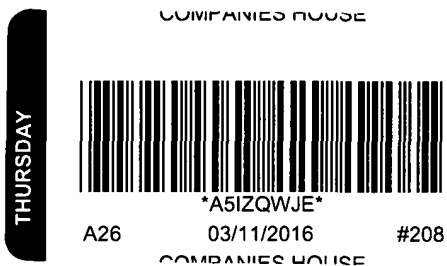


**BBC Free to View Limited**

**Report and Financial Statements**

Year ended 31 March 2016

Registered number 04435176



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## Directors report

The directors presents their annual report and the financial statements for the year ended 31 March 2016.

### Principle activities

BBC Free to View Limited ('the Company') is a wholly owned subsidiary of the British Broadcasting Corporation ('BBC').

The principle activity of the Company is providing, procuring and managing terrestrial and satellite broadcasting.  
The director expects the company to continue with these activities for the foreseeable future.

### Results and dividends

The Company made neither a profit nor a loss during the year (2015: £nil). The director does not recommend the payment of a dividend (2015: £nil).

### Political contributions

The Company did not make any political donations in the year (2015: £nil).

### Strategic report

The Company is exempt by virtue of its size from the requirement to prepare a strategic report.

### Financial instruments

The Company's financial risk management operations are managed by BBC Group Treasury. All treasury activity is routinely reported and is subject to review by management.

### Going concern

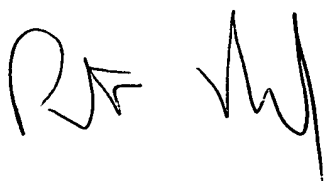
The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis in preparing the annual financial statements. Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies in the financial

### Directors

The directors who served during the year and at the date of this report, unless otherwise stated, was:

Peter Ranyard

By order of the Board.



Peter Ranyard  
Director

27 October 2016

Room BC2 A5  
Broadcast Centre  
201 Wood Lane  
London  
W12 7TP

## Statement of directors responsibilities

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 they have elected to prepare the financial statements in accordance with FRS 101 (Financial Reporting Standard 101) 'Reduced Disclosure Framework'

Under company law the directors must not approve the financial statements unless he 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 directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements 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 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. The directors have responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

## Profit and loss account

for the year ended 31 March 2016

	Note	2016 £	2015 £
Turnover	2	6,191,366	4,337,452
Cost of sales		-	-
Gross Profit		6,191,366	4,337,452
Other operating expenses		(6,191,366)	(4,337,452)
Profit on ordinary activities before taxation		-	-
Tax on profit on ordinary activities		-	-
Profit for the financial year		-	-

All amounts above are derived from continuing activities.

There are no recognised gains or losses other than those shown above and therefore no separate statement of recognised gains and losses is presented.

The notes on pages 7 to 11 form part of the financial statements.

## Balance Sheet

as at 31 March 2016

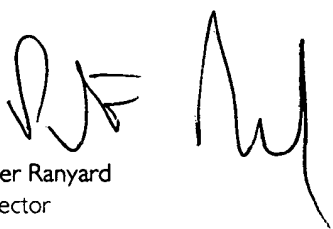
	Note	2016 £	2015 £
<b>Fixed assets</b>			
Investment in joint venture	5	53,600	53,600
<b>Current assets</b>			
Debtors due within one year	6	774,229	223,695
Creditors: amounts falling due within one year			
Trade and other payables	7	(550,535)	-
<b>Net current assets</b>		<b>223,695</b>	<b>223,695</b>
<b>Net Assets</b>		<b>277,295</b>	<b>277,295</b>
<b>Capital and reserves</b>			
Called up share capital	8	1	1
Profit and loss account		277,294	277,294
<b>Total shareholders' funds</b>		<b>277,295</b>	<b>277,295</b>

For the year ended 31 March 2016 the Company was entitled to exception from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's responsibilities:

- The members have not required the Company to obtain an audit of its accounts for the year in question in accordance with section 476.
- The directors acknowledges their responsibilities for complying with the requirement of the Act with respect to accounting records and the preparation of accounts.

The financial statements of BBC Free to View Limited, registered number 04435176, were approved by the director on 27 October 2016 and signed on their behalf by:



Peter Ranyard  
Director

## Statement of changes in equity

for the year ended 31 March 2016

	2016	2015
	£	£
Shareholders' funds at the start and end of the year	277,295	277,295

## Notes to the financial statements

For the year ended 31 March 2016

### 1 Authorisation of financial statements and statement of compliance with FRS 101

The financial statements of the Company for the year ended 31 March 2016 were authorised for issue by the directors on 27 October 2016. BBC Free to View Limited is incorporated and domiciled in England and Wales.

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and in accordance with applicable accounting standards.

The Company's financial statements are presented in Sterling and all values are rounded to the nearest pound except where otherwise indicated.

The Company has taken advantage of the exemption under s400 of the Companies Act 2006 not to prepare group accounts as it is a wholly owned subsidiary of the British Broadcasting Corporation (BBC). The group accounts of the BBC are available to the public and can be obtained as set out in note 10.

The principal accounting policies adopted by the Company are set out in note 2.

### 2 Accounting policies

The following accounting policies have been consistently applied in dealing with items which are considered material in relation to the company's financial statements.

#### Basis of accounting

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

The company meets the definition of a qualifying entity under FRS 100 (Financial Reporting Standard 100) issued by the Financial Reporting Council. Accordingly, in the year ended 31 March 2016 the company has changed its accounting framework from UK GAAP to FRS 101 as issued by the Financial Reporting Council and has, in doing so, applied the requirements of IFRS 1.6-33 and related appendices. These financial statements were prepared in accordance with FRS 101 (Financial Reporting Standard 101) 'Reduced Disclosure Framework' as issued by the Financial Reporting Council, for all periods presented.

As permitted by FRS 101, the company has taken advantage of the following disclosure exemptions under FRS101:

- IFRS 2 Share based payments
- IFRS 3 Business combinations
- IFRS 5 Non-current assets held for sale and discontinued operations
- IFRS 7 Financial instruments
- IFRS 13 Fair value measurement
- IAS 1 Presentation of financial statements
- IAS 7 Statement of cashflows
- IAS 8 Accounting policies, changes in accounting estimates and errors
- IAS 24 Related party disclosures
- IAS 36 Impairment of assets

#### Reconciliation with previously United Kingdom Generally Accepted Accounting Practice

In preparing the accounts, the directors have considered whether in applying the accounting policies required by FRS 101 a restatement of comparative items was needed. No restatements were required. See note 11 for further details.

#### 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.



## Notes to the financial statements (continued)

### 2 Accounting policies (continued)

#### Financial instruments

Financial assets and liabilities are recognised on balance sheet when the Company becomes party to the contractual provisions of the instrument. Financial assets are derecognised from the balance sheet when the Company's contractual rights to the cash flows expire or there has been a substantial transfer of the risks and rewards of the financial asset. Financial liabilities are derecognised from the Company's balance sheet when the obligation specified in the contract is discharged, cancelled or expires. At each balance sheet date, the Company assesses whether there is any objective evidence that any financial asset is impaired.

### 3 Judgements and key sources of estimation uncertainty

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised, if the revision affects only that year, or in the year of the revision and future years if the revision affects both current and future periods.

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

#### Impairment of investments in joint ventures

Determining whether the company's investments in joint ventures have been impaired requires estimations of the investments' values in use. The value in use calculations requires the entity to estimate the future cash flows expected to arise from the investments and suitable discount rates in order to calculate present value. The carrying amount of investments in joint ventures at the balance sheet date was £53,600 with no impairment loss recognised in 2015 or 2016.

### 4 Employees and directors remuneration

The Company did not employ staff at any time during the year nor make any payments in respect of wages and salaries.

The directors received no remuneration from the Company during the year (2015: £nil).

The directors are employed under service contracts with the British Broadcasting Corporation.

### 5 Investments in joint ventures

	2016 £	2015 £
Cost at 1 April	53,600	53,600
Impairment	-	-
Cost at 31 March	53,600	53,600

The company's investment in joint ventures accounts for a 20% share in the capital of the following company incorporated in England and Wales:

Name	Principle Activity	Partners
DTV Services Limited	Terrestrial and satellite broadcasting	British Sky Broadcasting Limited Channel Four Television Corporation SDN Limited Arquiva Services Limited

## Notes to the financial statements (continued)

### 6 Debtors due within one year

	2016	2015
	£	£
Amounts owed by parent undertaking	774,229	223,695
<b>Total debtors</b>	<b>774,229</b>	<b>223,695</b>

### 7 Creditors: amounts falling due within one year

	2016	2015
	£	£
Amounts owed to parent undertaking	(550,535)	-
<b>Total creditors</b>	<b>(550,535)</b>	<b>-</b>

### 8 Share capital

	2016	2015
	£	£
Allotted, called up and fully paid:		
1 ordinary share of £1 each	1	1

### 9 Related party transactions

The Company is a 100% owned subsidiary of the British Broadcasting Corporation (BBC). As a result, the Company has taken advantage of the exemption set out in IAS 24, "Related Party Disclosures", and has not disclosed transactions between the Company and the BBC or its subsidiaries.

### 10 Ultimate controlling party

The Company's ultimate parent undertaking is British Broadcasting Corporation which is incorporated in the United Kingdom by the Royal Charter. The largest and the only group in which the results of the Company are consolidated is that headed by the British Broadcasting Corporation. Copies of the financial statements of the BBC can be obtained from the BBC Trust Unit, 180 Great Portland Street, London, W1W 5QZ.

### 11 Transition to FRS 101

For all periods up to and including the year ended 31 March 2015, the Company prepared its financial statement in accordance with previously extant United Kingdom generally accepted accounting practice (UK GAAP). These financial statements, for the year ended 31 March 2016, are the first the Company has prepared in accordance with FRS 101.

Accordingly, the Company has prepared individual financial statements which comply with FRS 101 applicable for periods beginning on or after 1 April 2014 and the significant accounting policies meeting those requirements are described in the relevant notes.

In preparing these financial statements, the Company has started from an opening balance sheet as at 1 April 2014, the Company's date of transition to FRS 101, and made those changes in accounting policies and other restatements required for the first-time adoption of FRS 101. As such, this note explains the principal adjustments made by the Company in restating its balance sheet as at 1 April 2014 prepared under previously extant UK GAAP and its previously published UK GAAP financial statements for the year ended 31 March 2015.

On transition to FRS 101, the company has applied the requirements of paragraphs 6-33 of IFRS 1 "First time adoption of International Financial Reporting Standards", and following review, no adjustments to the financial statements of the Company were required on transition to FRS 101 Reduced Disclosure Framework.