

UK Channel Management Limited

Directors' report and financial statements

Registered number 03322468

31 December 2013



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Strategic report

Principal activity

The principal activity of the Company during the year continued to be to operate a number of TV channels broadcasting across pay, free-to-air and digital platforms as well as employing staff who work across a number of companies within the UKTV Media Limited group. The channels operated by the Company are Alibi, Really, Home and Eden.

Results and business review

The Company is a 100% owned trading subsidiary of UKTV Media Limited and operates in the multi-channel digital television arena. It is a mature company having existed since 1997. The market in which it operates is a highly competitive and technologically changing one.

The aim of the Company is to maximise shareholder wealth, measured as operating profit, as well as increasing audiences, which is inherently linked to financial targets.

Detailed results of the Company for the year ended 31 December 2013 are set out on page 7. Measurement of the Company performance is against operating profit. In addition, the Company also scrutinises operating profit margin (operating profit expressed as a % of turnover).

Key performance indicators

	2013 £'000	2012 £'000
Operating profit	8,181	13,383
Operating profit margin	11.3%	18.4%

Operating profit and operating profit margins have decreased year-on-year primarily due to increased investment in programming content.

Significant events

During the year, the Company fully impaired an intercompany debtor of £23,163,545 owed by fellow joint venture undertaking, UKTV Interactive Limited, as it is considered to be irrecoverable following the transfer of UKTV Interactive Limited's trade to fellow group companies. This has been provided for as an exceptional item within the Company's profit and loss account.

The Company also renewed its carriage contracts with both Sky and Virgin Media.

Principle risks and uncertainties

The major risks for the Company are twofold in the short to medium term:

1. Competition. The Company operates in a highly competitive environment. The Company is committed to obtaining the best programming content available in order to retain its strong market share, despite a challenging advertising market and difficult economic conditions.
2. Reliance on key revenue streams. The Company's key revenue streams come from subscriber and advertising revenue. Therefore a shift in market parameters or supplier relations could have a significant impact (positive or negative) on the business. Senior management are aware of this and seek to identify ways to diversify and lessen the exposure.

Strategic report *(continued)*

Future outlook

In 2014 the Company plans to continue to invest in content and promoting its channels, whilst looking to expand its channels beyond the linear broadcasting environment.

By order of the board



P Edmondson
Company Secretary

245 Hammersmith Road
London
W6 8PW
Registered number: 03322468
13 June 2014

Directors' report

The directors present their annual report and the audited financial statements of UK Channel Management Limited (the 'Company') for the year ended 31 December 2013.

Going Concern

The Company's business activities, together with the factors likely to affect its future development and position, are set out in the previous page of this report. The Company is expected to continue to generate positive cash flows on its own account for the foreseeable future. On this basis, and on their assessment of the Company's financial position, the Company's directors have a reasonable expectation that the Company will be able to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Dividends

During the year, ordinary dividends of £5,558,916 (2012: *£nil*), being equivalent to £2,779,458 per ordinary shareholder, were proposed and paid.

Directors

The directors who held office during the year and up to the date of this report are as follows:

P J Vincent	(resigned 20 December 2013)
P Dempsey	(appointed 1 January 2013; resigned 1 April 2013)
A Bott	(appointed 20 December 2013)
T Davie	(appointed 1 April 2013)
D Childs	(appointed 25 March 2014)
K W Lowe	(resigned 11 April 2014)
S Nardi	(appointed 11 April 2014)
M Arthur	
J G NeCastro	
J Samples	

Mrs Sophia Pryor resigned as Company Secretary to the Company on 22 November 2013. Mrs Patricia Edmondson was appointed as Company Secretary to the Company on 25 March 2014.

Political and charitable contributions

During the year, the company made charitable donations of £7,908 (2012: £8,368) and did not make any political contributions (2012: *£nil*).

Disclosure of information to auditor

The directors who held office at the date of approval of the directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware and each director has taken all 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.

Directors' report *(continued)*

Auditor

Pursuant to section 487 of the Companies Act 2006, the auditor will be deemed to be re-appointed and KPMG LLP will therefore continue in office.

By order of the board



P Edmondson
Company Secretary

245 Hammersmith Road
London
W6 8PW
Registered number: 03322468
13 June 2014

Statement of directors' responsibilities in respect of the directors' report and the financial statements

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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

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 their profit for the period.

In preparing these 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 its financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Independent Auditor's Report to the Members of UK Channel Management Limited

We have audited the financial statements of UK Channel Management Limited (the 'Company') for the year ended 31 December 2013 set out on pages 7 to 18. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.cfm.

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 31 December 2013 and of its loss for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; 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 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.



Steve Masters (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants
15 Canada Square
London, E14 5GL
17 June 2014

Profit and loss account

for the year ended 31 December 2013

	Note	2013 £'000	2012 £'000
Turnover	1,2	72,286	72,787
Cost of sales		(42,307)	(38,434)
Gross profit		29,979	34,353
Distribution costs		(14,513)	(15,625)
Administration expenses		(7,285)	(5,345)
Operating profit		8,181	13,383
Exceptional item	5,12	(23,164)	-
Interest receivable and similar income	3	805	953
Interest payable and similar charges	4	(603)	(850)
(Loss)/ profit on ordinary activities before taxation	5	(14,781)	13,486
Tax on profit on ordinary activities	8	(1,781)	(3,368)
(Loss)/ profit for the financial year		(16,562)	10,118

All the results above arose from continuing operations.

There is no difference between the result on a historical cost basis and that shown in the profit and loss account. There were no recognised gains and losses other than that recognised in the profit and loss account. Accordingly, no statement of recognised gains and losses has been prepared.

The notes on pages 9-18 form an integral part of these financial statements.

Balance sheet

at 31 December 2013

	Note	2013		2012	
		£'000	£'000	£'000	£'000
Fixed Assets					
Tangible fixed assets	9		1,304		899
Current assets					
Programming Stock	11	25,724		28,357	
Debtors: amounts falling due within one year	12	24,597		44,614	
Debtors: amounts falling due after more than one year	12	10,014		9,788	
Cash at bank and in hand		3,149		1,932	
		<u>63,484</u>		<u>84,691</u>	
Creditors: amounts falling due within one year	13	<u>(53,899)</u>		<u>(28,339)</u>	
Net Current Assets			<u>9,585</u>		<u>56,352</u>
Total assets less current liabilities			<u>10,889</u>		<u>57,251</u>
Creditors: amounts falling due after more than one year	14		-		(24,241)
Net assets			<u>10,889</u>		<u>33,010</u>
Capital and reserves					
Called up share capital	15		2		2
Profit and loss account	16		10,887		33,008
Shareholders' funds	17		<u>10,889</u>		<u>33,010</u>

The notes on pages 9-18 form an integral part of these financial statements.

These financial statements were approved by the board of directors on 13 June 2014 and were signed on its behalf by:



A Bott
Director

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's financial statements, except as noted below.

Basis of preparation

The financial statements have been prepared on a going concern basis, in accordance with applicable accounting standards and under the historical cost accounting rules.

Cash flow statement

The Company is exempt from the requirement of Financial Reporting Standard No.1 (Revised) to prepare a cash flow statement as it is a wholly owned subsidiary of UKTV Media Limited and its cash flows are included within the consolidated cash flow statement of that company.

Related parties

As the Company is a wholly owned subsidiary of UKTV Media Limited, the Company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of this group. The consolidated financial statements of UKTV Media Limited, within which this Company is included, can be obtained from Companies House.

Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction or, if hedged forward, at the rate of exchange under the related forward currency contract. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

Turnover

Turnover represents net advertising revenue, subscription revenue and other commercial revenue. All turnover is stated net of valued added tax and is recognised on delivery.

Taxation

The charge for taxation is based on the profit or loss for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19.

Programming stock

Programming stock is stated at the lower of cost, being purchase price, and net realisable value. Programming stock is the amount payable under licence agreements on agreed purchases and is written off on a straight line basis over the number of transmission days.

Pensions

The Company does not operate a pension scheme but pays defined contributions into individual pension schemes. The amount charged against profits represents the contributions payable to those schemes in respect of the accounting period.

Notes (continued)

1 Accounting policies (continued)

Operating leases

Rentals payable relating to assets under operating lease are taken to the profit and loss account evenly over the period of the lease.

Tangible fixed assets and depreciation

Depreciation is provided to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Furniture & Fittings – 28% per annum, calculated as 12/43 months, in line with original lease term.
 IT Hardware & Software – 33% per annum

2 Segmental reporting

The Company's operations are all considered to fall into a single class of business, namely the operation of TV channels broadcasting across pay, free-to-air and digital platforms. The revenue is derived from the geographical areas below.

<i>Turnover by geographical location:</i>	2013 £'000	2012 £'000
UK	70,901	72,227
Republic of Ireland	1,385	560
	<hr/>	<hr/>
	72,286	72,787
	<hr/>	<hr/>

3 Interest receivable and similar income

	2013 £'000	2012 £'000
Interest on bank deposits	-	1
Interest on amounts owed by fellow joint venture companies	797	952
Other interest receivable	8	-
	<hr/>	<hr/>
	805	953
	<hr/>	<hr/>

4 Interest payable and similar charges

	2013 £'000	2012 £'000
Interest on variable rate loan stock (note 20)	588	758
Revolving credit facility (note 20)	-	91
Other interest payable	15	1
	<hr/>	<hr/>
	603	850
	<hr/>	<hr/>

Notes (continued)

5 Profit/(Loss) on ordinary activities before taxation

	2013 £'000	2012 £'000
<i>Profit on ordinary activities before taxation is stated after charging:</i>		
Auditors' remuneration:		
Audit of these financial statements	39	43
Tax services	19	8
Other non-audit fees	11	1
Amortisation of programming stock	28,798	25,095
Operating lease rentals in respect to land and buildings	146	176
Operating lease rentals in respect of plant and machinery	9,918	10,085
Depreciation of fixed assets	546	238
Exceptional item (note 12)	23,164	-
	<hr/>	<hr/>

In the current and prior year, the auditor's remuneration relating to UKTV Media Limited, the group's holding company, was incurred by the Company and other group companies.

During the year, the Company fully impaired an intercompany debtor of £23,163,545 owed by fellow joint venture undertaking, UKTV Interactive Limited, as it is considered to be irrecoverable following the transfer of UKTV Interactive Limited's trade to fellow group companies. This has been provided for as an exceptional item within the Company's profit and loss account.

6 Staff numbers and costs

The average number of persons employed by the Company during the year, including employees of the BBC contracted to work for the Company, was as follows:

	Number of employees	
	2013	2012
Administration	207	197
	<hr/>	<hr/>

The aggregate payroll costs of these persons that relate to the Company and are not recharged to other companies within the UKTV group of companies were as follows:

	2013 £'000	2012 £'000
Wages and salaries	6,307	6,276
Social security costs	558	506
Other pension costs (note 19)	305	287
	<hr/>	<hr/>
	7,170	7,069
	<hr/>	<hr/>

The Company employs staff that work for other companies within the UKTV group of companies. Their costs are recharged according to the work they undertake. The companies are UK Gold Holdings Limited, UK Gold Services Limited, UKTV Interactive Limited and UKTV New Ventures Limited. Copies of their accounts are available from Companies House.

Notes (continued)

7 Remuneration of directors

The directors did not receive any remuneration from the Company during the year (2012: £nil) as their services provided to the Company are incidental to their duties to joint venture parents.

8 Taxation

Analysis of charge in the year

	2013 £'000	2012 £'000
Current tax:		
UK Corporation tax	1,915	3,341
Adjustment in respect of prior years	(134)	27
	<hr/>	<hr/>
Total current tax charge	1,781	3,368
	<hr/>	<hr/>

Factors affecting current tax charge for the period:

The current tax charge for the period is lower (2012: higher) than the standard rate of corporation tax in the UK. The differences are explained below.

	2013 £'000	2012 £'000
Current tax reconciliation		
(Loss)/profit on ordinary activities before taxation	(14,781)	13,486
Non-deductible exceptional item (note 5,12)	23,164	-
	<hr/>	<hr/>
	8,383	13,486
	<hr/>	<hr/>
Current tax at 24% to 1 April 2013 and 23% thereafter (2012: 24.5%)	1,949	3,304
<i>Effect of:</i>		
Expenses not deductible for tax purposes	82	10
Differences between capital allowances & depreciation	58	27
Group relief received	(174)	-
Prior year adjustment	(134)	27
	<hr/>	<hr/>
Current tax	1,781	3,368
	<hr/>	<hr/>

Factors affecting future tax charge:

As at 31 December 2013, the Company estimates that it has unclaimed capital allowances of £1,354,558 (2012: £565,364).

The UK corporation tax rate will reduce to 21% effective from 1 April 2014. This will reduce the Company's future current tax charge accordingly.

Notes (continued)

9 Tangible Fixed Assets

Cost	£'000 Furniture & Fittings	£'000 IT Hardware & Software	£'000 Total
At 1 January 2013	491	744	1,235
Additions	31	920	951
	<hr/>	<hr/>	<hr/>
At 31 December 2013	522	1,664	2,186
	<hr/>	<hr/>	<hr/>
Depreciation			
At 1 January 2013	237	99	336
Provided during the year	154	392	546
	<hr/>	<hr/>	<hr/>
At 31 December 2013	391	491	882
	<hr/>	<hr/>	<hr/>
Net book value at 31 December 2013	131	1,173	1,304
	<hr/>	<hr/>	<hr/>
Net book value at 1 January 2013	254	645	899
	<hr/>	<hr/>	<hr/>

10 Dividends

	2013 £'000	2012 £'000
Ordinary dividends proposed and paid	5,559	-
	<hr/>	<hr/>

11 Programming stock

	2013 £'000	2012 £'000
Licence fees	25,724	28,357
	<hr/>	<hr/>

There is no material difference between the replacement cost of stocks and their balance sheet amounts.

Notes (continued)

12 Debtors

	2013 £'000	2012 £'000
Amounts falling due within one year		
Trade debtors	12,549	9,998
Amounts owed by ultimate joint venture parent and its subsidiaries (note 20)	36	537
Amounts owed by fellow joint venture undertakings	2,897	23,429
Prepayments and accrued income	7,441	10,619
Other debtors	1,674	31
	<hr/>	<hr/>
	24,597	44,614
	<hr/>	<hr/>
Amounts falling due after more than one year		
Variable rate unsecured loan stock owed by fellow joint venture undertaking	8,666	8,666
Interest on variable rate unsecured loan stock owed by fellow joint venture undertaking	1,348	1,122
	<hr/>	<hr/>
	10,014	9,788
	<hr/>	<hr/>

The amounts owed by fellow joint venture undertaking, falling due after more than one year, relates to variable rate loan stock issued to UK Gold Holdings Limited per the loan agreement dated 10 December 2008. The loan is repayable only if unanimous shareholder agreement is passed, as per the loan agreement. Interest is accrued at 2% above the London Interbank Offered Rate and payable on the date of repayments as per above.

During the year, the Company fully impaired an intercompany debtor of £23,163,545 owed by fellow joint venture undertaking, UKTV Interactive Limited, as it is considered to be irrecoverable following the transfer of UKTV Interactive Limited's trade to fellow group companies. This has been provided for as an exceptional item within the Company's profit and loss account.

13 Creditors: amounts falling due within one year

	2013 £'000	2012 £'000
Trade creditors	5,598	2,797
Other creditors	625	377
Amounts owed to ultimate joint venture parents and their subsidiaries (note 20)	3,814	2,695
Amounts owed to fellow joint venture undertakings	1,268	747
Taxation and social security	2,581	937
Accruals and deferred income	17,761	20,786
Variable rate loan stock (note 20)	14,737	-
Accrued interest on variable rate loan stock (note 20)	7,515	-
	<hr/>	<hr/>
	53,899	28,339
	<hr/>	<hr/>

The variable rate loan stock is repayable out of "available cash" in accordance with the terms of the Shareholders' Agreement between the Company and the shareholders. Interest is payable at 2% above the six month London Interbank Offered Rate for sterling deposits.

Notes (continued)

14 Creditors: amounts falling due after more than one year

	2013	2012
	£'000	£'000
Variable rate loan stock (note 20)	-	17,296
Accrued interest on variable rate loan stock (note 20)	-	6,945
	<hr/>	<hr/>
	-	24,241
	<hr/>	<hr/>

15 Called up share capital

	2013	2012
	£'000	£'000
<i>Authorised, allotted and fully paid:</i>		
1,001 'A' ordinary shares of £1 each (2012: 1,001 'A' ordinary shares of £1 each).	1	1
1,001 'B' ordinary shares of £1 each (2012: 1,001 'B' ordinary shares of £1 each).	1	1
	<hr/>	<hr/>
	2	2
	<hr/>	<hr/>

1 deferred ordinary share of £1 was authorised on the 28 November 2008. This deferred share has no voting rights.

Rights attaching to each class of share are summarised below:

The 'A' ordinary shares and the 'B' ordinary shares rank pari passu in all respects.

The holder of the 'A' ordinary shares and the 'B' ordinary shares have voting rights.

Voting rights of a member and its appointed directors together with its rights to appoint or remove a director will be suspended if that member or its associates is in material breach of certain agreements specified in the Articles of Association of the Company.

The holders of a majority of 'A' ordinary shares and the holders of a majority of 'B' ordinary shares may appoint directors.

Notes (continued)

16 Reserves

	Profit and loss account £'000
At 31 December 2012	33,008
Loss for the year	(16,562)
Equity dividend	(5,559)
	<hr/>
At 31 December 2013	10,887
	<hr/>

17 Reconciliation of movement in equity shareholders' funds

	2013 £'000	2012 £'000
Dividends paid (note 10)	(5,559)	-
Loss for the financial year	(16,562)	10,118
	<hr/>	<hr/>
Opening equity shareholders' funds	33,010	22,892
	<hr/>	<hr/>
Closing equity shareholders' funds	10,889	33,010
	<hr/>	<hr/>

18 Commitments

Annual commitments under non-cancellable operating leases, programming licence commitments and other non-cancellable contracts are as follows:

	Land & Buildings		Other		Total	
	2013 £'000	2012 £'000	2013 £'000	2012 £'000	2013 £'000	2012 £'000
Operating leases which expire:						
In less than one year	94	-	3,353	4,741	3,447	4,741
In two to five years	-	176	-	7,850	-	8,026
Over five years	-	-	4,304	1,896	4,304	1,896
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

These commitments also include operating leases held by the Company on behalf of other related parties, by which lease costs are incurred and subsequently recharged to fellow group companies.

	2013 £'000	2012 £'000
Annual commitments with regard to the purchase of programming licences and other non-cancellable contracts	15,458	15,672
	<hr/>	<hr/>

As at 31 December 2013, the Company had forward commitments to purchase €1,380,556 in 2014 for £1,183,317.

Notes (continued)

19 Pension scheme

The Company does not operate a pension scheme but pays defined contributions into individual pension schemes. The amount charged against profits represents the contributions payable to those schemes in respect of the accounting period and amounted to £305,025 (2012: £287,391). There were no outstanding or prepaid contributions at either the beginning or end of the financial year.

20 Related party transactions

Income from BBC Worldwide Limited relates to programme sales.

Cost of sales purchases from BBC Worldwide Limited relate to BBC archive programming and channel management costs.

	2013 £'000	2012 £'000
Income from BBC Worldwide Limited	335	497
Cost of sales purchases from BBC Worldwide Limited	(9,715)	(10,887)
Taxation charged on group relief due to Scripps Networks Interactive Inc. and its subsidiaries	(2,286)	-
Taxation paid on group relief due to Scripps Networks Interactive Inc. and its subsidiaries	(404)	-
Repayment of loan due to Scripps Networks Interactive Inc. and its subsidiaries	(2,559)	-
Interest charged on loan stock due to Scripps Networks Interactive Inc. and its subsidiaries	(588)	(758)
Interest paid on loan stock due to Scripps Networks Interactive Inc. and its subsidiaries	(17)	(103)
Interest charged on revolving credit facility to Scripps Networks Interactive Inc. and its subsidiaries	-	(91)
Interest paid on revolving credit facility to Scripps Networks Interactive Inc. and its subsidiaries	-	(95)
Repayment of revolving credit facility to Scripps Networks Interactive Inc. and its subsidiaries	-	(6,969)
Ordinary dividends paid to Scripps Networks Interactive Inc. and its subsidiaries	(2,779)	-
Ordinary dividends paid to BBC Worldwide Limited	(2,779)	-

Balances outstanding at the year-end in respect of related parties are as follows:

	2013 £'000	2012 £'000
Amounts owed to BBC Worldwide Limited	(1,932)	(2,695)
Amounts owed by BBC Worldwide Limited	36	537
Amounts owed to Scripps Networks Interactive Inc. and its subsidiaries:		
Variable rate unsecured loan stock	(14,737)	(17,296)
Capitalised interest on variable rate unsecured loan stock	(7,515)	(6,945)
Consortium tax relief	(1,882)	-

Notes (continued)

21 Ultimate parent company

The company is a wholly owned subsidiary of UKTV Media Limited. At 31 December 2013, the joint venture partners of UKTV Media Limited were BBC Worldwide Limited (a wholly owned subsidiary of the BBC) and Southbank Media Ltd (a wholly owned subsidiary of Scripps), a company incorporated in the state of Ohio, United States of America), each holding 50% respectively.

The accounts of both of these companies are available to the public and may be obtained from the following addresses:

Scripps Networks Interactive Inc.
312 Walnut Street
Cincinnati
Ohio
45202
United States

BBC Trust
180 Great Portland Street
London
W1W 5QZ

On 12 March 2013, the name of the parent company changed from Newincco 1112 Limited to UKTV Media Limited.