

Registration number: 03745622

News UK & Ireland Trading Limited

Report and financial statements

for the year ended 2 July 2023

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News UK & Ireland Trading Limited

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News UK & Ireland Trading Limited

Strategic Report for the year ended 2 July 2023

The directors present their Strategic Report and the financial statements of the company for the year ended 2 July 2023.

Principal activity

The principal activity of the company is the provision of personnel resources and administration services to other members of the News Corp Investments UK & Ireland Group ("News UK" group) within the Republic of Ireland.

Fair review of the business

The company generated turnover for the year of £14,540,000 (2022 - £11,882,000). The company's gross profit for the year was £4,000 (2022 - £7,000.) The increase in turnover is as a result of a increase in staff costs recharged to group companies.

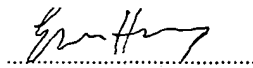
The company is part of News UK group and therefore is subject to the Key Performance Indicators as disclosed in the other group companies' financial statements, specifically News Group Newspapers Limited and Times Media Limited.

Principal risks and uncertainties

The company's trade and activities are largely dependent on other group companies within the News UK group. Therefore the principal risks and uncertainties are borne by other group companies within the News UK group and are disclosed in the financial statements of News Group Newspapers Limited and Times Media Limited.

Approved and authorised by the Board on 21 November 2023 and signed on its behalf by:

PP



E. Humphreys
Director

News UK & Ireland Trading Limited

Directors' Report for the year ended 2 July 2023

The directors present their report and the financial statements of the company for the year ended 2 July 2023.

Results and dividends

The profit for the year, after taxation, amounted to £4,000 (2022 - £7,000).

The directors do not recommend a dividend (2022 - £Nil).

Directors of the company

The directors who held office during the period were as follows:

D. Dinsmore

E. Humphreys (appointed 25 July 2022)

C.C.S. Longcroft (resigned 25 July 2022)

Except as noted above, all directors served throughout the year and are still directors at the date of this report.

The Articles of Association do not require directors to retire either by rotation or in the year of appointment.

Directors' indemnity provision

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 judgement is given against the director; and 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.

Going Concern

The company is in a net current asset position as at 2 July 2023 and has sufficient resources to settle its liabilities when they become due. The assets are dependent upon the recoverability of intercompany receivables that may require support of the parent.

The directors have considered the financial position and trading activities of the company, including forecasts, for the going concern assessment period to 31 December 2024 (the 'assessment period'). Given the utilisation of, and access to, the group facility, the ultimate parent undertaking, News Corporation (the 'Parent company') has provided a support letter indicating that they will continue to provide the financial support to enable the company to meet its liabilities as and when they fall due for the assessment period.

The Parent Company will continue to review group and company liquidity needs in light of the business and financial impacts it may face in light of economic factors such as higher rates of interest and inflation and any mitigating actions which may be required. The parent company also has available borrowing capacity under its undrawn \$750 million revolving credit facility.

After making due enquiries and considering the forecasts of the News UK group, incorporating the impact of global macroeconomic inflationary pressures, the general challenging market environment, access to funds through the group facility and the Parent Company support, the directors have a reasonable expectation that the Company has adequate resources to continue in operation and meet its liabilities as they fall due for the going concern assessment period to 31 December 2024. These considerations include the company, as well as the wider News Corp. group. Accordingly, the financial statements are prepared on the going concern basis.

News UK & Ireland Trading Limited

Directors' Report for the year ended 2 July 2023 (continued)

Directors' responsibilities statement

The directors acknowledge their responsibilities for preparing the Strategic Report, 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under Company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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 FRS 102 is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the company financial position and financial performance;
- state whether applicable United Kingdom 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Disclosure of information to the auditor

Each director has taken 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. The directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Auditor

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.

Approved and authorised by the Board on 21 November 2023 and signed on its behalf by:

PP



E. Humphreys
Director

Independent Auditor's Report to the Members of News UK & Ireland Trading Limited

Opinion

We have audited the financial statements of News UK & Ireland Trading Limited for the year ended 2 July 2023 which comprise Profit and Loss Account, the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity, and related notes 1 to 13 including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 2 July 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period to 31 December 2024.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Independent Auditor's Report to the Members of News UK & Ireland Trading Limited (continued)

Other information (continued)

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

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 Strategic Report and Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and 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.

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Independent Auditor's Report to the Members of News UK & Ireland Trading Limited (continued)

Auditor Responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are those that relate to the reporting framework (FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006) and the relevant direct and indirect tax compliance regulations in the United Kingdom.
- We understood how the company is complying with those frameworks by making enquiries of management and those responsible for legal matters and compliance. We corroborated these enquiries through our review of policies and board meeting minutes. We reviewed management's entity level controls to understand the company culture of honest and ethical behaviour, including the emphasis on fraud prevention.
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur through inquiry of management and those charged with governance as to established policies and procedures that exist. We considered the procedures and controls that the company has established to address risks identified, or that otherwise prevent, deter and detect fraud and gained an understanding as to how those procedures and controls are implemented and monitored.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations and to respond to the assessed risks. We determined there to be a risk of management override and a fraud risk over manual adjustments to revenue. To address the fraud risk on revenue, we used data analytics to identify the population of manual journal entries impacting revenue and selected a sample of specific transactions. We understood the transactions identified for testing and agreed them to source documentation. To address the risk of management override of controls we used data analytics to sample from the entire population of journal entries, identifying transactions which did not meet our expectations based on specific criteria, to investigate, gain an understanding and agree to source documentation. Our procedures also included verifying that material transactions are recorded in compliance with FRS 102 and where appropriate Companies Act 2006. Compliance with other operational laws and regulations was covered through inquiry with management and the Directors, reading of the board meeting minutes and correspondence with the relevant authorities with no indication of non-compliance identified. Furthermore, we performed procedures to conclude on the compliance of disclosures made in the annual report and accounts with all applicable requirements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

**Independent Auditor's Report to the Members of News UK & Ireland Trading Limited
(continued)**

Use of our report

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.

Ernst & Young LLP

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Luke Little (Senior Statutory Auditor)

For and on behalf of Ernst & Young LLP, Statutory Auditor, Cambridge

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Date: 29/11/2023

News UK & Ireland Trading Limited

Profit and Loss Account for the year ended 2 July 2023

	Note	2023 £ 000	2022 £ 000
Turnover	3	14,540	11,882
Cost of sales		<u>(14,534)</u>	<u>(11,875)</u>
Gross profit		<u>6</u>	<u>7</u>
Operating profit	4	<u>6</u>	<u>7</u>
Profit before tax		6	7
Tax on profit	8	<u>(2)</u>	<u>-</u>
Profit for the financial year		<u><u>4</u></u>	<u><u>7</u></u>

The above results were derived from continuing operations.

The company has no recognised gains or losses for the year other than the results above.

Statement of Comprehensive Income for the year ended 2 July 2023

	2023 £ 000	2022 £ 000
Profit for the financial year	<u>4</u>	<u>7</u>
Total comprehensive income for the financial year	<u><u>4</u></u>	<u><u>7</u></u>

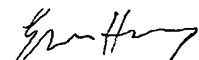
The notes on pages 11 to 17 form an integral part of these financial statements.

News UK & Ireland Trading Limited**(Registration number: 03745622)****Balance Sheet as at 2 July 2023**

	Note	2023 £ 000	2022 £ 000
Current assets			
Debtors	9	10,151	10,870
Cash at bank and in hand	10	<u>6,453</u>	<u>774</u>
		16,604	11,644
Creditors: Amounts falling due within one year	11	<u>(16,215)</u>	<u>(11,259)</u>
Net assets		<u>389</u>	<u>385</u>
Capital and reserves			
Called up share capital	12	-	-
Retained earnings		<u>389</u>	<u>385</u>
Shareholders' funds		<u>389</u>	<u>385</u>

Approved and authorised by the Board on 21 November 2023 and signed on its behalf by:

pp


E. Humphreys
Director

The notes on pages 11 to 17 form an integral part of these financial statements.

News UK & Ireland Trading Limited

Statement of Changes in Equity for the year ended 2 July 2023

	Share capital £ 000	Retained earnings £ 000	Total £ 000
At 4 July 2022	-	385	385
Profit for the financial year	-	4	4
Total comprehensive income for the financial year	-	4	4
At 2 July 2023	-	389	389

Statement of Changes in Equity for the year ended 3 July 2022

	Share capital £ 000	Retained earnings £ 000	Total £ 000
At 28 June 2021	-	378	378
Profit for the financial year	-	7	7
Total comprehensive income for the financial year	-	7	7
At 3 July 2022	-	385	385

News UK & Ireland Trading Limited

Notes to the Financial Statements for the year ended 2 July 2023

1 General information

The company is a private company limited by share capital, incorporated in England and Wales under the Companies Act.

The address of its registered office is:

1 London Bridge Street
London
SE1 9GF

These financial statements were authorised for issue by the Board on 21 November 2023.

The nature of the company's operations and its principal activities are set out in the Strategic Report on page 1.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland and the Companies Act 2006.

Basis of preparation

The financial statements have been prepared on a going concern basis, under the historical cost convention, modified to include certain items at fair value.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed below.

The financial statements are made up to the Sunday closest to 30 June in each year. Consequently, the financial statements for the current period cover 52 weeks ended 2 July 2023 (prior period 53 weeks ended 3 July 2022). The financial statements are presented in pounds sterling which is the function currency of the company, and rounded to the nearest £'000.

News UK & Ireland Trading Limited

Notes to the Financial Statements for the year ended 2 July 2023 (continued)

2 Accounting policies (continued)

Summary of disclosure exemptions

FRS 102 paragraph 1.12 allows a qualifying entity certain disclosure exemptions, subject to certain conditions which have been complied with, including notification of and no objection to the use of exemptions by the company's shareholders. The equivalent disclosures are included in the consolidated financial statements of News Corporation, the ultimate parent undertaking.

The company has taken advantage of the following exemptions:

- (a) From preparing a statement of cash flows and related notes as required by Section 7 Statement of Cash Flows and Section 3 Financial Statement Presentation paragraph 3.17(d);
- (b) From the financial instruments disclosures as required by FRS 102 paragraph 11.42 to 11.48A and paragraphs 12.26 to 12.27, 12.29 (a) & (b) and 12.29A, including:
 - categories of financial instruments;
 - items of income, expenses, gains or losses relating to financial instruments; and
 - exposure to and management of financial risks.
- (c) From disclosing the company key management personnel compensation, as required by FRS 102 paragraph 33.7.

Going Concern

The company is in a net current asset position as at 2nd July 2023 and has sufficient resources to settle its liabilities when they become due. The assets are dependent upon the recoverability of intercompany receivables that may require support of the parent.

The directors have considered the financial position and trading activities of the company, including forecasts, for the going concern assessment period to 31 December 2024 (the 'assessment period'). Given the utilisation of, and access to, the group facility indicated above, the ultimate parent undertaking, News Corporation (the 'Parent company') has provided a support letter indicating that they will continue to provide the financial support to enable the company to meet its liabilities as and when they fall due for the assessment period.

The Parent Company will continue to review group and company liquidity needs in light of the business and financial impacts it may face in light of economic factors such as higher rates of interest and inflation and any mitigating actions which may be required. The parent company also has available borrowing capacity under its undrawn \$750 million revolving credit facility.

After making due enquiries and considering the forecasts of the News UK group, incorporating the impact of global macroeconomic inflationary pressures, the general challenging market environment, access to funds through the group facility and the Parent Company support, the directors have a reasonable expectation that the Company has adequate resources to continue in operation and meet its liabilities as they fall due for the going concern assessment period to 31 December 2024. These considerations include the company, as well as the wider News Corp. group. Accordingly, the financial statements are prepared on the going concern basis.

News UK & Ireland Trading Limited

Notes to the Financial Statements for the year ended 2 July 2023 (continued)

2 Accounting policies (continued)

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable, and represents the amount receivable for goods supplied or services rendered, net of returns, discounts and rebates allowed by the company, and value added taxes.

The company recognises revenue when (a) the significant risks and rewards of ownership have been transferred to the buyer; (b) the company retains no continuing involvement or control over the goods; (c) the amount of revenue can be measured reliably (d) and the costs incurred or to be incurred in respect of the transaction can be measured reliably (e) it is probable that future economic benefits will flow to the entity. Specific revenue recognition criteria also apply depending on the revenue stream, as described below:

Service revenue is recognised over the duration of the provision of the service.

Tax

The tax expense for the period comprises current tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Defined contribution pension obligation

The employees of the company participate in a defined contribution pension scheme; the amount charged to the profit and loss account in respect of pension costs is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Related Party Transactions

As a wholly owned subsidiary undertaking of News Corporation whose financial statements are publicly available, the company has taken advantage of the exemption in FRS 102 Section 33 'Related Party Disclosures' not to disclose transactions with other wholly owned members of the group headed by News Corporation.

News UK & Ireland Trading Limited

Notes to the Financial Statements for the year ended 2 July 2023 (continued)

2 Accounting policies (continued)

Critical accounting judgements and key sources of estimation uncertainty

No critical judgements or key sources of estimation uncertainty in applying the company's accounting policies have been identified in the current or preceding year.

3 Turnover

The company's turnover and profit is derived from the provision of personnel resources and administration services to other members of the News UK group within the Republic of Ireland.

4 Operating profit

Other members of the News UK group provide the company with administrative and support services, for which no charge is made.

5 Auditor's remuneration

	2023 £ 000	2022 £ 000
Audit of financial statements	35	29

Auditor's remuneration is borne by another group undertaking.

6 Staff costs

	2023 £ 000	2022 £ 000
Wages and salaries	12,503	10,044
Social security costs	1,334	1,107
Pension costs	675	697
	<u>14,512</u>	<u>11,848</u>

The average number of persons employed by the company during the year, analysed by category was as follows:

	2023 No.	2022 No.
Administration and support	15	-
Sales and distribution	31	34
Editorial	117	139
	<u>163</u>	<u>173</u>

The employees of the company participate in a defined contribution pension scheme operated by News Corp UK & Ireland Limited.

The company provides the personnel resources to other members of the News UK group. A recharge is made to other companies for the services of personnel.

News UK & Ireland Trading Limited

Notes to the Financial Statements for the year ended 2 July 2023 (continued)

7 Directors' remuneration

The directors' remuneration for the year was as follows:

	2023 £ 000	2022 £ 000
Allocation of directors qualifying services to the company	<u>34</u>	<u>76</u>

The directors of this company provide services to this company and a number of other group companies. The amounts above relate to the share of qualifying services that have been allocated to this company.

No directors accrued benefits under company pension schemes (2022 - none).

The number of directors who through participating in News Corporation's long term incentive plan were remunerated in News Corporation Common A stock were as follows:

During the period the number of directors who were receiving benefits and share incentives was as follows:

	2023 No.	2022 No.
Received or were entitled to receive shares under long term incentive schemes	<u>2</u>	<u>2</u>

In respect of the highest paid director:

	2023 £ 000	2022 £ 000
Allocation of directors qualifying services to the company	<u>29</u>	<u>76</u>

8 Taxation

Tax charged/(credited) in the profit and loss account

	2023 £ 000	2022 £ 000
Foreign tax	<u>2</u>	<u>-</u>

News UK & Ireland Trading Limited

Notes to the Financial Statements for the year ended 2 July 2023 (continued)

8 Taxation (continued)

The tax on profit before tax for the period is higher than the standard rate corporation tax in the UK (2022 - lower as the standard rate of corporation tax in the UK) of 20.5% (2022 - 19%).

The differences are reconciled below:

	2023 £ 000	2022 £ 000
Profit before tax	<u>6</u>	<u>7</u>
Corporation tax at standard rate	1	1
Tax decrease arising from group relief	(1)	(1)
Tax increase arising from overseas tax suffered	<u>2</u>	<u>-</u>
Total tax charge	<u>2</u>	<u>-</u>

Factors that may affect future tax charge

The UK Corporation Tax Rate has remained at 19% for several years. It was announced in the March 2021 Budget that the main rate would increase to 25% with effect from 1 April 2023. The rate increase was substantially enacted when it received Royal Assent on 10 June 2021. The rate will remain at 19% until 31 March 2023.

9 Debtors

	2023 £ 000	2022 £ 000
Current		
Trade debtors	587	541
Amounts owed by group undertakings	9,532	10,290
Other debtors	11	-
Prepayments	<u>21</u>	<u>39</u>
	<u>10,151</u>	<u>10,870</u>

All amounts owed by group undertakings relate to trading balances with no fixed repayment terms and no interest charged.

10 Cash and cash equivalents

	2023 £ 000	2022 £ 000
Cash at bank	<u>6,453</u>	<u>774</u>

News UK & Ireland Trading Limited

Notes to the Financial Statements for the year ended 2 July 2023 (continued)

11 Creditors

	2023 £ 000	2022 £ 000
Due within one year		
Bank overdrafts	-	81
Trade creditors	47	70
Amounts due to group undertakings	15,775	10,728
Social security and other taxes	96	122
Other payables	32	32
Accruals and deferred income	265	226
	<u>16,215</u>	<u>11,259</u>

All amounts owed to group undertakings relate to trading balances with no fixed repayment terms and no interest charged.

News Corp UK & Ireland operates a collective overdraft facility with its bankers, which allows individual companies in the News UK group to overdraw to an agreed limit of £20 million, not being exceeded in aggregate. The overdraft facility is also guaranteed by News Corporation.

12 Share capital

Allotted, called up and fully paid shares

	2023		2022	
	No.	£	No.	£
Ordinary of £1 each	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

13 Parent and ultimate parent undertaking

The company's immediate parent is News Corp UK & Ireland Limited, incorporated in England and Wales.

The ultimate parent is News Corporation, 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, NY 10036. The consolidated financial statements are available to the public and may be obtained from 1 London Bridge Street, London, SE1 9GF.