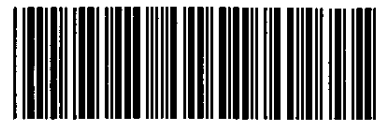


BSkyB Healthcare Scheme Limited

Annual report and financial statements
for the year ended 30 June 2011

Registered number 2766412

FRIDAY



A13DHM6A

A16

24/02/2012

#297

COMPANIES HOUSE

Directors and Officers

For the year ended 30 June 2011

Directors

BSkyB Healthcare Scheme Limited's ("the Company's") present Directors and those who served during the year are as follows

D J Gormley

S M Leckie

Secretary

C J Taylor

Registered office

Grant Way

Isleworth

Middlesex

TW7 5QD

Auditor

Deloitte LLP

Chartered Accountants

London

United Kingdom

Directors' Report

The Directors present their Annual Report on the affairs of the Company, together with the financial statements and Auditor's Report, for the year ended 30 June 2011

Business review and principal activity

The Company is a wholly-owned subsidiary of British Sky Broadcasting Limited. The ultimate parent company is British Sky Broadcasting Group plc ("BSkyB"). The Company operates together with BSkyB's other subsidiaries as a part of a Group ("the Group").

The Company was engaged in the operation and funding of the BSkyB Private Healthcare Plan, a medical scheme administered by The Medisure Group Limited for employees of the Group. On 1 October 2009 the Company terminated its contract with The Medisure Group, but continues to honour and settle all outstanding claims. Due to potential changes in the Group's healthcare plan in the next 12 months, the Company may resume its trading activities as well as settle outstanding claims. Hence, management conclude that it is appropriate to adopt the going concern basis in preparing the financial statements.

Results for the year

The audited financial statements for the year ended 30 June 2011 are set out on pages 6 to 11. The result for the period was £nil (2010: £nil) and the company had £nil net liabilities (2010: £nil). Movements within the balance sheet are driven by the identified value of post year end liabilities relating to healthcare claims made during the year. The Directors do not recommend the payment of a dividend for the year ended 30 June 2011 (2010: £nil).

Principal risks and uncertainties

The Company's activities expose it to financial risks namely, liquidity risk.

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 an undrawn £743 million revolving credit facility which is due to expire on 2 November 2016. The Company benefits from this liquidity through intra-group facilities and loans.

The Directors do not believe the business is exposed to credit risk, cash flow risk, price risk or foreign exchange risk.

Directors

The Directors who served during the year are shown on page 1.

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 Directors' 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.

Directors' Report (continued)

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 will be proposed at the forthcoming Annual General Meeting

By order of the Board,



C J Taylor
Company Secretary
Grant Way
Isleworth
Middlesex
TW7 5QD

20 February 2012

Statement of Directors' responsibilities

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 International Financial Reporting Standards (IFRSs) as adopted by the European Union. 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, International Accounting Standard 1 requires that Directors

- properly select and apply accounting policies,
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information,
- provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance, and
- make an assessment of the Company's ability to continue as a going concern

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 BSKyB Healthcare Scheme Limited

We have audited the financial statements of BSKyB Healthcare Scheme Limited for the year ended 30 June 2011 which comprise the Statement of Comprehensive Income, the Statement of Changes in Equity, the Balance Sheet and the related notes 1 to 11. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

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, 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 annual report to identify material inconsistencies with the audited financial statements. 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 Company's affairs as at 30 June 2011 and of its result for the year then ended,
- the financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union, and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Separate opinion in relation to IFRSs as issued by the IASB

As explained in note 1 to the financial statements, the Company in addition to applying IFRSs as adopted by the European Union, has also applied IFRSs as issued by the International Accounting Standards Board (IASB).

In our opinion the Company financial statements comply with IFRSs as issued by the IASB.

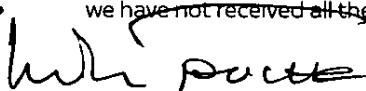
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of Directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit.


William Touche (Senior Statutory Auditor)
For and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
London, United Kingdom

20 February 2011

Statement of Comprehensive Income

For the year ended 30 June 2011

	Notes	2011 £000	2010 £000
Revenue	2	250	2,212
Operating expense	3	(250)	(2,212)
Operating profit		-	-
Tax	5	-	-
Profit for the year attributable to equity shareholders		-	-

The accompanying notes are an integral part of this Statement of Comprehensive Income for the year ended 30 June 2011

For the years ended 30 June 2011 and 30 June 2010, the Company did not have any other items of other comprehensive income. All results relate to continuing operations.

Statement of Changes in Equity

For the year ended 30 June 2011

	Share capital £'000	Retained earnings £'000	Total shareholders' equity £'000
At 1 July 2009	-	-	-
Profit for the year	-	-	-
At 30 June 2010	-	-	-
Profit for the year	-	-	-
At 30 June 2011	-	-	-

Balance Sheet

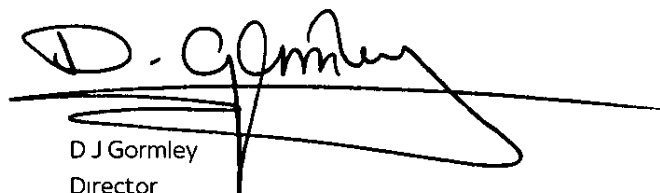
As at 30 June 2011

	Notes	2011 £000	2010 £000
Current assets			
Prepayments	6	186	186
		186	186
Total assets		186	186
Current liabilities			
Trade and other payables	7	186	186
		186	186
Total liabilities		186	186
Share capital	9	-	-
Reserves		-	-
Total equity attributable to equity shareholders		-	-
Total liabilities and shareholders' equity		186	186

The accompanying notes are an integral part of this Balance Sheet

The Company has no cash flows. Accordingly, no cash flow statement or reconciliation of operating profit to cash flows from operating activities has been prepared.

The financial statements of BSKyB Healthcare Scheme Limited, registered number 2766412, have been approved by the Board of Directors on 20 February 2012 and were signed on its behalf by



D J Gormley
Director

20 February 2012

Notes to the financial statements

1. Accounting policies

BSkyB Healthcare Scheme Limited (the 'Company') is a limited liability company incorporated in England and Wales, and domiciled in the United Kingdom ('UK')

a) Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union ("EU") and the Companies Act 2006. In addition, the Company also complied with IFRS as issued by the International Accounting Standards Board ("IASB")

b) Basis of preparation

The financial statements have been prepared on a going concern basis (as set out in the Directors' Report) and on a historical cost basis, except for the remeasurement to fair value of financial instruments as described in the accounting policies below

The Company has adopted the new accounting pronouncements which became effective this period, none of which had any significant 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 2011, this date was 3 July 2011, this being a 53 week year (fiscal year 2010: 27 June 2010, 52 week year). For convenience purposes, the Company continues to date its financial statements as at 30 June

c) Financial assets and liabilities

Financial assets and liabilities are initially recognised at fair value plus any directly attributable transaction costs. At each balance sheet date, the Company assesses whether there is any objective evidence that any financial asset is impaired. Financial assets and liabilities are recognised on the Company's balance sheet when the Company becomes a party to the contractual provisions of the financial asset or liability. Financial assets are derecognised from the balance sheet when the Company's contractual rights to the cash flows expire or the Company transfers substantially all the risks and rewards of the financial asset. Financial liabilities are derecognised from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

i. 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.

d) Revenue recognition

Revenue, which excludes value added tax, represents the gross inflow of economic benefit from the Company's operating activities. Revenue is measured at the fair value of the consideration received or receivable.

e) Tax including deferred tax

The Company's liability for current tax is based on taxable profits for the year, and is calculated using tax rates that have been enacted or substantively enacted at the balance sheet date.

f) Accounting standards, interpretations and amendments to published standards 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 our accounting periods beginning on or after 1 July 2011 or later periods. These new pronouncements are listed below:

- Amendment to IFRIC 14 "IAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction" (effective 1 January 2011),
- IAS 24 Revised (2009) "Related Party Disclosures" (effective 1 January 2011),
- Improvements to IFRSs 2010 – various standards (effective 1 January 2011),
- IFRS 9 "Financial Instruments" (effective 1 January 2015),
- IFRS 10 "Consolidated Financial Statements" (effective 1 January 2013),
- IFRS 11 "Joint Arrangements" (effective 1 January 2013),
- IFRS 12 "Disclosure of Interests in Other Entities" (effective 1 January 2013), and
- IFRS 13 "Fair Value Measurement" (effective 1 January 2013)

The Directors are currently evaluating the impact of the adoption of these standards, amendments and interpretations in future periods.

Notes to the financial statements

1. Accounting policies (continued)

g) Critical accounting policies and the use of judgement

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. There are no accounting policies which are considered to be critical to the Company.

2. Revenue

All revenue is derived from the Company's sole class of business, being the administration of the BSKyB Private Healthcare Plan, and arises from activities conducted within the United Kingdom ("UK").

3. Operating expense

These principally comprise costs incurred from the Company's sole class of business, the administration of the BSKyB Private Healthcare Plan. These costs include an annual administration fee to The Medisure Group Limited and the cost of providing private healthcare services for all claims reported to the administrators of the scheme. The BSKyB Private Healthcare Plan currently operates as a self-funded trust and the Company was responsible for the payment of all claims in the current and prior year.

4. Operating profit

There were no staff costs during the year, as the Company had no employees (2010: £nil). Services are provided by employees of other companies within the Group with no charge being made for their services (2010: £nil). The Directors did not receive any remuneration during the year in respect of their services to the Company (2010: £nil).

Amounts paid to the auditor for audit services of £10,500 (2010: £10,500) were borne by another Group undertaking in 2011 and 2010. Amounts paid to the auditor for other services during the year were £nil (2010: £nil).

5. Tax

	2011 £000	2010 £000
Charge for the year	-	-

6. Trade and other receivables

	2011 £000	2010 £000
Prepayments	186	186
	186	186

Notes to the financial statements

7. Trade and other payables

	2011 £000	2010 £000
Amounts owed to parent company	77	72
Amounts payable to other Group companies	106	101
Accruals	3	13
	186	186

The Directors consider that the carrying amount of trade and other payables approximates their fair values. Accruals principally comprise amounts required to meet the ongoing cost of claims originating in the period.

8. Financial risk management objectives and policies

The Company's principal financial instruments comprise intercompany payables and accruals.

The accounting classification of each class of the Company's financial assets and financial liabilities together with their fair values is as follows:

	Loans and receivables £000	Other liabilities £000	Total carrying value £000	Total fair values £000
At 30 June 2011				
Trade and other payables	-	(186)	(186)	(186)
At 30 June 2010				
Trade and other payables	-	(186)	(186)	(186)

The Directors consider that the carrying amount of financial instruments approximates to their fair value.

Liquidity risk

The Company's financial liabilities are shown in note 7. The maturity date on these liabilities is less than twelve months.

Capital Risk Management

The capital structure of the Company consists of equity attributable to equity holders of the parent company, comprising issued capital, reserves and retained earnings. Risk and treasury management is governed by BSKyB's policies approved by its board of directors.

9. Share capital

	2011 £	2010 £
Allotted, called-up and fully paid		
2 (2010: 2) ordinary shares of £1 each	2	2

Notes to the financial statements

10 Transactions with related parties

The Company conducts business transactions with other fellow Group undertakings

	2011	2010
	£000	£000
Provision of the BSkyB Private Healthcare Plan	250	2,212
Administration of and treatments provided by, the BSkyB Private Healthcare Scheme	(250)	(2,212)

Details of amounts owed to related parties of the Company are given in note 7

11. Ultimate parent company

The Company is a wholly-owned subsidiary of British Sky Broadcasting Limited, a company incorporated in Great Britain and registered in England and Wales. The Company is ultimately controlled by British Sky Broadcasting Group plc. The only group in which the results of the Company are consolidated is that headed by BSkyB.

The consolidated accounts of the Group are available to the public and may be obtained from the Company Secretary, British Sky Broadcasting Group plc, Grant Way, Isleworth, Middlesex, TW7 5QD.