

NGC Overseas Holdings Limited

Annual Reports and Financial Statements

30 June 2015

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COMPANIES HOUSE

Directors

J Ford

J Koeppen

Auditors

Ernst & Young LLP

1 More London Place

London SE1 2AF

Bankers

Barclays Bank Plc

Soho Square Business Centre

8-9 Hanover Square

London W1A 42W

Registered Office

10 Hammersmith Grove

London W6 7AP

Registered No. 3554325

Strategic report

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

Principal activities and review of the business

The company principally acts as a parent undertaking and holding company. The subsidiary undertaking held by the company is listed in note 4 to the financial statements.

In their capacity as a holding company, NGC Overseas Holdings Limited received no dividend from their subsidiary. The profit for the year after taxation was £nil (2014 – profit of £978,000).

Key Performance Indicators

The director believes there are no key performance indicators for this company. The only income the company has is dividends from subsidiaries. It has no expenses. While a dividend was received in 2014, no income was received during the current year.

Principal risks and uncertainties

The directors do not believe that the company is exposed to any credit risk, cash flow risk, price risk, currency risk or liquidity risk. The company operates only as a holding company, and therefore does not face operating risks like a trading company. The company currently does not operate a bank account; however has sufficient access to cash to fund its activities.

On behalf of the Board



J Ford
Director

30 March 2016

Registered No. 3554325

Directors Report

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

Results and dividends

The profit for the year after taxation amounted to £nil (2014 – profit of £978,000). The directors do not recommend a final dividend (2014 – £nil).

Future developments -

The directors intend the activity of the company will continue for the foreseeable future.

Going Concern

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The directors have made their assessment after giving due consideration to the current economic climate and the continuing support of the shareholders

Directors

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

H Lopez

J Bond (resigned 18 September 2014)

J Koeppen (appointed 29 January 2015)

C Kim (appointed 18 September 2014, resigned 21 May 2015)

Subsequent to year end, on 12 August 2015, Hernan Lopez resigned as director and Jeffrey Ford was appointed a director on 11 August 2015.

Disclosure of information to the auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that they are obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditors

Ernst & Young LLP are deemed to be reappointed under section 487(2) of the Companies Act 2006.

On behalf of the Board



J Ford
Director
30 March 2016

Statement of directors' responsibilities

The directors are responsible for preparing the Strategic Report, 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 elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing 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 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 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.

Independent auditors' report

to the members of NGC Overseas Holdings Limited

We have audited the financial statements of NGC Overseas Holdings Limited for the year ended 30 June 2015 which comprise the Profit and Loss Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet and the related notes 1 to 8. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom 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 auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 4, 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

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Reports and Financial Statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2015 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

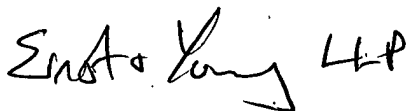
Independent auditors' report (Continued)

to the members of NGC Overseas Holdings Limited

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.

Handwritten signature of Philip Young in black ink.

Philip Young (Senior Statutory Auditor)
For and on behalf of Ernst & Young LLP (Statutory Auditor)
London

Date: 31/3/16

Profit and loss account

for the year ended 30 June 2015

	Notes	2015 £000	2014 £000
Dividend Income		—	979
Profit on ordinary activities before taxation	2	—	979
Tax	3	—	(1)
Profit for the financial year	6	—	978

All amounts relate to continuing activities.

Statement of total recognised gains and losses

for the year ended 30 June 2015

There are no recognised gains or losses other than the profit attributable to the shareholders of the company of £nil in the year ended 30 June 2015 (2014 – profit of £978,000).

Balance sheet

at 30 June 2015

	Notes	2015 £000	2014 £000
Non Current Assets			
Investments	4	—	—
Due from related parties: Amounts falling due after more than one year:		3,621	3,621
		<u>3,621</u>	<u>3,621</u>
Current liabilities			
Income tax payable		(1)	(1)
Total assets less current liabilities		<u>3,620</u>	<u>3,620</u>
Capital and reserves			
Called up share capital	5	—	—
Profit and loss account	6	3,620	3,620
Shareholders' funds	6	<u>3,620</u>	<u>3,620</u>

The financial statements of NGC Overseas Holdings Limited were approved by the Board of Directors and signed on its behalf by:



J Ford

Director

30 March 2016

Notes to the financial statements

at 30 June 2015

1. Accounting policies

Basis of preparation

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards in the United Kingdom (UK GAAP).

Going concern

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The directors have made their assessment after giving due consideration to the current economic climate and the continuing support of the shareholders.

Group financial statements

The company is exempt from the requirement to prepare group financial statements by virtue of section 401 of the Companies Act 2006. These financial statements therefore present information about the company as an individual undertaking.

Statement of cash flows

The company has taken advantage of the exemption under FRS 1 (revised) not to prepare a statement of cash flows as a subsidiary which is at least 90 % owned by the ultimate parent undertaking, which prepares a publicly available group financial statements.

Investments

Fixed asset investments are shown at cost less provision for impairment.

The carrying values of fixed asset investments are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

Dividends

Revenue is recognised when the company's right to receive payment is established.

Deferred taxation

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

- Provision is made for deferred taxation that would arise on remittance of the retained earnings of subsidiaries, associates and joint ventures only to the extent that, at the balance sheet date, dividends have been accrued as receivable.
- Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

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

2. Profit on ordinary activities before taxation

The audit fee amounting to £5,500 (2014 – £5,500) was borne by NGCE Limited. No amounts were paid to the auditors in respect of non-audit services (2014 – £nil).

In their capacity as a holding company, NGC Overseas Holdings Limited received a dividend of £nil from their subsidiary.

The company had no employees other than the directors and no director received any remuneration in respect of their qualifying services to the company, during the current or prior year.

Notes to the financial statements

at 30 June 2015

3. Tax

(a) Tax on profit on ordinary activities

The tax on profit is made up as follows:

	2015 £000	2014 £000
Current tax:		
Current year corporation tax	68	104
Double taxation relief	(68)	(103)
Adjustment in respect of prior years	–	–
Total current tax (note 3(b))	<u>–</u>	<u>1</u>

(b) Factors affecting tax on profit for the year

The tax assessed for the year differs from the standard rate of corporation tax in the UK of 20.75% (2014 – 22.5%). The differences are explained below:

	2015 £000	2014 £000
Profit on ordinary activities before tax	<u>–</u>	<u>979</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.75% (2014 – 22.5%)	–	220
Effects of:		
Non-taxable amounts	–	(219)
Adjustment in respect of prior years	–	–
Current tax for the year (note 3(a))	<u>–</u>	<u>1</u>

(c) Factors that may affect future tax charges

Following the UK Budget of 18 March 2015, it was announced that the main rate of corporation tax would reduce from 20% to 19% effective from 1 April 2017 and 18% effective from 1 April 2020. These changes were enacted in summer 2015.

4. Investments

The company has investments in the following subsidiary undertakings.

	Country of incorporation	Holding %
NGC Israel L.P.	Israel	90

Notes to the financial statements

at 30 June 2015

4. Investments (continued)

£2 was paid on incorporation of NGC Israel LP in exchange for the issue at par of nine ordinary shares giving a shareholding of 90%, although the economic interest held by the company is 99%.

NGC Israel LP was established and commenced operations in April 1999. NGC Israel LP is primarily engaged in the scheduling, marketing, promotion, transmission and distribution of National Geographic Channel and Adventure 1 Channel in Israel. During the year, NGC Overseas Holdings received dividend income of £nil. (2014 - £979,000)

	£
Cost:	
Net book value:	
At 30 June 2015	2
At 1 July 2014	2

5. Issued share capital

	2015		2014	
<i>Allotted, called up and fully paid</i>	<i>No.</i>	<i>£</i>	<i>No.</i>	<i>£</i>
Ordinary shares of £1 each	2	2	2	2

6. Reconciliation of shareholders' funds and movements on reserves

	<i>Share capital</i>	<i>Profit and loss account</i>	<i>Total share-holders' funds</i>
	<i>£000</i>	<i>£000</i>	<i>£000</i>
At 1 July 2013	–	2,642	2,642
Profit for the year	–	978	978
At 1 July 2014	–	3,620	3,620
Profit for the year	–	–	–
At 30 June 2015	–	3,620	3,620

7. Related party transactions

The company has taken advantage of the exemption afforded by FRS 8, 'Related Party Disclosures', not to disclose transactions between Group companies. There are no other related party transactions.

Notes to the financial statements

at 30 June 2015

8. Ultimate parent undertaking and controlling party

The company is 100% owned by NGC UK Holdings Company Limited.

NGC Overseas Holdings Limited is ultimately owned by Fox International Channels (US) Inc (52.2%, held through two subsidiaries), NGT Inc (26.8%) and Sky Ventures Limited (21%). Fox International Channels (US) Inc is owned by Twenty-First Century Fox Inc, a company incorporated in the United States of America.

The results of NGC Overseas Holdings Limited were consolidated in the group headed by Twenty-First Century Fox Inc, whose principal place of business is at 1211 Avenue of the Americas, New York, NY 10036. The group financial statements of this group are available to the public and may be obtained from 1 Virginia Street, London E98 1FN.