

# SKY HISTORY LIMITED

Annual report and financial statements  
For the year ended 31 December 2021

Registered number: 03071747

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## Directors and Officers

For the year ended 31 December 2021

### Directors

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

T C Richards

S Robson

P Wedlock (appointed 25 November 2021)

C Smith (resigned 30 November 2021)

### Secretary

Sky Corporate Secretary Limited

### Registered office

Grant Way

Isleworth

Middlesex

United Kingdom

TW7 5QD

### Auditor

Deloitte LLP

Statutory Auditor

1 New Street Square

London

EC4A 3HQ

United Kingdom

# Strategic and Directors' Report

## Strategic Report

The Directors present their Strategic and Directors' report on the affairs of the Company, together with the financial statements and Auditor's Report for the year ended 31 December 2021, with comparatives for the year ended 31 December 2020.

The purpose of the Strategic Report is to inform members of the Company and to help them assess how the Directors have performed their duty to promote the success of the Company for the benefit of its members as a whole under Section 172 of the Companies Act 2006 (duty to promote the success of the Company).

## Business review and principal activity

The Company operates together with Comcast Corporation's other subsidiaries as a part of the Comcast Group ("the Group"). The Company is a wholly-owned subsidiary of Sky Ventures Limited (the immediate parent company). The company is ultimately controlled by Comcast Corporation ("Comcast") and operates together with Comcast's other subsidiaries as a part of the Comcast Group.

The Company's principal activity is to act as a holding company for a 50% interest in AETN UK, an unlimited company whose principal activity is the broadcasting of The History Channel, including the multiplex version to multi-channel subscribers in the UK and other European territories. It also distributes other channels known as The Biography Channel, Crime and Investigation Channel and the Military History Channel. For the foreseeable future, the Company will continue to hold the investment in AETN UK.

## Financial Review and Dividends

The audited financial statements for the year ended 31 December 2021 are set out on pages 9 to 20. The profit after tax for the year was £nil (2020: £nil profit). During the year the Company had investment income of £233 million (2020: £231 million) and finance costs of £233 million (2020: £231 million).

The Balance Sheet shows that the Company's shareholders' position at the end of the year was a surplus of £5,950 million (2020: £5,950 million).

The Directors do not recommend the payment of a final dividend for the year ended 31 December 2021 (2020: £nil).

## Key performance indicators (KPIs)

The Sky Group ("the Group") manages its operations on a divisional basis. For this reason, and given the Company's nature as a holding company, the Company's directors believe that further key performance indicators for the Company are not necessary or appropriate for an understanding of the development, performance or position of the Company.

## Principal risks and uncertainties

The Company's activities expose it to financial risks, namely credit risk and liquidity risk. The Company is also exposed to risk through the performance of its investments. The Directors do not believe the Company is exposed to significant cash flow risk or price risk.

### Credit risk

The balance sheet of the Company includes intercompany balances, amounts owing by associates and joint ventures. The Company is therefore exposed to credit risk on these balances. The intercompany receivables balances and amounts owing by associates and joint ventures are detailed in note 6.

### Liquidity risk

The Company relies on the Comcast Group Treasury function to manage its liquidity and ensure that sufficient funds are available for ongoing operations and future developments. Sky Limited and its subsidiaries ("the Sky Group") currently have access to a £6 billion revolving credit facility with Comcast Corporation which is due to expire in 2027. The Company benefits from this liquidity through intra-group facilities and loans.

### Investment performance risk

The principal risk facing the Company relates to the recoverability of the Company's investment in subsidiaries. Recovery of these assets is dependent upon the generation of sufficient profits to pay dividends or from the proceeds of sale of such investments, in the event of their disposal. The Company reviews the carrying amount of its investments at each balance sheet date to determine whether there is any indication of impairment.

## Impacts of COVID-19

COVID-19 and measures taken to prevent its spread across the globe have impacted the Company's businesses in a number of ways, affecting the comparability of periods included in this report. The Directors expect the effects of the COVID-19 pandemic will continue to adversely impact results of operations over the near to medium term, although the extent of such impact will depend on restrictive governmental measures, global economic conditions and consumer behaviour.

## Strategic and Directors' Report (continued)

Approved by the Board and signed on its behalf of



P Wedlock  
Director

Grant Way  
Isleworth  
Middlesex  
United Kingdom  
TW7 5QD

Date: 7 September 2022

## Strategic and Directors' Report (continued)

### Directors' Report

The Directors present their annual report, together with the financial statements and auditor's report.

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

The Directors do not recommend the payment of a final dividend in the current year (2020: £nil).

The Company has chosen, in accordance with section 414C(11) of Companies Act 2006, to include such matters of strategic importance to the Company in the Strategic Report which otherwise would be required to be disclosed in the Directors' report.

### Going concern

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

Given the integrated nature of the Group's financial planning and treasury functions, the impact of COVID-19 on the Company's operations and funding requirements has been assessed at the Group level. The Directors expect that the businesses will continue to generate adequate cash flow from operating activities and believe that these cash flows, together with the Company's existing cash, cash equivalents and investments, and available borrowings under its existing credit facilities, including the £6 billion revolving credit facility with Comcast, will be sufficient for the Company to meet its current and long-term liquidity and capital requirements.

We further highlight that the Company has received confirmation that Comcast intends to support the Company for a period of at least 12 months from the date of signing of these financial statements.

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

### Auditor

In accordance with the provisions of Section 418 of the Companies Act 2006, each of the persons who are Directors of the Company at the date of approval of this report confirms that:

- so far as the Director is aware, there is no relevant audit information (as defined in the Companies Act 2006) of which the Company's auditor is unaware; and
- the Director has taken all the steps that he/she ought to have taken as a Director to make himself / herself aware of any relevant audit information (as defined) and to establish that the Company's auditor is aware of that information.

Deloitte LLP have expressed their willingness to continue as auditor and a resolution to reappoint them was approved by the Board of Directors on 7 September 2022.

Approved by the Board and signed on its behalf,



P Wedlock  
Director

Grant Way  
Isleworth  
Middlesex  
United Kingdom  
TW7 5QD

7 September 2022

## Directors' responsibilities statement

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 are required to prepare the financial statements in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006. The financial statements also comply with International Financial Reporting Standards as issued by the IASB. 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 year.

In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether International Financial Reporting 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

## Auditor's report

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SKY HISTORY LIMITED

#### Report on the audit of the financial statements

##### Opinion

In our opinion the financial statements of Sky History Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom adopted international accounting standards and International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the income statement;
- the balance sheet;
- the statement of changes in equity;
- the related notes 1 to 14.

The financial reporting framework that has been applied in their preparation is applicable law, and United Kingdom adopted international accounting standards and IFRSs as issued by the IASB.

##### 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.

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 Financial Reporting Council's (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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

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

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## Auditor's report (continued)

### Independent Auditor's report to the members of Sky History Limited (continued)

#### Responsibilities of directors

As explained more fully in the directors' responsibilities statement, 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.

#### 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 FRC's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

#### Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory framework that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act and relevant tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty. These included Employment Law, the Data Protection Act 2018 and the Bribery Act 2010.

We discussed among the audit engagement team including relevant internal specialists such as IT regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud in the assessment of the carrying value of investments in joint venture. We performed specific procedures to address this risk including:

- obtaining an understanding of management's process and control environment in relation to the assessment of the carrying value of investments; and
- searching for impairment indicators and indicators of bias, for example by inspecting trends in financial performance over multiple years.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management, in-house / external legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.



## Auditor's report (continued)

### Independent Auditor's report to the members of Sky History Limited (continued)

#### Report on other legal and regulatory requirements

#### 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 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 or the directors' report.

#### Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters 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.

We have nothing to report in respect of these matters.

#### 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.

Jon Young, FCA (Senior statutory auditor)  
For and on behalf of Deloitte LLP  
Statutory Auditor  
London, United Kingdom  
7 September 2022

## Income Statement

For the year ended 31 December 2021

	Notes	2021 £'000	2020 £'000
Investment income	2	233	231
Finance costs	2	(233)	(231)
<b>Profit before tax</b>	3	-	-
Tax	4	-	-
<b>Profit for the year attributable to equity shareholder</b>		-	-

For the years ended 31 December 2021 and 31 December 2020, the Company did not have any items of other comprehensive income, and therefore no separate Statement of Other Comprehensive Income has been prepared.

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

All results relate to continuing operations.

# Balance Sheet

As at 31 December 2021

	Notes	2021 £'000	2020 £'000 Restated (Note 14)	2019 £'000 Restated (Note 14)
<b>Non-current assets</b>				
Investment in joint venture	5	50	50	50
Trade and other receivables	6	20,664	21,432	21,204
<b>Total non-current assets</b>		<b>20,714</b>	<b>21,482</b>	<b>21,254</b>
<b>Total assets</b>		<b>20,714</b>	<b>21,482</b>	<b>21,254</b>
<b>Current liabilities</b>				
Trade and other payables	7	14,764	15,532	15,304
<b>Total current liabilities</b>		<b>14,764</b>	<b>15,532</b>	<b>15,304</b>
<b>Net current liabilities</b>		<b>(14,764)</b>	<b>(15,532)</b>	<b>(15,304)</b>
<b>Total liabilities</b>		<b>14,764</b>	<b>15,532</b>	<b>15,304</b>
<b>Equity</b>				
Share capital	10	-	-	-
Retained Earnings	11	5,950	5,950	5,950
<b>Total equity attributable to equity shareholder</b>	11	<b>5,950</b>	<b>5,950</b>	<b>5,950</b>
<b>Total liabilities and shareholder's equity</b>		<b>20,714</b>	<b>21,482</b>	<b>21,254</b>

The accompanying notes are an integral part of this balance sheet.

As at 31 December 2021, the Company did not have any cash or cash equivalents. Accordingly, no cash flow statement or reconciliation of operating profit to cash flows from operating activities has been prepared.

The financial statements of Sky History Limited, registered number 03071747 were approved by the Board of Directors on 7 September 2022 and were signed on its behalf by:



P Wedlock  
Director

7 September 2022

## Statement of Changes in Equity

For the year ended 31 December 2021

	Share Capital £'000	Retained earnings £'000	Total shareholder's equity £'000
<b>At 31 December 2019</b>	-	5,950	5,950
Profit for the year	-	-	-
<b>At 31 December 2020</b>	-	5,950	5,950
Profit for the year	-	-	-
<b>At 31 December 2021</b>	-	5,950	5,950

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

## Notes to the financial statements

### 1. Accounting policies

Sky History Limited (the "Company") is a private company limited by shares, incorporated in the United Kingdom and registered in England and Wales. The address of the registered office is Grant Way, Isleworth, Middlesex, TW7 5QD, United Kingdom and registered number is 03071747.

The Company's functional currency and presentational currency is pounds sterling.

The Company's principal activities are set out in the directors' report.

#### a) Statement of compliance

The financial statements have been prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 and International Financial Reporting Standards as issued by the IASB.

#### b) Basis of preparation

The financial statements have been prepared on a going concern basis and on an historical cost basis, except for the remeasurement to fair value of certain financial assets and liabilities as described in the accounting policies below.

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

Given the integrated nature of the Sky Group's financial planning and treasury functions, the impact of COVID-19 on the Company's operations and funding requirements has been assessed at the Sky Group level. The Directors expect that the Sky Group businesses will continue to generate adequate cash flow from operating activities and believe that these cash flows, together with the Company's assets and available borrowings under its existing credit facilities, including the £6 billion revolving credit facility with Comcast, will be sufficient for the Company to meet its current and long-term liquidity and capital requirements.

The Company has received confirmation that Comcast intends to support the Company for a period of at least 12 months from the date of signing of these financial statements.

As a result, after making enquiries, the Directors have formed a judgement at the time of approving the financial statements that the Company will have access to adequate resources to continue for at least twelve months from the signing of the financial statements. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

#### c) IFRS 9 - 'Financial Instruments'

IFRS 9 introduced an impairment model based on expected credit losses. This requires a provision for impairment to be considered, and if required to be recorded, when the receivable is recognised. The Company has elected to apply IFRS 9's simplified approach to measuring expected credit losses using a lifetime expected credit loss provision for trade receivables. This involves, for example, the application of a provision matrix where trade receivables are grouped based on shared credit risk characteristics and ageing, or other appropriate methods given the nature of the receivable, and requires an estimate of expected lifetime credit loss rates.

These loss rates are based on, inter alia, the entity's historical credit losses, adjusted for reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions, in order to derive an expectation.

Amounts due from Group companies are typically non-interest bearing and are repayable on demand. With respect to impairment provisions under IFRS 9, an expectation of credit losses for intercompany loan receivables is required, taking into consideration similar factors as for third party balances above, in addition to entity's ability to trade and borrow as part of the wider Group, in order to settle the receivables.

#### d) Investments in joint venture

Investments are stated at cost, less any provision for impairment in value.

#### e) Financial assets and liabilities

Directly attributable transaction costs are included in the initial measurement of financial assets and liabilities only with respect to those assets and liabilities that are not subsequently measured at fair value through profit and loss. At each balance sheet date, the Company assesses whether there is any objective evidence that any financial asset is impaired.

Financial assets and liabilities are recognised on the Company's Balance Sheet when the Company becomes a party to the contractual provisions of the financial asset or liability. Financial assets are derecognised from the Balance Sheet when the Company's contractual rights to the cash flows expire or the Company transfers substantially all the risks and rewards of the financial asset. Financial liabilities are derecognised from the Company's Balance Sheet when the obligation specified in the contract is discharged, cancelled or expires.

## Notes to the financial statements (continued)

### 1. Accounting policies (continued)

#### e) Financial assets and liabilities (continued)

##### i. Trade and other receivables

Trade and other receivables are non-derivative financial assets with fixed or determinable payments and, where no stated interest rate is applicable, are measured at the original invoice amount, if the effect of discounting is immaterial. Where discounting is material, trade and other receivables are measured at amortised cost using the effective interest method.

An allowance account is maintained to reduce the carrying value of trade and other receivables for impairment losses provided for on an expected loss model according to IFRS 9, with movements in the allowance account, either from increased impairment losses or reversals of impairment losses, being recognised in the Income Statement.

##### ii. Trade and other payables

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

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

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

Deferred tax assets and liabilities are recognised using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities in the Balance Sheet and the corresponding tax bases used in the computation of taxable profits.

Taxable temporary differences arising from the goodwill and initial recognition of assets or liabilities that affect neither accounting profit nor taxable profit are not provided for. Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates that have been enacted or substantively enacted at the balance sheet date.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and adjusted to reflect an amount that is probable to be realised based on the weight of all available evidence. Deferred tax is calculated at the rates that are expected to apply in the year when the liability is settled or the asset is realised. Deferred tax assets and liabilities are not discounted. Deferred tax is charged or credited in the Income Statement, except where it relates to items charged or credited directly to equity, in which case the deferred tax is also included within equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same tax authority and the Company intends to settle its current tax assets and liabilities on a net basis.

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

The Company has not yet adopted certain new standards, amendments and interpretations to existing standards, which have been published but are only effective for accounting periods beginning after 1 January 2021. These new pronouncements are listed below. The Directors are currently evaluating the impact of the adoption of these standards, amendments and interpretations in future periods.

- Covid-19 Related Rent Concessions – Amendment to IFRS 16 'Leases' (effective 1 April 2021)
- Annual Improvements to IFRS Standards 2018 – 2020 – Amendments to IFRS 1, IFRS 9 and IFRS 16 (effective 1 January 2022)
- Conceptual Framework – Amendments to IFRS 3 'Business Combinations' (effective 1 January 2022)
- Proceeds before Intended Use – Amendments to IAS 16 'Property, Plant and Equipment' (effective 1 January 2022)
- Onerous Contracts – Cost of Fulfilling a Contract – Amendment to IAS 37 'Provisions, Contingent Liabilities and Contingent Assets' (effective 1 January 2022)
- Classification of Liabilities as Current or Non-current – Amendment to IAS 1 'Presentation of Financial Statements' (effective 1 January 2023)
- Implementation issues – Amendments to IFRS 17 'Insurance Contracts' (effective 1 January 2023)
- Definition of Accounting Estimates – Amendment to IAS 8 'Accounting policies, changes in accounting estimates and errors' (effective 1 January 2023)
- Disclosure of Accounting Policies – Amendment to IAS 1 'Presentation of Financial Statements' (effective 1 January 2023)

## Notes to the financial statements (continued)

### 1. Accounting policies (continued)

#### h) Critical accounting policies and the use of judgement and estimates

An accounting policy is considered to be critical if, in the Directors' judgement, its selection or application materially affects the Company's financial position or results. The application of the Company's accounting policies may also require the use of estimation or judgement in a manner which may affect the Company's financial position or results.

No accounting policies are considered critical to the Company.

Certain accounting policies are considered to be critical to the Company. An accounting policy is considered to be critical if, in the Directors' judgement, its selection or application materially affects the Company's financial position or results. The application of the Company's accounting policies may also require the use of estimation or judgement in a manner which may affect the Company's financial position or results.

Below is a summary of the Company's critical accounting policies and details of the key areas of estimation or judgement that are exercised in their application.

No key areas of estimation uncertainty have been identified.

#### i. Investments

Determining whether the carrying amount of these investments has any indication of impairment also requires judgement. If an indication of impairment is identified, further judgement is required to assess whether the carrying amount can be supported by the net present value of future cash flows forecast to be derived from the asset. This forecast involves cash flow projections and selecting the appropriate discount rate.

The Company reviews the carrying amounts of its investment to determine whether there is any indication that the investment has suffered an impairment loss.

There were no key areas of estimation uncertainty identified, over and above where estimates form part of critical accounting policies and judgements described above.

Areas where estimation or judgement is applied (primarily in the context of applying critical accounting policies) have been discussed in the preceding section above.

### 2. Investment income and finance costs

	2021 £'000	2020 £'000
<b>Investment income</b>		
Intercompany interest receivable <sup>(i)</sup>	233	231
	2021 £'000	2020 £'000
<b>Finance costs</b>		
Intercompany interest payable <sup>(ii)</sup>	(233)	(231)

(i) Intercompany interest receivable is receivable on a balance of £14,764,000 with AETN UK. This loan bears interest at 1.5%.

(ii) Intercompany interest payable includes interest payable on a balance of £14,764,000 with Sky Operational Finance Limited. This revolving credit facility was made available on and from 20th December 2016. Interest is payable at a rate of 1.5%.

## Notes to the financial statements (continued)

### 3. Profit before taxation

#### Employee benefits and key management compensation

There were no employee costs during the year (2020: £nil), as the Company had no employees, other than the Directors. Services are provided by employees of other companies within the Group with no charge being made for their services (2020: £nil). The Directors did not receive any remuneration during the year (2020: £nil) in respect of their services to the Company.

#### Audit fees

Amounts paid to the auditor for the audit of the Company's annual financial statements of £10,000 (2020: £10,000) were borne by another Group subsidiary in 2021 and 2020. No amounts for other services have been paid to the auditor.

### 4. Tax

No tax charge was recognised in the year ended 31 December 2021 (2020: £nil).

#### a) Reconciliation of effective tax rate

The tax expense for the year is £nil (2020: £nil) the expense that would have been calculated using the rate of corporation tax in the UK of 19.0% (2020: 19.0%) applied to profit before tax. The differences are explained below:

	2021 £'000	2020 £'000
Profit before tax	-	-
Profit before tax multiplied by rate of corporation tax in the UK of 19.0% (2020: 19.0%)	-	-
<b>Tax</b>	-	-

All tax relates to UK corporation tax.

### 5. Investments in joint ventures and associates

	Total £'000
<b>Carrying amounts</b>	
At 1 January 2020	50
At 31 December 2020	50
<b>At 31 December 2021</b>	<b>50</b>

Details of all investment in joint ventures and associates are as follows:

#### Incorporated in the UK

Name
AETN UK (50.00%)

At 31 December 2021, the Company held 50,000 "A ordinary" shares of £1.00 each, representing 50% (2020: 50%) of the issued share capital of AETN UK, 1 Queen Caroline Street, London, W6 9YN, UK.



## Notes to the financial statements (continued)

### 6. Trade and other receivables

	2021	2020 Restated (Note 14)
	£'000	£'000
Amounts receivable from immediate parent company <sup>(a)</sup>	5,900	5,900
Amounts receivable from joint ventures and associates <sup>(b)</sup>	14,764	15,532
Non-current receivables	20,664	21,432
<b>Total trade and other receivables</b>	<b>20,664</b>	<b>21,432</b>

#### a) Amounts receivable from the immediate parent company

The amounts receivable from the immediate parent have been assessed to be fully recoverable and as such no other allowances have been recorded. Amounts due from the immediate parent company totalling £5,900,000 (2020: £5,900,000 ) are non-interest bearing and are repayable on demand.

#### b) Amounts receivable from joint ventures and associates

On 20 December 2016 the Company entered a loan agreement of \$19,359,000 with AETN UK , whereby the Company was lender and AETN UK was the borrower. This loan is interest bearing at 1.5%. The amount outstanding on this loan as at 2021 was £14,764,000 (2020: £15,532,000). Amounts due from AETN UK totalling £14,764,000 are repayable on demand.

### 7. Trade and other payables

	2021	2020
	£'000	£'000
Amounts payable to other group companies	14,764	15,532
<b>Current other payables</b>	<b>14,764</b>	<b>15,532</b>
<b>Total trade and other payables</b>	<b>14,764</b>	<b>15,532</b>

#### Amounts payable to other group companies

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

On 20 December 2016, the Company entered into a loan facility with Sky Operational Finance Limited for up to £17,000,000. The loan bears interest at 1.5%. The balance outstanding on this loan at 31 December 2021 was £14,764,000. Amounts payable to Sky Operational Finance Limited totalling £14,764,000 are repayable on demand.

## Notes to the financial statements (continued)

### 8. Financial Instruments

#### a) Carrying value and fair value

The Company's principal financial instruments comprise trade receivables and trade payables.

Set out below is a comparison of the carrying values and the estimated fair values of the Company's financial assets and financial liabilities at 31 December 2021 and 31 December 2020:

	Financial assets at amortised cost £'000	Financial liabilities at amortised cost £'000	Total carrying value £'000	Total fair values £'000
<b>At 31 December 2021</b>				
Trade and other payables	-	(14,764)	(14,764)	(14,764)
Trade and other receivables	20,664	-	20,664	20,664
	<u>20,664</u>	<u>(14,764)</u>	<u>(14,764)</u>	<u>(14,764)</u>
<b>At 31 December 2020</b>				
Trade and other payables	-	(15,532)	(15,532)	(15,532)
Trade and other receivables	21,432	-	21,432	21,432
	<u>21,432</u>	<u>(15,532)</u>	<u>(15,532)</u>	<u>(15,532)</u>

The fair values of financial assets and financial liabilities are determined as follows:

- \* The fair value of financial assets and financial liabilities with standard terms and conditions and which are traded on active liquid markets is determined with reference to quoted market prices and;
- \* The fair value of financial assets and financial liabilities held by the Company is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes for similar instruments.

### 9. Financial risk management objectives and policies

The Group's Treasury function is responsible for raising finance for the Company's operations and managing credit risks. The Sky Group Treasury function manages liquidity, foreign exchange and interest rate risks. Treasury operations are conducted within a framework of policies and guidelines authorised and reviewed by Comcast's Audit Committee and Board of Directors, which receive regular updates of Treasury activity.

Regular and frequent reporting to management is required for all transactions and exposures, and the internal control environment is subject to periodic review by the Group's internal audit team. The Sky Group's principal market risks are exposures to changes in interest rates and foreign exchange rates, which arise both from the Sky Group's sources of finance and its operations. Following evaluation of those market risks, the Sky Group selectively enters into derivative financial instruments to manage these exposures. The principal instruments currently used are interest rate swaps to hedge interest rate risks, and cross currency swaps and forward foreign exchange contracts to hedge transactional and translational currency exposures.

#### Capital Risk Management

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

The Company is not subject to external capital requirements.

#### Credit risk

The Company's maximum exposure to credit risk on trade receivables is the carrying amounts disclosed in note 6. The Company does not have any material interest rate exposure. Debt proceeds are loaned on to other Group companies at terms similar to the cost of the underlying borrowing, thereby limiting the interest rate risk that the Company would otherwise be subject to.

## Notes to the financial statements (continued)

### 9. Financial risk management objectives and policies (continued)

#### Liquidity risk

The Company's financial liabilities are shown in notes 7.

The following table analyses the Company's financial liabilities into relevant maturity groupings based on the remaining year at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. The amounts disclosed may not reconcile to the amounts disclosed on the balance sheet for trade and other payables.

	Less than 12 months £'000	Between one and two years £'000	Between two and five years £'000	More than five years £'000
<b>At 31 December 2021</b>				
Trade and other payables	14,764	-	-	-
<b>At 31 December 2020</b>				
Trade and other payables	15,532	-	-	-

### 10. Share capital

	2021 Number	2021 £'000	2020 Number	2020 £'000
<b>Authorised, called-up and fully paid</b>				
<b>Ordinary shares of £1.00 each</b>				
Beginning of year	2	-	2	-
<b>End of year</b>	<b>2</b>	<b>-</b>	<b>2</b>	<b>-</b>

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

### 11. Shareholders' equity

	2021 £'000	2020 £'000
Retained earnings	5,950	5,950
<b>Total shareholder's equity</b>	<b>5,950</b>	<b>5,950</b>

## Notes to the financial statements (continued)

### 12. Transactions with related parties

#### a) Transactions with the parent company and other group companies

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

The Company paid finance charges of £233,000 (2020: £231,000) to Sky Operational Finance Limited during the year, and had an intercompany payable due to this counterparty at year-end of £14,764,175. For further details of amounts owed by and owed to the parent company and other Group companies, see notes 6 and 7.

#### b) Key management

The Company has a related party relationship with the Directors of the Company. At 31 December 2021, there were 3 (2020: 3) members of key managers, both of whom were Directors of the Company. Key management compensation is disclosed in note 3.

#### c) Transactions with joint ventures

The Company holds 50% of the issued share capital of AETN UK. Finance income of £233,000 (2020: £231,000) was received from AETN UK during the year. The outstanding balances with this entity at year end is £14,764,175.

### 13. Ultimate parent undertaking

The Company is a wholly-owned subsidiary undertaking of Sky Ventures Limited, a Company incorporated and registered in England and Wales. The Company's ultimate parent company and the smallest and largest group in which the results of the company are consolidated is Comcast Corporation ("Comcast"), a company incorporated in the United States of America and registered in Pennsylvania.

The company is ultimately controlled by Comcast and operates together with Comcast's other subsidiaries, as a part of the Comcast Group (the "Group"). The only group in which the results of the Company are consolidated is that headed by Comcast.

The consolidated financial statements of the Group are available to the public and may be obtained from Comcast Investor Relations at Comcast Corporation, One Comcast Center, Philadelphia, PA 19103, USA. Or at :<https://www.cmcsa.com/investors>.

### 14. Prior-period restatement

In preparing financial statements for the year ended 31 December 2021, the classification of intercompany receivable balances between current and non-current was re-assessed with reference to the timing of their expected settlement. In doing so, it was identified that certain intercompany balances were incorrectly classified as current in prior years. This classification error is a material error in prior periods and therefore the 2020 and 2019 balances have been restated in the 2021 financial statements.

	2020 As previously stated £'000	2020 Adjustment £'000	2020 Restated balance £'000
Amounts receivable from immediate parent company - current	5,900	(5,900)	-
Amounts receivable from immediate parent company - non-current	-	5,900	5,900

	2020 As previously stated £'000	2020 Adjustment £'000	2020 Restated balance £'000
Amounts receivable from joint ventures and associates - current	15,532	(15,532)	-
Amounts receivable from joint ventures and associates - non-current	-	15,532	15,532

## Notes to the financial statements (continued)

### 14. Prior-period restatement (continued)

	<b>2019</b>	<b>2019</b>	<b>2019</b>
	<b>As previously stated</b>	<b>Adjustment</b>	<b>Restated balance</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Amounts receivable from immediate parent company - current	5,900	(5,900)	-
Amounts receivable from immediate parent company - non-current	-	5,900	5,900
	<b>2019</b>	<b>2019</b>	<b>2019</b>
	<b>As previously stated</b>	<b>Adjustment</b>	<b>Restated balance</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Amounts receivable from joint ventures and associates - current	15,304	(15,304)	-
Amounts receivable from joint ventures and associates - non-current	-	15,304	15,304