

Viacom Global Limited

(Registered Number 04056282)

Directors' report and financial statements for the year ended 30 September 2013



Viacom Global Limited

Directors' report and financial statements for the year ended 30 September 2013

Company information

Directors	J R Currell D M Mandil C D'Alimonte
Company secretaries	FFW Secretaries Limited
Company number	04056282
Registered office	35 Vine Street London EC3N 2AA
Independent auditors	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors 1 Embankment Place London WC2N 6RH
Business address	UK House 180 Oxford Street London W1D 1NN

Viacom Global Limited

Directors' report and financial statements for the year ended 30 September 2013

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Directors' Report for the year ended 30 September 2013

The directors present the directors' report and the audited financial statements of Viacom Global Limited (the "Company") for the year ended 30 September 2013

Principal activities

The principal activities of the Company are the provision of legal, human resource, internal audit and government relations services to fellow group undertakings. All administrative expenses incurred, except net foreign currency losses, are recharged to a fellow group undertaking at cost plus 8%. The Company will continue to provide these services for the foreseeable future.

Results and dividends

The profit for the financial year ended 30 September 2013 was £192,081 (2012: £124,829). The directors do not recommend the payment of dividends during the year (2012: £nil).

Directors

The directors listed below held office during the year and up to the date of signing of the financial statements:

J R Currell	
D M Mandil	(Appointed 1 October 2012)
C D'Alimonte	(Appointed 1 May 2013)
W Hill Edgar	(Resigned 30 September 2012)

None of the directors who served during the year had any interest in the shares of the Company.

Key Performance Indicators

Given the straightforward nature of the business, the Company's directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business.

Principal risks and uncertainties

The principal risks and uncertainties of the Company are integrated with those of Viacom Inc. and are not managed separately. The principal risks and uncertainties of Viacom Inc., which include those of the Company, are discussed in Viacom Inc.'s annual report which does not form part of this report.

Qualifying third party indemnity

The Company has granted qualifying third party indemnity in favour of its directors and officers against the financial exposure that they may incur in the course of their professional duties as directors and officers of the Company. This qualifying third party indemnity was in force during the financial year and also at the date of approval of the financial statements.

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Directors' Report for the year ended 30 September 2013 (continued)

Statement of directors' responsibilities

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 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 judgements and accounting estimates that are reasonable and prudent,
- 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.

Statement of disclosure to auditors

Each of the persons who is director at the date of approval of this report confirms that

- so far as that director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- they have taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the Company's auditors in connection with preparing their report and to establish that the Company's auditors are aware of that information

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006

Independent auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office. An elective resolution has been passed dispensing with the need to reappoint auditors annually.

This report has been prepared in accordance with the special provisions relating to small companies within part 15 of the Companies Act 2006.

On behalf of the Board



J R Currell
Director

19 December 2013

Viacom Global Limited

Independent Auditors' Report to the Members of Viacom Global Limited

We have audited the financial statements of Viacom Global Limited for the year ended 30 September 2013 which comprises the Profit and loss account, the Balance sheet and the related notes. 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).

Respective responsibilities of directors and auditors

As explained more fully in the Statement of directors' responsibilities set out on page 3 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 Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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 Directors' report 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 September 2013 and of its profit 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

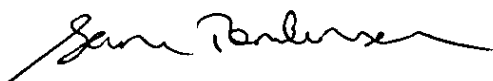
Viacom Global Limited

Independent Auditors' Report to the Members of Viacom Global Limited (continued)

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 take advantage of the small companies' exemption in preparing the Directors' Report



Samuel Tomlinson (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

19 December 2013

Viacom Global Limited

Profit and Loss account for the year ended 30 September 2013

	<i>Note</i>	2013 £	2012 £
Turnover	3	1,387,449	1,528,833
Administrative expenses		(1,290,080)	(1,483,002)
Operating profit		97,369	45,831
Interest receivable and similar income	6	251,401	139,240
Interest payable and similar charges	7	(100,370)	(18,967)
Profit on ordinary activities before taxation	4	248,400	166,104
Tax on profit on ordinary activities	9	(56,319)	(41,275)
Profit for the financial year	14	192,081	124,829

The results relate wholly to continuing activities

The Company has no recognised gains and losses other than those included in the profits above and therefore no separate statement of total recognised gains and losses has been presented

There is no material difference between the profit on ordinary activities before taxation and the profit for the financial year stated above, and their historical cost equivalents

The notes on pages 8 - 17 form part of the financial statements

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Balance sheet as at 30 September 2013

	Note	2013 £	2012 £
Current assets			
Debtors	10	356,529	413,900
Cash at bank and in hand		16,023,171	55,387,156
		<u>16,379,700</u>	<u>55,801,056</u>
Creditors amounts falling due within one year	11	(15,399,886)	(55,037,378)
Net current assets		<u>979,814</u>	<u>763,678</u>
Net assets		<u>979,814</u>	<u>763,678</u>
Capital and reserves			
Called up share capital	12	1	1
Profit and Loss account	14	979,813	763,677
Total shareholders' funds	13	<u>979,814</u>	<u>763,678</u>

The financial statements on pages 6 to 17 were approved by the board of directors on 19 December 2013 and were signed on its behalf by



J R Currell
Director

Viacom Global Limited

Notes to the financial statements for the year ended 30 September 2013

1 Principal accounting policies

A summary of principal accounting policies, all of which have been applied consistently throughout the year and preceding year, is set out below

(a) Basis of preparation of financial statements

These financial statements are prepared on the going concern basis, under the historical cost convention and in accordance with Companies Act 2006 and applicable accounting standards in the UK

(b) Taxation

Current tax is based on the results for the year

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 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 to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted

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 or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis

(c) Foreign currency

Transactions in foreign currencies are recorded at the rates of exchange ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Non-monetary assets are translated at historical rates. Differences on exchange are taken to the Profit and Loss account

(d) Pension costs

The Company provides pensions to eligible employees through the Viacom UK Retirement Savings Plan, which is a defined contribution plan. The assets of the plan are held independently of the Viacom Group. The amount charged to the Profit and Loss account is based on the contributions payable for the year

(e) Turnover

Turnover, which excludes value added tax, represents the value of all costs and expenses incurred in the year (excluding foreign currency losses) which are recharged to a fellow group undertaking at cost plus 8%

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Notes to the financial statements for the year ended 30 September 2013 (continued)

(f) Share based compensation

Employee share schemes

Equity-settled share-based payments are measured at fair value at the date of grant. The fair value determined at the grant date is expensed to the profit and loss account on a straight line basis over the vesting period, based on the Company's estimate of the number of shares that will vest. A corresponding amount is recorded as a credit to the profit and loss account reserve each year.

Fair value is measured using methods appropriate to each of the different schemes as follows:

Stock options	Black-Scholes
Restricted Share Units	Market value at grant date

The Company has taken advantage of the transitional provisions of FRS 20, "Share-based payments", in respect of equity-settled awards and has applied FRS 20 only to equity-settled awards granted after 7 November 2002, that were unvested at 1 January 2006.

2 Cash flow statement and related party disclosures

The Company is a wholly-owned subsidiary of Viacom Caledonia LP and is included in the consolidated financial statements of its ultimate parent undertaking Viacom Inc., which are publicly available. Consequently, the Company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS 1 "Cash Flow Statements". The Company is also exempt under the terms of FRS 8 "Related Party Disclosures" from disclosing related party transactions with entities that are part of the Viacom Inc. group or investees of the Viacom Inc. group.

3 Turnover

All of the Company's turnover arose solely from the provision of legal, human resources, internal audit and government relations services in the United Kingdom.

4 Profit on ordinary activities before taxation

Profit on ordinary activities before taxation is stated after charging

	2013 £	2012 £
Wages and salaries (note 5)	369,038	491,574
Social security costs (note 5)	56,035	68,043
Other pension costs (note 5)	25,083	35,153
Share based compensation (note 5)	24,055	23,075
Net foreign currency (profit)/loss	(452)	67,419
Auditors' remuneration - audit fees	10,730	10,730

Audit fees of £9,000 were borne on behalf of another group entity and not recharged.

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Notes to the financial statements for the year ended 30 September 2013 (continued)

5 Staff costs

The average number of persons employed by the Company during the year was 6 (2012 7)

Particulars of employees, including executive directors, are as shown below

	2013 £	2012 £
Wages and salaries	369,038	491,574
Social security costs	56,035	68,043
Other pension costs	25,083	35,153
Share based compensation	24,055	23,075
	<hr/> 474,211	<hr/> 617,845

Directors' emoluments

No director received any emoluments in respect of their services to the Company

6 Interest receivable and similar income

	2013 £	2012 £
Bank interest	251,401	139,240
	<hr/> 251,401	<hr/> 139,240

7 Interest payable and similar charges

	2013 £	2012 £
Bank interest	100,370	18,967
	<hr/> 100,370	<hr/> 18,967

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Notes to the financial statements for the year ended 30 September 2013 (continued)

8 Share based payments

As a subsidiary of Viacom Inc, the Company participates in a number of the group's employee share schemes under which it makes equity-settled share based awards in Viacom Inc shares to certain employees. The Compensation Committee to the Board of Directors of Viacom approves all equity awards. These are described in the Annual Report and Accounts of Viacom Inc. There were no other share-based payment transactions during the year.

Stock option plans

Stock options are granted with an exercise price equal to the market price at date of grant. Stock options generally vest rateably over a four-year period from the date of grant and expire eight to ten years after the date of grant. The fair value of each option grant is estimated on the date of grant using the Black-Scholes option-pricing model. For options granted during 2006 (there were no options granted from 2007-2013), the determination of volatility is principally based upon implied volatilities from traded options. The expected term, representing the period of time that options granted are expected to be outstanding, is estimated using a lattice-based model incorporating historical post vest exercise and employee termination behaviour. The risk-free rate assumed in valuing the options is based on the U.S. Treasury Yield curve in effect applied against the expected term of the option at the time of the grant.

No performance conditions were included in the fair value calculations. Early exercise has been taken into account by estimating the expected life of the options. As allowed by FRS 20, only options granted since 7 November 2002 which were unvested at 1 January 2006 have been valued.

For purposes of disclosure the exercise price and share price at the various grant dates have been translated using the exchange rate ruling at each grant date.

Grant Date	24/05/2006
Exercise price (£)	19.61
Share Price at grant date (£)	19.61
Number of options originally granted	6,300
Vesting Period (yrs)	4
Expected Volatility (%)	24.37
Contractual Option Life (yrs)	8
Expected Life (yrs)	4.57
Risk Free Rate (%)	4.98
Expected dividend yield (%)	0
Expected forfeitures (%)	4
Fair Value per Option (£)	5.90

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Notes to the financial statements for the year ended 30 September 2013 (continued)

8 Share based payments (continued)

Details of the stock options plan granted to employees of the Company since 7 November 2002, converted at the closing rate of £1 US\$1 62 (2012 £1 US\$1 63)

	30 September 2013		30 September 2012	
	Number	Weighted average exercise price £	Number	Weighted average exercise price £
Outstanding at start of year	-	-	7 878	31 52
Granted	-	-	-	-
Exercised	-	-	-	-
Forfeited or cancelled ⁽¹⁾	-	-	(7,878)	30 25
Outstanding at end of year	-	-	-	-
Exercisable at end of year	-	-	-	-

⁽¹⁾ Includes cancellations for employees who transferred out of the company in 2012

There were no options outstanding at 30 September 2013 and 2012

The charge to the Profit and Loss account in the year in relation to the stock option plan awards held by employees of the Company was £nil (2012 £nil)

Restricted Share Units

Restricted Share Units ("RSUs") typically vest ratably over a four-year period from the date of the grant. The grant date fair value for RSUs is the underlying share price on the date of grant. No performance conditions were included in the fair value calculations.

Presented below is a summary of the fair values at each grant date. For purposes of disclosure the exercise price and share price at the various grant dates have been translated using the exchange rate ruling at each grant date.

Award Date	03/06/2009	08/06/2010	25/05/2011	25/05/2012	22/05/2013
Share Price at award date (£)	13 64	22 42	30 89	29 97	45 94
Award price (£)	13 64	22 42	30 89	29 97	45 94
Number of units awarded	5,090	3,206	2,462	1,184	536
Fair Value per unit (£)	13 64	22 42	30 89	29 97	45 94

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Notes to the financial statements for the year ended 30 September 2013 (continued)

8 Share based payments (continued)

The table below summarises the activity in relation to RSUs, converted at a closing rate of £1 US\$1.62 (2012 £1 US\$1.63)

	30 September 2013		30 September 2012	
	Number of shares underlying RSUs	Weighted average grant date fair value £	Number of shares underlying RSUs	Weighted average grant date fair value £
Nonvested at start of year	2,333	24.57	7,861	22.66
Granted	536	43.04	1,184	29.04
Vested	(1,081)	21.34	(1,075)	20.64
Forfeited ⁽¹⁾	-	-	(5,637)	22.32
Nonvested at end of year	1,788	32.25	2,333	24.57

⁽¹⁾ Includes cancellations for employees who transferred out of the company in 2012

The charge to the profit and loss account in the year in relation to RSU awards held by employees of the Company was £24,055 (2012 £23,075). Dividend equivalents paid on vested shares during the year was £1,597.

9 Tax on profit on ordinary activities

	2013 £	2012 £
Current Tax		
UK corporation tax on profit for the year at 23.5% (2012 25%)	54,000	40,000
Adjustment for prior years	319	275
Total current year tax charge	54,319	40,275
Deferred tax		
Origination and reversal of timing difference	2,000	1,000
Effect of decreased tax rate on opening asset	-	-
Total deferred tax debit/(credit)	2,000	1,000
Tax on profit on ordinary activities	56,319	41,275

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Notes to the financial statements for the year ended 30 September 2013 (continued)

9 Tax on profit on ordinary activities (continued)

The standard rate of current tax for the year, based on the UK standard rate of corporation tax is 23.50% (2012: 25%). The current tax charge for the year differs from the standard rate for the reasons in the reconciliation below

	2013 £	2012 £
Profit on ordinary activities before tax	248,400	166,104
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 23.5% (2012: 25%)	58,374	41,526
Expenses not deductible for tax purposes	2,501	1,016
Tax benefit of additional specific tax relief	(5,875)	(2,375)
Capital allowances for period in excess of depreciation	(1,000)	(167)
Adjustment for prior years	319	275
Current tax charge for the year	54,319	40,275

The standard rate of corporation tax in the UK changed from 24% to 23% with effect from 1 April 2013. Accordingly, the company profits for this accounting period are taxed at an effective rate of 23.5%. Further reductions to 21% (effective from 1 April 2014) and 20% (effective 1 April 2015) were substantially enacted by Parliament that received Royal Assent on 17 July 2013.

The elements of deferred taxation are as follows

	2013 £	2012 £
Share based payments	(5,000)	(5,000)
Accelerated capital allowances	-	(1,000)
Deferred tax (asset)	(5,000)	(6,000)
Deferred tax (asset)		
Opening balance	(6,000)	(7,000)
Debited/(credited) to Profit and Loss account	2,000	1,000
	(4,000)	(6,000)

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Notes to the financial statements for the year ended 30 September 2013 (continued)

10 Debtors

	2013 £	2012 £
Amounts owed by group undertakings	304,763	358,640
VAT recoverable	47,766	49,260
Deferred tax asset	4,000	6,000
	356,529	413,900

Amounts owed by group companies are unsecured, interest free and repayable on demand

11 Creditors: amounts falling due within one year

	2013 £	2012 £
Bank overdraft	15,226,460	54,531,595
Amounts owed to group undertakings	-	298,184
Taxation and social security	53,119	53,275
Accruals and deferred income	120,307	154,324
	15,399,886	55,037,378

Amounts owed to group companies are unsecured, interest free and repayable on demand

12 Called up share capital

	2013 £	2012 £
Authorised		
100 (2012 100) ordinary shares of £1	100	100
Allotted, called up and fully paid	1	1

13 Reconciliation of movements in total shareholders' funds

	2013 £	2012 £
Opening shareholders' funds	763,678	615,774
Profit/(Loss) for the financial year	192,081	124,829
Share based payments charge	24,055	23,075
Closing shareholders' funds	979,814	763,678

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Notes to the financial statements for the year ended 30 September 2013 (continued)

14 Profit and loss account

	Profit and Loss account £
1 October 2012	763,677
Retained profit for the financial year	192,081
Share based payments charge	24,055
At 30 September 2013	979,813

15 Contingent liabilities

JPMorgan Chase pool

The company has entered into a cash pooling agreement with respect to its Sterling denominated bank account held with JPMorgan Chase. This arrangement includes a joint & several right of set off that allows JPMorgan Chase, under certain circumstances, to offset negative account balances with positive account balances of participating cash pool members who have entered into the agreement. The JPMorgan Chase cash pooling agreement allows for overdraft positions of the participants across the pool (guaranteed by Viacom Inc). The JPMorgan Chase cash pooling agreement allows for maximum gross overdraft positions of participants of \$135m across three cash pools (GBP, EUR and USD). The Company participates in the JPMorgan Chase GBP cash pool. At the balance sheet date, funds deposited by the Company into the cash pool and potentially at risk to cover liabilities elsewhere in the group amounted to £nil (2012 £nil). Funds drawn by the Company within the JPMorgan Chase bank account amounted to £15,226,460 (2012 54,531,595).

During the year, the Company closed its cash pooling agreement with Lloyds TSB with respect to its sterling denominated bank account held with the bank. At 30 September 2012, funds deposited by the Company into the cash pool, potentially at risk to cover liabilities elsewhere in the group amounted to £55,397,156. Funds drawn by the Company amounted to £nil.

16 Pension commitments

The Company contributes to a defined contributions pension scheme on behalf of its employees. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents the contributions payable to the fund in the year. No contributions were outstanding at the balance sheet date.

The cost of contributions to the defined contributions pension scheme amount to £25,083 (2012 £35,153).

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Notes to the financial statements for the year ended 30 September 2013 (continued)

17 Ultimate parent undertaking

The immediate parent undertaking is Viacom Caledonia LP, a limited partnership registered in Scotland in the United Kingdom

The ultimate controlling party is National Amusements Inc, a company incorporated in the United States of America

Viacom Inc is the parent undertaking of the largest group of undertakings to consolidate these financial statements at 30 September 2013. The consolidated financial statements of Viacom Inc are available from 1515 Broadway, New York, 10036, USA