

BBC Free To View (Satellite) Limited
Directors report and financial statements

Registered Number : 06250237

Year ended 31 March 2013

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Director's report

The director presents his report and financial statements for the year ended 31 March 2013

Principal activities

BBC Free To View (Satellite) Limited is a holding company for the BBC's 50% share of Freesat (UK) Limited, whose principle activity is providing, procuring and managing satellite broadcasting

Results and dividends

The company made a profit of £209,578 (2012 £164,135) during the year. The director does not recommend the payment of a dividend (2012 £nil)

Directors

The director who held office during the year was
Balraj Samra

Political and charitable contributions

The Company made no political or charitable donations during the year (2012 £nil)

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 the director 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



Peter Ranyard
Company Secretary

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

4 DECEMBER 2013

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 they 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 director 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 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. They have general 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

Independent auditor's report to the members of BBC Free To View (Satellite) Limited

We have audited the financial statements of BBC Free To View (Satellite) Limited for the year ended 31 March 2013 set out on pages 5 to 10. 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 directors 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 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.

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 2013 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 matter prescribed by the Companies Act 2006

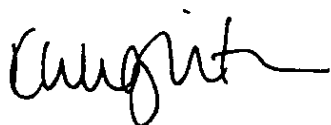
In our opinion the information given in the Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent auditor's report to the members of BBC Free To View (Satellite) 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 directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit



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

6 December 2013

Profit and Loss Account
for the year ended 31 March 2013

	Note	2013 £	2012 £
Operating profit		—	—
Interest receivable and similar income	4	276,198	221,804
Profit on ordinary activities before taxation		276,198	221,804
Taxation on profit on ordinary activities	5	(66,620)	(57,669)
Profit for the financial year		209,578	164,135

All the above amounts 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

There is no difference between the results as disclosed above and the results on a historical cost basis
The notes on pages 7 to 10 form part of the financial statements

Balance sheet
At 31 March 2013

	Note	2013 £	2012 £
Fixed assets			
Investment in joint ventures	6	50	50
Current assets			
Debtors			
- due within one year	7	21,107,776	17,327,579
Creditors: amounts falling due within one year	8	(20,287,479)	(16,716,860)
Net current assets		820,297	610,719
Net assets		820,347	610,769
Capital and reserves			
Called-up share capital	9	1	1
Profit and loss account		820,346	610,768
Shareholders' funds	10	820,347	610,769

These financial statements were approved by the board of directors on 4 ~~DECEMBER~~ 2013 and were signed on its behalf by


Balraj Samra
Director

Notes to the financial statements

1 Accounting policies

The Company's principal accounting policies, which have been applied consistently throughout the year, 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 the 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 (or investees of the group qualifying as related parties) The consolidated financial statements of BBC, within which the company is included, can be obtained from the address in note 13

Going Concern

The director believes that the company is well placed to manage its business risks successfully despite the current uncertain economic outlook and 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

Turnover

The Company does not engage in business that gives rise to any turnover

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 Financial Reporting Standard 19

Investments

Investments are recorded at cost less provision for any impairment in value

2 Operating profit

An amount of £2,000 (2012 £2,000) was allocated to BBC Free to View (Satellite) Limited for the audit fee This was borne by the parent company and not recharged

3 Employees and remuneration

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

The directors did not receive any remuneration from the Company in the period

Notes to the financial statements (continued)

4 Interest receivable and similar income

	2013 £	2012 £
Interest receivable and similar interest	276,198	221,804

The Company's contributions to Freesat (UK) Ltd are funded by loans from its parent company, the BBC

5 Taxation on ordinary activities

	2013 £	2012 £
Current tax		
Total tax charge for the year	66,620	57,669

Factors affecting the tax charge for the current period

The current tax charge for the period is higher (2012 equal) than the standard rate of corporation tax in the UK (24%, 2012 26%) The differences are explained below

	2013 £	2012 £
Profit on ordinary activities	276,198	221,804
Profit on ordinary activities before taxation multiplied by standard rate of corporation tax in the UK of 24% (2012 26%)	66,288	57,669
Other timing differences	332	-
Current tax charge for the year	66,620	57,669

The UK Government has announced a phased reduction in the main rate of corporation tax in the UK. On 1 April 2013, the rate was reduced from 24% to 23%. Two further annual reductions are expected to follow in subsequent years, reducing the corporation tax rate to 20% from 1 April 2015. The impact of the future rate reductions will be accounted for in future periods, to the extent that they are enacted at the balance sheet date, however, it is estimated that this will not have a material effect on the company.

6 Investment in joint ventures

	2013 £	2012 £
Cost		
At 1 April and 31 March	50	50

The Company's investment in joint ventures accounts for a 50% share in the capital of the following company incorporated in England and Wales

Name	Principal Activity	Partners
Freesat (UK) Limited	Managing satellite broadcasting	ITV Broadcasting Limited

Notes to the financial statements (continued)

7 Debtors

	2013 £	2012 £'000
Receivable within one year		
Amounts owed by joint venture	21,107,776	17,327,579
Amounts owed by joint venture	21,107,776	17,327,579

The Company's contributions to the joint venture are subject to an interest rate of 1.5%

8 Creditors: amounts falling due within one year

	2013 £	2012 £
Amount to joint venture	50	50
Amounts owed to parent undertaking	20,221,141	16,659,141
Corporation tax	66,288	57,669
Total creditors	20,287,479	16,716,860

The Company's contributions to the joint venture are funded by loans from its parent company, the BBC. The loan from the parent company is only repayable to the extent that monies have been received from the joint venture. The loan from the parent company is interest free.

9 Called up share capital

	2013 £	2012 £
Allotted and called up		
1 ordinary share of £1	1	1

10 Reconciliation of movements in shareholder's funds

	2013 £	2012 £
Opening shareholders' funds	610,769	446,634
Profit for the year	209,578	164,135
Closing shareholders' funds	820,347	610,769

11 Related party transactions

The Company charged Freesat (UK) Ltd interest of £276,198 (2012 £221,804) during the year it also advanced Freesat (UK) Ltd a further £3,780,197 (2012 £3,575,000). The loan contributions are made for the provision of satellite broadcasting. At the end of the year, the Company was owed £21,107,776 (2012 £17,327,579) by Freesat (UK) Ltd. At the end of the year the Company owed Freesat (UK) Ltd £50 (2012 £50).

Notes to the financial statements (continued)

12 Commitments

The company had no commitments at 31 March 2013 (2012 £nil)

13 Ultimate parent undertaking

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

