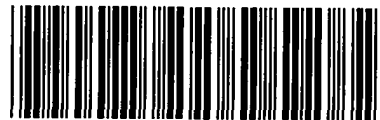


Star Advertising Sales Limited

Annual Report and Financial Statements

30 June 2015

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Star Advertising Sales Limited

Financial statements

Year ended 30 June 2015

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Star Advertising Sales Limited

Strategic report

The directors present their strategic report for the year ended 30 June 2015.

Principal activities and review of the business

The principal activities of the company is sale of advertising space and distribution of channels and organization of trade events in the United Kingdom as an agent of Star India Private Limited. During the year, the company commenced the activity of selling advertising space on principal to principal basis.

The Company's financial review and analysis of the key performance indicators during the year were as follows:

	2015 £	2014 £
Turnover	4,354,902	2,561,362
Profit for the year	137,905	81,307
Shareholders' funds	199,950	62,045

The increase in Turnover was primarily attributable to the sale of advertising space to Sky UK Limited with effect from 1st Apr, 2015.

Principal risks and uncertainties facing the business

The following factors are viewed by the directors as being the company's principal risks and uncertainties that could unfavourably impact operating results in 2015/2016 :

The Company is the only non-exclusive agent for Star India Private Limited and hence it faces competitive risk in the event Star India Private Limited appoints another agent.

Future developments

Notwithstanding the risks and uncertainties outlined above, the directors do not anticipate any significant change in the activities and results of the company in the foreseeable future.



On behalf of the board

Eleni Lionaki
Director

Approved by the directors on 18 December 2015

Star Advertising Sales Limited

The directors' report

Year ended 30 June 2015

The directors present their report and the financial statements of the company for the year ended 30 June 2015.

Results and dividends

The profit for the year, after taxation, amounted to £137,905 (2014 £ 81,307). The Company did not declare any dividend during the year (2014 - Nil).

Going concern

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company generated a profit for the year and has positive net current assets and has positive shareholder's fund at the year end date. Accordingly, they continue to adopt the going concern basis in preparing the annual financial statements.

Directors

The directors who served the company during the year and thereafter were as follows:

Eleni Lionaki	(Appointed on 24th November 2014)
Karl Holmes	(Resigned on 24th November 2014)
Jeffery Edward Palker	
David Ward	

Except as noted above, all directors served throughout the year and are still directors at the date of this report.

The Articles of Association do not require directors to retire either by rotation or in the year of appointment.

Directors' indemnity provision

Twenty-First Century Fox, Inc. has indemnified all directors' of the company against liability in respect of proceedings brought by third parties, except that, in accordance with the Companies Act 2006, no indemnity is provided against any liability incurred by the director in defending civil proceedings brought by the company, or an associated company, in which the final judgment is given against the director; any liability of the director to pay a fine imposed by criminal proceedings; any liability incurred by the director in defending criminal proceedings in which the director is convicted; any liability of the director to pay a penalty sum to a regulatory authority in respect of non-compliance with any requirement of a regulatory nature, howsoever arising; or any liability of the director in connection with an application for relief in which the court refuses to grant him relief. Such qualifying third party indemnity provision was in force during the year and is in force as at the date of approving the directors' report.

Star Advertising Sales Limited

The directors' report *(continued)*

Year ended 30 June 2015

Directors' responsibilities statement

The directors are responsible for preparing the Strategic Report, 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 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 those 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. 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.

Disclosure of information to the auditors

In so far as the directors are aware:

- there is no relevant audit information of which the company's auditor is unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Donations

The company has made no charitable or political contributions in the year (2014 - Nil).

Company Secretary

During the year, the directors have appointed BSP Secretarial Limited as the Company Secretary of the company.

Star Advertising Sales Limited

The directors' report *(continued)*

Year ended 30 June 2015

Auditor

The directors have passed a resolution to dispense with the requirement to reappoint auditors annually. Ernst & Young LLP are deemed to be reappointed as auditors in the absence of a notice that the appointment is to be terminated.

Registered office:

25 SOHO SQUARE
London
W1D 3QR

Signed by



Eleni Lionaki

Director

Approved by the directors on 18 December 2015

Company Registration Number: 02636636

Star Advertising Sales Limited

Independent auditor's report to the members of Star Advertising Sales Limited

Year ended 30 June 2015

We have audited the financial statements of Star Advertising Sales Limited for the year ended 30 June 2015 which comprise the Profit and Loss Account, Balance Sheet and the related notes 1 to 20. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standards for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 Directors' Responsibilities Statement set out on page 3, 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 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

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 Annual Report and Financial Statements 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 financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; 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 Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Star Advertising Sales Limited

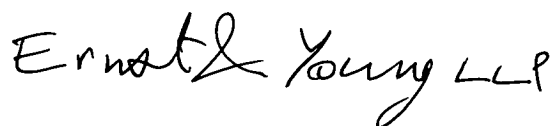
Independent auditor's report to the members of Star Advertising Sales Limited (*continued*)

Year ended 30 June 2015

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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report.



Naresh Alimchandani (Senior Statutory Auditor)

For and on behalf of

ERNST & YOUNG LLP

Statutory Auditor

London

December 2015

Star Advertising Sales Limited

Profit and loss account

Year ended 30 June 2015

	Notes	2015 £	2014 £
Turnover	2	4,354,902	2,561,362
Purchase of Airtime costs		(1,379,703)	-
Sales and marketing costs		(1,025,291)	(664,943)
Administrative expenses		(1,771,973)	(1,785,568)
Profit on ordinary activities before taxation		177,935	110,851
Tax on profit on ordinary activities	7	(40,030)	(29,544)
Profit for the financial year		137,905	81,307

All the activities derive from continuing operations.

The company has no recognised gains or losses other than the results for the year as set out above.

Star Advertising Sales Limited

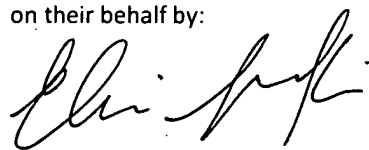
Balance sheet

Year ended 30 June 2015

	Notes	2015 £	2014 £
Fixed assets			
Tangible assets	9	39,083	47,992
Capital Advance		176	-
Current assets			
Debtors	10	2,687,354	493,335
Prepayment, deposit and other receivables	11	90,681	65,856
Cash at bank and in hand		405,169	469,089
		<u>3,183,204</u>	<u>1,028,280</u>
Creditors: Amounts falling due within one year	13	(2,769,536)	(982,292)
Other Current Liabilities	14	<u>(252,977)</u>	<u>(31,935)</u>
Net current assets		160,691	14,053
Total assets less current liabilities		<u>199,950</u>	<u>62,045</u>
Capital and reserves			
Share capital	15	2	2
Profit and loss account	16	199,948	62,043
Shareholders' funds	17	<u>199,950</u>	<u>62,045</u>

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

These financial statements were approved by the directors and authorised for issue on 18 December 2015 and are signed on their behalf by:



Eleni Lionaki
Director

18 December 2015

Star Advertising Sales Limited

Notes to the financial statements

Year ended 30 June 2015

1. Accounting policies

Basis of preparation

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The directors have a reasonable expectation that the company has adequate resources to meet its liabilities as they fall due and also continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual financial statements.

The principal accounting policies have been applied consistently throughout the year and the preceding year.

Cash flow statement

The company is exempt from the requirement of FRS 1 'Cash Flow Statements' to include a cash flow statement as part of its financial statements because it is a wholly owned subsidiary undertaking of a body corporate, and a consolidated cash flow statement is included in the financial statements of Twenty-First Century Fox, Inc. the ultimate parent company.

Related party transactions

As a wholly owned subsidiary of Twenty-First Century Fox, Inc. the consolidated accounts of which are publicly available, the company has taken advantage of the exemption in FRS 8 'Related Party Disclosures' not to disclose transactions with other wholly owned members of the group headed by Twenty-First Century Fox, Inc.

Turnover

Turnover is the net amount receivable by the company in the ordinary course of its business, excluding value added tax, trade discounts and other sales related taxes.

Fixed assets

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows

Machinery & Equipment	Up to 5 years
Computer	Up to 3 years
Office Equipment	Up to 5 years
Fixtures & Fittings	Up to 5 years
Leasehold Improvement	Up to 5 years

Operating lease agreements

Rents payable under operating leases are charged on a straight-line basis over the lease term.

Star Advertising Sales Limited

Notes to the financial statements

Year ended 30 June 2015

1. Accounting policies (continued)

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Foreign currency

Transactions denominated in foreign currencies are recorded in sterling at the approximate rate of exchange ruling in the month in which they arise. Monetary assets and liabilities denominated in foreign currencies at the period end are reported at the rates of exchange prevailing at the period end. Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction is included as an exchange gain or loss in the profit and loss account.

2. Turnover

The company's turnover and profit is derived from agency fees in respect of the sale of advertising space and distribution of channels on behalf of Star India Private Limited, a group undertaking of Twenty-First Century Fox, Inc. and sale of advertising space.

3. Operating profit

Operating profit is stated after charging:

	2015 £	2014 £
Depreciation of owned fixed assets	18,303	11,780
Operating lease costs:		
- Other	64,946	66,703

4. Auditors' remuneration

	2015 £	2014 £
Audit of the financial statements	9,180	21,400

Star Advertising Sales Limited**Notes to the financial statements****Year ended 30 June 2015****5. Particulars of employees**

The average number of staff employed by the company during the financial year amounted to:

	2015 No	2014 No
Administrative	<u>16</u>	<u>16</u>

The aggregate payroll costs of the above were:

	2015 £	2014 £
Wages and salaries	1,204,018	1,237,647
Social security costs	127,494	103,499
Other pension costs	<u>(56,319)</u>	<u>79,143</u>
	<u>1,275,193</u>	<u>1,420,289</u>

6. Directors' remuneration

The directors' aggregate remuneration in respect of qualifying services were:

	2015 £	2014 £
Remuneration receivable	<u>-</u>	<u>-</u>

The number of directors who accrued benefits under company pension schemes was as follows:

	2015 No	2014 No
Defined benefit schemes	<u>-</u>	<u>-</u>

None of the Directors of Star Advertising Sales Limited received any remuneration from the company for their services as Directors of the company for the year 30 June 2015.

7. Taxation on ordinary activities**(a) Analysis of charge/(credit) in the year**

	2015 £	2014 £
Current Tax:		
UK corporation tax on profits of the year	41,049	27,321
Deferred tax:		
Origination and reversal of timing differences	(1,019)	2,223
Total deferred tax (note 12)	<u>(1,019)</u>	<u>2,223</u>
Tax charge/(credit) on profit from ordinary activities	<u>40,030</u>	<u>29,544</u>

Star Advertising Sales Limited

Notes to the financial statements

Year ended 30 June 2015

7. Taxation on ordinary activities (continued)

(b) Factors affecting current tax charge

The tax assessed on the (loss)/profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 20.75% (2014 - 22.50%).

The differences are reconciled below:

	2015 £	2014 £
Profit on ordinary activities before taxation	<u>177,935</u>	<u>110,851</u>
Profit on ordinary activities by rate of tax	36,922	24,943
Permanent differences	2,975	2,887
Accelerated capital allowances	1,058	(509)
Movement in Short Term Timing Differences	94	-
Total Current tax (note 7(a))	<u>41,049</u>	<u>27,321</u>

(c) Factors that may affect future tax charges

The main rate of UK corporation tax was reduced to 20% from 1 April 2015.

Additional changes to the main rate of UK corporation tax are proposed to reduce the rate to 19% by 1 April 2017 and 18% from April 2020. These changes have not been substantively enacted at the balance sheet date and consequently are not included in these financial statements.

8. Dividends

Equity dividends

	2015 £	2014 £
Paid during the year:		
Nil	<u>-</u>	<u>-</u>

Star Advertising Sales Limited

Notes to the financial statements

Year ended 30 June 2015

9. Tangible fixed assets

	Leasehold Property £	Fixtures & Fittings £	Equipment £	Total £
Cost				
At 1 July 2014	5,371	11,211	72,880	89,462
Additions	-	3,798	5,596	9,394
At 30 June 2015	5,371	15,009	78,476	98,856
Depreciation				
At 1 July 2014	5,371	11,211	24,888	41,470
Charge for the year	-	531	17,772	18,303
At 30 June 2015	5,371	11,742	42,660	59,773
Net book value				
At 1 July 2015	-	3,267	35,816	39,083
At 1 July 2014	-	-	47,992	47,992

10. Debtors

	2015 £	2014 £
Amounts owed by group undertakings	949,675	480,870
Other debtors	1,725,305	1,110
Deferred taxation (note 12)	12,374	11,355
	2,687,354	493,335

11. Prepayments, deposit and other receivables

	2015 £	2014 £
Prepayments	46,234	30,868
Advances to Employees	10,708	201
Imprest	161	100
Vat Input Credit Receivable	10,782	34,687
Loans to Employees	16,523	-
Other Deposits	6,273	-
	90,681	65,856

12. Deferred taxation

The deferred tax included in the Balance sheet is as follows:

	2015 £	2014 £
Included in debtors (note 10)	12,374	11,355

The movement in the deferred taxation account during the

	2015 £	2014 £
Balance brought forward	11,355	13,578
Profit and loss account movement arising during the year	1,019	(2,223)
Balance carried forward	12,374	11,355

Star Advertising Sales Limited

Notes to the financial statements

Year ended 30 June 2015

12. Deferred taxation (continued)

The balance of the deferred taxation account consists of the tax effect of timing differences in respect of:

	2015 £	2014 £
Excess of depreciation over taxation allowances	4,215	3,196
Provision for doubtful debts	8,159	8,159
	<u>12,374</u>	<u>11,355</u>

A deferred tax asset has been recognised as the directors are of the opinion that the level of future taxable profits and deferred tax liabilities within the company will be sufficient to utilise the deferred tax asset being recognised.

13. Creditors: Amounts falling due within one year

	2015 £	2014 £
Amounts owed to group undertakings	742,697	519,594
Other Creditors	44,487	7,995
Provision for Tax	24,863	30,150
Accruals	1,957,489	424,553
	<u>2,769,536</u>	<u>982,292</u>

14. Other Current Liabilities

	2015 £	2014 £
Advances from Customers	18,000	18,000
Tax on Salaries	2,824	12,085
VAT Payable	232,153	1,850
	<u>252,977</u>	<u>31,935</u>

15. Share capital

Authorised share capital:

	2015 £	2014 £
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

Allotted, called up and fully paid:

	No	2015 £	No	2014 £
2 Ordinary shares of £1 each	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>

16. Profit and loss account

	2015 £	2014 £
Balance brought forward	62,043	(19,264)
Profit/(Loss) for the financial year	<u>137,905</u>	<u>81,307</u>
Balance carried forward	<u>199,948</u>	<u>62,043</u>

Star Advertising Sales Limited

Notes to the financial statements

Year ended 30 June 2015

17. Reconciliation of movements in shareholders' funds

	2015 £	2014 £
Profit for the financial year	137,905	81,307
Net addition to shareholders' funds	137,905	81,307
Opening shareholders' funds/(deficit)	62,045	(19,262)
Closing shareholders' funds	199,950	62,045

18. Leasing and financial commitments

Annual commitments under non-cancellable operating leases are as follows

	Land and Building	
	2015 £	2014 £
Operating leases which expire		
Within one year	68,630	66,703
In two to five years	178,743	104,897
In over five years	-	-
	247,373	171,600

19. Funding

The financial statements assets are prepared on the going concern basis.

The net current assets of the company are £160,691 at 30 June 2015 (2014: £ 14,053). The Company will meet its obligation as and when they become due.

20. Ultimate parent company

The Company's immediate parent company is 21st Century Fox America, Inc. a company incorporated in Delaware, USA.

The ultimate parent company is Twenty-First Century Fox, Inc. a company incorporated in Delaware, USA.

The largest group in which the results of the company are consolidated is that headed by Twenty-First Century Fox, Inc. whose principal place of business is at 1211 Avenue of the Americas, New York, NY10036, USA. The consolidated financial statements of the group are available to the public and may be obtained from 1211 Avenue of the Americas, New York, NY10036, USA.