

BBC Ventures Group Limited

(Registered number 04463546)

**Director's report and Company
financial statements**

Year ended 31 March 2012



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Director's report

The Director presents his report and the audited financial statements for the year ended 31 March 2012

Principal activities

BBC Ventures Group Limited ("the Company") is the holding Company for BBC Studios and Post Production Limited and BBC Worldwide Limited

Results and dividends

The profit after taxation for the year was £140 0million (2011 £83 5million) Dividends of £145 2million were declared during the year (2011 £83 4million)

Director

The Director who served during the year, and up to the date of this report, was John Smith

Charitable and Political donations

The Company does not make political donations During the year, it made no charitable donations (2011 £nil)

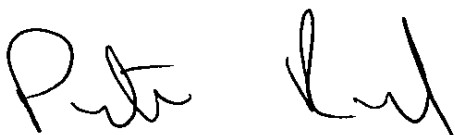
Statement as to disclosure of information to auditors

The Director who held office at the date of approval of this Director's report confirms that, so far as he is aware, there is no relevant audit information of which the Company's auditors are unaware, and he has taken all the steps that he ought to have taken as a Director to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information

Auditors

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and KPMG LLP will therefore continue in office

By order of the Board



P Ranyard
Company Secretary

Room 2230
White City
Media Village
201 Wood Lane
London
W12 7TS

28 August 2012

Statement of Director's responsibilities in respect of the Director's Report and the financial statements

The director is responsible for preparing the Director's Report and the financial statements in accordance with applicable law and regulations

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice)

Under Company law the Director must not approve the financial statements unless the Director is 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 Director is required to

- select suitable accounting policies and then apply them consistently,
- make judgments and 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 director is 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. The Director is responsible for taking such steps as are reasonably open to him to safeguard the assets of the company and to prevent and detect fraud and other irregularities



Independent auditor's report to the member of BBC Ventures Group Limited

We have audited the financial statements of BBC Ventures Group Limited for the year ended 31 March 2012 as set out on page 5 to 11 the financial reporting framework that has been applied in their preparation is applicable law and UK accounting standards (UK 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 Director's and auditors

As explained more fully in the Director's Responsibilities Statement set out on page 2, the director is 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 web-site 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 March 2012 and of its profit for the year then ended,
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

Opinion on other matters prescribed by the Companies Act 2006

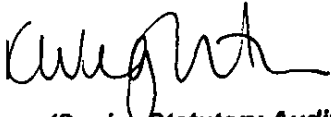
In our opinion the information given in the Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements

Independent auditor's report to the member of BBC Ventures Group Limited (continued)

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 director's remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit



K Wightman (Senior Statutory Auditor)
For and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
London
E14 5GL

29 August 2012

Profit and loss account
for the year ended 31 March 2012

	Note	2012 £'000	2011 £'000
Gross profit		-	-
Administrative expenses		-	-
Profit on ordinary activities before interest and taxation	2	-	-
Income from shares in group undertakings		139,855	83,442
Other interest receivable and similar income	4	99	112
Profit on ordinary activities before taxation		139,954	83,554
Tax on profit on ordinary activities	5	3	(31)
Profit on ordinary activities after taxation	10	139,957	83,523

The above results are derived from continuing operations

The company had no recognised gains or losses other than the gain for the year stated above

The notes on pages 8 to 11 form part of the financial statements

Company balance sheet
As at 31 March 2012

	Note	2012 £'000	2011 £'000
Fixed assets			
Investments	6	155,009	150,500
Current assets			
Debtors due within one year	7	18,126	22,510
		18,126	22,510
Creditors – amounts falling due within one year	8	(5,327)	(4)
Net current assets		12,799	22,506
Total assets less current liabilities		167,808	173,006
Net assets		167,808	173,006
Capital and reserves			
Called up share capital	9	1,300	1,300
Profit and loss account	10	166,508	171,706
Equity shareholder's funds	10	167,808	173,006

The financial statements were approved by John Smith, sole Director of the Company, on 28/8 2012


John Smith
Director

Reconciliation of Movements in Shareholder's Funds
for the year ended 31 March 2012

	2012 £'000	2011 £'000
Profit for the year	139,957	83,523
Dividends declared/paid in the year	(145,155)	(83,442)
Net (decrease)/increase in equity shareholder's funds	(5,198)	81
Opening equity shareholder's funds	173,006	172,925
Closing equity shareholder's funds	167,808	173,006

Notes to the Financial Statements

1 Accounting Policies

The Company's principal accounting policies, which have been applied consistently throughout the period, are set out below

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards, and under the historical cost accounting rules

Under FRS 1 the company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the company in its own published consolidated financial statements

As the company is a wholly owned subsidiary of BBC, the company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances which form part of the group. The consolidated financial statements of BBC, within which the company is included, can be obtained from the address on note 11

The Company is exempt by virtue of s400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group

Going concern

Although the Company is not immune from the effects of the current economic environment, the Director believes the business is well placed to manage the risks effectively, and has adequate resources to continue in operation for the foreseeable future. As a result the going concern basis has been adopted in the preparation of the financial statements

Financial Instruments

The company has adopted FRS 26 (IAS 39) 'Financial Instruments Measurement' and FRS 29 (IFRS 7) 'Financial Instruments Disclosure'. The Company has taken advantage of the exemption in FRS 29 as the disclosure requirements have been adopted on the Group basis

Dividend income

Dividends are recognised in the year in which they are declared, once any eligibility events have occurred

Investments

Investments are recorded on the balance sheet at cost less provision for any impairment in value

Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19

Dividends on shares presented within shareholder's funds

Dividends are only recognised as a liability at that date to the extent that they are declared prior to the year end. Unpaid dividends that do not meet these criteria are disclosed in the notes to the financial statements

Notes to the Financial Statements (continued)

2 Profit on ordinary activities before interest and taxation

Auditors' remuneration

The audit fee of £2,000 (2011 £2,000) has been borne by another group Company

3 Staff and Director's remuneration

The Company did not have any employees during the year

The director did not receive remuneration from the company during the year (2011 £ nil)

4 Other interest receivable and similar income

	2012 £'000	2011 £'000
Interest receivable on loan to parent undertaking	99	112

5 Taxation

Analysis of charge for the year

	2012 £'000	2011 £'000
Current tax		
UK corporation tax	(3)	31

Factors affecting the tax charge

The current tax charge for the period is lower (2011 lower) than the standard rate of corporation tax in the UK (26%, 2011 28%)

	2012 £'000	2011 £'000
Profit on ordinary activities before taxation	139,954	83,554
Profit on ordinary activities at the standard rate of corporation tax in the UK of 26% (2011 28%)	36,388	23,395
Effects of:		
Refund of corporation tax due to over payment in 05-06	(30)	-
Non taxable dividend income	(36,361)	(23,364)
Current tax (credit) / charge for the year	(3)	31

On 23 March 2011 the Chancellor announced the reduction in the main rate of UK corporation tax to 26 per cent with effect from 1 April 2011 and a further reduction to 25 per cent with effect from 1 April 2012. The changes became substantively enacted on 29 March 2011 and 5 July 2011 respectively.

The Chancellor has also proposed changes to further reduce the main rate of UK corporation tax by one per cent per annum to 23 per cent by 1 April 2014, but these changes have not yet been substantively enacted and therefore are not included in the figures above.

Notes to the Financial Statements (continued)

6 Investments in Subsidiaries

	2012 £'000	2011 £'000
Cost		
At 1 April	168,300	168,300
Additions	4,509	-
At 31 March	172,809	168,300
Amortisation and Impairment		
At 1 April 2011 and 31 March 2012	(17,800)	(17,800)
Net Book Value	155,009	150,500

The Company owns 100% of the issued share capital of the following companies which are incorporated in England and Wales

	Activity
BBC Worldwide Limited	Acquisition, development, exploitation and licence and sale of media and publishing intellectual property
BBC Studios and Post Production Limited	Provision of equipment, facilities and services for use primarily in programme making and broadcasting

7 Debtors

	2012 £'000	2011 £'000
Receivable within one year		
Amounts owed by parent undertaking	18,126	22,510
Total debtors	18,126	22,510

8 Creditors

	2012 £'000	2011 £'000
Amounts owed to parent undertaking	(5,300)	-
Corporation tax	(27)	(4)
Total	(5,327)	(4)

9 Share capital

	2012 £'000	2011 £'000
Allotted, called up and full paid		
1,300,003 Ordinary shares of £1 each	1,300	1,300

Notes to the Financial Statements (continued)

10 Reserves

The movements in reserves during the year were as follows

	Share capital £'000	Profit and loss account £'000	Total £'000
Opening balances	1,300	171,706	173,006
Profit for financial year	-	139,957	139,957
Dividends declared/paid during the year	-	(145,155)	(145,155)
At 31 March 2012	1,300	166,508	167,808

11 Ultimate holding and controlling party

The Company's immediate parent undertaking is BBC Commercial Holdings Limited. The Company's ultimate parent undertaking and controlling party is the BBC which is incorporated in the United Kingdom by Royal Charter. The largest group in which the results of the Company are consolidated is that headed by the BBC. The smallest group in which the results of the Company are consolidated is headed by BBC Commercial Holdings Limited. Copies of the financial statements of the BBC may be obtained from the BBC Trust Unit, 180 Great Portland Street, London W1W 5QZ.