

Registered number: 03754909

**Animal Planet Europe Limited
Directors' report and financial statements
for the year ended 31 December 2012**

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Animal Planet Europe Limited
Registered number. 03754909

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Animal Planet Europe Limited
Registered number 03754909

Directors' report

The directors present their report and the audited financial statements of Animal Planet Europe Limited for the year ended 31 December 2012

Principal activities and business review

The principal activity of the company is acting as a general partner in the Animal Planet Europe Partnership. The address of the Partnership 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.

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

On 1 September 2013, the directors took the decision to cease trading. As the directors intend to liquidate the company they have not prepared the financial statements on a going concern basis. The effect of this is explained in note 1.

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 the Partnership.

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 profit for the financial year in the company is £3,920,196 (31 December 2011: loss £3,948,241). Dividends of £nil were paid (31 December 2011: £nil).

Directors

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

John Honeycutt
Yitzchok Shmulewitz
Deirdre Forbes

Animal Planet 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 year. 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 these financial statements, the directors 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
- the directors do not believe the going concern basis to be appropriate and these financial statements have not been prepared on that basis. The effect of this change is explained in note 1.

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.

Independent 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.

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



John Honeycutt
Director

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

30 September 2013

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

We have audited the financial statements of Animal Planet Europe Limited for the year ended 31 December 2012 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 Statement of directors' responsibilities 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 2012 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 Companies Act 2006.

Emphasis of matter – Basis of preparation

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosures made in note 1 to the financial statements concerning the going concern basis of accounting. The directors have determined that the company will be liquidated during 2013. Accordingly, the going concern basis of accounting is no longer appropriate. Adjustments have been made in these financial statements to reduce assets to their realisable values, to provide for liabilities arising from the decision and to reclassify fixed assets and long-term liabilities as current assets and liabilities.

Independent auditors' report to the members of Animal Planet 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

30 September 2013

Animal Planet Europe Limited
Registered number 03754909

Profit and loss account for the year ended 31 December 2012

	Note	Total 2012 £	Total 2011 £
Administrative expenses		-	-
Operating profit		-	-
Income from fixed assets investments		-	-
Profit on ordinary activities before interest and taxation		-	-
Interest receivable and similar income	5	-	363
Result/profit on ordinary activities before taxation		-	363
Tax on result/profit on ordinary activities	4	3,920,196	(3,948,604)
Profit/(loss) on ordinary activities after taxation		3,920,196	(3,948,241)

There is no material difference in the profit for the financial year as reported compared to a historical cost basis in either the current year 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 discontinued operations


Animal Planet Europe Limited
Registered number 03754909

Balance sheet as at 31 December 2012

	Note	2012 £	2011 £
Creditors amounts falling due within one year	7	(28,043)	(3,948,239)
Net current liabilities		(28,043)	(3,948,239)
Total assets less current liabilities		(28,043)	(3,948,239)
Net liabilities		(28,043)	(3,948,239)
Capital and reserves			
Called up share capital	8	2	2
Profit and loss account	9	(28,045)	(3,948,241)
Total shareholders' deficit	10	(28,043)	(3,948,239)

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 30 September 2013 and were signed on its behalf by



John Honeycutt
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, 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

The company will be liquidated in the foreseeable future (see note 11) As required by FRS18, the directors have prepared the accounts on the basis that the company is no longer a going concern No material adjustment arose as a result of ceasing to apply the going concern basis

Consolidated financial statements

The financial statements contain information about Animal Planet 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

Current tax

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

Animal Planet 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 financial statements 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 Operating profit

Auditors' remuneration was borne by Discovery Communications Europe Limited in the current year and in the prior year

3 Employees and directors' remuneration

The company had no employees during the year or the preceding year other than directors. The directors of the company received no remuneration for their services to the company during the year (2011 £nil)

Animal Planet Europe Limited
Registered number: 03754909

Notes to the financial statements (continued)

4 Tax on result/profit on ordinary activities

The charge for the year, based on a standard rate of corporation tax of 24.5% (2011: 26.5%), comprised

	2012	2011
	£	£
Analysis of tax charge in the year		
UK corporation tax on profits in the year	-	4,231,325
Adjustment in respect of prior periods	(3,920,196)	(282,721)
Total tax (credit)/ charge for the financial year	(3,920,196)	3,948,604

The tax assessed for the year is lower (2011: lower) than the standard rate of corporation tax in the UK 24.5% (2011: 26.5%)

Factors affecting the current tax charge for the year

Result/profit on ordinary activities before taxation	-	363
Result on ordinary activities multiplied by standard rate of corporation tax in the UK of 24.5% (2011: 26.5%)	-	96
Effects of		
Profit of partnership	4,927,910	4,231,229
Group relief received for no consideration	(4,927,910)	-
	-	4,231,325
Adjustments in respect of prior periods	(3,920,196)	(282,721)
Current tax (credit)/charge for the year	(3,920,196)	3,948,604

The company has surrendered the benefit of tax losses to another group company for consideration of £nil (2011: £nil). Accordingly, tax losses incurred in the year have been fully utilised.

A change to the UK Corporation tax system was announced in the March 2013 UK Budget Statement.

Legislation to reduce the main rate of corporation tax from 23% to 21% from 1 April 2014 is included in the Finance Act 2013. This rate reduction has not been substantively enacted at the balance sheet date, and, therefore, is not included in the financial statements.

5 Interest receivable and similar income

	2012	2011
	£	£
Interest received	-	363

Notes to the financial statements (continued)

6 Fixed asset investments

As a general partner 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.

7 Creditors: amounts falling due within one year

	2012	2011
	£	£
Amounts owed to group undertakings	28,043	3,948,239
	28,043	3,948,239

Amounts owed to fellow group undertakings are unsecured, interest free and repayable on demand.

8 Called up share capital

	2012	2011
	£	£
Authorised		
1,000 Ordinary shares of £1 each (2011: 1,000)	1,000	1,000
Allotted, and fully paid		
2 Ordinary shares of £1 each (2011: 2)	2	2

9 Profit and loss account

	2012	2011
	£	£
At 1 January	(3,948,241)	-
Profit/(loss) for the financial year	3,920,196	(3,948,241)
	(28,045)	(3,948,241)

Animal Planet Europe Limited
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Notes to the financial statements (continued)

10 Reconciliation of movements in shareholders' deficit

	2012	2011
	£	£
Opening shareholder's deficit	(3,948,239)	2
Profit/(loss) for the financial year	3,920,196	(3,948,241)
At 31 December 2012	(28,043)	(3,948,239)

11 Post balance sheet events

The company's main activity is its investment in Animal Planet Europe partnership. As the partnership has ceased activity in September 2013 and will be dissolved in the foreseeable future, the accounts have been prepared, as detailed in note 1, on the basis that the company is no longer a going concern.

12 Ultimate parent company

The immediate parent company is DNI Europe Holdings Ltd, a company incorporated in the UK.

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.

The Animal Planet Europe Partnership

**Members' report and financial statements
for the year ended 31 December 2012**

The Animal Planet Europe Partnership

Financial statements for the year ended 31 December 2012

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The Animal Planet Europe Partnership

Members' report

The members present their annual report and the audited financial statements for the year ended 31 December 2012

Principal activity

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

In 2013 the members took the decision to cease trading. As the members intend to liquidate the partnership they have not prepared the financial statements on a going concern basis. The effect of this is explained in note 1.

Business review

The results for the year are shown on page 6. The partnership made a profit in the year of £40,227,840 (2011: £31,933,803) and has net assets of £155,371,307 (2011: £115,143,467).

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.

Members

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

Animal Planet Europe Limited
DNI Europe Holdings Limited

Financial instruments

The members 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.

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
- the members do not believe the going concern basis to be appropriate and these financial statements have not been prepared on that basis. The effect of this change is explained in note 1.

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 The Animal Planet Europe Partnership



John Honeycutt
Director

On behalf of Animal Planet Europe Limited

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

30 September 2013

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 2012 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 2012 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 as applied to qualifying partnerships by The Partnerships (Accounts) Regulations 2008.

Emphasis of matter – Basis of preparation

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosures made in note 1 to the financial statements concerning the going concern basis of accounting. The members have determined that the partnership will be liquidated during 2013. Accordingly, the going concern basis of accounting is no longer appropriate. Adjustments have been made in these financial statements to reduce assets to their realisable values, to provide for liabilities arising from the decision and to reclassify fixed assets and long-term liabilities as current assets and liabilities.

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 large, stylized initial 'G'.

Giles Hannam (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
30 September 2013

The Animal Planet Europe Partnership

Profit and loss account for the year ended 31 December 2012

	Note	2012 £	2011 £
Turnover	3	48,922,085	54,011,806
Cost of sales		(6,897,373)	(10,181,378)
Gross profit		42,024,712	43,830,428
Administrative expenses		(1,796,872)	(11,896,625)
Operating profit	2	40,227,840	31,933,803
Profit on ordinary activities before interest		40,227,840	31,933,803
Profit for the financial year	4	40,227,840	31,933,803

There is no material difference in the profit for the financial year as reported compared to a historical cost basis in either the current year 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 qualifying partnership derive from discontinued operations.

The Animal Planet Europe Partnership

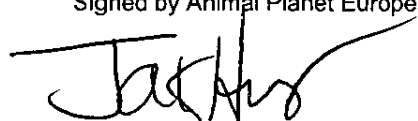
Balance sheet as at 31 December 2012

		2012	2011
	Note	£	£
Current assets			
Stock and work in progress	5	8,283,680	8,849,144
Debtors	6	427,046,345	381,122,076
Creditors amounts falling due less than one year	7	(279,958,718)	(274,817,880)
Net current assets		155,371,307	115,153,340
Creditors amounts falling due after more than one year	8	-	(9,873)
Net assets		155,371,307	115,143,467
Capital accounts			
Balance at start of period	9	115,143,467	29,885,163
Net profit		40,227,840	31,933,803
Capital introduced	9	-	53,324,501
Members' funds	10	155,371,307	115,143,467

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 30 September 2013

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



John Honeycutt
Director

On behalf of Animal Planet Europe Limited

The Animal Planet Europe Partnership

Notes to the financial statements for the year ended 31 December 2012 (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

The partnership will be liquidated in the foreseeable future (see note 12) As required by FRS18, the members have prepared the accounts on the basis that the partnership is no longer a going concern No material adjustment arose as a result of ceasing to apply the going concern basis

The members of the partnership revised the partnership deed in the prior year 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 Europe (excluding Germany and Italy) and the Middle East

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 2012 (continued)

1 Principal accounting policies (continued)

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

	2012	2011
	£	£
Operating profit is stated after (charging)/crediting		
Amortisation of programming inventory	(4,996,062)	(6,334,662)
Fees payable for audit services	(33,000)	(38,000)

3 Geographical analysis of turnover

	2012	2011
	£	£
Europe	48,256,053	53,374,734
Middle East	666,032	637,072
	48,922,085	54,011,806

4 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.

The Animal Planet Europe Partnership

Notes to the financial statements for the year ended 31 December 2012 (continued)

5 Stock and work in progress

	2012	2011
	£	£
Programme inventory	8,283,680	8,849,144
	8,283,680	8,849,144

6 Debtors

	2012	2011
	£	£
Amounts owed by fellow group undertakings	427,046,345	381,122,076
	427,046,345	381,122,076

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

7 Creditors: amounts falling due within one year

	2012	2011
	£	£
Amounts owed to group undertakings	279,958,718	274,817,880
	279,958,718	274,817,880

Amounts owed to fellow group undertakings are unsecured, interest free and are repayable on demand

8 Creditors: amounts falling due after more than one year

	2012	2011
	£	£
Accruals and deferred income	-	9,873
	-	9,873

The Animal Planet Europe Partnership

Notes to the financial statements for the year ended 31 December 2012 (continued)

9 Members' capital accounts

	Animal Planet Europe £	DNI Europe Holdings £	Total £
At 1 January 2012	30,909,482	84,233,985	115,143,467
Profit appropriation	20,113,920	20,113,920	40,227,840
At 31 December 2012	51,023,402	104,347,905	155,371,307

10 Reconciliation of movements in members' funds

	£
Profit for the financial year	40,227,840
Net increase for the year	40,227,840
Members' funds at 1 January 2012	115,143,467
Closing members' funds	155,371,307

11 Ultimate parent company

The immediate parent companies are DNI Europe Holdings Limited and Animal Planet Europe Limited. Both of these companies are incorporated in England and Wales.

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.

12 Post balance sheet events

The partnership has ceased activity in September 2013 and will be dissolved in the foreseeable future. The accounts have been prepared, as detailed in note 1, on the basis that the partnership is no longer a going concern.