

**NORTHERN & SHELL TEXT LIMITED  
(FORMERLY CHANNEL 5 TEXT LIMITED)**

**REPORT & FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2013**

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**NORTHERN & SHELL TEXT LIMITED**

**ANNUAL REPORT**

**For the year ended 31 December 2013**

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**NORTHERN & SHELL TEXT LIMITED**

**OFFICERS AND PROFESSIONAL ADVISERS**

**DIRECTORS**

Mr. R.C. Desmond	(resigned 19 December 2013)
Mr. R. Sanderson	
Mr. S. Myerson	(resigned 19 December 2013)
Mr. M.S. Ellice	
Dr. P. Ashford	(resigned 19 December 2013)

**SECRETARY**

Mr. R. Sanderson

**COMPANY NUMBER**

03302925

**AUDITORS**

KPMG LLP  
8 Salisbury Square  
London, EC4Y 8BB  
United Kingdom

**REGISTERED OFFICE**

The Northern & Shell Building  
10 Lower Thames Street  
London, EC3R 6EN  
United Kingdom

# **NORTHERN & SHELL TEXT LIMITED**

## **DIRECTORS' REPORT**

**For the year ended 31 December 2013**

The directors present their report and the audited financial statements of the Company for the year ended 31 December 2013. On 13 January 2014 the Company changed its name from Channel 5 Text Limited to Northern & Shell Text Limited.

### **PRINCIPAL ACTIVITIES**

The Company did not trade during the year or the comparative period.

### **RESULTS AND DIVIDENDS**

The Company recorded a profit before taxation of £nil (2012: £nil).

The directors do not recommend the payment of a dividend (2012: £nil).

### **REVIEW OF THE YEAR AND FUTURE PROSPECTS**

The profit and loss account is set out on page 8.

The directors consider the results for the year to be satisfactory.

The risks, uncertainties and key performance indicators pertaining to the Company are consistent with those experienced by the Company's fellow subsidiaries. These are discussed in the Strategic Report section of Northern & Shell Media Group Limited's group accounts, the ultimate parent of the Company.

The company's net liabilities were £35,000 as at 31 December 2013 (2012: £35,000).

### **DIRECTORS**

The membership of the board during the year is set out on page 2.

### **GOING CONCERN**

The Company has net current liabilities and net liabilities. A letter of support has been received from the ultimate parent company, Northern & Shell Media Group Limited, stating that this company will provide financial support as necessary to enable the Company to meet its obligations as and when they fall due. Accordingly, the directors are satisfied that it is appropriate to prepare the financial statements on a going concern basis.

### **FINANCIAL RISK MANAGEMENT**

The Company has not implemented specific measures to mitigate financial risks because the directors believe that the nature of the Company's operations are such that it is not exposed to financial risks that might impact adversely on the financial performance of the Company. The directors keep this position under constant review.

### **DISCLOSURE OF INFORMATION TO AUDITORS**

The directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

**NORTHERN & SHELL TEXT LIMITED**

**DIRECTORS' REPORT**

**For the year ended 31 December 2013**

**AUDITORS**

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the Board:

A handwritten signature in black ink, appearing to be 'R. Sanderson', written in a cursive style.

Mr. R. Sanderson  
Secretary

Date: 21 March 2014

The Northern & Shell Building  
Number 10 Lower Thames Street  
London, EC3R 6EN  
United Kingdom

**STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS**

**For the year ended 31 December 2013**

The directors are responsible for preparing the 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 prepared the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 proper 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF**

### **NORTHERN & SHELL TEXT LIMITED**

**For the year ended 31 December 2013**

We have audited the financial statements of Northern & Shell Text Limited for the year ended 31 December 2013 set out on pages 8 to 12. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

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 AUDITORS**

As explained more fully in the Directors' Responsibilities Statement set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

### **SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### **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 31 December 2013 and of its result for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006**

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF**

**NORTHERN & SHELL TEXT LIMITED**

**For the year ended 31 December 2013**

**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 not prepare a strategic report, in accordance with the small companies exemption.

Adrian Wilcox (Senior Statutory Auditor)  
for and on behalf of KPMG LLP, Statutory Auditor  
Chartered Accountants  
KPMG LLP  
8 Salisbury Square  
London, EC4Y 8BB  
United Kingdom

Date: 21 March 2014



**NORTHERN & SHELL TEXT LIMITED**

**PROFIT AND LOSS ACCOUNT**

**For the year ended 31 December 2013**

	Notes	2013 £000	2012 £000
<b>PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION</b>			
Tax on profit/(loss) on ordinary activities	4	-	-
<b>RESULT FOR THE FINANCIAL YEAR</b>	8/9	-	-

There are no recognised gains and losses other than those stated above and therefore no separate statement of total recognised gains and losses has been presented.

There are no material differences between the profit/(loss) on ordinary activities before taxation and the result for the year stated above and their historical cost equivalents.

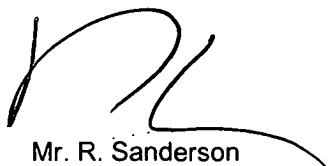
The notes on pages 10 to 12 form part of these financial statements.

**NORTHERN & SHELL TEXT LIMITED**

**BALANCE SHEET as at 31 December 2013**

	Notes	2013 £000	2012 £000
<b>CURRENT ASSETS</b>			
Debtors	5	<u>132</u>	<u>132</u>
<b>CURRENT LIABILITIES</b>			
Creditors: amounts falling due within one year	6	<u>(167)</u>	<u>(167)</u>
<b>NET CURRENT LIABILITIES AND NET LIABILITIES</b>		<u>(35)</u>	<u>(35)</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	7	-	-
Profit and loss account	8	<u>(35)</u>	<u>(35)</u>
<b>TOTAL SHAREHOLDERS' DEFICIT</b>	9	<u>(35)</u>	<u>(35)</u>

These financial statements were approved by the Board of Directors and signed on its behalf by:



Mr. R. Sanderson  
Secretary

Date: 21 March 2014  
Company registered number: 03302925

**NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 31 December 2013**

**1. PRINCIPAL ACCOUNTING POLICIES**

**( a ) Basis of accounting**

The financial statements are prepared on a going concern basis, under the historical cost convention and in accordance with the Companies Act 2006 and applicable accounting standards. The principal accounting policies are set out below.

**( b ) Going Concern**

The Company has net current liabilities and net liabilities. A letter of support has been received from the ultimate parent Company, Northern & Shell Media Group Limited, stating that this company will provide financial support as necessary to enable the Company to meet its obligations as and when they fall due. Accordingly, the directors are satisfied that it is appropriate to prepare the financial statements on a going concern basis.

**( c ) Consolidated financial statements and cash flow statement**

The Company is a wholly owned subsidiary of Northern & Shell Media Group Limited and is included in the consolidated financial statements of Northern & Shell Media Group Limited.

Northern & Shell Media Group Limited prepares and files consolidated financial statements which include the cash flows of the Company. The Company has therefore relied on the exemption provided by FRS1 from preparing its own cash flow statement.

**2. INFORMATION REGARDING DIRECTORS AND EMPLOYEES**

Directors' emoluments are borne by Northern & Shell Plc, a fellow subsidiary.

The directors do not receive any fees or emoluments from the Company as their duties are incidental to their main duties to other subsidiary undertakings of Northern & Shell Media Group Limited.

There are no other employee costs.

**3. NOTES TO THE PROFIT AND LOSS ACCOUNT**

**Audit Services**

Auditor's remuneration of £3,000 in respect of the audit of these financial statements for the year ended 31 December 2013 (2012: £nil) is borne by Northern & Shell Television Group Limited, the Company's immediate parent undertaking.

**4. TAXATION ON PROFIT ON ORDINARY ACTIVITIES**

There is no difference in the tax assessed for the year from the rate of 23.25% (2012: 24.5%). There was no tax charge in the year (2012: £nil).

On 21 March 2012, the Chancellor announced a reduction in the main rate of UK corporation tax from 24% to 23% with effect from 1 April 2013. On 2 July 2013, a further reduction in the UK corporation tax rate from 23% to 21% with effect from 1 April 2014 and then from 21% to 20%, with effect from 1 April 2015, were substantively enacted.

The Company has no deferred tax assets, either recognised or unrecognised (2012: £nil).

**NORTHERN & SHELL TEXT LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 31 December 2013**

**5. DEBTORS**

	<b>2013 £000</b>	<b>2012 £000</b>
Amounts owed by group undertakings	<u>132</u>	<u>132</u>
Amounts owed by dormant group undertakings are non-interest bearing.		

**6. CREDITORS: amounts falling due within one year**

	<b>2013 £000</b>	<b>2012 £000</b>
Amounts owed to group undertakings	<u>167</u>	<u>167</u>
Amounts owed to dormant group undertakings are non-interest bearing.		

**7. SHARE CAPITAL**

	<b>2013 £</b>	<b>2012 £</b>
<i>Authorised</i> 1000 ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
<i>Allotted and fully paid</i> 2 ordinary shares of £1 each	<u>2</u>	<u>2</u>

**8. RESERVES**

	<b>Profit and loss account £000</b>
At 1 January 2013	35
Result for the year	<u>-</u>
At 31 December 2013	<u>35</u>

**9. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' DEFICIT**

	<b>2013 £000</b>	<b>2012 £000</b>
Result for the year	<u>-</u>	<u>-</u>
Increase/(decrease) in shareholders' deficit	-	-
Opening shareholders' deficit	<u>(35)</u>	<u>(35)</u>
Closing shareholders' deficit	<u>(35)</u>	<u>(35)</u>

**NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 31 December 2013**

**10. GUARANTEES AND CONTINGENT LIABILITIES**

The Company is part of the Northern & Shell Media Group Limited group. At 31 December 2013, certain claims in the normal course of business were pending against the Group and certain tax computations were still subject to agreement with the relevant taxation authorities. Although there is uncertainty regarding the final outcome of these matters, the directors believe, based on professional advice received, that adequate provision has been made in the financial statements for anticipated liabilities and the probable ultimate resolution of such matters will not have a material effect on the financial statements of the Company.

**11. RELATED PARTY TRANSACTIONS**

The Company is exempt under the terms of FRS 8 from disclosing related party transactions with entities that are part of the Northern & Shell Media Group Limited group.

**12. ULTIMATE PARENT UNDERTAKING**

The immediate parent undertaking is Northern & Shell Television Group Limited and the ultimate parent undertaking is Northern & Shell Media Group Limited. The ultimate controlling party is Richard Desmond, the Chairman of Northern & Shell Media Group Limited.

The largest and smallest group into which these accounts are consolidated is Northern & Shell Media Group Limited. Northern & Shell Media Group Limited is registered in England. The consolidated financial statements of Northern & Shell Media Group Limited can be obtained from: The Northern & Shell Building, Number 10 Lower Thames Street, London, EC3R 6EN, United Kingdom.