

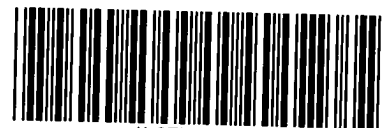
Registration number: 1574907

CNBC (UK) Limited

Annual Report and Financial Statements

for the Year Ended 31 December 2016

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CNBC (UK) Limited

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CNBC (UK) Limited

Company Information

Directors	K C Sullivan E McCarthy
Registered office	10 Fleet Place London EC4M 7QS
Auditors	Deloitte LLP Statutory Auditor London, UK

CNBC (UK) Limited

Strategic Report for the Year Ended 31 December 2016

The directors present their strategic report for the year ended 31 December 2016.

In preparing this strategic report, the directors have complied with Section 414C of the Companies Act 2006.

Principal activity

The principal activity of the company is to produce business and financial television news programming for distribution as a cable, satellite or digital delivered channel throughout Europe.

Results and dividends

The results of the company show a pre-tax loss of £4,667,000 (2015: £9,054,000) for the year and turnover of £21,093,000 (2015: £17,560,000).

The loss for the year, after taxation, amounted to £4,678,000 (2015: £9,207,000).

The directors did not declare payment of a final dividend (2015: £nil).

The directors did not declare an interim dividend for the year (2015: £nil).

The company has net assets of £7,063,000 (2015: net assets of £11,596,000) out of which £1,614,000 is due to (2015: £6,703,000 due from) fellow group companies.

Enhanced business review

The increase in turnover during 2016 to £21,093,000 from £17,560,000 in 2015 was largely attributed by the success of the G20 held in China with European clients increased spending on advertising.

CNBC had also experienced further market growth in 2016 in digital advertising where the strategies implemented in prior years are benefiting the company and lead to increased digital revenue with both new and existing clients spending more on digital advertising.

The percentage split relating to the increase in revenue for 2016, on-air advertising up by 60% and digital advertising up by 40%.

The company's key financial and other performance indicators during the year were as follows:

	Unit	2016	2015
Operating margin	%	(23.22)	(54.59)
Gross margin	%	23.30	11.76

The operating margin is the ratio of operating profit before exceptional items to sales expressed as a percentage.

The gross margin is the ratio of total turnover less cost of goods sold, divided by total turnover, expressed as a percentage.

CNBC (UK) Limited

Strategic Report for the Year Ended 31 December 2016

Principal risks and uncertainties

The management of the business and the execution of the company's strategy are subject to the risks affecting the group companies which it provides services to. These are the competitive pressures within the entertainment industry, a challenging macroeconomic environment, rapid technological change and increased risk of piracy.

Market Risks

The company operates in an intensely competitive, consumer-driven and rapidly changing environment and competes with a growing number of companies that provide a broad range of communications products and services and entertainment, news and information products and services to consumers. Technological changes are further intensifying and complicating the competitive landscape for the company by challenging existing business models and affecting consumer behaviour.

Financial Risks

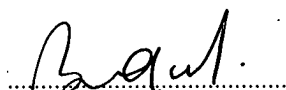
The company is fully supported within the group, which manages a mixture of debt and equity funding in order to minimise risk exposure and enable optimal business performance. Consequently, the company does not hold external debt and is resilient to risks arising from movements in interest rates. The group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates. The company enters into derivative financial instruments, from time to time, in order to mitigate the risks of changes in foreign currency exchange rates.

Policies have been implemented with the company to minimise liquidity risk, through maintenance of an internal reporting structure based on cash targets. Additionally, appropriate credit checks are carried out for all potential customers before contracts are entered into, with status monitoring taking place throughout.

Future developments

No significant changes to the future activities of the business are expected.

Approved by the Board on **27/09/2017**.....and signed on its behalf by:



E McCarthy
Director

CNBC (UK) Limited

Directors' Report for the Year Ended 31 December 2016

The directors present their annual report on the affairs of the company, together with the financial statements and auditors' report for the year ended 31 December 2016.

Directors of the company

The directors who held office during the year were as follows:

L Lee (resigned 13 January 2016)

K C Sullivan

H Bains (resigned 15 August 2017)

The following director was appointed after the year end:

E McCarthy (appointed 15 August 2017)

Directors' indemnities

The company has made no qualifying third party indemnity provisions for the benefit of its directors during the year.

Disclosures regarding dividends, financial risk management, exposure to risks and future developments are mentioned in the Strategic Report on pages 2 to 3.

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 accounting policies in note 2 to the financial statements.

Disclosure of information to the auditors

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

Reappointment of auditors

Deloitte LLP has indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditor in the absence of an Annual General Meeting. This information is given and should be interpreted in accordance with the provisions of Section 487 of the Company's Act 2006.

Approved by the Board on **27/09/2017** and signed on its behalf by:



E McCarthy
Director

CNBC (UK) Limited

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 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 apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards has 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. 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.

CNBC (UK) Limited

Independent Auditor's Report

We have audited the financial statements of CNBC (UK) Limited for the year ended 31 December 2016 which comprise of the Profit and Loss Account, Statement of Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity and the related notes set out on pages 12 to 24. 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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 Statement of Directors' Responsibilities (set out on page 5), 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 Republic of Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Strategic Report and Directors' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 December 2016 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, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Strategic Report and the Directors' Report.

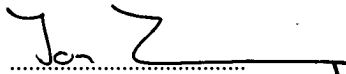
CNBC (UK) Limited

Independent Auditor's Report

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.



Jon Young (Senior Statutory Auditor)
For and on behalf of Deloitte LLP, Statutory Auditor

London, UK

Date: 27/9/17

CNBC (UK) Limited

Profit and Loss Account for the Year Ended 31 December 2016

	Note	2016 £ 000	2015 £ 000
Turnover	3	21,093	17,560
Cost of sales		<u>(16,178)</u>	<u>(15,493)</u>
Gross profit		4,915	2,067
Administrative expenses		<u>(9,588)</u>	<u>(10,974)</u>
Operating loss	4	<u>(4,673)</u>	<u>(8,907)</u>
Other interest receivable and similar income	5	9	4
Interest payable and similar charges	6	<u>(3)</u>	<u>(151)</u>
		<u>6</u>	<u>(147)</u>
Loss on ordinary activities before taxation		(4,667)	(9,054)
Tax on profit on ordinary activities	10	<u>(11)</u>	<u>(153)</u>
Loss for the financial year	18	<u><u>(4,678)</u></u>	<u><u>(9,207)</u></u>

The above results were derived from continuing operations.

CNBC (UK) Limited

Statement of Other Comprehensive Loss for the Year Ended 31 December 2016

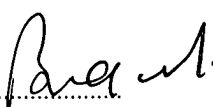
	Note	2016 £ 000	2015 £ 000
Loss for the year		<u>(4,678)</u>	<u>(9,207)</u>
Total comprehensive result for the year		<u><u>(4,678)</u></u>	<u><u>(9,207)</u></u>

CNBC (UK) Limited

(Registration number: 1574907)
Balance Sheet as at 31 December 2016

	Note	2016 £ 000	2015 £ 000
Fixed assets			
Tangible assets	11	2,757	3,014
Current assets			
Stocks	13	61	79
Debtors	14	16,262	16,429
Cash at bank and in hand		1	247
		<u>16,324</u>	<u>16,755</u>
Creditors: Amounts falling due within one year	15	<u>(11,790)</u>	<u>(7,750)</u>
Net current assets		<u>4,534</u>	<u>9,005</u>
Total assets less current liabilities		7,291	12,019
Provisions for liabilities	16	<u>(229)</u>	<u>(423)</u>
Net assets		<u>7,062</u>	<u>11,596</u>
Capital and reserves			
Called up share capital	17	50,068	50,068
Retained earnings	18	<u>(43,006)</u>	<u>(38,472)</u>
Shareholder's funds		<u>7,062</u>	<u>11,596</u>

The financial statements have been approved and authorised for issue by the Board on 27/09/2017 and signed on its behalf by:


.....
E McCarthy

Director

CNBC (UK) Limited

Statement of Changes in Equity for the Year Ended 31 December 2016

	Share capital £ 000	Other reserves £ 000	Retained earnings £ 000	Total £ 000
At 1 January 2015	25,668	-	(29,265)	(3,597)
Loss for the year	-	-	(9,207)	(9,207)
Total comprehensive result	-	-	(9,207)	(9,207)
New share capital subscribed	24,400	-	-	24,400
At 31 December 2015	50,068	-	(38,472)	11,596

	Share capital £ 000	Other reserves £ 000	Retained earnings £ 000	Total £ 000
At 1 January 2016	50,068	-	(38,472)	11,596
Loss for the year	-	-	(4,678)	(4,678)
Total comprehensive result	-	-	(4,678)	(4,678)
Share based payment transactions	-	145	-	145
At 31 December 2016	50,068	145	(43,150)	7,063

The notes on pages 12 to 24 form an integral part of these financial statements.

CNBC (UK) Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

1 General information

The Company's principal activity is to produce business and financial television news programming for distribution as cable, satellite or digital delivered channel throughout Europe. The entity is a private company limited by shares, incorporated in United Kingdom and domiciled and registered in England & Wales.

The address of its registered office is 10 Fleet Place London EC4M 7QS.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' issued by the Financial Reporting Council.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

The functional currency of CNBC (UK) Limited is pounds sterling because that is the currency of the primary economic environment in which the company operates.

Summary of disclosure exemptions

The company has taken advantage of the exemptions provided by FRS 102 Section 1 in relation to share-based payments, financial instruments, presentation of a cash flow statement, intra-group transactions and remuneration of key management personnel.

Exemption from preparing group accounts

The financial statements contain information about CNBC (UK) Limited as an individual company and do not contain consolidated financial information as the parent of a group.

The company is exempt under section 401 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its parent, NBCUniversal Media, LLC, a company incorporated in the United States of America.

Going concern

The directors have reviewed the current financial performance and position of the company, including the arrangements with group undertakings.

On the basis of their assessment of the company's current financial performance and position, the directors have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of the company to continue as a going concern. The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and hence continue to adopt the going concern basis of accounting in preparing the financial statements.

CNBC (UK) Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

Judgements

In preparing these financial statements, the directors have made the following judgements:

Determining whether there are indicators of impairment of the company's tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset. There has been no impairment recorded in the current and prior years. Refer to note 11 for the carrying value of the tangible assets.

Key sources of estimation uncertainty

Directors do not consider there to be any material estimation uncertainty.

Turnover

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts and after eliminating sales within the company.

The company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the company's activities.

Finance income and costs policy

Interest receivable is recognised as interest accrues, using the effective interest rate method. All interest receivable is recognised in the profit and loss accounts.

Interest payable is recognised as interest accrues. All interest payable is recognised in the profit and loss account.

Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the initial transaction dates.

Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

Tax

The tax expense for the period comprises current tax. Tax is recognised in the profit or loss account, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the company intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

CNBC (UK) Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax asset are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profits.

Deferred tax assets and liabilities are offset only if: a) the company has a legally enforceable right to set off current tax assets against current tax liabilities; and b) the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority and the entity intends either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Residual value represents the estimated amount which would currently be obtained from disposal of an asset after deducting estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Furniture, fittings and equipment	10 years
Leasehold improvements	Lower of asset life or life of the lease
Plant and machinery	8 years

Investments

Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Dividends on equity shares are recognised in income when receivable.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Trade debtors are derecognised when the contractual rights to the cash flows from the trade debtor expire or are settled

CNBC (UK) Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities. Trade creditors are recognised at the transaction price. Trade creditors are derecognised only when the obligation specified in the contract has been discharged, cancelled or expires.

Provisions

Provisions are recognised when the company has an obligation at the reporting date as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Share based payments

The cost of equity-settled transactions with employees is measured by reference to the fair value of the equity instruments granted at the date at which they are granted and is recognised as an expense over the vesting period, which ends on the date on which the relevant employees become fully entitled to the award.

Fair value is determined by an external valuer using an appropriate pricing model. In valuing equity-settled transactions, no account is taken of any vesting conditions, other than conditions linked to the price of the shares of the company (market conditions) and non vesting conditions. No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market or non vesting condition, which are treated as vesting irrespective of whether or not the market or non vesting condition is satisfied, provided that all other performance conditions are satisfied.

CNBC (UK) Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

3 Turnover

The analysis of the company's turnover for the year from continuing operations is as follows:

	2016 £ 000	2015 £ 000
Rendering of services	<u>21,093</u>	<u>17,560</u>

An analysis of turnover by geographical market is given below:

	2016 £ 000	2015 £ 000
UK	6,384	5,817
Rest of European Union	5,662	3,718
USA	2,935	2,155
Rest of World	<u>6,112</u>	<u>5,870</u>
	<u>21,093</u>	<u>17,560</u>

4 Operating loss

Arrived at after charging/(crediting)

	2016 £ 000	2015 £ 000
Depreciation expense	717	763
Foreign exchange gains	<u>(669)</u>	<u>(100)</u>

5 Other interest receivable and similar income

	2016 £ 000	2015 £ 000
Interest from group companies	<u>9</u>	<u>4</u>

6 Interest payable and similar charges

	2016 £ 000	2015 £ 000
Interest on loans from group undertakings	<u>3</u>	<u>151</u>

7 Auditors' remuneration

	2016 £ 000	2015 £ 000
Audit of the financial statements	<u>44</u>	<u>45</u>

There were no fees payable to the company's auditor for non-audit services during the period.

CNBC (UK) Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

8 Staff numbers and costs

The aggregate payroll costs (including directors' remuneration) were as follows:

	2016 £ 000	2015 £ 000
Wages and salaries	9,537	10,439
Social security costs	986	1,036
Pension costs, defined contribution scheme	579	663
	<u>11,102</u>	<u>12,138</u>

The average number of persons employed by the company (including directors) during the year, analysed by category was as follows:

	2016 No.	2015 No.
Production	79	89
Administration and support	22	18
Sales, marketing and distribution	25	21
	<u>126</u>	<u>128</u>

9 Directors' remuneration

The directors' remuneration for the year was as follows:

	2016 £ 000	2015 £ 000
Remuneration	930	719
Contributions paid to money purchase schemes	4	3
	<u>934</u>	<u>722</u>

During the year the number of directors who were receiving benefits and share incentives was as follows:

	2016 No.	2015 No.
Received or were entitled to receive shares under long term incentive schemes	2	2
Exercised share options	1	2
Accruing benefits under defined benefit pension scheme	1	1
Accruing benefits under money purchase pension scheme	<u>2</u>	<u>2</u>

CNBC (UK) Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

In respect of the highest paid director:

	2016 £ 000	2015 £ 000
Remuneration	<u>831</u>	<u>575</u>

During the year the highest paid director exercised share options and also received or was entitled to receive shares under a long term incentive scheme.

10 Income tax

Tax charged/(credited) in the income statement

	2016 £ 000	2015 £ 000
Foreign tax	<u>11</u>	<u>153</u>

The tax on profit before tax for the year is higher than the standard rate of corporation tax in the UK (2015 - higher than the standard rate of corporation tax in the UK) of 20% (2015 - 20.25%).

The differences are reconciled below:

	2016 £ 000	2015 £ 000
Loss before tax	<u>(4,667)</u>	<u>(9,054)</u>
Corporation tax at standard rate	(934)	(1,834)
Expenses not deductible for tax purposes	45	14
Deferred tax expense/(credit) from unrecognised temporary difference	31	31
Group relief not paid for	860	1,832
Adjustment for higher/(lower) tax rates on overseas earnings	<u>9</u>	<u>110</u>
Total tax charge	<u>11</u>	<u>153</u>

Deferred tax

There is a potential deferred tax asset of £5,957 (2015: £nil) relating to temporary differences and £62,574 (2015: £49,070) relating to accumulated depreciation and amortisation and capital allowances for which no deferred tax is recognised in the Balance Sheet.

The rate of UK corporation tax that was enacted at the balance sheet date was 20%. The UK corporation tax rate was 20% from 1 April 2015 and changes to 19% from 1 April 2017 and 17% from 1 April 2020.

Deferred tax assets and liabilities on all timing differences have been calculated at the rate at which they are expected to reverse.

CNBC (UK) Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

11 Tangible assets

	Land and buildings £ 000	Furniture, fittings and equipment £ 000	Plant and machinery £ 000	Total £ 000
Cost or valuation				
At 1 January 2016	458	208	4,688	5,354
Additions	9	3	448	460
At 31 December 2016	467	211	5,136	5,814
Depreciation				
At 1 January 2016	230	89	2,021	2,340
Charge for the year	68	25	624	717
At 31 December 2016	298	114	2,645	3,057
Carrying amount				
At 31 December 2016	169	97	2,491	2,757
At 31 December 2015	228	119	2,667	3,014

Included within the net book value of land and buildings above is £Nil (2015: £Nil) in respect of freehold land and buildings, £169,559 (2015: £228,168) in respect of long leasehold land and buildings and £Nil (2015: £Nil) in respect of short leasehold land and buildings.

CNBC (UK) Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

12 Investments in subsidiaries

	2016 £ 000
Subsidiaries	
Cost or valuation	
At 1 January 2016	15,847
At 31 December 2016	15,847
Provision	
At 1 January 2016	15,847
At 31 December 2016	15,847
Carrying amount	
At 31 December 2016	-
At 31 December 2015	-

Details of undertakings

Details of the investments (including principal place of business of unincorporated entities) in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held	
			2016	2015
Subsidiary undertakings				
CFN/CNBC Holding BV Hoofdweg 52A, 3067 GH Rotterdam	Netherlands	Ordinary shares	31.58%	31.58%

The principal activity of CFN/CNBC Holding BV is holding company.

13 Stocks

	2016 £ 000	2015 £ 000
Work in progress	61	79

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14 Debtors

	Note	2016 £ 000	2015 £ 000
Trade debtors		6,442	4,002
Owed by group undertakings		6,472	10,858
Accrued income		3,076	1,480
Other receivables		267	89
Income tax asset	10	6	-
Total current trade and other receivables		<u>16,263</u>	<u>16,429</u>

Interest will be received at market rate from group undertakings on balances which are not trade in nature. These balances are repayable on demand.

15 Creditors

	Note	2016 £ 000	2015 £ 000
Due within one year			
Trade creditors		530	539
VAT payable	22	-	23
Income tax liability	10	-	10
Accruals and deferred income		3,174	3,023
Owed to group undertakings		8,086	4,155
		<u>11,790</u>	<u>7,750</u>

Interest will be paid at market rate to group undertakings on balances which are not trade in nature. These balances are repayable on demand.

16 Provisions

	Restructuring £ 000	Total £ 000
At 1 January 2016	423	423
Increase (decrease) in existing provisions	264	264
Provisions used	<u>(458)</u>	<u>(458)</u>
At 31 December 2016	<u>229</u>	<u>229</u>

The restructure provision of £264,000 was for 8 employees of which £22,000 was settled in the fourth quarter of 2016. The remainder of the outstanding provision is expected to be settled in the first quarter of 2017.

The amount of any asset recognised for expected reimbursement for a provision is £229,410.

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Notes to the Financial Statements for the Year Ended 31 December 2016

17 Share capital

Allotted, called up and fully paid shares

	2016		2015	
	No. 000	£ 000	No. 000	£ 000
Ordinary Shares of £1 each	<u>50,068</u>	<u>50,068</u>	<u>50,068</u>	<u>50,068</u>

18 Reserves

Other reserves

The other reserve has arisen completely from share based payment transactions and is therefore the build up of expense associated with these payments which will be recycled when the share based payments vest.

Retained earnings

The retained earnings reserve represents cumulative profits or losses net of dividends paid and other adjustments.

19 Pension and other schemes

Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £578,861 (2015: £662,652).

20 Share-based payments

Comcast Corporation Incentive Plans

Scheme details and movements

Certain employees of the company were previously selected to participate in share options and restricted units of Comcast Corporation under the terms of the Comcast Corporation Incentive Plans. Share options generally expire 10 years from grant date and vest over service periods ranging from one to nine and a half years. The option price is usually set as the closing day share price on grant date.

Restricted units give the participants the right to receive shares in Comcast Corporation for no consideration. Restricted units vest over various service periods beginning one year from grant date through five years.

All grants of Comcast options under all plans must be approved by the Compensation Committee of Comcast Corporation, which consist entirely of outside directors.

For further details on stock options and Restricted Units from both plans, please refer to the Comcast Corporation Annual report available at www.cmcsk.com

CNBC (UK) Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

a) Share options

There were no share options issued to the staff or directors of the Company in the current year (2015: nil).

b) Restricted Stock Units

The total number of restricted stock units granted during 2016 was 8,460 (2015: 3,960).

Fair value of restricted funds

The fair value of each restricted stock unit is the market price of the stock on the date of grant. The weighted average grant date fair value of restricted stock units granted during 2016 was \$59.13 and 2015 was \$59.78.

The average monthly exchange rate at the year end was \$1.37 (2015 - \$1.54).

The opening exchange rate was \$1.49 (2015 - \$1.55).

The closing exchange rate was \$1.24 (2015 - \$1.49).

Effect of share-based payments on profit or loss and financial position

The total expense recognised in profit or loss for the year was £144,617.

21 Commitments

Capital commitments

The total amount contracted for but not provided in the financial statements was £7,084,000 (2015: £2,042,000).

Capital commitments relate to securing the right to carriage fee transmission of the channel across Europe and digital satellite transmission services.

Operating lease commitments

As at 31 December 2016 the company had commitments under non-cancellable operating leases as follows:

	2016 £ 000	2015 £ 000
Land and buildings		
Within one year	1,223	933
Within two to five years	4,890	4,673
Over five years	7,029	8,252
Total	<u>13,142</u>	<u>13,858</u>

The operating lease charge for the year is £ 1,022,000.

CNBC (UK) Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

22 Related party transactions

The company has taken advantage of the exemption in FRS 102 Section 33 from disclosing transactions with other members of the group.

23 Parent and ultimate parent undertaking

The company's immediate parent is NBC (UK) Holdings Limited, incorporated in England and Wales.

The smallest group in which the results of the company was consolidated is that headed by NBCUniversal Media LLC, a company incorporated in the United States of America. The principal and registered place of business is 30 Rockefeller Plaza New York, NY 10112-0015, USA.

The largest group in which the results of the company are consolidated is that headed up by its ultimate parent undertaking, Comcast Corporation, a company incorporated in United States of America. The principal and registered place of business is 30 Rockefeller Plaza New York, NY 10112-0015, USA. The consolidated financial statements are available upon request from 30 Rockefeller Plaza, New York, NY 10112-0015, USA and the One Comcast Center, 1701 John F. Kennedy Boulevard, Philadelphia, PA 19103-2838, USA or at www.cmcsa.com respectively.