

Registration number: 05891477

# News UK & Ireland Direct Limited

**Report and financial statements**  
**for the year ended 27 June 2021**



## **News UK & Ireland Direct Limited**

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## **News UK & Ireland Direct Limited**

### **Directors' Report For the year ended 27 June 2021**

The directors present their report and the financial statements of the company for the year ended 27 June 2021.

#### **Principal activities and business review**

The company is dormant and has not traded during the year.

A strategic report and a business review have not been completed for the company because it is entitled to claim the exemption from doing so under Section 414B and 415A of the Companies Act 2006.

#### **Principal risks and uncertainties**

A summary of the principal risks and uncertainties facing the company has not been completed because it is entitled to claim the exemption from preparing the Strategic Report under Section 414B of the Companies Act 2006.

#### **Going concern**

The ultimate parent undertaking, News Corporation (the "Parent Company") has agreed to provide continuing financial support to enable the company to meet its obligations as and when they fall due until at least 31 December 2022.

The Parent Company has considered the impacts to the business of the ongoing COVID-19 global pandemic. The Parent Company will continue to review its liquidity needs in light of the business and economic impacts of COVID-19; however it expects that its current cash balances will enable it to meet its liquidity needs until 31 December 2022, including repayment of debt. The Parent Company also has available borrowing capacity under its undrawn \$750 million revolving credit facility and expects to have access to the worldwide credit and capital markets, subject to market conditions, in order to issue additional debt if needed or desired. Please refer to the latest financial statements of News Corp found at: <https://investors.newscorp.com/>.

Based on this information and on enquiries, the directors believe that News Corporation has the ability to provide financial support to the company for the foreseeable future.

Taking into account the position of the ultimate parent, the directors are of the view, to the best of their current knowledge, that COVID-19 will not have a material adverse impact on the company's ability to continue as a going concern. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

#### **Directors**

The directors who held office during the year were as follows:

D.W. Dinsmore

C.C.S. Longcroft

M. C. Gill

All directors served throughout the year and are still directors at the date of this report.

The Articles of Association do not require directors to retire either by rotation or in the year of appointment.

## **News UK & Ireland Direct Limited**

### **Directors' Report (continued) For the year ended 27 June 2021**

#### **Directors' indemnity provision**

News Corporation has indemnified all directors of the company against liability in respect of proceedings brought by third parties, except that, in accordance with the Companies Act 2006, no indemnity is provided against: any liability incurred by the director in defending civil proceedings brought by the company, or an associated company, in which the final judgement is given against the director; any liability of the director to pay a fine imposed by criminal proceedings; any liability incurred by the director in defending criminal proceedings in which the director is convicted; any liability of the director to pay a penalty sum to a regulatory authority in respect of non compliance with any requirement of a regulatory nature, howsoever arising; or any liability of the director in connection with an application for relief in which the court refuses to grant him relief. Such qualifying third party indemnity provision was in force during the year and is in force as at the date of approving the Directors' Report.

#### **Directors' responsibilities statement**

The directors acknowledge their responsibilities 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 elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), 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 apply them consistently;
- make judgements 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 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.

#### **Disclosure of information to the auditor**

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

**News UK & Ireland Direct Limited**

**Directors' Report (continued)  
For the year ended 27 June 2021**

**Auditor**

The directors have passed a resolution to dispense with the requirement to reappoint auditors annually. Ernst & Young LLP are deemed to be reappointed as auditor in the absence of a notice that the appointment is to be terminated.

Approved by the Board on 15 November 2021 and signed on its behalf by:

*Michael Gill*

M. C. Gill  
Director

Registered office:  
1 London Bridge Street  
London  
SE1 9GF

## **Independent Auditor's Report to the Members of News UK & Ireland Direct Limited**

### **Opinion**

We have audited the financial statements of News UK & Ireland Direct Limited for the year ended 27 June 2021 which comprise the Profit and Loss Account, the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity, and related notes 1 to 11 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 27 June 2021 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**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period to 31 December 2022.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

### **Other information**

The other information comprises the information included in the report and financial statements, 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.

## **Independent Auditor's Report to the Members of News UK & Ireland Direct Limited (continued)**

### **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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception (small company)**

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 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; or
- the directors were not entitled to take advantage of the small companies exemption in preparing the Directors' Report and from the requirement to prepare a Strategic Report.

### **Responsibilities of directors**

As explained more fully in the Directors' responsibilities statement set out on page 2, 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.

### **Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

## **Independent Auditor's Report to the Members of News UK & Ireland Direct Limited (continued)**

### **Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud (continued)**

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are those that relate to the reporting framework (UK GAAP), the Companies Act 2006 and the relevant tax compliance regulations in the UK.
- We understood how the company is complying with those frameworks by making enquiries of management and those responsible for legal and compliance. We corroborated these enquiries through our review of board meeting minutes. We reviewed management's entity level controls to understand the company culture of honest and ethical behaviour, including the emphasis on fraud prevention.
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur through our discussions with management to understand where there is susceptibility for fraud. We also considered management performance targets and how these could influence any attempts to manage earnings. We also gained an understanding and tested internal controls designed by the group to prevent, deter and detect fraud.
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved testing journal entries, with an emphasis placed on manual journal entries recorded to revenue and any other large or unusual transactions to gain reasonable assurance that the financial statements were free from fraud and error. Furthermore, we performed procedures to conclude on the compliance of disclosures made in the annual report and accounts with all applicable requirements.

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.



Richard Addison (Senior statutory auditor)  
For and on behalf of Ernst & Young LLP, Statutory Auditor, London  
Date: 19 November 2021



**News UK & Ireland Direct Limited**

**Profit and Loss Account  
For the year ended 27 June 2021**

The company has no profit or loss and other comprehensive income in either the current or prior year.

**News UK & Ireland Direct Limited**  
**Registered number: 05891477**

**Balance Sheet**  
**As at 27 June 2021**

	Note	2021 £ 000	2020 £ 000
<b>Current assets</b>			
Debtors	6	4,367	4,329
<b>Creditors: Amounts falling due within one year</b>	8	<u>(3,743)</u>	<u>(3,705)</u>
<b>Net assets</b>		<u>624</u>	<u>624</u>
<b>Capital and reserves</b>			
Called up share capital	10	-	-
Profit and loss account		<u>624</u>	<u>624</u>
<b>Shareholder's funds</b>		<u>624</u>	<u>624</u>

Approved and authorised by the Board on 15 November 2021 and signed on its behalf by:

*Michael Gill*

M. C. Gill  
 Director

The notes on pages 10 to 14 form part of these financial statements.

**News UK & Ireland Direct Limited****Statement of Changes in Equity  
For the year ended 27 June 2021**

	<b>Share capital £ 000</b>	<b>Profit and loss account £ 000</b>	<b>Total £ 000</b>
At 29 June 2020	-	624	624
At 27 June 2021	-	624	624

**Statement of Changes in Equity  
For the year ended 28 June 2020**

	<b>Share capital £ 000</b>	<b>Profit and loss account £ 000</b>	<b>Total £ 000</b>
At 1 July 2019	-	624	624
At 28 June 2020	-	624	624

The notes on pages 10 to 14 form part of these financial statements.

## **News UK & Ireland Direct Limited**

### **Notes to the Financial Statements For the year ended 27 June 2021**

#### **1 General information**

The company is a limited liability company incorporated in England and Wales under the Companies Act.

The address of its registered office is:

1 London Bridge Street  
London  
SE1 9GF

These financial statements were authorised for issue by the Board on 15 November 2021.

The nature of the company's operations and its principal activities are set out in the Directors Report on page 1.

#### **2 Accounting policies**

##### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### **Statement of compliance**

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

##### **Basis of preparation**

The financial statements of News UK & Ireland Direct Limited have been prepared on a going concern basis, under the historical cost convention, modified to include certain items at fair value.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed below.

The financial statements are made up to the Sunday closest to the 30 June each year. Consequently, the financial statements for the current period cover 52 weeks ended 27 June 2021 (prior period 52 weeks ended 28 June 2020). The financial statements are presented in pounds sterling which is the functional currency of the company, and rounded to the nearest £'000.

##### **Summary of disclosure exemptions**

FRS 102 paragraph 1.12 allows a qualifying entity certain disclosure exemptions, subject to certain conditions which have been complied with, including notification of and no objection to the use of exemptions by the company's shareholders. The equivalent disclosures are included in the consolidated financial statements of News Corporation, the ultimate parent undertaking.

The company has taken advantage of the following exemptions:

- (a) From preparing a statement of cash flows and related notes as required by Section 7 Statement of Cash Flows and Section 3 Financial Statement Presentation paragraph 3.17(d);

## **News UK & Ireland Direct Limited**

### **Notes to the Financial Statements For the year ended 27 June 2021 (continued)**

#### **2 Accounting policies (continued)**

##### **Summary of disclosure exemptions (continued)**

- (b) From the financial instruments disclosures as required by FRS 102 paragraphs 11.42 to 11.48A and paragraphs 12.26 to 12.27, 12.29 (a) & (b) and 12.29A, including:
- categories of financial instruments;
  - items of income, expenses, gains or losses relating to financial instruments; and
  - exposure to and management of financial risks.
- (c) From disclosing the company key management personnel compensation, as required by FRS 102 paragraph 33.7.

##### **Going concern**

The ultimate parent undertaking, News Corporation (the “Parent Company”) has agreed to provide continuing financial support to enable the company to meet its obligations as and when they fall due until at least 31 December 2022.

The Parent Company has considered the impacts to the business of the ongoing COVID-19 global pandemic. The Parent Company will continue to review its liquidity needs in light of the business and economic impacts of COVID-19; however it expects that its current cash balances will enable it to meet its liquidity needs until 31 December 2022, including repayment of debt. The Parent Company also has available borrowing capacity under its undrawn \$750 million revolving credit facility and expects to have access to the worldwide credit and capital markets, subject to market conditions, in order to issue additional debt if needed or desired. Please refer to the latest financial statements of News Corp found at: <https://investors.newscorp.com/>.

Based on this information and on enquiries, the directors believe that News Corporation has the ability to provide financial support to the company for the foreseeable future.

Taking into account the position of the ultimate parent, the directors are of the view, to the best of their current knowledge, that COVID-19 will not have a material adverse impact on the company’s ability to continue as a going concern. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

##### **Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

##### **Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

##### **Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at present value of future payments discounted at a market rate of interest, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

## News UK & Ireland Direct Limited

### Notes to the Financial Statements For the year ended 27 June 2021 (continued)

#### 2 Accounting policies (continued)

##### Related party transactions

As a wholly owned subsidiary undertaking of News Corporation whose financial statements are publicly available, the company has taken advantage of the exemption in FRS 102 Section 33 'Related Party Disclosures' not to disclose transactions with other wholly owned members of the group headed by News Corporation.

##### Critical accounting judgements and key sources of estimation uncertainty

No critical judgements or key sources of estimation uncertainty in applying the company's accounting policies have been identified in the current or preceding year.

#### 3 Auditor's remuneration

	2021 £ 000	2020 £ 000
Audit of financial statements	<u>9</u>	<u>9</u>

Auditor's remuneration is borne by another group undertaking.

#### 4 Staff costs

The company has no employees (2020 - None).

#### 5 Directors' remuneration

The directors' remuneration for the year was as follows:

	2021 £ 000	2020 £ 000
Remuneration	3,459	2,422
Value of company pension contributions to money purchase schemes	<u>4</u>	<u>9</u>
	<u>3,463</u>	<u>2,431</u>

The number of directors who through participating in News Corporation's long term incentive plan were remunerated in News Corporation Common A stock were as follows:

	2021 No.	2020 No.
Long term incentive plan	<u>3</u>	<u>3</u>

The directors of the company are also directors of the holding company or fellow UK subsidiaries. The directors received total remuneration for the year as shown above, all of which was paid by a fellow group company. The directors do not believe that it is practicable to apportion this amount between their services as directors of the company and their services as directors of the holding company or subsidiary companies.

## News UK & Ireland Direct Limited

### Notes to the Financial Statements For the year ended 27 June 2021 (continued)

#### 6 Debtors

	2021 £ 000	2020 £ 000
Amounts owed by group undertakings	4,367	4,329
	<u>4,367</u>	<u>4,329</u>

All amounts owed by group undertakings relate to trading balances with no fixed repayment terms and no interest charged.

#### 7 Cash and cash equivalents

	Note	2021 £ 000	2020 £ 000
Bank overdrafts	8	<u>(3,421)</u>	<u>(3,704)</u>

News Corp UK & Ireland operates a collective overdraft facility with its bankers, which allows individual companies in the News UK group to overdraw subject to an agreed limit of £20 million, not being exceeded in aggregate. The overdraft facility is also guaranteed by News Corporation.

#### 8 Creditors

	Note	2021 £ 000	2020 £ 000
<b>Due within one year</b>			
Bank overdrafts	7	3,421	3,704
Amounts due to group undertakings		<u>322</u>	<u>1</u>
		<u>3,743</u>	<u>3,705</u>

All amounts owed to group undertakings relate to trading balances with no fixed repayment terms and no interest charged.

#### 9 Leasing and other financial commitments

Commitments under operating lease agreements are held by News Corp UK & Ireland Limited and News UK & Ireland Limited.

**News UK & Ireland Direct Limited****Notes to the Financial Statements  
For the year ended 27 June 2021 (continued)****10 Share capital****Allotted, called up and fully paid shares**

	<b>2021</b>		<b>2020</b>	
	<b>No.</b>	<b>£</b>	<b>No.</b>	<b>£</b>
Ordinary share of £1 each	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

**11 Parent and ultimate parent undertaking**

The company's immediate parent is News Corp UK & Ireland Limited, incorporated in England and Wales.

The ultimate parent is News Corporation, incorporated in Delaware in the United States.

The smallest and largest group in which the results of the company are consolidated is that headed by News Corporation, whose principal place of business is at 1211 Avenue of the Americas, New York, NY 10036. The consolidated financial statements are available to the public and may be obtained from 1 London Bridge Street, London, SE1 9GF.