



ESTUARY TV CIC

COMPANY NUMBER 06433821

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

for the year ended 31 July 2015



## **ESTUARY TV CIC**

### **Professional Advisers**

Independent Auditors	Grant Thornton UK LLP, Chartered Accountants, No 1 Whitehall Riverside Leeds, LS1 4BN
Bankers	Lloyds TSB Bank PLC, Bailey Drive, Gillingham Business Park, Kent, ME8 0LS
Solicitors	Walker Morris, Kings Court, 12 King Street, Leeds, LS1 2HL  Eversheds, Bridgewater Place, Water Lane, Leeds, LS11 5DR  Bates & Mountain, The Old Courthouse, 42 Brighowgate, Grimsby, DN32 0QW
Tax Advisers	Forrester Boyd, 26 South Saint Mary's Gate, Grimsby, DN31 1LW
Registered Office	c/o Nuns Corner, Nuns Corner, Laceby Road, Grimsby, North East Lincolnshire, DN34 5BQ

## **ESTUARY TV CIC**

### **DIRECTORS' REPORT FOR YEAR ENDED 31ST JULY 2015**

The directors present their report together with the audited financial statements for the trading year ended 31st July 2015

#### **PRINCIPAL ACTIVITIES**

The principal activity of the company is broadcasting local television to the general public and business community. The Company was incorporated on 21 November 2007 as a Community Interest Company (CIC). The company is a wholly owned subsidiary of The Grimsby Institute of Further & Higher Education.

#### **BUSINESS REVIEW**

Estuary TV is part of a network of 19 stations that form the Local Digital Television Programme Services, producing Freeview TV content.

Estuary TV CIC Ltd was the first to launch on 26th November 2013, broadcasting to 350,000 homes across Northern Lincolnshire and East Yorkshire on Freeview channel 8 and Virgin Media 159. A further 18 stations launched in 2014-15, to create a national network broadcasting to upwards of 13m population in 2015. Existing grant funding is intended to pump-prime developments, with an expectation that EstuaryTV creates a sustainable business model, through commercial content production, commercial sales and advertising, sponsorship and other income generation. There is also skills and employability opportunities for Grimsby Institute and other learners.

As part of the local television roll-out, stations have a formal agreement with the BBC to provide news stories to their regional centres for the first three years. This agreement is intended to support the growth of local television by providing an income stream to support their news infrastructure, developing more localised stations, which in time, will create opportunities for shared content/production across the network. In 2014/15, EstuaryTV has successfully met its broadcast and production targets.

In addition to the BBC agreement, the channel has a variety of income streams, one of which is to provide business support to local SME's as part of the ERDF Inspiring Enterprise project, which ended in June 2015. EstuaryTV successfully supported 10 businesses. The channel also provides local television training and is developing new advertising and sponsorship income streams as part of the digital offer, working to create broadcast content that attracts viewers, and in response to increase viewing figures, income.

In April 2014, Estuary TV CIC Ltd also won its bid to run the Scarborough licence. EstuaryTV has retained this license, but will not yet incur costs or take action, until the sustainable commercial model for Grimsby is in place. A further one year extension has been awarded.

#### **RESULTS**

The loss for the financial year amounted to £77,044 (2014 £29,554 loss). The payment of a dividend is not recommended (2014 nil) by the directors leaving the loss of £77,044 (2014 £29,554 loss) to be carried to reserves.

#### **GOING CONCERN**

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

#### **DIRECTORS**

The directors of the Company who served during the year and up to the date of signing the financial statements were:

S Middlehurst  
A J Goudie  
M Gardner

D Young  
E Flanagan  
S Ryder  
A Bell

M Gardner resigned as Director on 10th February 2015.

#### **DISCLOSURE OF INFORMATION TO AUDITORS**

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware, and each director has taken all the steps that ought to have been taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

#### **DIRECTORS' INDEMNITIES**

As permitted by the Articles of Association, the Directors have the benefit of an indemnity, the cost of which is borne by its parent, The Grimsby Institute of Further and Higher Education, which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. The Company's parent also purchased and maintained throughout the financial year Directors' and Officers' liability insurance in respect of the Company and its Directors.

#### **INDEPENDENT AUDITORS**

During the year Pricewaterhouse Coopers LLP resigned as auditors and the directors have appointed Grant Thornton UK LLP.

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

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 prepared 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

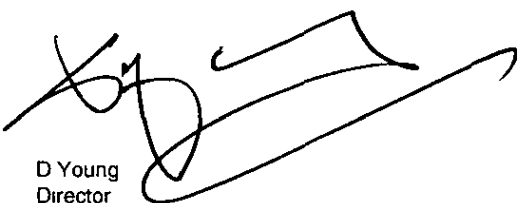
In preparing these financial statements, the directors are required to

- \* 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

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006

On behalf of the Board



D Young  
Director

Date 9th December 2015

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ESTUARY TV CIC**

We have audited the financial statements of Estuary TV CIC for the year ended 31 July 2015 which comprise the Profit and Loss account, the Balance Sheet and the related notes. 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 explained more fully in the Directors' Responsibilities Statement set out on page 3, 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 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 Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

**Opinion on the 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 July 2015 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 from the requirement to prepare a strategic report.

*GR UK GR*

**Mike Redfern**

Senior Statutory Auditor

for and on behalf of Grant Thornton UK LLP

Statutory Auditor, Chartered Accountants

No 1 Whitehall Riverside

Leeds

LS1 4BN

Date

*2 February 2016*

~~December 2015~~

ESTUARY TV CIC

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST JULY 2015**

	Note	<u>2015</u>	<u>2014</u>
		£	£
<b>TURNOVER</b>	1c	388,916	349,110
Cost of Sales		(383,758)	(319,539)
		<hr/>	<hr/>
Gross Profit		5,158	29,571
Administrative Expenses		(82,202)	(59,125)
Deed of Covenant Payments	5	-	-
		<hr/>	<hr/>
<b>OPERATING LOSS</b>	2	(77,044)	(29,554)
Interest Receivable and Similar Income	4	-	-
		<hr/>	<hr/>
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		(77,044)	(29,554)
Tax on loss on ordinary activities	5	-	-
		<hr/>	<hr/>
<b>LOSS FOR THE FINANCIAL YEAR</b>	11	(77,044)	(29,554)
		<hr/>	<hr/>

There are no other gains or losses during the year other than those shown above and therefore no separate statement of total recognised gains and losses has been presented

There is no material difference between the loss on ordinary activities before taxation and the loss for the financial year stated above and their historical costs equivalents

All activities relate to continuing operations

**BALANCE SHEET AS AT 31ST JULY 2015**

	Note	2015	2014
		£	£
<b>FIXED ASSETS</b>			
Tangible Assets	6	5,929	19,228
		<hr/>	<hr/>
		5,929	19,228
<b>CURRENT ASSETS</b>			
Debtors	7	134,089	54,440
Investment		1	1
Cash at bank and in hand		21,316	28,897
		<hr/>	<hr/>
		155,406	83,338
<b>CREDITORS - Amounts falling due within one year</b>	8	(267,931)	(134,218)
		<hr/>	<hr/>
<b>NET CURRENT (LIABILITIES)</b>		(112,525)	(50,880)
		<hr/>	<hr/>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		(106,596)	(31,652)
<b>CREDITORS - Amounts falling due after more than one year</b>	9	-	(3,017)
		<hr/>	<hr/>
<b>NET LIABILITIES</b>		(106,596)	(34,669)
		<hr/>	<hr/>
<b>CAPITAL AND RESERVES</b>			
Called up share Capital	10	2	2
Share premium account		-	-
Profit and Loss account	11	(106,598)	(34,671)
		<hr/>	<hr/>
<b>TOTAL SHAREHOLDERS' DEFICIT</b>	12	(106,596)	(34,669)
		<hr/>	<hr/>

The notes on pages 7 to 10 form part of these financial statements

These financial statements on pages 5 to 10 were approved by the Board of Directors on 9th December 2015 and signed on its behalf by

D Young  
Director



**NOTES TO THE FINANCIAL STATEMENTS - 31ST JULY 2015****1 ACCOUNTING POLICIES**

The financial statements have been prepared in accordance with applicable accounting standards within the United Kingdom in accordance with Companies Act 2006 and the accounting policies have been applied consistently. The particular accounting policies adopted by the directors are described below.

**1a) Basis of Preparation**

The financial statements have been prepared under the historical cost convention and in accordance with applicable Accounting Standards. Under Financial Reporting Standard 1 (revised), the company is exempt from the requirement to prepare a cash flow statement on the grounds that the parent undertaking includes the company in its own published consolidated financial statements.

The directors consider that in preparing the financial statements they have taken into account all information that could reasonably be expected to be available. On this basis, they consider that it is appropriate to prepare the financial statements on a going concern basis.

**1b) Tangible Assets**

Tangible fixed assets are stated at historical purchase cost less accumulated depreciation. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, on a straight line basis, as follows:

IT Equipment - 3 years

Other Equipment - 5 years

**1c) Turnover**

In the opinion of the directors, turnover represents revenue grant and capital grant released for services rendered and depreciation costs incurred at year end. Revenue grants are released to income as expenditure is incurred in line with the terms and conditions attached to each fund. Capital grants are released to income in line with depreciation expenditure.

Turnover also represents the invoiced value of services provided in the UK exclusive of VAT relevant to year end.

**1d) Deed of Covenant/Gift Aid**

It is common practice for wholly owned subsidiaries to donate their taxable profits to the parent company and in 2012/13 Estuary TV Community Interest Company made such disbursements. The amount of disbursement allowable by law is restricted to the subsidiary company's distributable profits (usually the profit and loss reserve). In 2012/13 Estuary TV Community Interest Company breached this requirement by £5,117. The disbursement was made based on tax advice and the parent company, The Grimsby Institute of Further & Higher Education, made appropriate adjustments in 2014/15 to ensure that this breach was corrected.

<b>2 OPERATING LOSS</b>	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
<b>Operating loss is stated after charging</b>		
Depreciation	14,163	18,098
<b>And after crediting</b>		
Amortisation of deferred capital grant	12,018	15,635
Revenue Grant	191,765	180,216

The cost of Auditor Remuneration for the year ending 31st July 2015 is borne by the parent company.

<b>3 DIRECTORS AND EMPLOYEES</b>	<b>2015</b>	<b>2014</b>
<b>a) Average Number employed (Full Time Equivalent - FTE)</b>	<b>13.0</b>	<b>8.6</b>
<b>b) Payroll costs</b>		
The aggregate payroll costs were	<b>£</b>	<b>£</b>
Wages and salaries	243,501	188,523
Social Security costs	14,462	12,841
Other Pension costs	36,972	27,640
	<b>294,935</b>	<b>229,004</b>

**DIRECTORS EMOLUMENTS**

The directors did not receive any emoluments in the year, however, please see related parties disclosure for other payments made.



**NOTES TO THE FINANCIAL STATEMENTS 31ST JULY 2015 (CONTINUED )**

<b>4 INTEREST RECEIVABLE AND SIMILAR INCOME</b>	<b>2015</b>	<b>2014</b>
	£	£
Interest receivable - short term bank deposits	-	-
	<hr/>	<hr/>
	-	-
	<hr/>	<hr/>
<b>5 TAX ON LOSS ON ORDINARY ACTIVITIES</b>	<b>2015</b>	<b>2014</b>
	£	£
Adjustments in respect of prior year	-	-
	<hr/>	<hr/>
The company pays over the whole of its taxable profit under deed of covenant/gift aid to its parent undertaking, The Grimsby Institute of Further and Higher Education, an arrangement which is likely to remain in place for the foreseeable future. The paid £nil corporation tax in the year (2014 £nil)		
Except where otherwise required by accounting standards full provision without discounting is made for all timing differences which have arisen but not reversed at the balance sheet date		
	For the year ending 31 July 2015	For the year ending 31 July 2014
	£	£
Current tax reconciliation	-	-
Deed of covenant/gift aid to parent undertaking	-	-
Adjustment in respect of prior year	-	-
	<hr/>	<hr/>
	-	-
	<hr/>	<hr/>
<b>6 TANGIBLE FIXED ASSETS</b>	<b>Equipment and IT Equipment</b>	
	<b>2015</b>	
<b>Cost</b>	£	
As at 1st August 2014	76,959	
Additions	865	
Disposals	-	
	<hr/>	
<b>At 31st July 2015</b>	<b>77,824</b>	
	<hr/>	
<b>Accumulated Depreciation</b>		
As at 1st August 2014	57,732	
On disposals	-	
Depreciation charge in year	14,163	
	<hr/>	
<b>At 31st July 2015</b>	<b>71,895</b>	
	<hr/>	
<b>Net book value at 31st July 2015</b>	<b>5,929</b>	
	<hr/>	
<b>Net book value at 31st July 2014</b>	<b>19,228</b>	
	<hr/>	

NOTES TO THE FINANCIAL STATEMENTS 31ST JULY 2015 (CONTINUED )

7	DEBTORS	2015	2014
		£	£
	Trade Debtors	46,436	6,181
	Amounts owed by group undertakings	-	-
	Prepayments and accrued income	23,602	1,829
	Other Debtors - E-Factor (ERDF)	64,051	46,085
	Other Debtors - HMRC	-	345
		<hr/>	<hr/>
		134,089	54,440
		<hr/>	<hr/>
8	CREDITORS - Amounts falling due within one year	£	£
	Trade Creditors	2,509	3,284
	Amounts owed to group undertakings	221,615	77,134
	Other creditors and accruals	32,978	7,866
	Grants	10,829	45,934
		<hr/>	<hr/>
		267,931	134,218
		<hr/>	<hr/>
9	CREDITORS - Amounts falling due after more than one year		
	Deferred Capital Grant (BIG)	-	3,017
		<hr/>	<hr/>
10	CALLED UP SHARE CAPITAL	2015	2014
		£	£
	<b>Authorised</b>		
	Ordinary shares of £1 each	100	100
	<b>Allotted, and fully paid</b>		
	Ordinary shares of £1 each	2	2
11	PROFIT AND LOSS ACCOUNT	Profit & Loss	Profit & Loss
		Account	Account
		2015	2014
		£	£
	1st August 2014	(34,671)	(5,117)
	Adjustment from Parent Company to correct 13/14 Gift Aid	5,117	-
	Loss for the financial year	(77,044)	(29,554)
		<hr/>	<hr/>
	31st July 2015	(106,598)	(34,671)
		<hr/>	<hr/>
12	RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' DEFICIT	2015	2014
		£	£
	Opening shareholders' deficit	(34,669)	(5,115)
	Adjustment from Parent Company to correct 13/14 Gift Aid	5,117	-
	Loss for the financial year	(77,044)	(29,554)
		<hr/>	<hr/>
	Closing shareholders' deficit	(106,596)	(34,669)
		<hr/>	<hr/>

**NOTES TO THE FINANCIAL STATEMENTS 31ST JULY 2015 (CONTINUED )****13 PARENT UNDERTAKING**

The immediate parent undertaking is the The Grimsby Institute of Further & Higher Education

The ultimate parent undertaking and controlling party is The Grimsby Institute of Further & Higher Education, a company incorporated in the UK

The Grimsby Institute of Further & Higher Education is the parent undertaking of the largest and the smallest group of undertakings to consolidate these financial statements at 31 July 2015. The consolidated financial statements of The Grimsby Institute of Further & Higher Education are available from Nuns Corner, Grimsby, North East Lincolnshire, DN34 5BQ

**14 RELATED PARTY TRANSACTIONS**

The Company is a wholly owned subsidiary of The Grimsby Institute of Further & Higher Education. Pursuant to paragraph 17 of FRS 8 "Related Party Transactions" the Company has not disclosed details of transactions with the Institute or any of the Institute's subsidiary undertakings

D Young, a director of Estuary TV CIC (Formerly Channel 7 Television Community Interest Company) charges for consultancy

	2015 Consultancy & other services £	2014 Consultancy & other services £
D Young	-	2,160
	<hr/>	<hr/>
	-	2,160

**Related Parties Creditors & Debtors**

2015		2014	
Creditors	Debtors	Creditors	Debtors
£ nil	£nil	£nil	£nil

**CIC 34****Community Interest Company Report**

For official use  
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Please  
complete in  
typescript, or  
in bold black  
capitals.

Company Name in  
full

Estuary TV CIC

Company Number

06433821

Year Ending

31/07/2015

This template illustrates what the Regulator of Community Interest Companies considers to be best practice for completing a simplified community interest company report. All such reports must be delivered in accordance with section 34 of the Companies (Audit, Investigations and Community Enterprise) Act 2004 and contain the information required by Part 7 of the Community Interest Company Regulations 2005. For further guidance see chapter 8 of the Regulator's guidance notes and the alternate example provided for a more complex company with more detailed notes.

#### **PART 1 - GENERAL DESCRIPTION OF THE COMPANY'S ACTIVITIES AND IMPACT**

In the space provided below, please insert a general account of the company's activities in the financial year to which the report relates, including a fair and accurate description of how they have benefited the community, or section of the community, which the company is intended to serve.

The Estuary TV commenced trading as one of the first Freeview community channels in the country completing its second year of trading by November 2015. These are the first wave of new services to create community responsive local TV content, with a service model that draws on students help to development of the broadcast content. The new broadcast services is designed to be a localized broadcast which reaches Lincolnshire, the South Humber and now extends the each to the North bank.

The community benefit is three-fold. The community benefit arising from local film content that reflects local community issues, culture programmes and promotes local interests and developments, the process of production that provides real life work experience for students and finally, local content to a potential viewership of in excess of 900,000 people.

In this last year, over 50 students have had support in employability and media skills development through EstuaryTV.

*(If applicable, please just state "A social audit report covering these points is attached")*

*(Please continue on separate continuation sheet if necessary)*

**PART 2 – CONSULTATION WITH STAKEHOLDERS** – Please indicate who the company's stakeholders are, how the stakeholders have been consulted and what action, if any, has the company taken in response to feedback from its consultations? If there has been no consultation, this should be made clear

The Board involves independent board members, but the process of creating local news and community interest and business content involves continuous engagement with stakeholders in the planning and creation of local broadcast content. We have developed web-related feedback as well as looking to the national survey data on viewing figures which helps inform programme content.

Learners from the Grimsby Institute are involved in the support of content creation, which they do as part of learning programmes. These are subject to the usual reviews and assessments.

We have been working collaboratively with Local Authorities and delivering employability programmes for older unemployed residents in East Riding, in direct response to engagement with stakeholders in the year.

*(If applicable, please just state "A social audit report covering these points is attached")*

**PART 3 – DIRECTORS' REMUNERATION** – if you have provided full details in your accounts you need not reproduce it here. Please clearly identify the information within the accounts and confirm that, "There were no other transactions or arrangements in connection with the remuneration of directors, or compensation for director's loss of office, which require to be disclosed" (See example with full notes). If no remuneration was received you must state that "no remuneration was received" below

Detailed in the accounts

**PART 4 – TRANSFERS OF ASSETS OTHER THAN FOR FULL CONSIDERATION** – Please insert full details of any transfers of assets other than for full consideration e.g. Donations to outside bodies. If this does not apply you must state that "no transfer of assets other than for full consideration has been made" below

No transfer of assets other than for the full consideration has been made

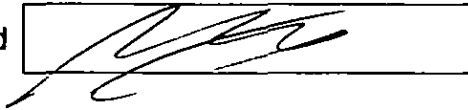
*(Please continue on separate continuation sheet if necessary)*

**(N.B. Please enclose a cheque for £15 payable to Companies House)**

## PART 5 – SIGNATORY

**The original report must be signed by a director or secretary of the company**

Signed



Date

3/2/16

Office held (delete as appropriate) Director/~~Secretary~~

You do not have to give any contact information in the box opposite but if you do, it will help the Registrar of Companies to contact you if there is a query on the form. The contact information that you give will be visible to searchers of the public record.

Tel	
DX Number	DX Exchange

**When you have completed and signed the form, please send it to the Registrar of Companies at:**

*For companies registered in England and Wales:* Companies House, Crown Way, Cardiff, CF14 3UZ  
DX 33050 Cardiff

*For companies registered in Scotland:* Companies House, 4<sup>th</sup> Floor, Edinburgh Quay 2, 139  
Fountainbridge, Edinburgh, EH3 9FF DX 235 Edinburgh or LP – 4 Edinburgh 2

*For companies registered in Northern Ireland:* Companies House, 2nd Floor, The Linenhall, 32-38  
Linenhall Street, Belfast, BT2 8BG