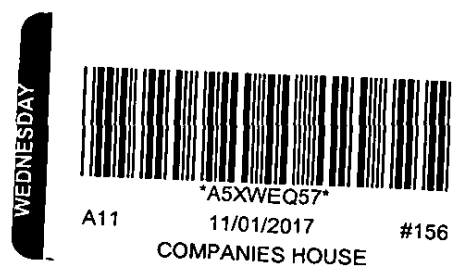


# SKY TELEVISION LIMITED

Annual report and financial statements  
For the year ended 30 June 2016

Registered number 01518707



## Directors and Officers

For the year ended 30 June 2016

### **Directors**

Sky Television Limited's ("the Company") present Directors and those who served during the year are as follows

C R Jones

C J Taylor

K Holmes (appointed 21 October 2016)

### **Secretary**

C J Taylor

### **Registered office**

Grant Way

Isleworth

Middlesex

TW7 5QD

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# Strategic and Directors' Report

## Strategic Report

The Directors present their Strategic and Directors' Report on the affairs of the Company, together with the financial statements for the year ended 30 June 2016

The purpose of the Strategic Report is to inform members of the Company and help them assess how the directors have performed their duty under section 172 of the Companies Act 2006 (duty to promote the Company)

## Business review and principal activities

The Company is a wholly-owned subsidiary of Sky plc ("Sky") and operates together with Sky's other subsidiaries as a part of the Sky Group ("the Group")

The Company's principal activity is to act as an intermediate holding company on behalf of Sky plc. The Company wholly owns SATV Publishing Limited. SATV Publishing Limited is involved in the collection of royalties on music copyrights.

The accounts for the year ended 30 June 2016 are set out on pages 6 to 17

The loss for the year before tax was £4,184,000 (2015: loss of £4,021,000) and was primarily driven by finance costs exceeding investment income. The Directors do not recommend the payment of a dividend for the year ended 30 June 2016 (2015: £nil). The Balance Sheet shows that the Company's shareholder's equity position at the year end was £88,632,000 (2015: £92,816,000).

## Key performance indicators (KPIs)

The Group manages its operations on a divisional basis. For this reason, the Company's Directors believe that further key performance indicators for the Company are not necessary or appropriate for an understanding of the development, performance or position of the Company.

## Principal risks and uncertainties

The Company's activities expose it to financial risks, namely credit risk, and liquidity risk. The Company is also exposed to risk through the performance of its investments, which are subject to impairment risk.

The Directors do not believe the Company is exposed to significant cash flow risk, price risk or foreign exchange risk.

## Financial risk management objectives and policies

The use of financial derivatives is governed by the Group's treasury policy approved by the Board of Directors, which provides written principles on the use of financial derivatives to manage these risks. The Company does not use derivative financial instruments for speculative purposes. Refer to note 9 for further information.

## Interest rate risk

The Company has financial exposure to UK interest rates arising from the various loan balances with other companies within the Group. The Group's Treasury function monitors the Company's exposure to fluctuations in interest rates.

## Credit risk

The Company has intercompany balances and is therefore exposed to credit risk on these balances. The intercompany balances of the Company are detailed in notes 5, 6 and 7.

## Strategic and Directors' Report (continued)

### **Liquidity risk**

The Company relies on the Group Treasury function to manage its liquidity and ensure that sufficient funds are available for ongoing operations and future developments. The Group currently has access to an undrawn £1 billion revolving credit facility which is due to expire on 30 November 2021. The Company benefits from this liquidity through intra-group facilities and loans.

### **Impairment risk**

The Balance Sheet of the Company includes investments in subsidiaries and the Company is therefore exposed to impairment risk on these investments. Impairment risk is managed through review of the underlying business performance of the subsidiaries as part of the Group's annual reporting procedures.

By Order of the Board,



C J Taylor  
Director

Grant Way  
Isleworth  
Middlesex  
TW7 5QD

20<sup>th</sup> December 2016

## Strategic and Directors' Report (continued)

### Directors' Report

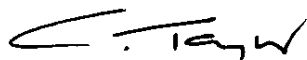
The Directors who served during the year are shown on page 1

### Going concern

The Company's business activities, together with the factors likely to affect its future development and performance are set out in the Business Review. The Directors' Report details the financial position of the Company, as well as the Company's objectives and policies, and details of its exposures to credit risk and liquidity risk.

After making enquiries, the Directors have formed a judgement at the time of approving the financial statements that the Company will have access to adequate resources to continue in existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

By Order of the Board,



C J Taylor  
Director

Grant Way  
Isleworth  
Middlesex  
TW7 5QD

20<sup>th</sup> December 2016

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## Statement of Directors' responsibilities

The Directors are responsible for preparing the Annual 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 elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. 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, International Accounting Standard 1 requires that Directors

- properly select and apply accounting policies,
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information,
- provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Company's financial position and financial performance, and
- make an assessment of the Company's ability to continue as a going concern

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.

## Statement of Comprehensive Income

For the year ended 30 June 2016

	Notes	<b>2016</b> <b>£'000</b>	2015 £'000
Investment income	2	<b>12,207</b>	11,743
Finance costs	2	<b>(16,391)</b>	(15,764)
<b>Loss before tax</b>	3	<b>(4,184)</b>	(4,021)
Tax	4	-	-
<b>Loss for the year attributable to equity shareholder</b>		<b>(4,184)</b>	(4,021)

The accompanying notes are an integral part of this Statement of Comprehensive Income

For the years ended 30 June 2016 and 30 June 2015, the Company did not have any items of other Comprehensive Income

All results relate to continuing operations

## Balance Sheet

As at 30 June 2016

	Notes	2016 £'000	2015 £'000
<b>Current assets</b>			
Trade and other receivables	5	1,018,004	1,005,797
<b>Total assets</b>		<b>1,018,004</b>	<b>1,005,797</b>
<b>Current liabilities</b>			
Trade and other payables	6	575,861	559,470
<b>Non-current liabilities</b>			
Trade and other payables	7	353,511	353,511
<b>Total liabilities</b>		<b>929,372</b>	<b>912,981</b>
Share capital	9	13,377	13,377
Share premium		114,012	114,012
Reserves		(38,757)	(34,573)
<b>Total equity attributable to equity shareholder</b>		<b>88,632</b>	<b>92,816</b>
<b>Total liabilities and shareholder's equity</b>		<b>1,018,004</b>	<b>1,005,797</b>

The accompanying notes are an integral part of this Balance Sheet

At 30 June 2016 and 30 June 2015 the Company did not hold any cash or cash equivalents. Accordingly, a Cash Flow Statement has not been presented.

For the year ended 30 June 2016 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

Directors' responsibilities

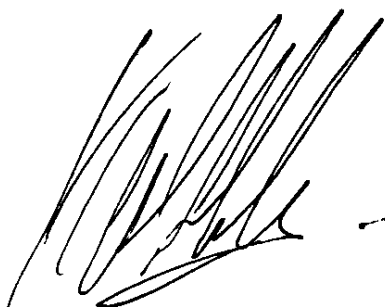
- the members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476
- the directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts

The financial statements of Sky Television Limited, registered number 01518707, were approved by the Board of Directors on 20<sup>th</sup> December 2016 and were signed on its behalf by

K Holmes

Director

20<sup>th</sup> December 2016





## Statement of Changes in Equity

For the year ended 30 June 2016

	Share capital £'000	Share premium £'000	Other reserve £'000	Retained earnings £'000	Total shareholder's equity £'000
<b>At 1 July 2014</b>	<b>13,377</b>	<b>114,012</b>	<b>909,864</b>	<b>(940,416)</b>	<b>96,837</b>
Loss for the year	-	-	-	(4,021)	(4,021)
<b>At 30 June 2015</b>	<b>13,377</b>	<b>114,012</b>	<b>909,864</b>	<b>(944,437)</b>	<b>92,816</b>
Loss for the year	-	-	-	(4,184)	(4,184)
<b>At 30 June 2016</b>	<b>13,377</b>	<b>114,012</b>	<b>909,864</b>	<b>(948,621)</b>	<b>88,632</b>

The accompanying notes are an integral part of this Statement of Changes in Equity

The Company's other reserve consists wholly of a merger reserve

## Notes to the financial statements

### 1. Accounting policies

Sky Television Limited (the "Company") is a limited liability company incorporated in the United Kingdom, and registered in England and Wales

#### a) Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union ("EU") and the Companies Act 2006. In addition, the Company also complied with IFRS as issued by the International Accounting Standards Board ("IASB")

#### b) Basis of preparation

The financial statements have been prepared on a going concern basis (as set out in the Directors' Report) and on an historical cost basis, except for the remeasurement to fair value of financial instruments as described in the accounting policies below. The Company has adopted the new accounting pronouncements which became effective this period, none of which had any significant impact on the Company's results or financial position.

The Company maintains a 52 or 53 week fiscal year ending on the Sunday nearest to 30 June in each year. In fiscal year 2016, this date was 3 July 2016, this being a 53 week year (fiscal year 2015: 28 June 2015, 52 week year). For convenience purposes, the Company continues to date its financial statements as at 30 June. The Company has classified assets and liabilities as current when they are expected to be realised in, or intended for sale or consumption in, the normal operating cycle of the Company.

The Company has taken advantage of the exemption from preparing consolidated accounts afforded by section 400 of the Companies Act 2006, because it is a wholly-owned subsidiary of Sky plc which prepares consolidated accounts which are publicly available (see note 11).

#### c) Financial assets and liabilities

Financial assets and liabilities are initially recognised at fair value plus any directly attributable transaction costs. At each balance sheet date, the Company assesses whether there is any objective evidence that any financial asset is impaired. Financial assets and liabilities are recognised on the Company's Balance Sheet when the Company becomes a party to the contractual provisions of the financial asset or liability. Financial assets are derecognised from the Balance Sheet when the Company's contractual rights to the cash flows expire or the Company transfers substantially all 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.

#### i. Trade and other receivables

Trade and other receivables are non-derivative financial assets with fixed or determinable payments and, where no stated interest rate is applicable, are measured at the original invoice amount, if the effect of discounting is immaterial. Where discounting is material, trade and other receivables are measured at amortised cost using the effective interest method. An allowance account is maintained to reduce the carrying value of trade and other receivables for impairment losses identified from objective evidence, with movements in the allowance account, either from increased impairment losses or reversals of impairment losses, being recognised in the Statement of Comprehensive Income.

## Notes to the financial statements

### **1. Accounting policies (continued)**

#### **ii. Trade and other payables**

Trade and other payables are non-derivative financial liabilities and are measured at amortised cost using the effective interest method. Trade and other payables, with no stated interest rate, are measured at the original invoice amount if the effect of discounting is immaterial.

#### **d) Investment in subsidiaries**

An investment in a subsidiary is recognised at cost less any provision for impairment. As permitted by section 133 of the Companies Act 2006, where the relief afforded under section 131 of the Companies Act 2006 applies, cost is the aggregate of the nominal value of the relevant number of the Company's shares and the fair value of any other consideration given to acquire the share capital of the subsidiary undertakings.

#### **e) Impairment**

At each balance sheet date, and in accordance with IAS 36 "Impairment of Assets", the Company reviews the carrying amounts of all its assets excluding financial assets (see accounting policy c) and deferred tax (see accounting policy f) to determine whether there is any indication that any of those assets have suffered an impairment loss.

An impairment is recognised in the Statement of Comprehensive Income whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of net selling price, defined as the fair value less costs to sell, and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset.

An impairment loss for an individual asset shall be reversed if there has been a change in estimates used to determine the recoverable amount since the last impairment loss was recognised and is only reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

#### **f) Tax, including deferred tax**

The Company's liability for current tax is based on taxable profit for the year, and is calculated using tax rates that have been enacted or substantively enacted at the balance sheet date.

Deferred tax assets and liabilities are recognised using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities in the Balance Sheet and the corresponding tax bases used in the computation of taxable profit. Temporary differences arising from goodwill and the initial recognition of assets or liabilities that affect neither accounting profit nor taxable profit are not provided for.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates that have been enacted or substantively enacted at the balance sheet date.

## Notes to the financial statements

### 1 Accounting policies (continued)

#### g) Accounting Standards, interpretations and amendments to existing standards that are not yet effective

The Company has not yet adopted certain new standards, amendments and interpretations to existing standards, which have been published but are only effective for accounting periods beginning on or after 1 July 2016. These new pronouncements are listed below. The Directors are currently evaluating the impact of the adoption of these standards, amendments and interpretations in future periods.

- Amendments to IFRS 11 'Accounting for Acquisitions of Interests in Joint Operations' (effective 1 January 2016)
- Amendments to IAS 1 'Disclosure Initiative' (effective 1 January 2016)
- Amendments to IAS 16 and IAS 28 'Clarification of Acceptable Methods of Depreciation and Amortisation' (effective 1 January 2016)
- Annual Improvements 2012-2014 cycle (effective 1 July 2016)
- Amendments to IFRS 10, 12 AND IAS 28 'Investment Entities Applying the Consolidation Exception' (effective 1 January 2016)\*
- Amendments to IAS 7 'Disclosure Initiative' (effective 1 January 2017)\*
- Amendments to IAS 12 'Recognition of Deferred Tax Assets for Unrealised Losses' (effective 1 January 2017)\*
- IFRS 15 'Revenue from Contracts with Customers' (effective 1 January 2018)\*

IFRS 15 requires the identification of deliverables in contracts with customers that qualify as 'performance obligations'. The transaction price receivable from customers must be allocated between the Group's performance obligations under contracts on a relative stand-alone selling price basis.

Where goods or services sold as part of a bundle are concluded to be 'distinct' performance obligations, revenue allocated to such goods is recognised when control of the goods passes to the customer or as the service is delivered.

IFRS 15 requires that certain costs incurred in obtaining and fulfilling customer contracts be deferred on the balance sheet and amortised as revenue is recognised under the related contract.

- Clarifications to IFRS 15 'Revenue from Contracts with Customers' (effective 1 January 2018)\*
- Amendments to IFRS 2 'Share-based Payments' (effective 1 January 2018)\*
- IFRS 9 'Financial Instruments' (effective 1 January 2018)\*

The standard is expected to impact the classification and measurement of financial instruments and is expected to require certain additional disclosures.

- IFRS 16 'Leases' (effective 1 January 2019)\*

IFRS 16 replaces IAS 17 'Leases' and will primarily change lease accounting for lessees; lessor accounting under IFRS 16 is expected to be similar to lease accounting under IAS 17.

Where a contract meets IFRS 16's definition of a lease and where the company acts as a lessee, lease agreements will give rise to the recognition of a non-current asset representing the right to use the leased item and a loan obligation for future lease payables. Lease costs will be recognised in the form of depreciation of the right to use asset and interest on the lease liability.

\* not yet endorsed for use in the EU

## Notes to the financial statements

### h) Critical accounting policies and the use of judgment

Certain accounting policies are considered to be critical to the Company. An accounting policy is considered to be critical if its selection or application materially affects the Company's financial position or results. The Directors are required to use their judgement in order to select and apply the Company's critical accounting policies.

Below is a summary of the Company's critical accounting policy and details of the key areas of judgement that are exercised in its application.

### i. Receivables

Judgement is required in evaluating the likelihood of collection of debt, this evaluation requires estimates to be made, including the level of provision to be made for amounts with uncertain recovery profiles.

## 2. Investment income and finance costs

	2016 £'000	2015 £'000
<b>Investment income</b>		
Intercompany interest receivable (see note 5)	12,207	11,743
	2016 £'000	2015 £'000
<b>Finance costs</b>		
Intercompany interest payable (see note 6)	(16,391)	(15,764)

## 3. Loss before tax

### a) Employee benefits and key management compensation

There were no employee costs during the year, as the Company had no employees (2015: none). Services are provided by employees of other companies within the Group with no charge being made for their services (2015: £nil). The Directors did not receive any remuneration during the year in respect of their services to the Company (2015: £nil).

## Notes to the financial statements

### 4. Tax

#### a) Tax recognised in the statement of comprehensive income

No tax charge was recognised in the year (2015: nil)

#### b) Reconciliation of total tax charge

The tax expense for the year is higher (2015: higher) than the blended rate of corporation tax in the UK of 20% (2015: 20.75%) applied to loss before tax. The differences are explained below:

	2016 £'000	2015 £'000
Loss before tax	(4,184)	(4,021)
Loss before tax multiplied by the blended rate of corporation tax in the UK of 20% (2015: 20.75%)	(837)	(834)
Effects of: Group relief surrendered for £nil consideration	837	834
<b>Tax</b>	-	-

All tax relates to UK corporation tax and is settled by Sky UK Limited on the Company's behalf.

### 5. Trade and other receivables

	2016 £'000	2015 £'000
Amounts receivable from ultimate parent company <sup>(a)</sup>	230,148	230,148
Amounts receivable from other Group companies <sup>(b)</sup>	787,313	775,106
Amounts receivable from subsidiaries <sup>(c)</sup>	543	543
<b>Total current trade and other receivables</b>	<b>1,018,004</b>	<b>1,005,797</b>

The Directors consider that the carrying amount of trade and other receivables approximates to their fair value.

#### a) Amounts receivable from ultimate parent company and subsidiaries

On 29<sup>th</sup> June 2008, the Company entered into an agreement with the ultimate parent to provide a revolving credit facility of up to £300 million. This facility is repayable on demand and is non-interest bearing. As at 30 June 2016 the balance of the loan was £230,148,000 (2015: £230,148,000).

## Notes to the financial statements

### 5. Trade and other receivables (continued)

#### b) Amounts receivable from other Group companies

Amounts receivable from other Group companies at 30 June 2016 was £787,313,000 (2015 £775,106,000). This balance is made up of £649,134,000 (2015 £636,927,000) of interest bearing loans that are repayable on demand, and £138,179,000 (2015 £138,179,000) of trade receivables that are non-interest bearing and repayable on demand. On 12 February 2002, the Company made a loan of £576,290,000 to Sky Operational Finance Limited under the terms of an interest-bearing loan note. The loan note bears interest at base rate plus a margin of 150% and is repayable on demand. At 30 June 2008 as part settlement of this receivable Sky Operational Finance Limited transferred £269,094,000 of its receivable from Sky plc and £121,571,000 of its receivable from British Interactive Broadcasting Holdings Limited to the Company as part settlement of its payable to the Company. The total receivable including interest after the transfer of these receivables from Sky Operational Finance Limited at 30 June 2016 was £541,265,000 (2015 £530,427,000).

On 29 June 2008, the Company made a loan of £94,631,000 to Sky Operational Finance Limited. The loan bears interest at a rate of one month LIBOR plus 0.75% and is repayable on demand. At 30 June 2016, the total receivable from Sky Operational Finance Limited was £107,869,000 (2015 £106,499,000).

No allowances have been recorded against amounts receivable from Group companies as they have been assessed to be fully recoverable.

#### c) Amounts receivable from subsidiaries.

Amounts receivable from subsidiary undertakings of £543,000 (2015 £543,000) represent trade receivables, they are non-interest bearing and repayable on demand.

### 6. Trade and other payables

	2016	2015
	£'000	£'000
Amounts payable to other Group companies	575,861	559,470

The Directors consider that the carrying amount of trade and other payables approximates to their fair values.

#### Amounts payable to other Group companies

Included within amounts payable to other Group companies is the accrued interest expense of £16,391,000 (2015 £15,764,000) on the total debenture due to Sky Operational Finance Limited amounting to £465,099,000 (2015 £448,707,000). Interest is charged at a rate of 1.50% above the HSBC base interest rate, and compounds semi-annually. As the interest is repayable on demand the accrued interest has been classified within current liabilities.

All other amounts payable to other Group companies and subsidiaries are non-interest bearing and repayable on demand.

## Notes to the financial statements

### 7. Non-current other payables

	2016 £'000	2015 £'000
<b>Non-current other payables</b>		
Amounts payable to other Group companies	<b>353,511</b>	353,511

Amounts due to the other Group companies as at 30 June 2016, comprise a debenture due to Sky Operational Finance Limited of £353,511,000 (2015: £353,511,000). Interest is charged at a rate of 150% above the HSBC base interest rate, compounds semi-annually and is repayable on demand. The debenture is not repayable until 31 October 2080, except at the option of Sky Operational Finance Limited.

### 8. Financial instruments and financial risk management objectives and policies

The Company's principal financial instruments comprise trade and other payables. The Company has various financial assets such as trade and other receivables.

The accounting classification of each class of the Company's financial assets and liabilities, together with their fair values, is as follows:

	Loans and receivables £'000	Other liabilities £'000	Total carrying value £'000	Total fair values £'000
<b>At 30 June 2016</b>				
Trade and other payables	-	929,372	929,372	929,372
Trade and other receivables	1,018,004	-	1,018,004	1,018,004
<b>At 30 June 2015</b>				
Trade and other payables	-	912,981	912,981	912,981
Trade and other receivables	1,005,797	-	1,005,797	1,005,797

The fair value of financial assets and financial liabilities is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes for similar instruments.

The Group's Treasury function is responsible for raising finance for the Company's operations, together with associated liquidity management and management of foreign exchange, interest rate and credit risks. Treasury operations are conducted within a framework of policies and guidelines authorised and reviewed by both the Audit Committee and the Board, which receive regular updates of Treasury activity. Derivative instruments are transacted for risk management purposes only. It is the Group's policy that all hedging is to cover known risks and no speculative trading is undertaken. Regular and frequent reporting to management is required for all transactions and exposures, and the internal control environment is subject to periodic review by the Group's internal audit team.



## Notes to the financial statements

### 8 Financial instruments and financial risk management objectives and policies (continued)

The Group's principal market risks are exposures to changes in interest rates and foreign exchange rates, which arise both from the Group's sources of finance and its operations. Following evaluation of those market risks, the Group selectively enters into derivative financial instruments to manage these exposures. The principal instruments currently used are interest rate swaps to hedge interest rate risks, and cross currency swaps, forward foreign exchange contracts and currency options (collars) to hedge transactional and translational currency exposures.

#### Capital Risk Management

The capital structure of the Company consists of equity attributable to equity holders of the parent Company, comprising issued capital, reserves and retained earnings. Risk and treasury management is governed by Sky plc's policies approved by its Board of Directors.

#### Interest rate risk

The Company has financial exposure to UK interest rates arising from various loan balances with other companies within the Sky plc Group. The Group's Treasury function monitors the Company's exposure to fluctuations in interest rates.

The sensitivity analysis below has been determined based on the exposure to interest rates for non-derivative financial instruments at the balance sheet date.

A one percentage point increase or decrease represents management's assessment of the reasonably possible change in interest rates. If interest rates had been one percentage point higher and all other variables were held constant, the Company's loss for the year ended 30 June 2016 would increase by £1,700,603 (2015: increase in loss by £1,647,000).

#### Credit risk

The Company's maximum exposure to credit risk on trade receivables is the carrying amounts disclosed in note 5.

#### Liquidity risk

The Company's financial liabilities are shown in notes 6 and 7. The following table analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	<b>Less than 12 months £'000</b>	<b>Between one and two years £'000</b>	<b>Between two and five years £'000</b>	<b>More than five years £'000</b>
<b>At 30 June 2016</b>				
Trade and other payables	<b>575,861</b>	-	-	<b>353,511</b>
<b>At 30 June 2015</b>				
Trade and other payables	559,470	-	-	353,511

## Notes to the financial statements

### 9. Share capital

	2016	2015
	£'000	£'000
Allotted, called-up and fully paid		
13,376,982 (2015 13,376,982) ordinary shares of £1 each	13,377	13,377

The Company has one class of ordinary shares which carry equal voting rights and no contractual right to receive payment

### 10. Transactions with related parties and major shareholders of Sky

#### a) Transactions with the parent company, other Group companies and subsidiary undertakings

The Company has related party transactions with the parent company, other Group companies and subsidiary undertakings. The Group's treasury function is responsible for liquidity management across the Group's operations. It is standard practice for the Company to lend and borrow cash to and from the parent company, other Group companies and subsidiary undertakings as required.

For details of amounts owed by and owed to the parent company, other Group companies and subsidiary undertakings, see notes 5, 6 and 7.

#### b) Key management

The Company has a related party relationship with the Directors of the Company as key management. At 30 June 2016, there were two (2015: two) key managers, all of whom were Directors of the Company. Key management compensation is disclosed in note 3.

### 11. Ultimate parent undertaking

The Company is a wholly-owned subsidiary undertaking of Sky plc, a Company incorporated in the United Kingdom and registered in England and Wales. The only group in which the results of the Company are consolidated is that headed by Sky.

The consolidated accounts of the Group are available to the public and may be obtained from the Company Secretary, Sky plc, Grant Way, Isleworth, Middlesex, TW7 5QD.