

# Wireless Connect Limited

*(formerly UTV Connect Limited)*

## Report and financial statements

For the 18-months ended 30 June 2017

Registered No. NI032652



## Corporate information

### Directors

S Taunton

M Gill

C Longcroft

### Auditors

Ernst & Young LLP

Bedford House

16 Bedford Street

Belfast

BT2 7DT

### Bankers

Bank of Ireland

28 University Road

Belfast

BT7 1NH

### Solicitors

A&L Goodbody

6th Floor

42-46 Fountain Street

Belfast

BT1 5EF

### Registered office

Havelock House

Ormeau Road

Belfast

BT7 1EB

## Directors' report

Registered No. NI032652

The directors present their report for the 18 months ended 30 June 2017.

### Directors of the company

The directors who served the Company during the period were as follows:

S Taunton

J McCann (resigned 12 May 2016)

M Gill (appointed 30 November 2016)

C Longcroft (appointed 30 November 2016)

N McKeown (resigned 30 April 2017)

### Change of accounting reference date

During the period, the Company changed its accounting reference date from 31 December to 30 June. The change is to align the year end of Wireless Connect Limited with the year end of News Corporation, which is 30 June. As a result, the financial statements of the Company are prepared for the 18 month period ending 30 June 2017. The comparatives are for the year ended 31 December 2015.

### Results and dividends

The loss for the period, after taxation, amounted to £40,220 (2015: profit £20,719). No dividends were paid during the period (2015: £nil).

### Principal activities and future developments

Prior to the sale of the business and business assets, the principal activity of the Company was the provision of internet services.

### Change of name

On 3 March 2016 the Company changed its name from UTV Connect Limited to Wireless Connect Limited.

### Directors' liabilities

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 judgment 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' report (continued)

Registered No. NI032652

### Auditors

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.

### Directors' statement as to disclosure of information to auditors

The directors who were members of the board at the time of approving the Directors' report are listed on page 1. Having made enquiries of fellow directors and of the Company's auditors, each of these directors confirms that:

- To the best of each director's knowledge and belief, there is no information (that is, information needed by the Company's auditors in connection with preparing their report) of which the Company's auditors are unaware; and
- Each director has taken all the steps a director might reasonably be expected to have taken to be aware of relevant audit information and to establish that the Company's auditors are aware of that information.

### Small company exemptions

This report has been prepared in accordance with the special provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

### Strategic report

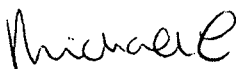
The directors have not prepared a Strategic report as the Company is entitled to the special provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

### Going concern

The company does not actively trade.

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they have adopted the going concern basis in preparing the annual financial statements.

By order of the board,



M Gill

Director

28 March 2018

## Directors' responsibilities statement

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 elected to prepare 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 those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

# Independent auditors' report

to the members of Wireless Connect Limited (*formerly UTV Connect Limited*)

## Opinion

We have audited the financial statements of Wireless Connect Limited for the period ended 30 June 2017 which comprise the Income Statement, the Statement of Comprehensive Income, the Balance Sheet and the Statement of Changes in Equity and the related notes 1 to 10. 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), including FRS 101 "Reduced Disclosure Framework".

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.

## Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. 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.

## 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 report and financial statements 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 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 June 2017 and of its loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including FRS 101 "Reduced Disclosure Framework"; 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, based on the work undertaken in the course of the audit:

- ▶ the information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.
- ▶ the Directors' Report has been prepared in accordance with applicable legal requirements.

# Independent auditors' report

to the members of Wireless Connect Limited (*formerly UTV Connect Limited*)

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

In light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have identified no material misstatements in the Directors' Report.

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' exemptions in preparing the Directors' report and from the requirement to prepare a Strategic report.



Michael Kidd (Senior Statutory Auditor)  
For and on behalf of Ernst & Young LLP, Statutory Auditor  
Belfast

29 March 2018

**Income statement**

for the period ended 30 June 2017

	For the period from 1 January 2016 to 30 June 2017	For the year ended 31 December 2015
Notes	£	£
Administrative expenses	(40,220)	20,719
<b>Operating (loss)/profit</b>	<b>(40,220)</b>	<b>20,719</b>
<b>(Loss)/profit on ordinary activities before taxation</b>	<b>(40,220)</b>	<b>20,719</b>
Tax (charge)	6(a) —	—
<b>(Loss)/(profit) for the financial period</b>	<b>(40,220)</b>	<b>20,719</b>

All amounts relate to discontinued activities.

**Statement of comprehensive income**

for the period ended 30 June 2017

	For the period from 1 January 2016 to 30 June 2017	For the year ended 31 December 2015
	£	£
<b>(Loss)/profit for the financial year</b>	<b>(40,220)</b>	<b>20,719</b>
<b>Other comprehensive income:</b>		
<i>Items that can be reclassified to profit or loss:</i>		
Exchange difference on reserves	—	4,172
<b>Total comprehensive income for the period</b>	<b>(40,220)</b>	<b>24,891</b>



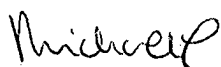
## Balance sheet

at 30 June 2017

Registered number: NI032652

	Notes	30 June 2017 £	31 December 2015 £
<b>Current assets</b>			
Debtors	7	1	122,664
Cash at bank and in hand		—	9,674
		1	132,338
<b>Creditors: amounts falling due within one year</b>			
Trade and other creditors	8	—	(92,117)
<b>Net assets</b>		1	40,221
<b>Capital and reserves</b>			
Share capital	9	10,000	10,000
Retained earnings		(9,999)	30,221
<b>Total equity</b>		1	40,221

The financial statements were approved by the Board of Directors and authorised for issue on 28 March 2018. They were signed on its behalf by:



M Gill

Director

28 March 2018

## Statement of changes in equity

for the period ended 30 June 2017

	Share capital	Retained earnings	Total equity
	£	£	£
At 1 January 2015	10,000	5,330	15,330
Profit for the financial year	–	20,719	20,719
Exchange difference	–	4,172	4,172
At 31 December 2015	10,000	30,221	40,221
Loss for the financial period	–	(40,220)	(40,220)
At 30 June 2017	10,000	(9,999)	1

## Notes to the financial statements

for the period ended 30 June 2017

### 1. Authorisation of financial statements and statement of compliance with FRS 101

The financial statements of Wireless Connect Limited (formerly UTV Connect Limited) for the 18 months ended 30 June 2017 were authorised for issue by the board of directors on 28 March 2018 and the balance sheet was signed on the board's behalf by M Gill. Wireless Connect Limited is incorporated and domiciled in Northern Ireland.

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and in accordance with applicable accounting standards and the Companies Act 2006.

The Company's financial statements are presented in Sterling and all values are rounded to the nearest pound (£) except when otherwise indicated.

The principal accounting policies adopted by the Company are set out in note 2.

### 2. Accounting policies

#### *Basis of preparation*

The accounting policies which follow set out those policies which apply in preparing the financial statements for the 18 months ended 30 June 2017.

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- a) the requirements of IFRS 7 Financial Instruments: Disclosures;
- b) the requirements in paragraph 38 of IAS 1 Presentation of Financial Statements to present comparative information in respect of;
  - i) paragraph 79 (a) (iv) of IAS1;
- c) the requirements of paragraphs 10(d), 38A, 111 and 134 to 136 of IAS 1 Presentation of Financial Statements.
- d) all the requirements of IAS 7 Statement of Cash Flows;
- e) the requirements of paragraph 17 of IAS 24 Related Party Disclosures; and
- f) the requirements of IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is party to the transaction is wholly owned by such a member.

#### *Judgements and key sources of uncertainty*

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for the revenues and expenses during the period. However, the nature of estimation means that actual outcomes could differ from those estimates.

The Board do not consider there to be any key sources of judgement or estimation uncertainty that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities in the next financial year.

## Notes to the financial statements (continued)

for the period ended 30 June 2017

### 2. Accounting policies (continued)

#### *Income taxes*

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted by the balance sheet date.

Income tax is charged or credited to other comprehensive income if it relates to items that are charged or credited to other comprehensive income. Similarly, income tax is charged or credited directly to equity if it relates to items that are credited or charged directly to equity. Otherwise income tax is recognised in the income statement.

#### *Foreign currency translation*

The Company's financial statements are presented in Sterling, which is also the Company's functional currency.

#### *Transactions and balances*

Transactions in foreign currencies are initially recorded in the entity's functional currency by applying the spot exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange ruling at the balance sheet date. All differences are taken to the income statement.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

#### *Dividends*

Final dividends are recorded in the Company's accounts in the period in which they are approved by the Board of Directors. Interim dividends are recorded in the period in which they are paid.

### 3. Auditor's remuneration

Auditor's remuneration has been paid by a fellow group undertaking in the current and prior period.

### 4. Staff costs and directors' remuneration

#### *a) Staff costs:*

The Company did not employ any staff during the period or in the prior year.

#### *b) Directors' remuneration:*

The directors of the Company are also directors of fellow subsidiaries. The directors received total remuneration for the period of £2,415,493 (2015: £1,129,066), all of which was paid by fellow subsidiary companies. 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 fellow subsidiary companies.

**Notes to the financial statements (continued)**

for the period ended 30 June 2017

**5. Taxation***a) Tax charged in the income statement:*

	For the period from 1 January 2016 to 30 June 2017	For the year ended 31 December 2015
	£	£
<b>Tax charged in the income statement</b>	<u>—</u>	<u>—</u>

*b) Reconciliation of the total tax charge:*

The tax on (loss)/profit before tax for the period is lower than the standard rate of corporation tax in the UK of 19.83% (2015: 20.25%). The differences are reconciled below:

	For the period from 1 January 2016 to 30 June 2017	For the year ended 31 December 2015
	£	£
(Loss)/profit before tax	<u>(40,220)</u>	<u>20,719</u>
Corporation tax at standard rate	(7,976)	4,196
Expenses not deductible for tax purposes	<u>7,976</u>	<u>(4,196)</u>
Total tax charge	<u>—</u>	<u>—</u>

*c) Factors that may affect future tax charges:*

Following the 2015 summer budget and the 2016 budget, the UK corporation tax rate reduced from the 20% to 19% from 1 April 2017 and will reduce to 17% from 1 April 2020.

**6. Debtors**

	30 June 2017	31 December 2015
	£	£
Other taxes and social security costs	—	152
Amounts owed from group undertakings	<u>1</u>	<u>122,512</u>
	<u>1</u>	<u>122,664</u>

**7. Creditors: amounts falling due within one year**

	30 June 2017	31 December 2015
	£	£
Trade creditors	—	7,890
Accruals	<u>—</u>	<u>84,227</u>
	<u>—</u>	<u>92,117</u>

**8. Share capital**

	30 June 2017	31 December 2015
	No.      £	No.      £
<i>Allotted, called up and fully paid</i>		
Ordinary shares of £1 each	<u>10,000</u> <u>10,000</u>	<u>10,000</u> <u>10,000</u>

## Notes to the financial statements (continued)

for the period ended 30 June 2017

### 9. Other related party transactions

The Company has taken advantage of the exemption under paragraph 8(k) of FRS 101 not to disclose transactions with fellow wholly owned subsidiaries.

### 10. Ultimate group undertaking and controlling party

The company's immediate parent company is Wireless Group New Media Limited, a company incorporated in Northern Ireland.

The ultimate parent company and controlling party is News Corporation, a company 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, NY10036. The consolidated financial statements are available to the public and may be obtained from 1 London Bridge Street, London, SE1 9GF.