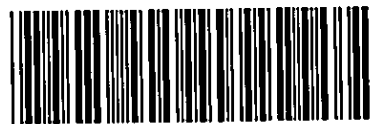


Registered number: 03754909

Animal Planet Europe Limited

**Directors' report and financial statements
for the 9 month period ended 31 December 2010**

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Animal Planet Europe Limited
Registered number 03754909

Directors' report and financial statements
for the period ended 31 December 2010

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Directors' report

The directors present their report and the audited financial statements of Animal Planet Europe Limited for the period ended 31 December 2010. On 31 August 2011 Companies House authorised the company to shorten its accounting period from 31 March 2011 to 31 December 2010.

Principal activities and business review

The principal activity of the Company is its investment in the Animal Planet Europe partnership.

The company name was changed on 11 August 2011 being previously denominated Worldwide Channel Investments (Europe) Limited.

The Company is exempt, by virtue of its size, from the requirement to prepare an enhanced business review.

On 12 November 2010, Discovery Networks International Holdings Limited acquired 100% of the issued share capital of Animal Planet Europe Limited (formally Worldwide Channel Investments (Europe) Limited) for consideration of £98,209,000. This represents the acquisition of 50% of the operations of the Animal Planet partnership in Europe where the Discovery Group had previously owned the other 50% stake.

Results and dividends

The profit for the financial period in the Company is £4,225,161 (31 March 2010: £3,731,265). Dividends of £5,318,231 were paid (31 March 2010: £5,000,000).

Directors

The directors of the company who were in office during the period and up to the date of signing the financial statements were:

J Honeycutt (appointed 22 November 2010)
Y Shmulewitz (appointed 22 November 2010)
D Forbes (appointed 22 November 2010)
C Murphy (appointed 15 October 2010 and resigned 12 November 2010)
M Hollinger (appointed 12 November 2010 and resigned 22 December 2010)
N Chugani (resigned 17 June 2010)
D Childs (resigned 31 August 2010)
P Vincent (resigned 12 November 2010)

A Cornette resigned as company secretary on 12 December 2010. Snr Denton Secretaries was appointed as company secretary on 22 November 2010.

Statement of directors' responsibilities

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 period. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

Directors' report (continued)

In preparing those financial statements, the directors are required to

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

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

Disclosure of information to auditors

So far as the directors are aware, there is no relevant audit information of which the Company's auditors are unaware. The directors have taken all steps that they ought to have taken as directors in order to make themselves aware of any relevant information and to establish that the Company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provision of s418 of the Companies Act 2006.

Independent auditors

KPMG LLP resigned as auditors of the company on 2 August 2011 and confirmed that there are no circumstances connected with their ceasing to hold office that should be brought to the attention of the company's members or creditors. PricewaterhouseCoopers LLP was appointed as the company's auditor on 13 September 2011.

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

On behalf of the Board



Dee Forbes
Director

Discovery House
Chiswick Park Building 2
566 Chiswick High Road
London W4 5YB

29 September 2011

Independent auditors' report to the members of Animal Planet Europe Limited

We have audited the financial statements of Animal Planet Europe Limited (formerly Worldwide Channel Investments (Europe) Limited) for the period ended 31 December 2010 which comprise the profit and loss account, the balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on pages 3 and 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.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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.

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 2010 and of its profit for the period then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with 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, or
- the directors were not entitled to take advantage of the small companies' exemption in preparing the Directors' Report



Giles Hannam (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
30 September 2011

Profit and loss account

	Note	Period ended 31 December 2010 £	Year ended 31 March 2010 £
Other operating income	2a	-	171,644
Operating profit		-	171,644
Income from fixed asset investments	2a	5,847,489	5,010,668
Profit on ordinary activities before taxation	2	5,847,489	5,182,312
Tax on profit on ordinary activities	4	(1,622,328)	(1,451,047)
Profit for the financial period/year		4,225,161	3,731,265

The profit for the period and prior year is based on continuing operations

There is no difference in the profit for the financial period as reported compared to a historical cost basis in either the current period or prior year

There were no recognised gains and losses other than those recognised in the profit and loss account. Accordingly, no separate statement of total recognised gains and losses has been presented.

Balance sheet

		31 December 2010 £	31 March 2010 £
	Note		
Fixed assets			
Investments	5	-	-
Current assets			
Debtors	6	1,625,854	3,462,598
Creditors' amounts falling due within one year	7	(1,625,852)	(2,369,526)
Net current Assets		2	1,093,072
Total assets less current liabilities		2	1,093,072
Capital and reserves			
Called up share capital	8	2	2
Profit and loss account	9	0	1,093,070
Total shareholders' funds	10	2	1,093,072

These financial statements were approved by the Board of Directors on 29 September 2011 and were signed on its behalf by

The notes on page 9 to 13 form part of the financial statements



Dee Forbes
Director

Animal Planet Europe Limited
Registered number 03754909

Notes to the financial statements

1 Principal 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

Basis of preparation

The financial statements have been prepared in accordance with Companies Act 2006 and applicable accounting standards in the United Kingdom under the historical cost convention

Discovery Communications, Inc , the ultimate parent undertaking of Animal Planet Europe Limited (formerly Worldwide Channel Investments (Europe) Limited), has indicated its current intention to continue to support the activities of the Company, including providing the means to enable it to meet its liabilities as they fall due. On that basis, the directors believe it is appropriate for the financial statements to be prepared on a going concern basis

Consolidated financial statements

The financial statements contain information about Animal Planet Europe Limited (formerly Worldwide Channel Investments (Europe) Limited) as an individual company and do not contain consolidated financial information as the parent of a group. The Company is exempt under section 401 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its ultimate parent undertaking, Discovery Communications, Inc , a company incorporated in the USA

Foreign currency translation

Transactions denominated in foreign currencies are translated into sterling at the rate of exchange ruling on the day the transaction occurs. Monetary assets and liabilities denominated in a foreign currency are translated into sterling at the rate of exchange ruling on the balance sheet date. All exchange differences are taken to the profit and loss account

Fixed asset investments

Fixed asset investments are stated at historical cost less provision for impairment, if appropriate, for any permanent diminution in value. Should a triggering event occur as defined by FRS 11 'Impairment of fixed assets and goodwill', investments are tested for impairment based on the recoverable amounts of the cash generating unit to which the investment has been allocated. The recoverable amount is the greater of net selling price, defined as the fair value less costs to sell, and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and risks specific to the asset. Any impairment identified is recognised immediately in the profit and loss account

Current tax

Current tax is applied to taxable profit at the rates ruling in the relevant country

Dividends

Dividends are recorded in the Company's financial statements in the period in which they are approved by the Company's shareholders

Notes to the financial statements (continued)

1 Principal accounting policies

Cash flow statement and related parties

The Company is a subsidiary undertaking where 90% or more of the voting rights are controlled by Discovery Communications, Inc , and is included in the consolidated financial statements of that group, which are publicly available. Consequently, the Company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS 1 (revised 1996) 'Cash flow statements'

The Company is also exempt under the terms of the FRS 8 'Related party disclosures' from disclosing related party transactions with entities that are part of Discovery Communications, Inc , or investees of that group

2 Profit on ordinary activities before taxation

2a Profit on ordinary activities before taxation is stated after crediting:

	Period ended 31 December 2010 £	Year ended 31 March 2010 £
Exchange gain	-	171,644
Income from fixed asset investments	5,847,489	5,010,668

The income from fixed asset investments related to profit share received from the Animal Planet Europe partnership, a 50% investment held by the Company

2b Auditors' remuneration

Auditors' remuneration was borne by Discovery Communications Europe Limited in the current period and by BBC Worldwide Limited in the prior year. The audit fee relating to the Company was as follows

	Period ended 31 December 2010 £	Year ended 31 March 2010 £
Fees for the audit of the Company	3,000	2,000

3 Employees and directors' remuneration

The Company had no employees during the period or the preceding year other than directors. No director of the Company received any remuneration for services to the Company during the period (31 March 2010 £nil)

Notes to the financial statements (continued)

4 Tax on profit on ordinary activities

4a Analysis of charges for the period/year

The charge for the period, based on a standard rate of corporation tax of 28% (31 March 2010 28%), comprised

	Period ended 31 December 2010 £	Year ended 31 March 2010 £
Current tax.		
Group relief payment	-	1,451,047
Prior year adjustment non-taxable income	(14,969)	-
UK corporate tax	1,637,297	-
Total tax on profit on ordinary activities	1,622,328	1,451,047

4b Factors affecting the tax charge for the period/year

The current tax charge for the period is lower than (31 March 2010 equal to) profit on ordinary activities before taxation at the standard rate of corporation tax in the UK of 28% (31 March 2010 28%)

	Period ended 31 December 2010 £	Year ended 31 March 2010 £
Profit on ordinary activities before taxation	5,847,489	5,182,312
Profit on ordinary activities at the standard rate or corporation tax in the UK of 28% (31 March 2010 28%)	1,637,297	1,451,047
Prior year adjustment non-taxable income	(14,969)	-
Total current tax charge (note 4a)	1,622,328	1,451,047

A number of changes to the UK Corporation tax system were announced in the March 2011 UK Budget Statement. A resolution passed by Parliament on 29 March 2011 has reduced the main rate of corporation tax to 26% from 1 April 2011.

Legislation to reduce the main rate of corporation tax from 26% to 25% from 1 April 2012 is expected to be included in the Finance Act 2011. Further reductions to the main rate are proposed to reduce the rate by 1% per annum to 23% by 1 April 2014. None of these expected rate reductions had been substantively enacted at the balance sheet date and, therefore, are not included in these financial statements.

5 Fixed asset investments

The company holds a 50% interest in the Animal Planet Europe partnership, the principal activity of which is the operation of the Animal Planet channel in Europe.

Notes to the financial statements (continued)

6 Debtors

	31 December 2010 £	31 March 2010 £
Amounts owed by group company	-	3,462,598
Tax liability owed by group company	1,625,854	-
	1,625,854	3,462,598

7 Creditors: amounts falling due within one year

	31 December 2010 £	31 March 2010 £
Group relief payable	-	2,369,526
Corporation tax payable	1,622,328	-
Other amounts payable	3,524	-
	1,625,852	2,369,526

8 Called up share capital

Company	31 December 2010 £	31 March 2010 £
<i>Authorised</i>		
1,000 Ordinary shares of £1 each (31 March 2010 1,000)	1,000	1,000
<i>Allotted, and fully paid</i>		
2 Ordinary shares of £1 each (31 March 2010 2)	2	2

9 Profit and loss account

Company	£
At 1 April 2010	1,093,070
Profit for the financial period	4,225,161
Dividends	(5,318,231)
At 31 December 2010	-

10 Reconciliation of movements in shareholder's funds

	Period ended 31 December 2010 £	Year ended 31 March 2010 £
Opening shareholder's funds	1,093,072	2,361,807
Profit for the financial period/year	4,225,161	3,731,265
Dividends (note 11)	(5,318,231)	(5,000,000)
At 31 December 2010 / 31 March 2010	2	1,093,072

Notes to the financial statements (continued)

11 Dividends

	31 December 2010 £	31 March 2010 £
Dividends paid in the period/year	(5,318,231)	(5,000,000)

12 Ultimate parent company

The directors consider the ultimate parent company to be Discovery Communications, Inc , incorporated in the USA, which is the largest undertaking to consolidate the financial statement for the company. Copies of the Discovery Communications, Inc financial statements can be obtained from their registered office at One Discovery Place, Silver Spring, MD 20910, USA