

# CYMRU INTERNATIONAL LIMITED

Annual report and financial statements  
For the year ended 30 June 2017

Registered number: 05536376



## Directors and Officers

For the year ended 30 June 2017

### **Directors**

Cymru International Limited's ("the Company") present Directors and those who served during the year are as follows:

C J Taylor

C R Jones

K Holmes (appointed 21 October 2016)

### **Company Secretary**

C J Taylor

### **Registered office**

Grant Way

Isleworth

Middlesex

TW7 5QD

### **Statutory Auditor**

Deloitte LLP

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 30 June 2017.

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 is a wholly owned subsidiary of Parthenon Entertainment Limited (the immediate parent company). The ultimate parent company is Sky plc ("Sky") and operates together with Sky's other subsidiaries, as part of the Sky Group ("the Group").

The principal activities of the Company continued to be that of the marketing and distribution of television programmes.

There have not been any significant changes in the Company's activities in the year under review. The Directors are not aware, at the date of this report, of any likely major changes in the Company's activities in the next year.

The audited accounts for the year ended 30 June 2017 are set out on pages 9 to 18. The Directors consider revenue and operating profit to be key performance indicators of the Company. Revenue for the year ended 30 June 2017 was £103,356 (2016: £48,436) and the profit before taxation was £11,453 (2016: £2,939). Revenue has increased due to a one off sale of catalogue rights of £46k. This additional revenue has resulted in increased profit.

## **Key performance indicators (KPIs)**

The Group manages its operations on a divisional basis and the KPIs used are as reported in the Group Annual Report. 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, and liquidity risk. The Directors do not believe the Company is exposed to significant cash flow risk, price risk, interest rate risk or foreign exchange risk.

## **Financial risk management objectives and policies**

The use of financial derivatives is governed by the Group's treasury policy approved by the Board of Directors, which provide written principles on the use of financial derivatives to manage these risks. 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.

## Strategic and Directors' Report (continued)

### **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 Group currently has access to a £1 billion revolving credit facility which is due to expire on 30 November 2021. The Company benefits from this liquidity through intra-group facilities and loans.

By Order of the Board,

K Holmes  
Director

Grant Way  
Isleworth  
Middlesex  
TW7 5QD

A handwritten signature in black ink, appearing to be 'K Holmes', written over a light blue horizontal line.

14 March 2018

## Strategic and Directors' Report (continued)

### Directors' Report

The Directors who served during the year are shown on page 1. The Directors do not recommend a dividend for the year ended 30 June 2017 (2016: £nil).

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 Directors' 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 and liquidity risk.

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 he/she ought to have taken as a Director to make himself/ herself 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 14 March 2018.

By Order of the Board,

K Holmes  
Director

Grant Way  
Isleworth  
Middlesex  
TW7 5QD



14 March 2018

## Directors' responsibilities statement

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 101 "Reduced Disclosure Framework". 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;
- 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.

# Auditor's report

## Independent Auditor's report to the members of Cymru International Limited

### Report on the audit of the financial statements

#### Opinion

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Cymru International Limited (the 'company') which comprise:

- the Profit and Loss account;
- the Balance Sheet;
- the Statement of Changes in Equity and;
- the related notes 1 to 15.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework (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 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 are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in 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.

We have nothing to report in respect of these matters.

#### Other information

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

## Auditor's report (continued)

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 this other information, we are required to report that fact.

We have nothing to report in respect of these matters.

### **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 Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://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.



## Auditor's report (continued)

### 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.



Jon Young (Senior Statutory Auditor)

For and on behalf of Deloitte LLP

Statutory Auditor

London, United Kingdom

14 March 2018

## Profit and Loss Account

For the year ended 30 June 2017

	Notes	2017 £	2016 £
<b>Turnover</b>	3	<b>103,356</b>	48,436
Administrative expenses	4	<b>(91,903)</b>	(45,497)
<b>Profit on ordinary activities before taxation</b>	5	<b>11,453</b>	2,939
Tax on profit on ordinary activities	7	<b>(1,112)</b>	1,112
<b>Profit for the financial year</b>		<b>10,341</b>	4,051

All results are derived from continuing operations.

The accompanying notes on pages 12 to 18 are an integral part of these financial statements.

For the years ended 30 June 2017 and 30 June 2016, the Company did not have any other items of Comprehensive Income. Accordingly, no separate Statement of Comprehensive Income is presented.

# Balance Sheet

As at 30 June 2017

	Notes	2017 £	2016 £
<b>Current assets</b>			
Trade and other receivables	8	<b>431,003</b>	378,293
Deferred tax asset	9	-	1,112
<b>Total Current Assets</b>		<b>431,003</b>	379,405
<b>Current liabilities</b>			
Trade and other payables: Amounts falling due within one year	10	<b>(134,123)</b>	(92,866)
<b>Net Current Assets</b>		<b>296,880</b>	286,539
<b>Capital and reserves</b>			
Called up share capital	11	<b>2</b>	2
Profit and loss account	12	<b>296,878</b>	286,537
<b>Total shareholders' funds</b>		<b>296,880</b>	286,539

The accompanying notes on pages 12 to 18 are an integral part of these financial statements.

The financial statements of Cymru International Limited, registered number 05536376 were approved by the Board of Directors on 14 March 2018 and were signed on its behalf by:



C R Jones

Director,

14 March 2018

## Statement of Changes in Equity

For the year ended 30 June 2017

	Share capital £'000	Profit and loss account £'000	Total £'000
<b>Balance at 1 July 2015</b>	<b>2</b>	<b>282,486</b>	<b>282,488</b>
Profit for the period		4,051	4,051
<b>Total comprehensive income for the period</b>		<b>4,051</b>	<b>4,051</b>
<b>Balance at 30 June 2016</b>	<b>2</b>	<b>286,537</b>	<b>286,539</b>
Profit for the period		10,341	10,341
<b>Total comprehensive income for the period</b>		<b>10,341</b>	<b>10,341</b>
<b>Balance at 30 June 2017</b>	<b>2</b>	<b>296,878</b>	<b>296,880</b>

## Notes to the financial statements

### 1. General information

Cymru International Limited (the "Company") is a private company limited by shares incorporated in the United Kingdom and registered in England and Wales under the Companies Act 2006. The address of the registered office is given on page 1. The nature of the Company's operations and its principal activities are set out in the Strategic Report on pages 2 to 4.

These financial statements are presented in pounds sterling because that is the currency of the primary economic environment in which the Company operates.

The Company has applied Financial Reporting Standard 101 'Reduced Disclosure Framework' (FRS 101) issued by the Financial Reporting Council (FRC) incorporating the Amendments to FRS 101 issued by the FRC in July 2015 other than those relating to legal changes and has not applied the amendments to Company law made by The Companies, Partnerships and Groups (Accounts and Reports) Regulations 2015 that are effective for accounting periods beginning on or after 1 January 2016.

### 2. Significant Accounting policies

#### Basis of accounting

As permitted by FRS 101, the Company has taken advantage of all relevant disclosure exemptions available under that standard in relation to business combinations, financial instruments, presentation of comparative information in respect of certain assets, presentation of a cash-flow statement, impairment of assets and related party transactions.

Where relevant, equivalent disclosures have been given in the group accounts of Sky. The group accounts of Sky are available to the public and can be obtained as set out in note 14.

The financial statements have been prepared on the historical cost basis, as described in the accounting policies below. The Company has adopted the new accounting pronouncements which became effective this year, none of which had a material impact on the Company's results or financial position.

The Company maintains a 52 or 53 week fiscal year ending on the Sunday nearest to 30 June in each year. In fiscal year 2017, this date was 2 July 2017 this being a 52 week year (fiscal year 2016: 3 July 2016, 53 week year). For convenience purposes, the Company continues to date its financial statements as at 30 June. The Company has classified assets and liabilities as current when they are expected to be realised in, or intended for sale or consumption in, the normal operating cycle of the Company.

The principal accounting policies adopted are set out below.

#### 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 4.

## Notes to the financial statements (continued)

### 2. Significant Accounting policies (continued)

#### Revenue recognition

Revenue represents amounts receivable for marketing and distribution of television programmes net of VAT.

Turnover from the distribution of programmes is recognised when a contract has been executed by both the Company and licensee and the relevant programmes have been delivered to the broadcaster. Distribution revenue from programmes or formats distributed by third parties and other ancillary revenues are recognised once the Company has been notified of the sums due to it. Any fees received in advance, which do not meet all the above criteria, are included in deferred income until the above criteria are met.

#### Tax

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.

#### Foreign currencies

Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating result.

#### Trade and Other receivables

Trade and other receivables are non-derivative financial assets with fixed or determinable payments and, where no stated interest rate is applicable, are measured at the original invoice amount. Where discounting is material, trade and other receivables are measured at amortised cost using the effective interest method. An allowance account is maintained to reduce the carrying value of trade and other receivables for impairment losses identified from objective evidence, with movements in the allowance account, either from increased impairment losses or reversals of impairment losses, being recognised in the Profit and Loss Account.

#### Trade and Other Payables

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

## Notes to the financial statements (continued)

### 2. Significant Accounting policies (continued)

#### Accounting Standards, interpretations and amendments to existing standards that are not yet effective

The Company has not yet adopted certain new standards, amendments and interpretations to existing standards, which have been published but are only effective for accounting periods beginning on or after 1 July 2017.

These new pronouncements are listed below:

Amendments to IAS 7 '*Disclosure Initiative*' (effective 1 January 2017)\*

Amendments to IAS 12 '*Recognition of Deferred Tax Assets for Unrealised Losses*' (effective 1 January 2017)\*

IFRS 15 '*Revenue from Contracts with Customers*' (effective 1 January 2018)

\* not yet endorsed for use in the EU"

#### Critical accounting judgements 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.

#### Amendments to IFRSs and the new Interpretation that are mandatorily effective for the current year

In the current year, the Company has applied a number of amendments to IFRSs issued by the International Accounting Standards Board (IASB) that are mandatorily effective for an accounting period that begins on or after 1 January 2016. Their adoption has not had any material impact on the disclosures or in the amounts reported in these financial statements.

Amendments to IAS 1 <i>Disclosure initiative</i>	<p>The Company has adopted the amendments to IAS 1 Disclosure Initiative for the first time in the current year. The amendments clarify that the entity need not provide a specific disclosure required by an IFRS if the information resulting from that disclosure is not material, and give guidance on the basis of aggregating and disaggregating information for disclosure purposes. However, the amendments reiterate that an entity should consider providing additional disclosures when compliance with the specific requirements in IFRS is insufficient to enable users of the financial statements to understand the impact of particular transactions, events and conditions of the entity's financial position and financial performance.</p> <p>The adoption of these amendments has not resulted in any impact on the financial performance or financial position of the Company.</p>
Amendments to IAS 16 and IAS 38 <i>Clarification of Acceptable Methods of Depreciation and Amortisation</i>	<p>The company has adopted the amendments to IAS 16 and IAS 38 <i>Clarification of Acceptable Methods of Depreciation and Amortisation</i> for the first time in the current year. The amendments to IAS 16 prohibit entities from using revenue based depreciation method for items of property, plant and equipment.</p> <p>As the company already uses the straight-line method for depreciation of its property plant and equipment, the adoption of these amendments has had no impact on the Company's financial statements.</p>

## Notes to the financial statements (continued)

### Tax, including deferred tax (see notes 7 and 9)

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 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.

The key area of judgement in respect of deferred tax accounting is the assessment of the expected timing and manner of realisation or settlement of the carrying amounts of assets and liabilities held at the balance sheet date.

In particular, assessment is required of whether it is probable that there will be suitable future taxable profits against which any deferred tax assets can be utilised.

### 3. Turnover

The revenue and profit before taxation are attributable to the one principal activity of the Company, being the marketing and distribution of television programmes.

In the period to 30 June 2017 88% (2016: 81%) of the Company's revenue was to markets outside the United Kingdom.

### 4. Administrative expenses

	2017	2016
	£	£
Programme costs	77,754	35,496
Sales, general and administration	14,149	10,001
	<b>91,903</b>	<b>45,497</b>

There were no staff costs for the year ended 30 June 2017 (30 June 2016: £nil)

Directors' remuneration for the year ended 30 June 2017 was £nil (30 June 2016: £nil)



## Notes to the financial statements (continued)

### 5. Profit for the financial year

Profit for the year has been arrived at after charging/ (crediting):	2017	2016
	£	£
Foreign exchange differences	241	824

### 6. Auditor's remuneration

Amounts paid to the auditor for the audit of the Company's annual accounts of £10,000 (2016: £10,000) were borne by another Group subsidiary in both the current and prior years. No amounts for other services have been paid to the auditors.

### 7. Tax

	2017	2016
	£	£
<b>Current tax expense</b>		
UK corporation tax	-	-
Deferred tax charge (Credit) (note 9)	1,112	(1,112)
	<b>1,112</b>	<b>(1,112)</b>

Corporation tax is calculated at 19.75% (2016 20.00%) of the estimated taxable profit for the year.

The charge for the year can be reconciled to the profit in the profit and loss account as follows:

	2017	2016
	£	£
Profit before tax	11,453	2,939
Tax at the UK corporation tax rate of 19.75% (2016: 20.00%)	2,262	588
Effect of change in tax rate (note 9).	(44)	59
Group relief claimed for £nil consideration	(1,106)	(1,759)
<b>Tax Charge (Credit)</b>	<b>1,112</b>	<b>(1,112)</b>

## Notes to the financial statements (continued)

### 8. Trade and other receivables

	2017	2016
	£	£
Amounts falling due within one year:		
Trade debtors	21,806	1,853
Amounts owed by other Group companies <sup>(a)</sup>	409,197	376,440
	<b>431,003</b>	<b>378,293</b>

#### a) Amounts owed by other Group companies

These are amounts receivable from other Group companies totalling £409,197 (2016: £376,440); these balances are non-interest bearing and repayable on demand.

### 9. Deferred Tax

	2017	2016
	£	£
Balance as at 1 July 2016	1,112	-
(Charge)/Credit to profit or loss	(1,156)	1,171
Effect of change in tax rate	44	(59)
<b>Balance as at 30 June 2017</b>	<b>0</b>	<b>1,112</b>

### 10. Trade and other payables

	2017	2016
	£	£
Amounts falling due within one year:		
Accruals	134,123	92,866
	<b>134,123</b>	<b>92,866</b>

### 11. Share capital

	2017	2016
	£	£
<b>Issued, fully paid and authorised:</b>		
2 (2016: 2) ordinary shares of £1 (2016: £1) each	2	2

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

## Notes to the financial statements (continued)

### 12. Profit and loss account

	Profit and loss account £
Balance as at 1 July 2015	282,486
Profit for the year	4,051
Balance as at 1 July 2016	286,537
Profit for the year	10,341
<b>Balance as at 30 June 2017</b>	<b>296,878</b>

### 13. Dividends

No dividends were declared or paid during the year (2016: £nil).

Dividends are paid between Group companies out of profits available for distribution subject to, inter alia, the provisions of the companies' articles of association and the Companies Act 2006.

### 14. Controlling party

In the opinion of the directors, the Company's ultimate parent Company and ultimate controlling party is Sky plc, a Company incorporated in the United Kingdom, and registered in England and Wales. The parent undertaking of the largest and smallest group, which includes the Company and for which group accounts are prepared, is Sky plc. Copies of the group financial statements of Sky plc are available from the Company Secretary, Sky plc, Grant Way, Isleworth, Middlesex, TW7 5QD. The Company's immediate controlling party is Parthenon Entertainment Limited.

### 15. Subsequent events

On 16<sup>th</sup> August 2017 a customer went into Liquidation requiring a debt write off of £22.7k revenue, as at 2<sup>nd</sup> of July the Bad Debt provision balance was £20.6k. No further material events have taken place after 30 June 2017.