NBC UNIVERSAL GLOBAL NETWORKS UK LIMITED

Annual report and financial statements
For the year ended 31 December 2020

Registered number: 03522943

Directors and Officers

For the year ended 31 December 2020

Directors

NBC Universal Global Networks UK Limited's ("the Company") present Directors and those who served during the year are as follows:

C Smith
TC Richards
Z Bennett

Company Secretary

Sky Corporate Secretary Limited

Registered office

Sky Central
Grant Way
Isleworth
Middlesex
TW7 5QD

Auditor

Deloitte LLP
Statutory Auditor
London
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 2020.

The purpose of the Strategic Report is to inform members of the Company and help them assess how the Directors have performed their duty under section 172 of the Companies Act 2006 (duty to promote the Company).

Business review and principal activities

The Company operates together with Comcast Corporation's ("Comcast") other subsidiaries as a part of the Comcast Group.

The principal activity of the company is the management of several UK television broadcasting channels, including Movies 24, E! and Sci Fi which are aired in the UK and Ireland across subscription platforms. In January 2020, the Universal Channel was closed.

Financial Review and Dividends

The audited accounts for the year ended 31 December 2020 are set out on pages 13 to 23. The Directors consider turnover and operating profit to be key performance indicators of the Company. Turnover for the year ended 31 December 2020 was £28.3m (2019: £41.6m) and the loss after tax was (£3.0m) (2019: profit £10.1m).

The decrease in turnover is predominantly due to the reduction in revenue following the closure of the Universal Channel in January 2020. The loss after tax is reflective of the channel closure and an impairment of £1.6m of content rights during the year.

The Balance Sheet shows that the Company's shareholders position at the end of the year was £27.6m (2019: £30.5m)

During the year ended 31 December 2020 the Directors proposed no dividend (2019: £5m).

Key performance indicators (KPIs)

The Sky Group ("the Group") manages its operations on a divisional basis. For this reason, 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, liquidity risk and foreign exchange risk.

The Directors do not believe the Company is exposed to significant cash flow risk, price risk or interest rate risk.

Financial risk management objectives and policies

The Group's Treasury function is responsible for raising finance for the Company's operations and manages credit risk. 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 both the Comcast Audit Committee and Board of Directors which receive regular updates of Treasury activity. Derivative instruments are transacted for risk management purposes only. It is the Group's policy that all hedging is to cover known risks and no speculative trading is undertaken. Regular and frequent reporting to management is required for all transactions and exposures, and the internal control environment is subject to periodic review by Comcast's internal audit team.

The use of financial derivatives is governed by the Group's Treasury policy approved by the Comcast Audit Committee and Board of Directors which provide written principles on the use of financial derivatives to manage risk. The Company does not use derivative financial instruments for speculative purposes.

Credit risk

The Company has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers, other than relating to amounts receivable from Sky Group companies.

Liquidity risk

The Company relies on the Group Treasury function to manage its liquidity and ensure that sufficient funds are available for ongoing operations and future developments. The Company currently has access to a £3 billion revolving credit facility with Comcast which is due to expire on 11 January 2024. The Company benefits from this liquidity through intra-group facilities and loans.

Capital Risk Management

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

Foreign exchange risk

The Company's activities expose it to the financial risks of changes in foreign currency exchange rates. The Company uses foreign exchange forward contracts to hedge these exposures.

Legislation and Regulation risk

U.K. Exit from the European Union

The telecommunications and media regulatory framework applicable to Sky's business in the United Kingdom may be subject to greater uncertainty as a result of the UK's withdrawal from the European Union and the end of the transition period on 31 December 2020, with the possibility of greater divergence between the regulation of Sky's UK business and that of its other European businesses over time. The Directors are not able to predict the extent of any such divergence at this point in time.

Impact of COVID-19

The novel coronavirus disease 2019 ("COVID-19") and measures taken to prevent its spread across the globe have impacted the business of the Sky Group in a number of ways.

COVID-19 has had material negative impacts on the Sky Group's results of operations primarily due to the impacts of professional sports. We expect the effects of the COVID-19 pandemic will continue to adversely impact our results of operations over the near to medium term, although the extent of such impact will depend on restrictive governmental measures, global economic conditions, expanded availability and acceptance of vaccines and consumer behaviour in response to COVID-19. The most significant effects of COVID-19 began in the latter part of the first quarter of 2020.

Direct-to-consumer revenue has been negatively impacted, and future periods may be negatively impacted, as a result of lower sports subscription revenue due to the closures and extent of reopening of our commercial customers' locations. In addition, delays to the start of the 2020-2021 seasons for certain sports, including European football, resulted in the shift of additional events and the significant costs associated with broadcasting these programmes into the first and second quarters of 2021 compared to a normal year. We expect the timing of sports seasons to generally return to a normal calendar beginning in the third quarter of 2021.

Strategic and Directors' Report (continued)

Given the nature of the Company's operations, other than the impacts on the Sky Group as a whole set out above, there are no significant direct impacts on the Company of COVID-19.

Streamlined Energy and Carbon Reporting

We have been reporting our carbon footprint since 2005/06, which now includes our businesses in the UK, Republic of Ireland, Portugal, Germany, Austria and Switzerland, and Italy. In February 2020, we launched Sky Zero, our commitment to halve our greenhouse gas emissions across our value chain against a 2018 baseline, and become net zero carbon by 2030. Sky has been a CarbonNeutral® company since 2006, and we have already more than halved our operational emissions since 2012.

Over 2020 many of our sites across Europe remained open for our key worker engineers, journalists and broadcast operations employees. We replaced diesel generator fuel with low carbon HVO at three main sites, introduced 151 Ford Transit PHEV to Sky's commercial fleet, providing a 60% reduction in emissions against their diesel equivalents, and continue to invest in LED lighting. We optimised cooling at our technical sites and introduced automated computing power controls to our data centres, to maximise efficiency and reduce the number of physical devices needed at low demand times. In September 2020 we launched a renewable energy offer to our people to help them reduce their emissions at home.

Further information including a detailed breakdown of our Scopes 1, 2 and 3 emissions, our progress towards net zero carbon by 2030 and historic reporting can be found in our annual impact reports at https://www.skygroup.sky/reports.

	2020		2019 (18 months)	
	UK and Ireland[1]	Sky Group	UK and Ireland[1]	Sky Group
Carbon Intensity				
Revenue (£m)	9,873	14,464	14,649	22,351
Carbon intensity (Total Scopes 1 and 2 (location-based) tCO_2e/£m revenu	5.93	6.05	6.81	6.57
Carbon Emissions (tCO_2e)				
Scope 1 (Fuel combustion and operation of facilities)	19,758	35,265	34,114	54,238
Scope 2 (market-based purchased energy)	4,983	21,191	11,213	44,689
Total Scope 1 and Scope 2 (market-based purchased energy)[2]	24,741	56,456	45,327	98,928
Scope 2 (location-based purchased energy)	38,820	52,276	65,692	92,712
Total Scope 1 and Scope 2 (location-based purchased energy)[2]	58,579	87,541	99,806	146,951
Total Energy consumption (kWh)	240,674,393	361,617,988	384,385,368	564,758,108

Figures in the above table are reflecting UK and Ireland and Sky Group revenue figures only and therefore will not agree to the revenue reported in these financial statements.

Methodology

We calculate our greenhouse gas emissions in carbon dioxide equivalent (CO_2e) for Scopes 1 and 2 according to the Greenhouse Gas Protocol Corporate Standard and associated guidance. We use the emission factors from the latest UK Government Emissions Conversion Factors for Greenhouse Gas Company Reporting (Department for Business, Energy & Industrial Strategy, 2020), IEA emission factors (2020 edition) and the Reliable Disclosure (RE-DISS) European Residual Mixes 2019. (1) UK & Ireland includes Sky's Joint Ventures, small international offices and news bureaux and business activities in Portugal. (2) Our total gross CO_2e emissions include all Scope 1 and Scope 2 location-based greenhouse gas emissions; and our market-based emissions are those remaining after emissions factors from contractual instruments have been applied. Our energy providers retain, on our behalf, the Guarantees of Origin (GOs) and Renewable Energy Guarantee of Origin (REGOs). In addition, we offset our total gross emissions, including Scope 1, location-based Scope 2 and selected Scope 3 emissions, through the purchase of Voluntary Carbon Standard offsets. Our carbon emissions data and carbon intensity are subject to an annual independent assurance review, the results of which are published alongside our annual impact report. The 2020 carbon emissions data and carbon intensity have been independently assured by ERM CVS.

For our full basis of reporting, please see our website (https://www.skygroup.sky/documents-policies).

S172 Statement

Under section 172(1) of the Companies Act 2006 ("Section 172"), the Directors must act in a way that they consider, in good faith, would most likely promote the success of the Company for the benefit of its members as a whole and in doing so have regard (amongst other matters) to:

- The likely consequences of any decision in the long term.
- The interests of the Company's employees.
- The need to foster the Company's business relationships with suppliers, customers and others.
- The impact of the Company's operations on the community and the environment.
- The desirability of the Company maintaining a reputation for high standards of business conduct.
- The need to act fairly between members of the Company.

The Directors of the Company consider that they have discharged their duties under Section 172, considering the factors listed above in the decisions made during the year ended 31 December 2020.

Due to the range of stakeholders and the size of the Group, stakeholder engagement often takes place at an operational, territory or Group level for Sky Group as well as Comcast, rather than at an individual company level. Decisions made by the Directors consider the Group's strategic goals and follow Comcast's Code of Conduct. Key decisions made at the Company level include approving the annual financial statements and dividend distribution in board meetings, among others.

Our Employees

The Directors recognise that employees are central to our success. We celebrate diversity, equity and inclusion, and seek to have a workforce that is inclusive and reflective of the diversity of our customers and modern society. At Sky, we know it is crucial to listen to, and empower, employees in order to achieve our vision, which is why we have programmes such as the Sky Forum in the UK and Ireland to empower employees to raise questions, provide feedback and propose suggestions and give senior leaders the opportunity to better understand the needs of their people and make adjustments to Sky's policies and action plans. We communicate frequently with our employees, publishing relevant content about matters affecting our business and our people via the company intranet, and have sought feedback from our employees during the COVID-19 pandemic on how we could best support them.

The Company is committed to equal opportunities in employment and recruitment and promoting the diversity of our workforce in respect of, among others, disability, race, gender, age, sexual orientation, pregnancy, marital status or fixed or part time status. We aim to ensure a transparent, professional working environment where employees treat each other with respect and in which all employment-related decisions (from recruitment through to career development and progression) are based on the individual's qualifications, ability, performance, skills and potential. Applications for employment by anyone with a physical or mental impairment are always fully considered, bearing in mind the abilities of the applicant concerned. For members of staff with a disability or who become disabled during employment, every effort is made to ensure that their employment with the Group continues and that appropriate adjustments are considered and support provided, in line with our reasonable adjustment policy. In the event that a disabled employee is unable to continue in their current role after considering the adjustments available, we have a redeployment policy and process to provide support to help the employee secure an alternative role. It is the policy of the Group and the Company that the training, career development and promotion of disabled persons should, as far as possible, be equal to that of other employees.

Strategic and Directors' Report (continued)

Our Partners

As a part of the Comcast Group, we understand the need to foster relationships with suppliers and customers. We seek to build long-term relationships with them and help them succeed. A critical part of doing business is partnering with others, and we believe that partnerships are built on trust and mutual advantage. We interact honestly and with integrity in the marketplace and expect our business partners to do the same. The Group considers these relationships and the feedback received from engagement with our partners in their decision-making process.

Our Communities

As a part of the Comcast Group, a global media and technology company, we are committed to using the power of our platforms, our people, and our reach to create positive change and a more equitable society. By supporting local communities, our teammates, and our planet we can help create a world of open possibilities – so together, we can build a future that benefits generations to come. We are focusing our efforts in the following areas:

- *Digital Equity.* Helping people access the resources, skills, and tools they need to succeed in an increasingly digital world.
- *Diversity, Equity & Inclusion.* Creating a more diverse and equitable company and society.
- *Environment.* Shaping a more sustainable future by improving our environmental impact.
- *Values & Integrity.* Fostering a company culture built on integrity and respect. Our values and principles guide everything we do.

Members

The Company is a wholly owned subsidiary of Sky UK Limited and is part of the Sky Group. The duties of the Directors are exercised in a way that is most likely to promote the success of the Company and Sky as a whole, while having regard to factors outlined in Section 172.

Approved by the Board and signed on its behalf,

C Smith
Director

Sky Central
Grant Way
Isleworth
Middlesex
TW7 5QD

10 September 2021

Strategic and Directors' Report (continued)

Directors' Report

The Directors who served during the year are shown on page 1. During the year ended 31 December 2020 the Directors proposed no dividend (2019: £5m).

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 Director's 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 credit risk, liquidity risk, interest rate risk and foreign exchange 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 £3 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 they ought to have taken as a Director to make themself 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 December 2020.

Approved by the board and signed on its behalf,

C Smith
Director

Sky Central
Grant Way
Isleworth
Middlesex
TW7 5QD
10 September 2021

Statement of Directors' responsibilities

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) 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 these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards, comprising FRS 102, 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.

Auditors' report

Independent auditor's report to the members of NBC Universal Global Networks UK Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of NBC Universal Global Networks UK Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31st December 2020 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including UK GAAP including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the profit and loss account;
- the balance sheet;
- the statement of changes in equity; and
- the related notes 1 to 13.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

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.

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: 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 and internal audit about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory frameworks 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, pensions legislation 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 tax and IT specialists 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 revenue recognition, and we varied the nature, timing and extent of our procedures to address this risk, including procedures specifically designed to address the risk of fraud.

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 internal audit and in-house 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 and reviewing internal audit reports.

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
10 September 2021

Profit and Loss Account and Other Comprehensive Income

For the year ended 31 December 2020

	Note	**12 months to 31 December 2020 £'000**	18 months to 31 December 2019 £'000
Turnover	3	**28,301**	41,609
Cost of sales		**(30,075)**	(24,921)
Gross Loss		**(1,774)**	16,688
Administrative expenses		**(1,346)**	(8,052)
Operating Loss	4	**(3,120)**	8,636
Interest receivable		**146**	83
Interest payable and similar expenses		**-**	(1)
Loss before taxation		**(2,974)**	8,718
Tax	7	**19**	1,366
Loss for the financial year		**(2,955)**	10,084

For the year ended 31 December 2020, the Company did not have any other items of Comprehensive Income. Accordingly, no statement of other comprehensive income is presented.

The accompanying notes, on pages 16 to 23 form an integral part of the financial statements.

All results relate to continuing operations.

Balance Sheet

As at 31 December 2020

	Note	31 December 2020 £'000	31 December 2019 £'000
Fixed assets			
Intangible assets	8	**14,392**	23,650
Current assets			
Debtors	9	**27,073**	34,600
Cash at bank and in hand		**1,859**	455
Creditors: Amounts falling due within one year	10	**(15,770)**	(28,196)
Net current assets		**13,162**	6,859
Net assets		**27,554**	30,509
Capital and reserves			
Called up share capital	11	**25**	25
Share Premium Reserve		**19,224**	19,224
Profit and loss account		**8,305**	11,260
		27,554	30,509

The accompanying notes, on pages 16 to 23 form an integral part of the financial statements.

The financial statements of NBC Universal Global Networks UK Limited, registered number 03522943 were approved by the Board of Directors on 10 September 2021 and were signed on its behalf by:

C Smith
Director

10 September 2021

Statement of Changes in Equity

For the year ended 31 December 2020

	Share capital £'000	Share premium £'000	Retained earnings £'000	Total shareholder's equity £'000
At 1 January 2019	**25**	**19,224**	**6,176**	**25,425**
Profit for the year	-	-	10,084	10,084
Total comprehensive income for the year	**-**	**-**	**10,084**	**10,084**
Dividends	-	-	(5,000)	(5,000)
At 31 December 2019	**25**	**19,224**	**11,260**	**30,509**
Loss for the year	-	-	(2,955)	(2,955)
Total comprehensive income for the period	**-**	**-**	**(2,955)**	**(2,955)**
Dividends	-	-	-	-
At 31 December 2020	**25**	**19,224**	**8,305**	**27,554**

The accompanying notes are an integral part of the Statements of Changes in Equity.

Notes to the financial statements

For the year ended 31 December 2020

1. General Information

NBC Universal Global Networks UK Limited ("the Company") is a private limited liability company, limited by shares, incorporated in the United Kingdom, and registered in England and Wales. The address of the registered office is Sky Central, Grant Way, Isleworth, Middlesex, TW7 5QD and registered number is 03522943.

2. Significant accounting policies

a) Basis of accounting

The financial statements have been prepared on the historical cost basis and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council. The Company meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its financial statements. Exemptions have been taken in relation to financial instruments, presentation of a cash flow statement, intra-group transactions and remuneration of key management personnel.

The principal accounting policies adopted are set out below.

b) Going concern

The financial statements have been prepared using the going concern basis of accounting. For further details of the directors' assessment of the going concern basis of accounting please refer to the Directors' Report on page 7.

c) Turnover

Turnover represents amounts chargeable in respect of the sale of television channel distribution and advertising airtime to customers, and is recognised when the service has been delivered.

d) Foreign currencies

Transactions in foreign currencies are recognised at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences are recognised in profit or loss in the period in which they arise.

e) Taxation

UK corporation tax is provided at current 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 that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which carried forward tax losses can be offset and from which the future reversal of underlying timing differences can be deduced.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

2. Significant accounting policies (continued)

f) Intangible assets

Intangible assets comprise of programming and any associated subtitling and dubbing costs. These are capitalised at cost and are amortised in equal instalments over the period of the license. An impairment provision is made to write off the cost of the programmes and any associated subtitling and dubbing costs, where the programme is not planned to be transmitted during the remaining licensing period.

Other intangible assets comprise of software and have a finite useful life and are carried at cost less accumulated amortisation and any accumulated impairment losses.

g) Financial instruments

(i) Cash and cash equivalents

Cash and cash equivalents include cash in hand, bank accounts, deposits receivable on demand and deposits with maturity dates of three months or less from the date of inception. Bank overdrafts that are repayable on demand and which form an integral part of the Company's cash management are also included as a component of cash and cash equivalents, where offset conditions are met.

(ii) Debtors

Trade and other debtors are stated at their recoverable amount. A provision is made when the amount receivable is not considered recoverable and the full amount is written off when the probability for recovery of a balance is assessed as being remote.

(iii) Creditors

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

h) Critical accounting policies and judgement and key sources of estimation uncertainty

Certain accounting policies are considered to be critical to the Company. An accounting policy is considered to be critical if its selection or application materially affects the Company's financial position or results. The Directors are required to use their judgement in order to select and apply the Company's critical accounting policies.

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

(i) Turnover (see note 3)

- Selecting the appropriate timing for, and amount of, revenue to be recognised requires judgement. This may involve estimating the fair value of consideration before it is received.

(ii) Tax (see note 7)

- The Company's tax charge is the sum of the total current and deferred tax charges. The calculation of the Company's total tax charge necessarily involves a degree of estimation and judgement in respect of certain items whose tax treatment cannot be finally determined until resolution has been reached with the relevant tax authority or, as appropriate, through a formal legal process.

Accruals for tax contingencies require management to make judgements and estimates in relation to tax audit issues and exposures. Amounts accrued are based on management's interpretation of country-specific tax law and the likelihood of settlement. Tax benefits are not recognised unless it is probable that the tax positions will be sustained. Once considered to be probable, management reviews each material tax benefit to assess

2. Significant accounting policies (continued)

Critical accounting policies and judgement and key sources of estimation uncertainty (continued)

whether a provision should be taken against full recognition of the benefit on the basis of the likely resolution of the issue through negotiation and/or litigation.

The amounts recognised in the financial statements in respect of each matter are derived from the Company's best estimation and judgement, as described above. However, the inherent uncertainty regarding the outcome of these items means the eventual resolution could differ from the provision and in such event the Company would be required to make an adjustment in a subsequent period which could have a material impact on the Company's profit and loss and/or cash position.

(iii) Intangible assets and property, plant and equipment (see note 8)

- The assessment of the useful economic lives of these assets requires judgement. Depreciation and amortisation is charged to the income statement based on the useful economic life selected, which requires an estimation of the period and profile over which the Company expects to consume the future economic benefits embodied in the assets. The Company reviews its useful economic lives on at least an annual basis.
- Determining whether the carrying amount of these assets 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.

  Assessing whether assets meet the required criteria for initial capitalisation requires judgement. This requires a determination of whether the assets will result in future benefits to the Company. In particular, internally generated intangible assets must be assessed during the development phase to identify whether the Company has the ability and intention to complete the development successfully. No property, plant and equipment arrangements have been entered into as at the reporting date.

Key sources of estimation uncertainty

There are no areas identified for which there are major sources of estimation uncertainty at the reporting period end, that have a significant risk of causing a material adjustment to be made to the carrying value amounts of assets and liabilities within the next financial year.

By contrast, areas where estimation is applied primarily in the context of applying critical accounting policies and judgements, have been discussed in the preceding section above.

3. Turnover

	2020	2019
	£'000	£'000
Subscription Revenue	**38**	798
Wholesale and Syndication	**20,479**	30,835
Advertising Revenue	**7,784**	9,976
	28,301	41,609

An analysis of the Company's turnover by geographical market is set out below:

	2020	2019
	£'000	£'000
Turnover:		
United Kingdom	**26,823**	40,141
Other European Union Markets	**1,478**	1,468
	28,301	41,609

4. Profit on ordinary activities before taxation

Profit on ordinary activities before taxation has been arrived at after charging:

	2020	2019
	£'000	£'000
Amortisation	**21,671**	17,167
Impairment	**1,685**	164
Loss on Disposal	**(106)**	-
Foreign exchange losses / (gains)	**(148)**	36

5. Auditor's remuneration

Amounts paid to the auditor for the audit of the Company's annual accounts of £25,000 (2019: £25,000) were borne by another Group subsidiary in 2020 and 2019. No amounts for other services have been paid to the auditor.

6. Staff costs and directors' remuneration

In the current and prior year, the company had no employees except for directors. All of the directors received compensation which was borne by other Group companies in the current and prior period.

7. Taxation

The tax charge / (credit) comprises:

	2020	2019
	£'000	£'000
Current tax on profit on ordinary activities		
UK corporation tax	**-**	-
UK corporation tax adjusted to prior periods	**-**	(1,367)
Total current tax	**-**	(1,367)
Deferred tax: origination and reversal of temporary differences	**(18)**	1
Deferred tax: impact of change in tax rates	**(1)**	-
Total deferred tax	**(19)**	1
Total tax on profit on ordinary activities	**(19)**	(1,366)

The differences between the total tax charge shown above and the amount calculated by applying the standard rate of UK corporation tax 19% (2019- 19%) to profit before tax is as follows:

	2020	2019
	£'000	£'000
Profit on ordinary activities before tax	**(2,974)**	8,718
Corporation tax at standard rate	**(565)**	1,656
Deferred tax expense (credit) relating to changes in tax rates or laws	**(1)**	-
Group relief claimed for £nil consideration	**547**	(1,655)
Adjustment for prior periods	**-**	(1,367)
Total tax charge / (credit) for the year	**(19)**	(1,366)

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the periods in which they reverse. The rate enacted for the relevant periods of reversal is 19% (2019: 17%). On 3 March 2021, the Chancellor announced that the government will legislate to increase the corporation tax rate to 25% from 1 April 2023. This change has not been enacted or substantively enacted at the Statement of Financial Position date and is not therefore reflected in these financial statements. The impact of the rate change on the deferred tax balance is not expected to be material.

8. Intangible Assets

	Programming	Subtitles and dubbing costs	Other Intangible assets	Total
	£'000	£'000	£'000	£'000
Cost				
At 1 January 2020	62,976	199	288	63,463
Additions	14,204	-	-	14,204
Disposals	(39,387)	(199)	-	(39,586)
At 31 Dec 2020	**37,793**	**-**	**288**	**38,081**
Amortisation				
At 1 January 2020	39,432	93	288	39,813
Charge for the year	21,671	-	-	21,671
Amortisation eliminated on disposals	(39,387)	(93)	-	(39,480)
Impairment	1,685	-	-	1685
At 31 December 2020	**23,401**	**-**	**288**	**23,689**
Carrying amount				
At 31 December 2020	**14,392**	**-**	**-**	**14,392**
At 31 December 2019	23,544	106	-	23,650

9. Debtors

Amounts falling due within one year:	**2020**	2019
	£'000	£'000
Trade debtors	**98**	2,870
Amounts owed by group undertakings	**23,513**	20,727
Accrued Income	**2,702**	10,221
Other Receivables	**721**	762
Deferred tax asset	**25**	6
Other taxes and social security	**14**	14
	27,073	34,600

10. Creditors

Amounts falling due within one year:	**2020**	2019
	£'000	£'000
Trade creditors	**8,716**	13,139
Income Tax Liability	**697**	5,540
Accruals and deferred income	**3,028**	2,829
Amounts owed to group undertakings	**3,329**	6,688
	15,770	28,196

11. Share capital

	2020	2019
	£'000	£'000
Allotted, called-up and fully paid		
100,000 (2019: 100,000) ordinary shares of £0.25 (2019: £0.25) each	**25**	25

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

12. Transactions with related parties

Purchases of goods and services and from the Comcast Group

During the period, the Company purchased programming, technical and marketing services from the Comcast Group.

13. Ultimate parent undertaking

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

The Company is ultimately controlled by Comcast and operates together with Comcast's other subsidiaries, as a part of 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.