Notes to the financial statements (continued)**1 Accounting policies (continued)****Turnover**

Turnover represents the provision of marketing services. Revenue is recognised at the point that the marketing services are provided or depending on the nature of the contract that the benefit of the marketing is received by the customer.

Turnover is shown net of Value Added Tax.

Turnover in respect of costs incurred relating to fixed assets is recognised over the useful life of the assets to which the turnover relates.

Financial assets

Financial assets are recognised initially at amortised cost or fair value. The company's financial assets include cash and trade and other receivables.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the company's model for managing them.

Cash at bank and in hand

Cash comprises cash at bank and in hand.

Financial liabilities

Financial liabilities are recognised initially at fair value through profit and loss. The company's financial liabilities include trade and other payables.

Financial liabilities are derecognised when, and only when, the company's contractual obligations are discharged, cancelled, or they expire.

Trade and other payables

Payables are obligations to pay for goods or services that have been acquired in the ordinary course of Business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as noncurrent liabilities. Creditors are recognised at the transaction price (fair value).

Provisions for liabilities

A provision is recognised when the Company has a legal or constructive obligation as a result of a past event; it is probable that an outflow of economic benefit will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation.

If the effect is material, expected cash flows are discounted using a current pre-tax rate that reflects the risks specific to the liability.

Share Capital

Shares issued by the Company are recorded as the proceeds received from the issue of shares, net of direct issue costs.

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 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.

Current tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to the other comprehensive income, or equity.

Notes to the financial statements *(continued)*

1 Accounting policies *(continued)*

Taxation (continued)

Current tax assets and current 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 a net basis or to realise the asset and settle the liability simultaneously.

Employee benefits

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

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Pension

Contributions to defined contribution schemes are recognised in the income statement in the period in which they become payable.

2 Turnover

All of the company's turnover arises from the same class of transactions. All income is derived in the United Kingdom.

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was 6 (period ended 31 December 2021: 7).

DTV SERVICES LIMITED
Report and financial statements
31 December 2022

Notes to the financial statements *(continued)*

4 Operating loss

Operating loss is stated after charging:

Auditors' remunerations

Audit of the financial statements of the company
Taxation compliance services

	Year ended 31 December 2022 £000	Year Ended 31 December 2021 £000
	45	12
	5	6
	<u> </u>	<u> </u>

5 Debtors

Amounts falling due within one year:

	2022 £000	2021 £000
Trade debtors	106	-
Amounts due from related parties (Note 8)	280	949
Other taxation and social security	996	299
Prepayments and accrued income	1,083	57

	2,465	1,305
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DTV SERVICES LIMITED
Report and financial statements
31 December 2022

Notes to the financial statements *(continued)*

6 Creditors: amounts falling due within one year

	2022 £000	2021 £000
Trade creditors	1,440	5,482
Amounts due to related parties (Note 8)	200	206
Deferred income	426	338
Accruals	934	415
	<u>3,000</u>	<u>6,441</u>

Deferred income represents monies received in advance from the shareholders less amounts released to the profit and loss account to cover expenditure.

7 Called up share capital

	2022 £000	2021 £000
Ordinary share capital Issued and fully paid 30,000 Ordinary shares of £1 each	30	30
	<u>30</u>	<u>30</u>

Notes to the financial statements *(continued)***8 Related party transactions and Ultimate Controlling Party**

At 31 December 2022, the company was equally controlled by four shareholders: BBC Free to View Limited (20%), Sky UK Limited (20%), Channel Four Television Corporation (20%) and SDN Limited (20%). The company holds the remaining 20% of the shares.

Everyone TV Limited is owned by British Broadcasting Corporation, ITV Network Limited, Channel Four Television Corporation and Channel 5 Broadcasting Limited, and therefore, has common ownership.

The company had the following related party transactions:

	Year ended 31 December 2022 £000	Period ended 31 December 2021 £000
Other operating income		
Cost contributions - BBC Free to View Limited	4,200	4,486
Cost contributions - Sky UK Limited	599	639
Cost contributions - Channel Four Television Corporation	4,200	4,486
Cost contributions - SDN Limited	4,200	4,486
Cost contributions - Everyone TV Limited	1,354	953
	<u>14,553</u>	<u>15,050</u>
	Year ended 31 December 2022 £000	Period ended 31 December 2021 £000
Expenses		
Marketing - Channel Four Television Corporation	5,555	5,570
Marketing - ITV, associated with SDN Limited	5,554	5,570
Rent and professional fees - Everyone TV Limited	995	955
Membership Fees - Digital TV Group Limited	13	13
	<u></u>	<u></u>

Notes to the financial statements *(continued)***8 Related party transactions (continued)**

The company had the following related party balances at 31 December:

	2022 £000	2021 £000
Debtors due within one year		
Accrued income		
Everyone TV Limited	959	-
	<u> </u>	<u> </u>
	2022 £000	2021 £000
Debtors due within one year		
Trade debtors		
BBC Free to View Limited	160	-
SDN Limited	120	-
Everyone TV Limited	-	949
	<u> </u>	<u> </u>
	2022 £000	2021 £000
Creditors due within one year		
Accruals		
Everyone TV Limited	7	-
	<u> </u>	<u> </u>
Creditors due within one year		
Trade Creditors		
Channel Four Television Corporation	200	-
Everyone TV Limited	-	206
	<u> </u>	<u> </u>
	2022 £000	2021 £000
Creditors due within one year		
Deferred income		
BBC Free to View Limited	123	94
Sky UK Limited	89	85
Channel Four Television Corporation	116	88
SDN Limited	98	71
	<u> </u>	<u> </u>