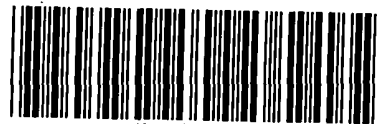


PARTHENON MEDIA GROUP LIMITED

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

Registered number: 06944197

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COMPANIES HOUSE

Directors and Officers

For the year ended 30 June 2017

Directors

Parthenon Media Group Limited's ("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)

Secretary

C J Taylor

Registered office

Grant Way

Isleworth

Middlesex

TW7 5QD

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 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 Sky UK Limited (the immediate parent company). The ultimate parent company is Sky plc ("Sky") and the Company operates together with Sky's other subsidiaries, as part of the Sky Group ("the Group").

The principal activity of the Company is to act as holding company. The Company was dormant for the year. There have not been any significant changes in the Company's activities in the year. 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 results for the year reflect the fact that the Company is a holding company and will remain so for the foreseeable future. Note 5 on page 13 of the financial statements provides information concerning the subsidiary undertakings of the Company.

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 Group's principal risks and uncertainties are disclosed in the Group's annual report. The Company's activities expose it to financial risks namely credit risk and liquidity 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 provides 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

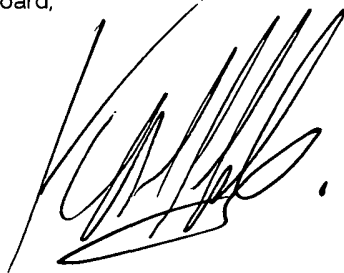
The balance sheet of the Company includes intercompany balances and the Company is therefore exposed to credit risk on these balances. The intercompany balances of the Company are detailed in notes 6 and 7.

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,

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

K Holmes
Director

Grant Way
Isleworth
Middlesex
TW7 5QD

26 February 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.

Principal activities

The Company has been dormant, as defined in section 480(1)(b) of the Companies Act 2006, and did not trade during the year ended 30 June 2017.

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 horizontal line.

26 February 2018

Directors' responsibility 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;
- 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.

Balance Sheet

As at 30 June 2017

	Notes	2017 £	2017 £
Fixed assets			
Investments	5	<u>55,253</u>	<u>55,253</u>
		55,253	55,253
Current assets			
Debtors	6	<u>10,431,803</u>	<u>10,431,803</u>
Total assets		<u>10,487,056</u>	<u>10,487,056</u>
Creditors: Amounts falling due within one year	7	<u>(10,563,019)</u>	<u>(10,563,019)</u>
Net liabilities		<u>(75,963)</u>	<u>(75,963)</u>
Capital and reserves			
Called-up share capital	8	2	2
Profit and loss account	9	<u>(75,965)</u>	<u>(75,965)</u>
Total shareholders' deficit		<u>(75,963)</u>	<u>(75,963)</u>

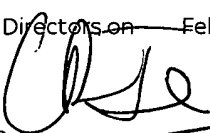
The accompanying notes are an integral part of this Balance Sheet.

The Company did not trade during the current financial year. The Directors do not expect the Company to trade in the foreseeable future.

The Directors:

- a) Confirm that the Company was entitled to exemption under subsection (1) part (b) of section 480 of the Companies Act 2006 from the requirement to have its accounts audited for the financial year ended 30 June 2017;
- b) Confirm that members have not required the Company to obtain an audit of its accounts for that financial year in accordance with subsection (3) of section 480 of that Act; and
- c) Acknowledge their responsibilities for:
 - i. Ensuring that the Company keeps accounting records which comply with section 386 of the Companies Act 2006; and
 - ii. Preparing accounts which give a true and fair view of the state of the affairs of the Company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 393 of that Act, and which otherwise comply with the requirements of that Act relating to accounts, so far as applicable to the Company.

The financial statements of Parthenon Media Group Limited, registered number 06944197 were approved by the Board of Directors on 26 February 2018 and were signed on its behalf by:


C R Jones
Director,

26 February 2018

Statement of Changes in Equity

As at 30 June 2017

	Share capital	Profit and loss account	Total
	£	£	£
Balance at 1 July 2015	2	(75,965)	(75,963)
Profit for the period	-	-	-
Total comprehensive income for the period	-	-	-
Balance at 30 June 2016	2	(75,965)	(75,963)
Profit for the period	-	-	-
Total comprehensive income for the period	-	-	-
Balance at 30 June 2017	2	(75,965)	(75,963)

Notes to the financial statements

1. General information

Parthenon Media Group Limited (the Company) is a limited liability Company 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.

These financial statements are separate financial statements. The Company is exempt from the preparation of consolidated financial statements, because it is included in the group accounts of Sky plc. The group accounts of Sky plc are available to the public and can be obtained as set out in note 12.

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

a) Basis of accounting

These financial statements have been prepared in accordance with FRS 101.

As permitted by FRS 101, the Company has taken advantage of the 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, standards not yet effective, impairment of assets and related party transactions.

Where relevant, equivalent disclosures have been given in the group accounts of Sky plc.

The financial statements have been prepared on the historical cost basis, except for the remeasurement to fair value of certain financial assets and liabilities at the end of each reporting period as described in the accounting policies below.

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.

Notes to the financial statements

The principal accounting policies adopted are set out below:

b) Going concern

The financial statements have been prepared using the going concern basis of accounting (as set out in the Directors' Report). 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.

c) Investments in subsidiaries

Investments in subsidiaries are accounted for at cost less, where appropriate, provisions for impairment. The Company reviews the carrying amount of its investment at balance sheet date to determine whether there is any indication of impairment. Impairment is indicated where the recoverable amount of the investment is less than its carrying amount.

d) Foreign currencies

The financial statements are presented in pounds sterling, which is the currency of the primary economic environment in which the Company operates (its functional currency).

Transactions in currencies other than the Company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences are recognised in profit or loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings; and
- exchange differences on transactions entered into to hedge certain foreign currency risks.

e) Taxation

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Notes to the financial statements

e) Taxation (continued)

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the balance sheet date.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Current tax and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively

f) 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.

g) 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.

h) Judgements

No significant judgements have been made in the process of applying the entity's accounting policies.

Notes to the financial statements

3. Employees

There were no staff costs for the year ended 30 June 2017 nor for the year ended 30 June 2016.

4. Taxation

Analysis of the tax charge

No liability to UK corporation tax arose on ordinary activities for the year ended 30 June 2017 and for the year ended 30 June 2016.

Factors affecting the tax charge

The tax charge for the year is equal (2016: equal) to the charge that would have been recognised using the blended rate of corporation tax in the UK (20%) applied to the profit (2016: profit) before tax. The applicable or substantially enacted effective rate of UK corporation tax for the year was 20% (2016: 20%).

	Year ended 30 June 2017	Year ended 30 June 2016
	£	£
Profit on ordinary activities before tax	-	-
Profit before tax multiplied by blended rate of corporation tax in the UK of 20% (2016: 20%)	-	-
Effects of:		
Income not taxable for tax purposes	-	-
Current tax	-	-

5. Fixed asset investments

	2017	2016
	£	£
Subsidiaries	55,253	55,253
	<u>55,253</u>	<u>55,253</u>
		£
Carrying amount		
At 30 June 2016		55,253
At 30 June 2017		<u>55,253</u>

The Company's investments at the balance sheet date in the share capital of companies include the following:

Name	Country of incorporation	Description and proportion of shares held (%)	Principal activity
Direct holdings			
Parthenon Entertainment Limited	United Kingdom	100	Film production and distribution
Parthenon 1 Limited	United Kingdom	100	Dormant
Parthenon 2 Limited	United Kingdom	100	Dormant
Cymru International Limited	United Kingdom	100	Marketing and distribution of television programmes

Notes to the financial statements

6. Debtors

	2017	2016
	£	£
Amounts falling due within one year:		
Amounts owed by group undertakings	<u>10,431,803</u>	<u>10,431,803</u>
	10,431,803	10,431,803

The Directors consider that the carrying amount of trade and other receivables approximates their fair value. These balances are non-interest bearing and repayable on demand.

7. Creditors

	2017	2016
	£	£
Amounts falling due within one year		
Amounts owed to group undertakings	<u>10,563,019</u>	<u>10,563,019</u>
	10,563,019	10,563,019

Amounts owed to other group companies are non-interest bearing and are repayable on demand.

8. Share capital

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

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

9. Profit and loss account

	Profit and loss account £
At 1 July 2016	(75,965)
Profit for the year	-
At 30 June 2017	<u>(75,965)</u>

10. Related party disclosures

As permitted by FRS 101, the Company has taken advantage of the exemption from applying the requirements of IAS 24 "Related Party Disclosure" paragraph 17.

Notes to the financial statements

11. Reconciliation of movements in shareholders' funds

	2017	2016
	£	£
Profit for the financial year	-	-
Net increase to shareholders' funds	-	-
Opening shareholders' deficit	(75,963)	(75,963)
Closing shareholders' deficit	(75,963)	(75,963)

12. 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 immediate controlling party is Sky UK Limited.