

# **NGC Overseas Holdings Limited**

## **Strategic Report, Directors' Report and Financial Statements**

30 June 2018

FRIDAY



\*L883PIWH\*

LD2

21/06/2019

#55

COMPANIES HOUSE

**Directors**

D Londono  
T Downing  
C McLeod  
J Koeppen  
N Patel

**Auditors**

Ernst & Young LLP  
1 More London Place  
London SE1 2AF

**Company Secretary**

Jordan Company Secretaries Limited  
First Floor  
Templeback  
10 Temple Back  
Bristol, BS1 6FL

**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 2018.

### 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 5 to the financial statements.

In its capacity as a holding company, NGC Overseas Holdings Limited received no dividend from its subsidiary (2017 - £nil). The profit for the year after taxation was £nil (2017 £nil).


### Key Performance Indicators

The directors believe there are no key performance indicators for this company. The only income the company has is its dividends from its subsidiary. It has no expenses.

### 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 the company has sufficient access to cash to fund its activities.

On behalf of the Board



T Downing  
Director

14 June 2019

Registered No. 3554325

## Directors' Report

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

### Results and dividends

The profit for the year after taxation amounted to £nil (2017 – nil). The directors do not recommend a final dividend (2017 – £nil).

### Future developments

The directors consider 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.

### Events after the Balance Sheet date

On 20 March 2019 The Walt Disney Company acquired the media and entertainment assets of Twenty-First Century Fox Inc, including NGC Overseas Holdings Limited. The acquisition had no impact on the financial position of the company as at 30 June 2018. The Directors consider that there will be no material change to the Company's strategy or operations as a result of the acquisition.

### Directors

The directors who served the company during the year, and subsequent to the year-end, were as follows:

T Downing, appointed 8 January 2018

C McLeod, appointed 19 April 2018

J Koeppen

D Londono

N Patel

J Ford, resigned 8 January 2018

### 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

  
T Downing  
Director

14 June 2019

---

## Statement of directors' responsibilities

The directors are responsible for preparing the Strategic Report and 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) including Financial Reporting Standard 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 estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NGC Overseas Holdings Limited**

## **Opinion**

We have audited the financial statements of NGC Overseas Holdings Limited for the year ended 30 June 2018 which comprise the Profit and Loss Account, the Balance Sheet, and the related notes 1 to 9, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 30 June 2018 and of its results for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## **Basis for opinion**

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

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

## **Conclusions relating to going concern**

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

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

# **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NGC Overseas Holdings Limited**

## **Other information**

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

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

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

We have nothing to report in this regard.

## **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

## **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement set out on page 4, 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.

# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NGC Overseas Holdings Limited

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.

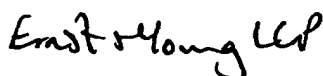
## **Auditor's responsibilities for the audit of the financial statements**

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 Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

## **Use of our report**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Neil Cullum (Senior statutory auditor)  
for and on behalf of Ernst & Young LLP, Statutory Auditor  
London

21 June 2019



## Statement of income and retained earnings

for the year ended 30 June 2018

	Notes	2018 £000	2017 £000
Income from investments	2	—	—
<b>Profit before tax</b>	3	—	—
Tax	4	—	—
<b>Profit for the financial year</b>		—	—
Retained earnings brought forward as at 1 July		3,620	3,620
<b>Retained earnings carried forward as at 30 June</b>		<u>3,620</u>	<u>3,620</u>

All amounts relate to continuing activities.

## Balance sheet

at 30 June 2018

	Notes	2018 £000	2017 £000
<b>Fixed Assets</b>			
Investments	5	–	–
		–	–
<b>Current Assets</b>			
Due from related parties: Amounts falling due after one year:		3,620	3,620
		3,620	3,620
<b>Net Assets</b>		3,620	3,620
<b>Capital and reserves</b>			
Called up share capital	6	–	–
Profit and loss account		3,620	3,620
<b>Equity Shareholders' funds</b>		3,620	3,620

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

  
T Downing  
Director

14 June 2019

## Notes to the financial statements

at 30 June 2018

### 1. Accounting policies

#### *Basis of preparation*

NGC Overseas Holdings Limited is a limited company incorporated in the United Kingdom. The registered office is 10 Hammersmith Grove, Hammersmith, London, W6 7AP.

The financial statements are prepared in compliance with FRS 102 as it applies to the financial statements of the Company for the year ended 30 June 2018. The financial statements are presented in pounds sterling, which is both the presentation and functional currency of the company. The amounts presented are rounded to £000.

#### *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 by virtue of section 401 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the company as an individual undertaking and not as a group. Note 8 gives details about the publicly available financial statements of the company's ultimate parent undertaking, in which the company and its subsidiary are consolidated.

#### *FRS 102 exemptions*

The company has taken advantage of the exemption under FRS 102 not to prepare a statement of cash flows or to disclose key management remuneration, as a subsidiary which is owned by the ultimate parent undertaking, which prepares publicly available group financial statements.

The following principal accounting policies have been applied:

#### *Investments*

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

The carrying values of fixed asset investments are required to be annually assessed for impairment.

#### *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.

## Notes to the financial statements

at 30 June 2018

### 1. Accounting policies (continued)

#### *Judgements and estimations*

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year.

There were no significant estimates or judgements made in the current period.

### 2. Income from Investments

	2018	2017
	£000	£000
Dividend income	-	-
Total investment income	-	-

### 3. Profit before taxation

The audit fee was borne by NGC Europe Limited. No amounts were paid to the auditors in respect of non-audit services (2017 – £nil).

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

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

## Notes to the financial statements

at 30 June 2018

### 4. Tax

#### (a) Tax on profit

The tax on profit is made up as follows:

	2018 £000	2017 £000
<b>Current tax:</b>		
Current year corporation tax	52	68
Double taxation relief	(52)	(68)
Total current tax (note 4(b))	-	-

The taxable profit relates to the company's 99% partnership share of profits in NGC Israel Partnership Limited

#### (b) Factors affecting tax on profit for the year

The standard rate of corporation tax in the year to 30 June 2017 was a blended rate as the accounting period spanned two tax years with different standard corporation tax rates. This does not apply in the year to 30 June 2018. The differences are explained below:

	2018 £000	2017 £000
Profit on ordinary activities before tax	-	-
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2017 – 19%)	-	-
<b>Effects of:</b>		
Non-taxable amounts	-	-
Adjustment in respect of prior years	-	-
Current tax for the year (note 4(a))	-	-

#### (c) Factors that may affect future tax charges

The Finance Act 2016 included a 1% reduction to the main UK corporation tax rate to 17%. This was substantively enacted on 15th September 2016. Accordingly, this rate has been taken into account in calculating the company's deferred tax balances which are measured at the rate in force when the balances are expected to reverse. There has been no further indication of additional changes to the rate of corporation tax from 17%.

## Notes to the financial statements

at 30 June 2018

### 5. Investments

The company has investments in the following subsidiary undertaking.

	<i>Country of incorporation</i>	<i>Holding %</i>
NGC Israel Limited Partnership	Israel	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 (2017 - £nil).

	£
Cost and net book value:	
At 30 June 2018	2
At 1 July 2017	2

### 6. Issued share capital

	2018		2017	
<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

### 7. Related party transactions

The company acts as a holding company and receives income from its investments. There were no transactions with related parties during the year.

#### Entities with control over the Company

The balances with entities with control over the Company, at 30 June 2018 and 2017 are set out below:

	2018	2017
	£000	£000
Receivables	1,277,000	1,277,000
Payables	-	-

## Notes to the financial statements

at 30 June 2018

### 7. Related party transactions (continued)

#### Entities over which the Company has control

The company owns 99% of NGC Israel Limited Partnership, however there were no transactions between the company and this entity during the year and there were no outstanding balances at 30 June 2018 (2017: nil).

#### Other related parties within the Twenty-First Century Fox group

The balances with other related parties in the group at 30 June 2018 and 2017 are set out below:

	2018	2017
	£000	£000
Receivables	2,343,000	2,343,000
Payables	-	-

### 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 Entertainment Group, Inc (FEG) (73%), held through two subsidiaries and NGSP, Inc (27%). Fox Entertainment Group, Inc (FEG) is wholly owned by Twenty-First Century Fox Inc, a company incorporated in the United States of America.

The results of NGC UK Holdings Company 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. Twenty-First Century Fox Inc, is the parent undertaking of the largest and smallest group in which the company is consolidated. The group financial statements of this group are available to the public and may be obtained from 1 Virginia Street, London E98 1FN.

### 9. Events after the Balance Sheet date

On 20 March 2019 The Walt Disney Company acquired the media and entertainment assets of Twenty-First Century Fox Inc, including NGC Overseas Holdings Limited. The acquisition had no impact on the financial position of the company as at 30 June 2018. The Directors consider that there will be no material change to the Company's strategy or operations as a result of the acquisition.