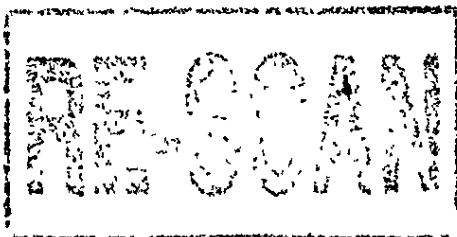


Registered number: 03754909

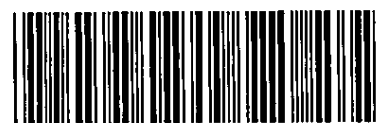
**Animal Planet Europe Limited (formerly Worldwide Channel
Investments (Europe) Limited)**

**Directors' report and financial statements
for the year ended 31 December 2011**

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Animal Planet Europe Limited (formerly Worldwide Channel Investments (Europe) Limited)

Registered number 03754909

Contents	Pages
Directors' report	2-3
Independent Auditors' report to the members of Animal Planet Europe Limited	4-5
Profit and loss account	6
Balance sheet	7
Notes to the financial statements	8-12

Animal Planet Europe Limited (formerly Worldwide Channel Investments (Europe) Limited)

Registered number 03754909

Directors' report

The directors present their report and the audited financial statements of Animal Planet Europe Limited (formerly Worldwide Channel Investments (Europe) Limited) for the Year ended 31 December 2011

Principal activities and business review

The principal activity of the Company is its investment in the Animal Planet Europe Partnership, the address of which is 566 Chiswick High Road, London, W4 5YB. A copy of the latest financial statements of the partnership has been appended to these financial statements

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

On 12 November 2010, Discovery Networks International Holdings Limited acquired 100% of the issued share capital of Animal Planet Europe Limited (formerly 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.

This report has been prepared in accordance with the special provisions of section 415A of the Companies Act 2006 relating to small companies exemption.

Principal risks and uncertainties

The management of the business and the execution of the Company's investment strategy are subject to a number of risks. The key business risks and uncertainties affecting the Company are considered to relate to the ongoing financial performance of its investments.

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

Key performance indicators ("KPIs")

Given the straightforward nature of the business, the directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business.

Results and dividends

The loss for the financial period in the Company is £3,948,241 (31 December 2010 Profit £4,225,161). Dividends of £nil were paid (31 December 2010 £5,318,231).

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
Y Shmulewitz
D Forbes

Animal Planet Europe Limited (formerly Worldwide Channel Investments (Europe) Limited)

Registered number 03754909

Directors' report (continued)

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.

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.

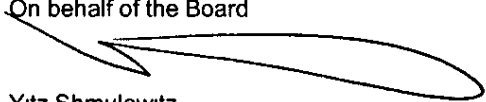
This confirmation is given and should be interpreted in accordance with the provision of s418 of the Companies Act 2006.

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



Yitz Shmulewitz
Director

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

31 October 2012

Independent auditors' report to the members of Animal Planet Europe Limited (formerly Worldwide Channel Investments (Europe) Limited)

We have audited the financial statements of Animal Planet Europe Limited (formerly Worldwide Channel Investments (Europe) Limited) for the year ended 31 December 2011 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 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. 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. In addition, we read all the financial and non-financial information in the directors' report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2011 and of its loss 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

Independent auditors' report to the members of Animal Planet Europe Limited (formerly Worldwide Channel Investments (Europe) Limited) continued

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
31 October 2012

Animal Planet Europe Limited (formerly Worldwide Channel Investment (Europe) Limited

Registered number: 03754909

Profit and loss account for the year ended 31 December 2011

	Note	Total 2011 £	Total 2010 £
Administrative expenses		-	-
Operating profit		-	-
Income from participating interests	2a	-	5,847,489
Interest receivable and similar income	6	363	-
Profit on ordinary activities before taxation		363	5,847,489
Taxation on profit on ordinary activities	5	(3,948,604)	(1,622,328)
(Loss)/profit on ordinary activities after taxation		(3,948,241)	4,225,161

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.

The results of the Company derive from continuing operations

Animal Planet Europe Limited (formerly Worldwide Channel Investment (Europe) Limited

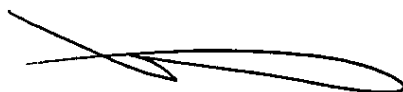
Registered number. 03754909

Balance sheet as at 31 December 2011

	Note	2011 £	2010 £
Current assets			
Debtors	8	-	1,625,854
Creditors amounts falling due within one year	9	(3,948,239)	(1,625,852)
Net current (liabilities)/assets		(3,948,239)	2
Total assets less current liabilities		(3,948,239)	2
Net (liabilities)/assets		(3,948,239)	2
Capital and reserves			
Called up share capital	10	2	2
Profit and loss account	11	(3,948,241)	-
Shareholders' (deficit)/funds	12	(3,948,239)	2

The notes on page 8 to 12 form part of the financial statements

The financial statements on pages 6 to 12 were approved by the Board of Directors on 31 October 2012 and were signed on its behalf by



Yitz Shmulewitz
Director

Animal Planet Europe Limited (formerly Worldwide Channel Investment (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 on shares presented within Shareholder's funds

Dividends unpaid at the balance sheet date are only recognised as a liability at that date to the extent that they are appropriately authorised and are no longer at the discretion of the company Unpaid dividends that do not meet these criteria are disclosed in the notes to the financial statements

Animal Planet Europe Limited (formerly Worldwide Channel Investment (Europe) Limited

Registered number 03754909

Notes to the financial statements (continued)

1 Principal accounting policies

Cash flow statement

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'

Related party disclosures

As the Company is a wholly owned subsidiary within a group headed by Discovery Communications, Inc whose consolidated accounts are publicly available, the Company has taken advantage of the exemptions contained in FRS 8 'Related party transactions' not to disclose transactions or balances with entities that are part of Discovery Communications, Inc

2 Profit on ordinary activities before taxation

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

	Year ended 31 December 2011 £	Period ended 31 December 2010 £
Income from participating interests	-	5,847,489

The income from participating interests related to profit share received from the Animal Planet Europe partnership, a 50% investment held by the Company. There were no cash distributions from Animal Planet Europe partnership in 2011

2b Auditors' remuneration

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

	Year ended 31 December 2011 £	Period ended 31 December 2010 £
Fees for the audit of the Company	3,000	3,000

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 December 2010: £nil)

Animal Planet Europe Limited (formerly Worldwide Channel Investment (Europe) Limited

Registered number. 03754909

Notes to the financial statements (continued)

4 Dividends

	Year ended 31 December 2011 £	Period ended 31 December 2010 £
Equity dividends on ordinary shares		
Final dividend paid £nil (2010 £2,659,116 per share)	-	5,318,231

5 Tax on profit on ordinary activities

5a Analysis of charges for the period/year

The charge for the period, based on a standard rate of corporation tax of 26.5% (31 December 2010 28%), comprised

	Year ended 31 December 2011 £	Period ended 31 December 2010 £
Current tax		
Prior year adjustment non-taxable income	(282,721)	(14,969)
UK corporate tax	4,231,325	1,637,297
Total tax on profit on ordinary activities	3,948,604	1,622,328

5b Factors affecting the tax charge for the period/year

The current tax charge for the period is higher than (2010 equal to) profit on ordinary activities before taxation at the standard rate of corporation tax in the UK of 26.5% (2010 28%)

	Year ended 31 December 2011 £	Period ended 31 December 2010 £
Profit on ordinary activities before taxation	363	5,847,489
Profit on ordinary activities at the standard rate or corporation tax in the UK of 26.5% (2010 28%)	96	1,637,297
Profit of partnership	4,231,229	-
Prior period adjustment non-taxable income	(282,721)	(14,969)
Total current tax charge (note 5a)	3,948,604	1,622,328

A change to the UK Corporation tax system was announced in the March 2012 UK Budget Statement. Legislation to reduce the main rate of corporation tax from 26% to 24% from 1 April 2012 is expected to be included in the Finance Act 2012. Further reductions to the main rate are proposed to reduce the rate by 1% per annum to 22% 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.

Animal Planet Europe Limited (formerly Worldwide Channel Investment (Europe) Limited

Registered number 03754909

Notes to the financial statements (continued)

6 Interest receivable

	31 December 2011 £	31 December 2010 £
Interest received on tax overpayment	363	-

7 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

8 Debtors

	31 December 2011 £	31 December 2010 £
Amounts owed by group undertakings	-	1,625,854

9 Creditors: amounts falling due within one year

	31 December 2011 £	31 December 2010 £
Amounts owed to group undertakings	3,948,239	1,622,328
Other amounts payable	-	3,524
	3,948,239	1,625,852

10 Called up share capital

Company	31 December 2011 £	31 December 2010 £
Authorised		
1,000 Ordinary shares of £1 each (31 December 2010 1,000)	1,000	1,000
Allotted, and fully paid		
2 Ordinary shares of £1 each (31 December 2010 2)	2	2

Animal Planet Europe Limited (formerly Worldwide Channel Investment (Europe) Limited

Registered number. 03754909

Notes to the financial statements (continued)

11 Profit and loss account

Company	£
At 1 January 2011	-
Loss for the financial period	(3,948,241)
Dividends	-
At 31 December 2011	(3,948,241)

12 Reconciliation of movements in shareholder's funds

	Year ended 31 December 2011 £	Period ended 31 December 2010 £
Opening shareholders' funds	2	1,093,072
(Loss)/ Profit for the financial year/period	(3,948,241)	4,225,161
Dividends	-	(5,318,231)
At 31 December 2011	(3,948,239)	2

13 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

03754909

The Animal Planet Europe Partnership

Financial statements
for the year ended 31 December 2011

TO APPEND TO FINANCIAL STATEMENTS OF
THE ANIMAL PLANET EUROPE PARTNERSHIP (03754909)

THESE PARTNERSHIP
ACCOUNTS FORM
PART OF THE ACCOUNTS
OF COMPANY

No.

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	COMPANIES HOUSE	

The Animal Planet Europe Partnership

Financial statements for the year ended 31 December 2011

Contents	Pages
Members' report	2-3
Independent auditors' report to the members of The Animal Planet Europe Partnership	4-5
Profit and loss account	6
Balance sheet	7
Notes to the financial statements	8-11

The Animal Planet Europe Partnership

Members' report

The members present their annual report and the audited financial statements for the year ended 31 December 2011

Principal activity

The Partnership's principal activity is the operation, development, distribution and transmission of the 'Animal Planet' channel across continental Europe (excluding Germany and Italy) and the Middle East

Business review

The results for year are shown on page 6 The partnership made a profit in the year of £31,933,803 (2010 £26,302,184) and has net assets of £115,143,467 (2010 £29,885,163)

The partnership capital is held equally by both partners and profits / (losses) are split in equal shares, with distributions made in accordance with the Partnership Deed

The members of the partnership manage the principal risks and uncertainties, financial risk management policy, business performance (including key performance indicators), and employee involvement, in conjunction with fellow group company Discovery Communications Europe Limited Disclosure of these items is provided in Discovery Communications Europe Limited accounts, reference should be made to the directors' report on pages 2 to 7

The directors do not anticipate any significant changes in the Company's activities in the foreseeable future

Members

The members of the partnership who were in office during the year and up to the date of signing the financial statements were

Discovery Communications Europe (Interest in partnership contributed to DNI Holdings Limited 13 October 2011)
Discovery Networks International Holdings Limited (Interest in partnership contributed to DNI Europe Holdings Limited 4 November 2011)
Animal Planet Europe Limited
DNI Europe Holdings Limited (acquired 4 November 2011)

Financial instruments

The directors consider that the Partnership's key financial instruments are cash and intercompany balances with other group companies Financial exposures exist to the extent that a change in the underlying base rate of interest will affect the level of income received or paid on any cash balances or overdrafts This risk is not considered material and thus the Partnership does not employ the use of hedging instruments

Post balance sheet events

On 31 October 2012, the members of the Qualifying Limited Partnership clarified in a fully executed partnership deed, the requirements for cash authorisation of disbursements The effective date of the partnership deed is 12 November 2010

The Animal Planet Europe Partnership

Members' report (continued)

Statement of members' responsibilities in respect of the financial statements

The members are responsible for preparing the financial statements in accordance with applicable law and regulations

Company law as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008 (the "Regulations") requires the members to prepare financial statements for each financial year. Under that law the members have prepared the partnership financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law as applied to qualifying partnerships the members 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 partnership and of the profit or loss of the partnership for that period. In preparing these financial statements, the members are required to

- select suitable accounting policies and then apply them consistently,
- make judgements 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 partnership and group will continue in business.

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

Statement of member's disclosure of information to auditors

So far as the members are aware, there is no relevant audit information of which the Partnership's auditors are unaware. The members 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 Partnerships' auditors are aware of that information.

Auditors

PricewaterhouseCoopers LLP have indicated their willingness to serve as auditors for the coming year and a resolution to reappoint PricewaterhouseCoopers LLP as auditors will be proposed at the forthcoming Annual General Meeting.

Signed by Animal Planet Europe Limited for and on behalf of Animal Planet Europe Partnership



Yitzchok Shmulewitz
Director
on behalf of Animal Planet Europe Limited

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

31 October 2012

Independent Auditors' Report to the members of The Animal Planet Europe Partnership

We have audited the financial statements of The Animal Planet Europe qualifying partnership for the year ended 31 December 2011 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 Members' Responsibilities Statement set out on page 3, the members 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 members of the qualifying partnership as a body in accordance with the Companies Act 2006 as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008 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 qualifying partnership's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the members, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Members' report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the qualifying partnership's affairs as at 31 December 2011 and of its result 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 as applied to qualifying partnerships by The Partnerships (Accounts) Regulations 2008

Other matters

The financial statements of the qualifying partnership for the year ended 31 December 2011, forming the corresponding figures in the financial statements for the year ended 31 December 2010, are unaudited.

Independent Auditors' Report to the members of The Animal Planet Europe Partnership (continued)

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 members' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit

A handwritten signature in black ink, appearing to read 'Giles Hannam', with a stylized flourish at the end.

Giles Hannam (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London 31 October 2012

The Animal Planet Europe Partnership

Profit and loss account for the year ended 31 December 2011

	Note	Total 2011 £	Total unaudited 2010 £
Turnover	3	54,011,806	52,067,210
Cost of sales		(10,181,378)	(12,554,268)
Gross profit		43,830,428	39,512,942
Administrative expenses		(11,896,625)	(12,775,794)
Operating profit	2	31,933,803	26,737,148
Profit on ordinary activities before interest		31,933,803	26,737,148
Interest payable and similar charges	4	-	(434,964)
Profit for the financial year		31,933,803	26,302,184

The notes on pages 8 to 11 form an integral part of these financial statements

All results derive from continuing operations

There is no material difference between the profit on ordinary activities before taxation and the profit for the financial year stated above and their historical costs equivalents

The Animal Planet Europe Partnership

Balance sheet as at 31 December 2011

		2011	2010
			unaudited
	Note	£	£
Current assets			
Stock and work in progress	6	8,849,144	9,924,445
Debtors	7	381,122,076	341,279,314
Creditors amounts falling due less than one year	8	(274,817,880)	(321,318,596)
Net current assets		115,153,340	29,885,163
Creditors amounts falling due after more than one year	9	(9,873)	-
Net assets		115,143,467	29,885,163
Capital accounts			
Balance at start of period	10	29,885,163	9,875,231
Net profit		31,933,803	26,302,184
Capital introduced	10	53,324,501	-
Drawings		-	(6,292,252)
Members' funds	11	115,143,467	29,885,163

The notes on pages 8 to 11 form an integral part of these financial statements

The financial statements on pages 6 to 11 were approved by the members on 31 October 2012

Signed by Animal Planet Europe Limited for and on behalf of Animal Planet Europe Partnership


Yitzchok Shmulewitz
Director
on behalf of Animal Planet Europe Limited

The Animal Planet Europe Partnership

Notes to the financial statements for the year ended 31 December 2011 (continued)

1 Principal accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Partnership's financial statements

Basis of preparation

On 13 October 2011 the general partners of the company changed Discovery Communications Europe, a non UK-resident company registered in Colorado USA, contributed its interest to Discovery Networks International Holdings Limited, who in turn on 4 November 2011 contributed the share to DNI Europe Holdings Limited. In the opinion of the members, this changed the status of the partnership under the Partnerships (Accounts) Regulations 2008 (the 'Regulations') to a 'Qualifying Partnership'. The requirements of a qualifying partnership as set out in the Regulations are for audited financial statements to be prepared. Accordingly, the financial statements have been prepared in accordance with Companies Act 2006 and applicable accounting standards, under the historical cost convention. The prior year numbers are un-audited as the members do not consider the partnership previously fulfilled the criteria of a qualifying partnership.

The members of the partnership revised the partnership deed to amend the requirements for authorisation of cash disbursements which now occur only after the specific approval of both members.

Turnover

Turnover represents pay channel subscriptions, advertising and other revenues, net of VAT, discounts, advertising agency commission and co-operative marketing consideration. Advertising sales revenue is recognised when the advertising is broadcast. Affiliation fees are recognised as television programming is broadcast to affiliated cable and satellite system operators based on average number of subscribers reported monthly by affiliated cable and satellite system operators. Turnover is generated in continental Europe, predominantly in Eastern Europe, Benelux, Middle East, African and Nordic countries.

Foreign currency translation

Transactions denominated in foreign currencies are translated at the rate of exchange ruling on the day the transaction occurs. Monetary assets and liabilities denominated in a foreign currency are translated at the rate ruling on the balance sheet date. Current assets and liabilities of an overseas branch denominated in a foreign currency are translated at the rate ruling on the balance sheet date. The profit and loss reserve of such branch is converted at a historical rate, while the current year profit and loss account is converted at an average transactional rate. All exchange differences are taken to the profit and loss account.

Cash flow statement

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

Related party disclosures

As the Partnership is wholly owned within a group headed by Discovery Communications, Inc. whose consolidated financial statements are publicly available, the Partnership has taken advantage of the exemptions contained in FRS 8 'Related party transactions' not to disclose transactions or balances with entities that are part of Discovery Communications, Inc.

The Animal Planet Europe Partnership

Notes to the financial statements for the year ended 31 December 2011 (continued)

1 Principal accounting policies (continued)

Independent Auditors

Audit fees are borne by Discovery Communications Europe Limited, a fellow group undertaking

Stock and work in progress

The Partnership obtains substantially all of its programming through sublicence arrangements with group entities, and the Partnership's affiliated entities. The group entities or an affiliated entity produces or acquires the rights to programming that can be exhibited in multiple territories or worldwide.

The costs associated with agreements with group entities and its affiliated entities, as well as any costs incurred in connection with the direct production (work in progress) or acquisition of rights to broadcast programming, are carried at the lower of cost less accumulated amortisation, or estimated net realisable value. The cost of programming rights used by the partnership is principally amortised on straight-line basis over the term of the corresponding licence or sublicence agreement, not to exceed five years.

2 Operating profit

	2011	2010
	£	unaudited £
Operating profit is stated after (charging)/crediting		
Auditors' remuneration	(38,000)	-
Amortisation	(6,334,662)	(7,637,622)
At 31 December 2011	(6,372,662)	(7,637,622)

3 Geographical analysis of turnover

	2011	2010
	£	unaudited £
Europe	53,374,734	51,167,123
Middle East	637,072	900,087
	54,011,806	52,067,210

4 Interest payable

	2011	2010
	£	unaudited £
Interest payable to group undertakings	-	434,964
At 31 December 2011	-	434,964

The Animal Planet Europe Partnership

Notes to the financial statements for the year ended 31 December 2011 (continued)

5 Taxation on ordinary activities

No provision for income taxes or deferred taxes has been recorded in the financial statements as taxation arising on the results of the Partnership are borne by the Members

6 Stock and work in progress

	2011 £	2010 unaudited £
Programme rights and content	8,849,144	9,924,445
	8,849,144	9,924,445

7 Debtors

	2011 £	2010 unaudited £
Amounts owed by fellow group undertakings	381,122,076	329,874,824
Other debtors	-	11,404,490
	381,122,076	341,279,314

Amounts owed by fellow group undertakings are unsecured, interest free and have no fixed date of repayment

8 Creditors: amounts falling due within one year

	2011 £	2010 unaudited £
Amounts owed to group undertakings	265,792,973	261,645,337
Other creditors	9,024,907	59,673,259
	274,817,880	321,318,596

9 Creditors: amounts falling due after more than one year

	2011 £	2010 unaudited £
Accruals and deferred income	9,873	-
	9,873	-

The Animal Planet Europe Partnership

Notes to the financial statements for the year ended 31 December 2011 (continued)

10 Members' capital accounts

	Animal Planet Europe £	DNI Europe Holdings £	Total £
At 1 January 2011	14,942,581	14,942,582	29,885,163
Capital introduced	-	53,324,501	53,324,501
Profit appropriation	15,966,901	15,966,902	31,933,803
At 31 December 2011	30,909,482	84,233,985	115,143,467

As at 4 November 2011, Discovery Networks International Holdings Limited contributed its entire interest in the partnership to DNI Europe Holdings Limited, which has assumed all balances

11 Reconciliation of movements in members' funds

	£
Profit for the financial year	31,933,803
Capital contribution	53,324,501
Net increase for the year	85,258,304
Members' funds at 1 January 2011	29,885,163
Closing members' funds	115,143,467

12 Ultimate parent company

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

13 Post balance sheet events

On 31 October 2012, the members of the Qualifying Limited Partnership clarified in a fully executed partnership deed, the requirements for cash authorisation of disbursements. The effective date of the partnership deed is 12 November 2010.