SKY COMEDY LIMITED
(Formerly BSkyB Comedy Limited)

Annual report and financial statements
For the year ended 30 June 2015

Registered number 03079609

Directors and Officers

For the year ended 30 June 2015

Directors

Sky Comedy Limited's (the "Company's") present Directors and those who served during the year are as follows

C R Jones
C J Taylor

Secretary
C J Taylor

Registered office
Grant Way
Isleworth
Middlesex
TW7 5QD

Auditor
Deloitte LLP
Chartered Accountants
London
United Kingdom

Strategic and Directors' Report

Strategic Report
The Directors present their Strategic and Directors' Report on the affairs of the Company, together with the financial statements and Auditor's Report for the year ended 30 June 2015

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 activity
The Company is a wholly-owned subsidiary of Sky Ventures Limited (the immediate parent company) The ultimate parent company is Sky plc ("Sky", formerly known as British Sky Broadcasting Group plc) and operates with Sky's other subsidiaries as part of the Sky Group ("the Group") During the year, the company changed its name from BskyB Comedy Limited to Sky Comedy Limited

The Company's principal activity is to act as a holding company The Company has a 25% interest in Paramount UK Partnership ("PUK"), a joint venture partnership whose principal activity is the broadcasting of two general entertainment television channels called 'Comedy Central UK' and 'Comedy Central Extra' to multi-channel subscribers In addition to these mainstream channels, both are accompanied by a +1 channel (a delayed multiplex of 'Comedy Central UK' and 'Comedy Central Extra'), with 'Comedy Central UK' also broadcast as a high definition ("HD") simulcast For the foreseeable future, the Company will continue to hold the investment in Paramount UK Partnership

The audited accounts for the year ended 30 June 2015 are set out on pages 7 to 15 The profit after tax for the financial year was £4,625,000 (2014 £3,375,000) The balance sheet shows that the Company's total shareholder's equity position at the end of the year was £22,000,000 (2014 £17,375,000)

Key performance indicators (KPIs)
The Group manages its operations on a divisional basis For this reason, the Company's directors believe that further key performance indicators for the Company are not necessary or appropriate for an understanding of the development, performance or position of the Company

Principal risks and uncertainties
The Company's activities expose it to financial risks, namely credit risk and liquidity risk

Financial risk management objectives and policies
The use of financial derivatives is governed by the Group's treasury policy approved by the Board of Directors, which provide written principles on the use of financial derivatives to manage these risks The Company does not use derivative financial instruments for speculative purposes

Credit risk
The 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 note 5

Liquidity risk
The Company relies on the Group Treasury function to manage its liquidity and ensure that sufficient funds are available for on-going operations and future developments The Group currently has access to an undrawn £1 billion revolving credit facility which is due to expire on 30 November 2020 The Company benefits from this liquidity through intra-group facilities and loans

Strategic and Directors' Report (continued)

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

By Order of the Board,

C J Taylor
Company Secretary

Grant Way
Isleworth
Middlesex
TW7 5QD
20 November 2015

Strategic and Directors' Report

Directors' Report
The Directors who served during the year are shown on page 1 The Directors have not recommended a dividend payment for the year ended 30 June 2015 (2014 £nil)

The Company has chosen, in accordance with section 414C(11) of Companies Act 2006, to include such matters of strategic importance to the Company in the Strategic Report which otherwise would be required to be disclosed in the Directors' report

Going concern
The Company's business activities, together with the factors likely to affect its future development and performance are set out in the Business Review The Strategic Report details the financial position of the Company, as well as the Company's objectives and policies, and details of its exposures to credit risk and liquidity risk

After making enquiries, the Directors have formed a judgement at the time of approving the financial statements that the Company will have access to adequate resources to continue in existence for the foreseeable future Accordingly, they continue to adopt the going concern basis in preparing the financial statements

Auditor
In accordance with the provisions of Section 418 of the Companies Act 2006, each of the persons who are Directors of the Company at the date of approval of this report confirms that

- so far as the Director is aware, there is no relevant audit information (as defined in the Companies Act 2006) of which the Company's auditor is unaware, and

- the Director has taken all the steps that he ought to have taken as a Director to make himself aware of any relevant audit information (as defined) and to establish that the Company's auditor is aware of that information

Deloitte LLP have expressed their willingness to continue as auditor and a resolution to reappoint them was approved by the Board of Directors on 20 November 2015

By Order of the Board

C J Taylor
Company Secretary

Grant Way
Isleworth
Middlesex
TW7 5QD
20 November 2015

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 Company'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 to 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 Sky Comedy Limited:
We have audited the financial statements of Sky Comedy Limited for the year ended 30 June 2015 which comprise the Statement of Comprehensive Income, the Balance Sheet Statement of Changes in Equity 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 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 Company's affairs as at 30 June 2015 and of its profit 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 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 Strategic report and 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

Will Touche

William Touche (Senior Statutory Auditor)
For and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
London
United Kingdom
20th November 2015

Statement of Comprehensive Income

For the year ended 30 June 2015

	Notes	**2015**	2014
		£'000	£'000
Investment income	2	**4,625**	3,375
Profit before tax	3	**4,625**	3,375
Tax	4	**-**	-
Profit for the year attributable to equity shareholder		**4,625**	3,375

The accompanying notes are an integral part of this Statement of Comprehensive Income

For the years ended 30 June 2015 and 30 June 2014, the Company did not have any other items of comprehensive income

All results relate to continuing operations

Balance Sheet

As at 30 June 2015

	Notes	**2015** **£'000**	2014 £'000
Current assets			
Trade and other receivables	5	**22,000**	17,375
Total assets		**22,000**	17,375
Share capital	8	-	-
Reserves		**22,000**	17,375
Total equity attributable to equity shareholder		**22,000**	17,375
Total liabilities and shareholder's equity		**22,000**	17,375

The accompanying notes are an integral part of this Balance Sheet

As at 30 June 2015 and 30 June 2014, the Company did not have any cash or cash equivalents Accordingly, no cash flow statement or reconciliation of operating profit to cash flows from operating activities has been prepared

The financial statements of Sky Comedy Limited, registered number 03079609, have been approved by the Board of Directors on 20 November 2015 and were signed on its behalf by

C R Jones

Director

20 November 2015

Statement of Changes in Equity

For the year ended 30 June 2015

	Share capital £'000	Retained earnings £'000	Total shareholder's equity £'000
At 1 July 2013	**-**	**14,000**	**14,000**
Profit for the year	-	3,375	3,375
Dividend paid	-	-	-
At 30 June 2014	**-**	**17,375**	**17,375**
Profit for the year	-	4,625	4,625
At 30 June 2015	**-**	**22,000**	**22,000**

The accompanying notes are an integral part of this Statement of Changes in Equity

Notes to the financial statements

1. Accounting policies

Sky Comedy Limited (the "Company") is a limited liability company incorporated in the United Kingdom, and registered in England and Wales

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 the going concern basis (as set out in the Directors' Report) and on a historical cost basis, except for the remeasurement to fair value of certain financial assets and liabilities as described in the accounting policies below The Company has adopted the new accounting pronouncements which became effective this period, none of which had a 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 2015, this date was 28 June 2015, this being a 52 week year (fiscal year 2014 29 June 2014, 52 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

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, cancelled or expires

i. 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, if the effect of discounting is immaterial 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 Statement of Comprehensive income

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

1. Accounting policies (continued)

e) Accounting Standards, interpretations and amendments to existing standards that are not yet effective
The Company has not yet adopted certain new standards, amendments and interpretations to existing standards, which have been published but are only effective for our accounting periods beginning on or after 1 July 2015 or later periods These new pronouncements are listed below

- Amendments to IFRS 11 "Accounting for Acquisitions of Interests in Joint Operations" (effective 1 January 2016)*
- Amendments to IAS 16 and IAS 38 "Clarification of Acceptable Methods of Depreciation and Amortisation" (effective 1 January 2016)*
- Annual Improvements 2012-2014 cycle (effective 1 July 2016)*
- IFRS 15 "Revenue from Contracts with Customers" (effective 1 January 2018)*
- IFRS 9 "Financial Instruments" (effective 1 January 2018)*

*not yet endorsed for use in the EU

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

f) Critical accounting policies and the use of judgement
Certain accounting policies are considered to be critical to the Company An accounting policy is considered to be critical if its selection or application materially affects the Company's financial position or results The Directors are required to use their judgement in order to select and apply the Company's critical accounting policies Below is a summary of the Company's critical accounting policies and details of the key areas of judgement that are exercised in their application

The Company's key critical accounting policies are the recoverability of receivables

i. Receivables
Judgement is required in evaluating the likelihood of collection of debt, this evaluation requires estimates to be made, including the level of provision to be made for amounts with uncertain recovery profiles

Notes to the financial statements

2. Investment income

	2015 £'000	2014 £'000
Distribution from joint venture	**4,625**	3,375

The Company has a 25% interest in its joint venture, Paramount UK Partnership ("PUK"), a partnership operating in the UK and Ireland The principal activity of this partnership is the transmission of a general entertainment comedy channel

Distributions totalling £4,625,000 were received in the year from Paramount UK (2014 £3,375,000)

3 Profit before tax

Employee Services
There were no employee costs during the year, as the Company had no employees (2014 None) other than the Directors Services are provided by employees of other companies within the Group with no charge being made for their services The Directors did not receive any remuneration during the year in respect of their services to the Company

Audit fees
Amounts paid to the auditor for the audit of the Company's annual accounts of £6,250 (2014 £6,250) were borne by another Group subsidiary in 2015 and 2014 No amounts for other services have been paid to the auditor on behalf of the Company

4. Tax

The tax charge for the year is £nil (2014 £nil)

Reconciliation of effective tax rate

The tax expense for the year is higher (2014 lower) than the expense that would have been charged using the blended rate of corporation tax in the UK (20 75%) applied to profit before tax The applicable or substantively enacted effective rate of UK corporation tax for the year was 20 75% (2014 22 5%) The differences are explained below

	2015 £'000	2014 £'000
Profit before tax	**4,625**	3,375
Profit before tax multiplied by blended rate of corporation tax in the UK of 20 75% (2014 22 5%)	**960**	759
Effects of		
Non-taxable partnership distribution	**(960)**	(759)
Share of taxable profits of partnership in which the Company is a partner	**1,069**	925
Group relief claimed for £nil consideration	**(1,069)**	(925)
Tax	**-**	-

All tax relates to UK corporation tax

5. Trade and other receivables

	2015 £'000	2014 £'000
Amounts receivable from immediate parent company	**13,625**	9,000
Amounts receivable from other Group companies	**8,375**	8,375
Total Trade and Other Receivables	**22,000**	17,375

The Directors consider that the carrying amount of trade and other receivables approximates their fair values

Amounts receivable from the immediate parent company totalling £13,625,000 (2014 £9,000,000) represent trade receivables, they are non-interest bearing and are repayable on demand

Amounts receivable from other Group companies totalling £8,375,000 (2014 £8,375,000) represent trade receivables, they are non-interest bearing and are repayable on demand

Within the Company there is a concentration of risk within amounts receivable from other Group companies No allowances have been recorded against amounts receivable from Group companies as they have been assessed to be fully recoverable

6. Financial Instruments

Carrying value and fair value

The Company's principal financial instruments comprise trade receivables

The accounting classification of each class of the Company's financial assets and financial liabilities is as follows

	Loans and receivables £'000	Total carrying value £'000	Total fair values £'000
At 30 June 2015			
Trade and other receivables	**22,000**	**22,000**	**22,000**
At 30 June 2014			
Trade and other receivables	17,375	17,375	17,375

The fair value of financial assets and financial liabilities is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes for similar instruments

7 Financial risk management objectives and policies

The Group's Treasury function is responsible for raising finance for the Company's operations, together with associated liquidity management and management of foreign exchange, interest rate and credit risks Treasury operations are conducted within a framework of policies and guidelines authorised and reviewed by both the Audit Committee and the Board, which receive regular updates of Treasury activity Derivative instruments are transacted for risk management purposes only It is the Group's policy that all hedging is to cover known risks and no speculative trading is undertaken Regular and frequent reporting to management is required for all transactions and exposures, and the internal control environment is subject to periodic review by the Group's internal audit team

Credit risk

Company's maximum exposure to credit risk on trade receivables is the carrying amounts disclosed in note 5

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 Sky plc's policies approved by its Board of Directors

8. Share Capital

	2015	2014
	£	£
Allotted, called up and fully paid		
2 (2014 2) ordinary shares of £1 (2014 £1) each	**2**	2

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

9. Transactions with parent company and related parties

a) Key management
The Company has a related party relationship with the Directors of the Company At 30 June 2015, there were 2 (2014 2) members of key managers, both of whom were Directors of the Company

b) Transactions with parent company
The Group's treasury function is responsible for liquidity management across the Group's operations It is standard practice for the Company to lend and borrow cash to and from subsidiaries as required

Under this policy, Sky Ventures Limited received income of £4,625,000 (2014 £3,375,000) on behalf of the company, during the year

c) Transactions with joint venture
Investment income of £4,625,000 (2014 £3,375,000) was received from Paramount UK during the year There are no outstanding balances with the partnership at year end

10. Dividends

No dividends were declared or paid during the year (2014 £Nil)

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

Notes to the financial statements

11. Ultimate parent undertaking

The Company is a wholly-owned subsidiary undertaking of Sky Ventures Limited, a Company incorporated in the United Kingdom and registered in England and Wales The Company is ultimately controlled by Sky The only group in which the results of the Company are consolidated is that headed by Sky

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