

BBC Media Application Technologies Limited

Registered number 07100235

Annual Report and Financial Statements

For the year ended 31 March 2021



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Directors' Report

The Directors of BBC Media Application Technologies Limited (the 'Company') present their Directors' Report for the year ended 31 March 2021.

Principal Activities

BBC Media Application Technologies Limited ('the Company') is a wholly owned subsidiary of the British Broadcasting Corporation ('BBC').

The principal activity of the Company is the review and evaluation of software and technology; coupled with the building, testing and dissemination of applications on behalf of the BBC's Public Service Broadcasting divisions.

Results and dividends

The Company made a loss of £181k during the year (2020: £2,149k). The Directors do not recommend the payment of a dividend (2020: £nil).

BBC Media Application Technologies Limited is a not-for-profit company and does not engage in any cost recovery type activities. Therefore, for as long as it remains charged with undertaking media applications development work on behalf of the BBC, it is expected to continue to show losses and is not expected to recover any cost or return any profit to the BBC. It is funded solely through shareholder subscription monies by the BBC.

Financial instruments

The Company's financial risk management operations are carried out by a BBC Group Treasury function, within parameters defined formally within the policies and procedures manual agreed by the BBC Board.

Directors' interests and indemnities

No Director had any interest in the share capital of the Company throughout the financial year. 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 year. Directors' and Officers' liability insurance cover was in place throughout the financial year as appropriate.

The environment

The Company does not operate in industries where there is potential for serious industrial pollution, however it recognises its responsibility to be aware of and take steps to control and minimise any damage its business might cause to the environment.

Corporate governance

The 2018 UK Corporate Governance Code, issued by the Financial Reporting Council and setting out principles of good corporate governance is not applicable to BBC Media Application Technologies Limited as a private limited company but the BBC Group voluntarily complies where appropriate. Disclosure of how the BBC complies may be obtained from www.bbc.co.uk/annualreport.

Political and charitable donations

The Company did not make any political or charitable donations in the year (2020: £nil).

Directors' Report (continued)

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 statements.

Post balance sheet events

There have been no significant events affecting the Company since the year end.

Directors

The Directors who held office during the year and at the date of this report, unless otherwise stated, were:

- Peter Ranyard
- Andrew Conroy
- Andrew Kaczor
- Rebecca Salisbury (Resigned 30 October 2020)

Small companies provision statement

These accounts have been prepared and delivered in accordance with the small companies regime under the Companies Act 2006.

By order of the Board



Andrew Kaczor
Director

26 November 2021

BC2 A5 Broadcast Centre
201 Wood Lane
London
W12 7TP

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 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 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 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.

Income Statement

for the year ended 31 March 2021

	Note	2021 £'000	2020 £'000
Operating expenses		(181)	(2,149)
Loss on ordinary activities before taxation	3	(181)	(2,149)
Taxation on loss on ordinary activities	5	-	-
Loss for the financial year		(181)	(2,149)

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 other comprehensive income is presented.

The notes on pages 9 to 13 form part of the financial statements.

Balance Sheet

as at 31 March 2021

	Note	2021 £'000	2020 £'000
Current assets			
Cash at bank		1,170	1,292
Total assets		1,170	1,292
Current liabilities			
Trade and other payables	6	(173)	(114)
Net current assets		997	1,178
Net Assets		997	1,178
Capital and reserves			
Called up share capital	7	79,791	79,791
Retained earnings		(78,794)	(78,613)
Shareholders' Funds		997	1,178

For the year ending 31 March 2021, the Company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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 acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements of BBC Media Application Technologies Limited, registered number 07100235, were approved by the board of directors and authorised for issue on 26 November 2021 and were signed on its behalf by:



Andrew Kaczor
Director

Statement of Changes in Equity

for the year ended 31 March 2021

	Note	Share capital £'000	Retained earnings £'000	Total £'000
At 31 March 2019		78,336	(76,464)	1,873
Loss for the year		-	(2,149)	(2,149)
Shares issued during the period		1,455	-	1,455
At 31 March 2020		79,791	(78,613)	1,178
Loss for the year		-	(181)	(181)
Shares issued during the period		-	-	-
At 31 March 2021	8	79,791	(78,794)	997

Notes to the Financial Statements

for the year ended 31 March 2021

1 Statement of compliance with FRS 101

The financial statements of the Company have been prepared in accordance with Financial Reporting Standard 101, "Reduced Disclosure Framework" (FRS 101).

The Company's financial statements are presented in Sterling and all values are expressed in pounds sterling to the nearest £1,000 unless otherwise stated.

2 Accounting policies

This section explains the Company's main accounting policies, which have been applied consistently throughout the year and in the preceding year.

Basis of accounting

The financial statements have been prepared under the historical cost accounting convention, and in accordance with the Companies Act 2006.

Basis of preparation

The Company meets the definition of a qualifying entity under FRS 100 (Financial Reporting Standard 100) issued by the Financial Reporting Council. 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 7 Financial instruments
- IFRS 13 Fair value measurement
- IAS 1 Presentation of financial statements
- IAS 7 Statement of cash flows
- IAS 8 Accounting policies, changes in accounting estimates and errors
- IAS 24 Related party disclosures
- IAS 36 Impairment of assets

Going concern

The Directors believe 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. The Directors have specifically considered the loss making position of the Company in the current year and note the significant cash balances at the Company's disposal as at 31 March 2021. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements on the basis that all expenditure incurred is pre-funded through the issuance of share capital.

Notes to the Financial Statements (continued)

for the year ended 31 March 2021

2 Accounting policies (continued)

Financial instruments

Financial assets and liabilities (primarily cash and cash equivalents, trade receivables and trade payables) are recognised on the 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.

Taxation

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted by the balance sheet date. The tax currently payable is based on taxable profits for the year.

Income tax is charged or credited to other comprehensive income if it relates to items that are charged or credited to other comprehensive income. Similarly, income tax is charged or credited directly to equity if it relates to items that are credited or charged directly to equity. Otherwise income tax is recognised in the income statement.

Trade and other receivables

These are recognised at fair value plus directly attributable transaction costs less an allowance for estimated impairment. The allowance is based on objective evidence that the Company will not be able to recover all amounts due, through a review of all accounts and prior experience collecting outstanding balances. Changes in the carrying amount of the allowance are recognised in the profit and loss account. A provision for impairment of trade and other receivables, based on the simplified approach using the lifetime expected credit losses, has not been recognised as this is not material.

Adoption of new and revised accounting standards

The following new and revised standards and interpretations have been adopted for the first time, as they became effective for this financial year:

- Amendments to references to the Conceptual Framework in IFRS Standards
- Definition of Material (Amendments to IAS 1 and IAS 8)
- Interest Rate Benchmark Reform (Amendments to IFRS 9, IAS 39 and IFRS 7)
- Definition of a Business (Amendments to IFRS 3)

They have been applied since 1 April 2020 and have not had a significant impact on the results or financial position of the Company.

Notes to the Financial Statements

for the year ended 31 March 2021

2 Accounting policies (continued)

New standards and interpretations not yet adopted.

At the date of authorisation of these financial statements, the following standards and interpretations, which have not yet been applied in these financial statements, were in issue but not yet effective (and in some cases had not yet been adopted by the EU).

- Covid-19 - Related Rent concessions (Amendment to IFRS 16)
- Interest Rate Benchmark Reform - Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)

The directors do not expect that the adoption of the standards and interpretations above would have a material impact on the financial statements of Company in future periods.

Notes to the Financial Statements (continued)

for the year ended 31 March 2021

3 Loss on ordinary activities before interest and tax

The Company made a loss of £181k (2020: £2,149k) for the period to 31 March 2021.

4 Employees and directors' remuneration

The Company did not have any employees during the year nor did it make any payments in respect of wages and salaries.

The Directors received no emoluments from the Company during the year (2020: £nil).

5 Taxation

The current tax charge for the period is £nil (2020: £nil).

Reconciliation of the total tax charge

The effective rate of tax for the year ended 31 March 2021 was different from the standard rate of tax in the UK of 19% (2020: 19%) as a result of the following:

	2021	2020
	£'000	£'000
Loss on ordinary activities before tax	(181)	(12,684)
Tax on loss on ordinary activities at standard UK corporation tax rate of 19% (2020: 19%)	(34)	(2,410)
Effects of:		
Losses not recognised	34	2,410
Current tax charge for the year	-	-

There were no amounts relating to tax recognised in other comprehensive income.

6 Trade and other payables

	2021	2020
	£'000	£'000
Total Trade and other payables	173	114

Notes to the Financial Statements (continued)

for the year ended 31 March 2021

7 Called up share capital

	2021	2020
	£'000	£'000
Allotted, called up and fully paid:		
Class A 77,290,054 Ordinary Shares £1 each	77,291	77,291
Class B 2,500,000 Ordinary Shares £1 each	2,500	2,500
	79,791	79,791

Class A and B Ordinary shares are allocated to the BBC. The shares rank pari passu in all respects (including voting rights, rights to dividends, etc) save for the respective designation into separate classes of share. All were issued for cash at par.

8 Reserves

For the period to 31 March 2021 the Retained earnings reserve had a negative balance of £78,794k (2020: £78,613k), this represents the combination of losses from operations in the current and previous years.

This account is expected to continue to operate in a negative balance due to the nature and purpose of the entity which is a not-for-profit company and does not engage in any cost recovery type activities. Therefore, for as long as it remains charged with undertaking media applications development work on behalf of the BBC, it is expected to continue to show losses and is not expected to recover any cost or return any profit to the BBC. It is the nature and purpose of the share capital reserve to offset the losses and fund the continuous operations of the company behalf of the BBC.

10 Ultimate controlling party

The Company's immediate and ultimate parent undertaking, and controlling party, is the British Broadcasting Corporation which is incorporated in the United Kingdom by Royal Charter. The largest and 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 www.bbc.co.uk/annualreport.