

COMPANY REGISTRATION NUMBER 02636636

Star Advertising Sales Limited

Annual Report and Financial Statements

30 June 2018

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Star Advertising Sales Limited

Financial statements

Year ended 30 June 2018

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Star Advertising Sales Limited

Strategic report

The directors present their strategic report for the year ended 30 June 2018.

Principal activities and review of the business

Star offers a variety of premium television channels reaching over 2 million viewers every month in UK . The Star Network channels in the UK & Europe region include Star Plus , Star Life Ok (rebranded as STAR Bharat), Star Gold and Star Utsav (discontinued in Jan18).

The principal activities of the company are:

- i) Selling of advertising airtime ;
- ii) Acting as representative for the purpose of marketing and distribution of television channels in the UK, Europe & South Africa region and provision of business support services.

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

	2018 £	2017 £
Turnover	7,880,567	8,730,960
Profit for the year	174,490	182,672
Shareholders' funds	726,797	552,307

The overall decline in turnover is due to uncertainty in the UK market caused by Brexit. The advertisers have slowed down the business activity out of fear for tough economic conditions in the future.

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 2017/2018 and in the following year:

i) Ad sales : Star India Private Limited (SIPL) has contracted with the company for sale of airtime on its channel and hence it faces competitive risk in the event Star India discontinues the sale by doing it by themselves or by appointing other party.

ii) Distribution Sales : The Company is only acting as a non-exclusive agent for Star India Private Limited and hence it faces competitive risk in the event Star India Private Limited appoints another agent.

iii) Business Support services for Hotstar : The Company has been appointed to provide the services to Novi Digital Entertainment Private Limited (Novi) on a non-exclusive basis with a no cause termination rights and hence it faces competitive risk for loss of revenue in the event Novi appoints another service provider or terminates the agreement with the Company.

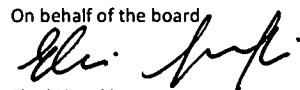
Credit Risk

The Company's credit risk is primarily attributable to its trade receivables. The trade receivable amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for bad debt is recorded if recoverability is not probable. The Company has no significant concentration of credit risk, with exposure spread over a large number of customers.

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 8 November, 2018

Star Advertising Sales Limited

The directors' report

Year ended 30 June 2018

The directors present their report and the financial statements of the company for the year ended 30 June 2018.

Results and dividends

The profit for the year, after taxation, amounted to £174,490 (2017 : £182,672). The Company did not declare any dividend during the year (2017 - 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 funds 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

Jeffery Edward Palker

David Ward - Retired on 31st Jan 2018

Alessandro Tucci - Appointed on 31st Jan 2018

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 2018

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) including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 (2017 - Nil).

Company Secretary

BSP Secretarial Limited is Company Secretary of the company.

Star Advertising Sales Limited

The directors' report *(continued)*

Year ended 30 June 2018

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 8 November, 2018

Company Registration Number: 02636636

Star Advertising Sales Limited

Independent Auditor's Report To The Members Of Star Advertising Sales Limited

Year ended 30 June 2018

Opinion

We have audited the financial statements of Star Advertising Sales Limited for the year ended 30 June 2018 which comprise the Income Statement, the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the related notes 1 to 19, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 30 June 2018 and of its profit 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Star Advertising Sales Limited

Independent Auditor's Report To The Members Of Star Advertising Sales Limited (Continued)

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters 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 directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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 material misstatements in the strategic report or directors' report.

We have nothing to report in respect of the following matters in relation to which 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.

Responsibilities of directors

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, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Star Advertising Sales Limited

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

Year ended 30 June 2018

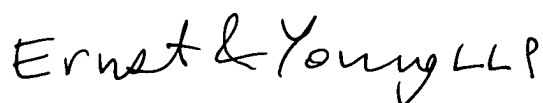
Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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.



Naresh Alimchandani (Senior statutory auditor)

for and on behalf of

ERNST & YOUNG LLP

Statutory Auditor

London

9 November 2018

Star Advertising Sales Limited

Income statement

for the year ended 30 June 2018

	Notes	2018 £	2017 £
Turnover	2	7,880,567	8,730,960
Cost of Sales		(3,844,019)	(5,399,105)
Gross Profit		4,036,548	3,331,855
Sales and marketing costs		(773,348)	(598,437)
Administrative expenses		(3,044,183)	(2,502,059)
Profit on ordinary activities before taxation	3	219,017	231,358
Tax on profit on ordinary activities	7	(44,527)	(48,686)
Profit for the financial year		174,490	182,672

All the activities derive from continuing operations.

Star Advertising Sales Limited
Statement of comprehensive income
for the year ended 30 June 2018

Notes	2018	2017
	£	£
Profit for the financial year	174,490	182,672
Total other comprehensive income/(loss)	-	-
Total comprehensive income for the year	174,490	182,672

Statement of Financial Position
for the year ended 30 June 2018

	Notes	£	2018 £	£	2017 £
Fixed assets					
Tangible assets	9		39,518		42,338
Capital Advance			-		5,539
			<u>39,518</u>		<u>47,877</u>
Current assets					
Debtors	10	2,112,342		2,128,478	
Prepayment, deposit and other receivables	11	96,278		128,813	
Cash at bank and in hand		<u>291,165</u>		<u>305,243</u>	
		2,499,785		2,562,534	
Creditors: Amounts falling due within one year	13	(1,630,539)		(1,757,058)	
Other Current Liabilities	14	<u>(181,967)</u>		<u>(301,046)</u>	
Net current assets			<u>687,279</u>		<u>504,430</u>
Total assets less current liabilities			<u>726,797</u>		<u>552,307</u>
Net assets			<u>726,797</u>		<u>552,307</u>
Capital and reserves					
Share capital	15		2		2
Profit and loss account			726,795		552,305
Shareholders' funds			<u>726,797</u>		<u>552,307</u>

These financial statements were approved by the directors and authorised for issue on 8 November, 2018 and are signed on their behalf by:



Eleni Lionaki
Director
8 November, 2018

Star Advertising Sales Limited**Statement of changes in equity**

for the year ended 30 June 2018

	Share capital £	Retained Earnings £	Total Equity £
At 1 July 2016	2	369,633	369,635
Profit for the year		182,672	182,672
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	182,672	182,672
Balance at 30 June 2017	2	552,305	552,307
Profit for the year		174,490	174,490
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	174,490	174,490
Balance at 30 June 2018	2	726,795	726,797

Star Advertising Sales Limited

Notes to the financial statements

for the year ended 30 June 2018

1. Accounting policies

Statement of compliance

Star Advertising Sales Limited is a limited liability company incorporated in England and Wales under no. 02636636. The registered office is 25, Soho Square, London, W1D 3QR and the principal office is at Profile West, 950 Great West Road, Brentford, TW8 9ES.

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

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards. The financial statements are presented in sterling which is the functional currency of the company.

Going concern

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.

Summary of disclosure exemptions

The principal accounting policies have been applied consistently throughout the year and the preceding year. The company has taken advantage of the following FRS 102 disclosure exemptions:

- The requirements of Section 7 Statement of Cash Flows and Section 3 Financial Statement Presentation paragraph 3.17(d).
- The requirement of Section 33 Related Party Disclosures paragraph 33.7
- The related party disclosure exemption in accordance with paragraph 33.1A

Cash flow statement

The company is exempt from a requirement 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 paragraph 33.1A of FRS 102 not to disclose transactions with other wholly owned members of the group headed by Twenty-First Century Fox, Inc.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means the actual outcomes could differ from those estimates. The following are the Company's key sources of estimation uncertainty.

Star Advertising Sales Limited

Notes to the financial statements

for the year ended 30 June 2018

1. Accounting policies (continued)

Taxation

The Company establishes provisions based on reasonable estimates, for possible consequence of audits by the tax authorities. The amount of such provisions is based upon various factors, such as experience with previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Management estimation is required to determine the amount of deferred tax assets that can be recognised, based upon likely timing and level of future taxable profits together with an assessment of the effect of future tax planning strategies.

Significant Accounting Policies:

Turnover

Turnover is measured at the fair value of consideration received or receivable and represents amounts receivable for services provided in the normal course of business, net of discounts and sales related taxes.

Turnover is recognised when the amount of turnover can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity, and when the following criteria for the relevant activity has been met:

- Commercials telecasted on the Television channel.

Fixed assets

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment. Such cost includes costs directly attributable to making the asset capable of operating as intended.

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
Network Equipment	Up to 5 years
Office Equipment	Up to 5 years
Fixtures & Fittings	Up to 5 years
Leasehold Improvement	Up to 5 years

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

Cash at bank and in hand

Cash in the statement of financial position comprises of cash at bank.

Short term debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the statement of income in other operating expenses.

Pensions and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the income statement in the period to which they relate.

Operating lease agreements

Rents payable under operating leases are charged to the profit and loss account on a straight-line basis over the lease term. Lease incentives are recognised over the lease term.

Star Advertising Sales Limited

Notes to the financial statements

Year ended 30 June 2018

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

	2018 £	2017 £
Advertising Revenue	6,221,441	7,341,124
Agency Fees	1,659,126	1,389,836
	<u>7,880,567</u>	<u>8,730,960</u>

3. Profit on ordinary activities before taxation

Operating profit is stated after charging:

	2018 £	2017 £
Depreciation of owned fixed assets	16,461	21,678
Operating lease costs:		
- Other	65,888	67,055
	<u>65,888</u>	<u>67,055</u>

4. Auditors' remuneration

	2018 £	2017 £
Audit of the financial statements	<u>17,762</u>	<u>17,500</u>

Star Advertising Sales Limited**Notes to the financial statements****Year ended 30 June 2018****5. Particulars of employees**

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

	2018 No	2017 No
Administrative	18	20

The aggregate payroll costs of the above were:

	2018 £	2017 £
Wages and salaries	1,745,288	1,558,155
Social security costs	231,064	201,062
Other pension costs	133,347	109,677
	<u>2,109,699</u>	<u>1,868,895</u>

6. Directors' remuneration

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

	2018 £	2017 £
Remuneration receivable	-	-

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

	2018 No	2017 No
Defined benefit schemes	-	-

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 2018.

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

	2018 £	2017 £
Current Tax:		
UK corporation tax on profits of the year	58,873	42,102
Adjustment in respect of previous period	(5,970)	-
Total current tax	<u>52,903</u>	<u>42,102</u>
Deferred tax:		
Origination and reversal of timing differences	(15,020)	6,896
Adjustment in respect of previous period	5,063	-
Effect of changes in tax rates	1,581	(312)
Total deferred tax (note 12)	<u>(8,376)</u>	<u>6,584</u>
Tax charge on profit from ordinary activities	<u>44,527</u>	<u>48,686</u>

Star Advertising Sales Limited

Notes to the financial statements

Year ended 30 June 2018

7. Taxation on ordinary activities (continued)

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 19% (2017- 19.75%).

The differences are reconciled below:

	2018 £	2017 £
Profit for the period - Continuing operations	<u>219,017</u>	<u>231,359</u>
Tax		
Tax on profit at standard UK tax rate	41,613	45,695
Effects of:		
Expenses not deductible	2,239	3,303
Adjustment from previous periods	(906)	-
Tax rate changes	1,581	(312)
Transitional adjustments		
Roundings	-	-
Total Current tax (note 7(a))	<u>44,527</u>	<u>48,686</u>

(c) Factors that may affect future tax charges

The main rate of UK corporation tax was reduced to 20% to 19% from 1 April 2017

On 15 September 2016 the Finance Act 2016, which reduces the main rate to 19% from 1 April 2017 and 17% from April 2020 was substantively enacted. As these reductions to the rate were substantively enacted at the balance sheet date, deferred tax has been calculated at 17% in line with when the company anticipates temporary differences to unwind.

8. Dividends

Equity dividends

	2018 £	2017 £
Paid during the year:		
Nil	<u>-</u>	<u>-</u>

Star Advertising Sales Limited

Notes to the financial statements

Year ended 30 June 2018

9. Tangible fixed assets

	Leasehold Property £	Fixtures & Fittings £	Equipment £	Total £
Cost				
At 1 July 2017	5,371	16,094	132,922	154,387
Additions	-	-	13,640	13,640
At 30 June 2018	5,371	16,094	146,562	168,027
Depreciation				
At 1 July 2017	5,371	13,456	93,222	112,049
Charge for the year	-	950	15,511	16,461
At 30 June 2018	5,371	14,406	108,733	128,510
Net book value				
At 30 June 2018	-	1,688	37,830	39,518
At 1 July 2017	-	2,638	39,700	42,338

10. Debtors

	2018 £	2017 £
Amounts owed by group undertakings	446,351	359,168
Trade & Other debtors	1,652,527	1,764,224
Deferred taxation (note 12)	13,464	5,086
	2,112,342	2,128,478

11. Prepayments, deposit and other receivables

	2018 £	2017 £
Prepayments	86,420	99,786
Advances to Employees	-	-
Imprest	250	210
Loans to Employees	9,488	9,063
Other Deposits	120	190
Other Receivable	-	19,564
	96,278	128,813

12. Deferred taxation

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

	2018 £	2017 £
Included in debtors (note 10)	13,464	5,086

The movement in the deferred taxation account during the

	2018 £	2017 £
Balance brought forward	(5,086)	(11,670)
Adjustment in respect of prior years	5,061	-
Profit and loss account movement arising during the year	(13,439)	6,584
Other (roundings)	-	-
Balance carried forward	(13,464)	(5,086)

Star Advertising Sales Limited

Notes to the financial statements

Year ended 30 June 2018

12. Deferred taxation (continued)

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

	2018 £	2017 £
Excess of depreciation over taxation allowances	1,105	5,086
Short term timing difference - trading	12,359	-
	<u>13,464</u>	<u>5,086</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

	2018 £	2017 £
Amounts owed to group undertakings	786,530	1,122,479
Other Creditors	39,108	75,736
Provision for Tax	22,556	13,946
Accruals	782,345	544,897
	<u>1,630,539</u>	<u>1,757,058</u>

14. Other Current Liabilities

	2018 £	2017 £
Advances from Customers	-	16,994
Tax on Salaries	17,096	21,777
VAT Payable (net)	164,871	262,275
	<u>181,967</u>	<u>301,046</u>

15. Share capital

Authorised share capital:

	2018 £	2017 £
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

Allotted, called up and fully paid:

	2018		2017	
	No	£	No	£
2 Ordinary shares of £1 each	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>

Star Advertising Sales Limited
Notes to the financial statements
Year ended 30 June 2018

16. Leasing and financial commitments

Total future minimum lease payment under non-cancellable operating leases are as follows

	Land and Building	
	2018	2017
	£	£
Not later than one year	39,892	68,387
Later than one year and not later than five years	-	39,288
Later than five years	-	-
	<u>39,892</u>	<u>107,675</u>

17. Funding

The financial statements are prepared on the going concern basis.

The net current assets of the company are £687,279 at 30 June 2018 (2017: £504,430). The Company will meet its obligations as and when they become due.

18. Related Party Transaction

During the year the company entered into transactions with related parties, in the ordinary course of business. Transactions entered into, and trading balances outstanding at 30 June, are as follows: Sky UK Limited, a company under significant influence of the same group

	Sales	Amount Owed from
	£	£
Related Party		
2018	3,938,952	805,935
2017	5,135,820	710,748

19. 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.