SKY SNI LIMITED

Annual report and financial statements
For the year ended 31 December 2023

Registered number: 08458834

Directors and Officers

For the year ended 31 December 2023

Directors

Sky SNI Limited's (the "Company") present Directors and those who served during the financial year are as follows:

T C Richards (resigned 28 June 2024)
S Robson
K Holmes (appointed 16 May 2023)
C. Smith (resigned 12 May 2023)
P Wedlock (appointed 28 June 2024)

Secretary
Sky Corporate Secretary Limited

Registered Office
Grant Way
Isleworth
Middlesex
United Kingdom
TW7 5QD

Auditor
Deloitte LLP
Statutory Auditor
London
United Kingdom

Strategic and Directors' Report

Strategic Report for the Year Ended 31 December 2023

The Directors present their Strategic Report on the affairs of the Company, together with the Directors' Report, audited financial statements and Auditor's Report for the year ended 31 December 2023, with comparatives for the year ended 31 December 2022.

The purpose of the Strategic Report is to inform members of the Company and to help them assess how the Directors have performed their duty to promote the success of the Company for the benefit of its members as a whole under Section 172(1) of the Companies Act 2006 (duty to promote the success of the Company).

Business Review and Principal Activities

The Company operates, together with Comcast Corporation ("Comcast") and its other subsidiaries, as a part of the Comcast Group. The Company is a wholly-owned subsidiary of Sky UK Limited (the immediate parent company) and operates together with its subsidiaries (the "Sky Group" or "Group"). The Company is ultimately controlled by Comcast.

The principal activity of the Company is the provision to Sky UK Limited of newsgathering and production services to produce editorial content for the Sky News Channel and associated digital productions within the United Kingdom, the Channel Islands, the Isle of Man and the Republic of Ireland.

In the year, the Company made an operating profit of £7 million (2022: profit of £7 million).

Financial Review and Dividends

The audited financial statements for the year ended 31 December 2023 are set out on pages 16 to 36. There have not been any significant changes in the Company's activities in the year under review. The Directors are not aware, at the date of this report, of any likely major changes in the Company's activities in the next year.

The profit before tax for the year was £7,296,000 (2022 loss: £80,499,000) with the movement being due to an impairment being recognised in the prior year. Revenue has decreased to £85,589,000 (2022: £86,484,000) and operating expenses have decreased to £78,304,000 (2022: £79,955,000). The Company's total liabilities and shareholder's equity for the 2023 is £96,763,000 which is higher than at the prior year end (2022: £88,308,000).

Dividends of £70 million were paid to the shareholders during the year (2022: nil).

Key Performance Indicators (KPIs)

Comcast and the Company manage their operations on a divisional basis. For this reason, the Directors believe that an analysis using KPIs for the Company is not necessary or appropriate for an understanding of the development, performance or position of the Company. The results of the Company are included in the KPIs of Comcast, the ultimate controlling party. More information is included in Comcast's filings with the U.S. Securities and Exchange Commission, including its Annual Report on Form 10-K for the year ended 31 December 2023, and subsequent filings.

Principal Risks and Uncertainties

The Company's business is heavily regulated and changes in regulations, changes in interpretation of existing regulations or failure to obtain required regulatory approvals or licenses could adversely affect the Company's ability to operate or compete effectively. The Company's business is reliant on technology which is subject to the risk of failure, change and development. The Company operates in a highly competitive environment that is subject to rapid change and it must continue to invest to remain competitive. The failure of key suppliers could affect the Company's ability to operate as a business. The Company relies on a number of third parties and outsourced suppliers to support its supply chain.

Strategic and Directors' Report (continued)

Section 172(1) Statement

Under section 172(1) of the Companies Act 2006, the Directors must act in a way that they consider, in good faith, would most likely promote the success of the Company for the benefit of its members as a whole and in doing so have regard (amongst other matters) to:

- the likely consequences of any decision in the long term;
- the interests of the Company's employees;
- the need to foster the Company's business relationships with suppliers, customers and others;
- the impact of the Company's operations on the community and the environment;
- the desirability of the Company maintaining a reputation for high standards of business conduct; and
- the need to act fairly between members of the Company.

This section explains how the Directors of the Company, both individually and collectively, have had regard to the factors listed above in their decision making during the year ended 31 December 2023. As part of their decision-making process, the Directors have regard to the likely consequences of any decision in the long term.

The Company is a subsidiary of the Comcast Group and therefore consideration of stakeholder engagement is intrinsically linked to the wider Comcast strategy in order to achieve a greater aligned impact, rather than at an individual company level. Decisions made by the Directors consider the Comcast Group’s strategic goals and follow Comcast’s Code of Conduct, which defines our principles of business conduct and reflects our shared commitment to integrity and seeks to ensure that the Company maintains high standards of business conduct. The Directors also have due regard to other relevant policies, frameworks and internal controls of the Comcast Group in relation to governance and stakeholder matters. Principal decisions made at the Company level include approving the annual financial statements and dividend distribution in Board meetings, among others.

Our Employees

The Directors recognize that employees are central to our success. We embrace diversity, of background, culture, skills and experience throughout our business, and seek to have a workforce that is inclusive and reflective of the diversity of our stakeholders, including our shareholders, employees, customers, suppliers and the communities where we operate.

The Company and its Directors are proud of our community of employee resource groups, which are voluntary, employee-led organisations dedicated to developing the careers of our employees, contributing to community service and building on an inclusive and collaborative workplace and culture. The Company is committed to equal opportunities in employment and recruitment and promoting the diversity of our workforce in respect of, among others, disability, race, gender, age, sexual orientation, pregnancy, marital status or fixed or part time status. We aim to ensure a transparent, professional working environment where employees treat each other with respect and in which all employment-related decisions (from recruitment to career development and progression) are based on the individual's qualifications, ability, performance, skills and potential. We communicate with our employees frequently and conduct employee engagement surveys.

Our Partners

As a part of the Comcast Group, the Directors and the Company as a whole seek to build long-term relationships with our suppliers and customers and help them succeed. A critical part of doing business is partnering with others, and we believe that partnerships are built on trust and mutual advantage. The Comcast Group considers these relationships and the feedback received from engagement with our partners in its decision-making process.

We expect our suppliers and business partners to act ethically and share in our commitment to operate with integrity and in accordance with applicable laws and regulations, as set forth in our Code of Conduct for Suppliers and Business Partners, available here: https://corporate.comcast.com/impact/values-integrity/integrity/our-suppliers-and-business-partners.

Comcast's annual Statement on Modern Slavery and Supply Chain Values and Sky's Human Rights and Modern Slavery Update provide more information on the Company's approach to understanding and addressing the risks of modern slavery, as well as conducting human rights due diligence.

Our Communities

As a part of the Comcast Group, a global media and technology company, the Directors and the Company as a whole seek to use our resources – our people, programming and platforms – to work toward opportunity for all in areas where we can have a meaningful impact. By supporting local communities, our teammates, and our planet we can help create a world of unlimited possibilities so that together we can build a future that benefits generations to come. We are focusing our efforts in the following areas:

- *Digital Equity.* Helping people access the resources, skills and tools they need to succeed in an increasingly digital world.
- *Diversity, Equity and Inclusion.* Embracing diversity of background, culture, skills and experience throughout our business.
- *Environment.* Shaping a more sustainable future by improving our environmental impact.
- *Values and Integrity*. Fostering a company culture built on integrity and respect. Our values and principles guide everything we do.

Strategic and Directors' Report (continued)

Section 172(1) statement (continued)

Environment

The Directors and the Company as a whole have considered the importance of climate change and working towards the Comcast Group's strategy for a sustainable future, which includes setting a goal to be carbon neutral by 2035 in Scope 1 and 2 emissions across our global operations. Comcast Group is also working toward its commitment to set near-term emissions reduction goals with the Science Based Target initiative (SBTi). To achieve these goals, we are focused primarily on sourcing clean and renewable energy and improving energy efficiency. We are also innovating to create more sustainable products and packaging. More details on the Comcast Group's environmental strategy can be found at https://corporate.comcast.com/impact/environment.

The Directors and management of the Company are responsible for ensuring the Company contributes to the progress toward these Group wide goals, and consideration of these goals, together with wider environmental impact considerations, are incorporated into the Company's decision-making processes. For more information on Group wide environmental performance and progress, see the Carbon Footprint Data Report, the Sustainability Accounting Standards Board (SASB) Report, the Task Force on Climate-Related Financial Disclosures (TCFD) Report and the Carbon Disclosure Project (CDP) Report, all available on Comcast Group's ESG Reporting website at https://www.cmcsa.com/esg-reporting.

Members

The Company is a wholly owned subsidiary of Sky UK Limited and is part of the Sky Group and is ultimately controlled by Comcast. The duties of the Directors are exercised in a way that is most likely to promote the success of the Company, the Sky Group and the Comcast Group as a whole, while having regard to the factors outlined in Section 172(1).

Approved by the Board and signed on its behalf by

P Wedlock
Director

Grant Way
Isleworth
Middlesex
United Kingdom
TW7 5QD

Date:29 August 2024

Directors' Report for the year ended 31 December 2023

The Directors present their report and the audited financial statements of Sky SNI Limited (the "Company") for the year ended 31 December 2023.

Directors

The Directors who served during the year are shown on page 2.

Going Concern

The Company's business activities together with the factors likely to affect its future development and performance are set out in the Business Review. The Strategic Report details the financial position of the Company, as well as the Company's objectives and policies, and details of its key exposures to risk.

Given the integrated nature of the Group's financial planning and treasury functions, funding requirements have been assessed at the Group level. The Directors believe that the cash flow from operating activities generated by the businesses, together with the Company's existing cash, cash equivalents, investments and available borrowings under its existing credit facilities, including the £6 billion revolving credit facility with Comcast, will be sufficient for the Company to meet its current and long-term liquidity and capital requirements.

The Company is in a net current liability position. However, the Company has received confirmation that Comcast intends to support the Company for a period of at least 12 months from the date of signing of these financial statements.

As a result, after making enquiries, the Directors have formed a judgement at the time of approving the financial statements that the Company will have access to adequate resources to continue in existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Director's Confirmations

For the purposes of Section 418 of the Companies Act 2006, in case of each Director in office at the date of this report is approved:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the Director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

Deloitte LLP have expressed their willingness to continue as auditor and a resolution to reappoint them was approved by the Board of Directors on 29 August 2024.

Dividend

Dividends of £70 million have been paid to the parent company during the year (2022: £nil).

Financial risk management objectives and policies

The Company's activities expose it to a number of financial risks including credit risk and liquidity risk. The use of financial derivatives is governed by the Group's treasury policy approved by Comcast's Audit Committee and Board of Directors, which provide written principles on the use of financial derivatives to manage these risks. The Company does not use derivative financial instruments for speculative purposes.

The Company's activities expose it to financial risks, namely credit risk and liquidity risk. The Company is also exposed to risk through the performance of its investments.

The Directors do not believe the Company is exposed to significant cash flow risk, price risk, interest rate risk or foreign exchange.

Credit Risk

The Balance Sheet of the Company includes receivables due from third parties, as well as intercompany balances due from related parties. The Company is therefore exposed to credit risk on these balances. The Company recognises credit losses relating to these receivables, as applicable, under an expected loss model in accordance with IFRS 9 Financial Instruments. The receivables balances of the Company are detailed further in note 13.

Liquidity Risk

The Company relies on the Comcast Group Treasury function to manage its liquidity and ensure that sufficient funds are available for ongoing operations and future developments. The Company currently has access to the £6 billion revolving credit facility with Comcast Corporation which is due to expire in 2027. The Company benefits from this liquidity through intra-group facilities and loans.

The Company's financial liabilities are shown in note 14.

Investment Performance Risk

The principal risk facing the Company relates to the recoverability of the Company's investment in subsidiaries. Recovery of these assets is dependent upon the generation of sufficient profits to pay dividends or from the proceeds of sale of such investments, in the event of their disposal. The Company reviews the carrying amount of its investments at balance sheet date to determine whether there is any indication of impairment.

Stakeholder Engagement Statement

The Company and Comcast maintain an active dialogue with Comcast's shareholders to consider a diversity of perspectives. Information on engagement with stakeholders, including suppliers, customers and communities, is set out in the "Section 172(1) statement" section of the Strategic Report.

Non-Financial and Sustainability Information (NFSI) Statement

Governance

The significant risks facing the Company are set forth under "Principal risks and uncertainties" above. The Company also recognises the importance of effectively managing significant climate-related risks and opportunities and has embedded this into its existing risk management and decision-making processes as appropriate. Climate-related risks and opportunities are first identified and managed on a Comcast Group-wide basis through the Comcast Group's enterprise risk management ("ERM") process, as described in further detail below, which includes input from the Company. The Company further assesses climate-related risks and opportunities in relation to the Company, on a Sky Group basis, and relevant climate-related initiatives at the Sky Group level as described below.

Comcast Board Oversight

The Comcast Corporation Board of Directors and its committees exercise their respective roles in strategy and risk oversight in a variety of ways, including the following that may relate to climate change:

- Oversight of risks associated with the Comcast Group's reputation, which may include the Comcast Group or the Company's climate-related activities, and review of climate-related strategies and initiatives as appropriate, including those related to the Company.
- Oversight of the Comcast Group's ERM assessment process, which includes input from the Company, and various policies, practices and assessments with respect to significant business risks including relating to business continuity, such as those risks arising from severe weather events.

Management Oversight

The Company, at the Sky Group level, has a Risk, Compliance and Governance Committee which is responsible for the monitoring and management of the Sky Group's risks. The Committee is composed of legal, financial, technology and security executives, who contribute into the wider Comcast ERM process.

The Comcast Group's executive management team has the overall responsibility for its ERM process, and an ERM steering committee composed of legal, financial, and business executives manages the process, with one or more senior business executives then monitoring and managing each of the identified risks.

In addition, the Comcast Group has two management committees that oversee governance of environmental sustainability for the enterprise - a senior executive-level committee and an operational committee.

- The Executive Environmental Committee, chaired by the Comcast Group's Chief Financial Officer and Chief Legal Officer, meets at least annually with members of the Environment Operating and Governance Committee ("EOGC") to assess and manage climate-related risks and opportunities and review and approve environmental sustainability strategy, targets and results.
- The EOGC, chaired by the Comcast Group's Senior Vice President of Corporate Environmental Sustainability, defines strategies across its businesses to address climate-related risks, realise climate-related opportunities and prioritise activities from a financial planning perspective that will help the Comcast Group 2035 carbon neutral goal. The EOGC meets periodically and is comprised of executives from each business unit, including the Sky Group, across multiple functions including procurement, strategy, finance, accounting, legal and other operational functions.

The Company, at the Sky Group level, has further developed its own tailored climate-related strategies and initiatives. The Sky Group Chief Corporate Affairs Officer and the Sky Group Director of Bigger Picture and Sustainability are accountable for the Company's sustainable business strategy and report into the Risk, Compliance and Governance Committee and EOGC when required.

Non-Financial and Sustainability Information (NFSI) Statement (continued)

Identification, Assessment and Management of Climate-Related Risks and Opportunities

The Company, at the Sky Group level, has a Risk, Compliance and Governance Committee which is responsible for identifying and managing the Sky Group's risks, with key Committee members involved in the Comcast Group-wide ERM process.

Risk identification and management are integrated within the Comcast Group's ERM process which is led by its ERM Committee, comprised of executive leadership across Comcast's businesses (including the Sky Group) and co-chaired by the Comcast Group's Chief Financial Officer and Chief Legal Officer. This Committee is responsible for identifying risks that are potentially most impactful to the Comcast Group and related risk mitigation strategies. The Audit Committee of Comcast Corporation's Board of Directors has oversight of the ERM process, and the full Board of Directors has oversight for the resulting risks and mitigations.

Risk identification and mitigation is iterative. The Company, at the Sky Group level, models and considers various assumptions for strategic investment as part of the Comcast Group's Long-Range Planning ("LRP") cycle each year. The LRP process occurs over several months annually to model, plan and set budgets for the Comcast Group over a 5-year (short-term and medium-term) horizon, in line with the financial LRP process.

The combination of the ERM and LRP processes determines which mitigation activities for the Comcast Group's most impactful risks are prioritised for short-term and medium-term funding. As mitigation strategies and opportunities are planned and funded as part of the LRP and budget processes, the results feed into the plans of the Comcast Group's Internal Audit function, who independently validates progress in the general course of its audit work.

In addition, the outcomes of the LRP process are used across the Comcast Group to identify risks and opportunities to inform the decarbonisation of the business. At the Sky Group level, the Company works with various business units on these plans, with focus on material areas of the business including Group Product and Group Supply Chain.

Risk Management

Within the ERM process, environmental risks are not stand-alone ERM risks given the overall nature of the Comcast Group's business. Instead, environmental-related risks are reflected within some of the Comcast Group's top risks. For example, business continuity risk includes crisis planning, preparedness/testing and response across a variety of events, including weather events (e.g. hurricanes, floods, wildfires), natural disasters (e.g. earthquakes and tsunamis), pandemics, wide-spread power outages, supply chain disruption and cyber-attacks.

Business continuity and disaster recovery programs at the Company are led by a Steering Committee comprised of senior business, financial and technological leaders. These leaders seek to ensure that the Company continuously evaluates and tests critical operations, technology and facilities for incident response and recovery. Where relevant, the Steering Committee and crisis responders coordinate to ensure appropriate responses for the Company's customer and employee populations. Pursuant to its charter, the Audit Committee of Comcast Corporation's Board of Directors receives periodic reports on business continuity activities. Because risk management is considered an integral part of company operations, environmental aspects of top ERM risks are managed by the same operational owners responsible for mitigating the specific ERM risks. This approach allows environmental issues to be considered alongside other operational factors when determining mitigation strategies and prioritisation.

Climate-Related Risks and Opportunities

At this time, neither the Company nor the Comcast Group has more widely identified any climate-related risks that are independent of the material operational risks already identified as part of the ERM process, which includes input from the Company. See Risk Management above for more information.

It is not considered that acute and chronic physical climate-related risks are material on a standalone basis for the Company or for the Comcast Group. The following are examples of some of the more meaningful climate-related transition risks identified that, while also not material on a standalone basis, may impact the Company at the Sky Group level. Consistent with the Corporate Sustainability Reporting Directive, we consider short-term to be less than one year, medium-term to be one to five years, and long-term to be over five years, but the specific time-period definitions are not determinative since the transition risks below fall across all three timeframes.

Non-Financial and Sustainability Information (NFSI) Statement (continued)

Risk Category	Risk Description	Efforts to Mitigate Risk
Transition Risks		
Regulatory and Legal	Increased or changing climate-related rules and regulations in the jurisdictions in which the Sky Group operates, which could lead to increased operational costs, compliance burdens and/or litigation. Such risks could be exacerbated by regulations that are enacted now but rely on future improvements in public infrastructure.	• Tracking relevant current and emerging regulations. • Building into annual budget and long-range plans investments needed to comply with new regulations. • Continuing to decarbonise Scope 1, 2 and 3 greenhouse gas (GHG) emissions towards Sky's 2030 target, which may reduce potential regulatory exposure to future requirements based on an entity's GHG emissions.
Market	Increased operational costs due to changing input prices (e.g. energy, water, supply chain) or output requirements (e.g. energy efficiency, waste treatment).	• Continuing to pursue energy efficiency and reduction initiatives in Sky's network, data centres, facilities and operations to minimise exposure to negative market changes. • Securing long-term supply contracts for clean and renewable energy in both deregulated and regulated markets. • Continuing to build geographic diversity and supplier reliability, redundancy, and business continuity planning in Sky's supply chain. • Designing products and operational infrastructure for increased refurbishment, reuses and recycling in support of a circular economy to reduce the use of raw materials.
Reputation	Brand and reputation risk from the Company's environmental impact or speed of action around climate or energy, or the climate resilience of Sky's products and services.	• Continuing to reduce Scope 1, 2 and 3 GHG emissions towards Sky's 2030 target over time. • Developed a Code of Conduct for Suppliers and Business Partners, which includes key provisions around business continuity and sustainable practices.

Climate-related opportunities, at the Sky Group level which may impact the Company's business, have been assessed and it has been determined that there are no such opportunities that are material on a standalone basis.

Metrics and Targets

In addition to enterprise metrics, targets and key performance indicators, the Company has been reporting its carbon footprint at the Sky Group level since 2005/06, which includes its businesses in the UK, Republic of Ireland, Portugal, Germany, Austria, Switzerland and Italy.

Metrics

The Company is a wholly owned subsidiary of Sky UK Limited (the immediate parent company) and operates as part of the Sky Group. Information on Sky's carbon footprint across Scope 1, Scope 2 and certain Scope 3 emissions, an appropriate intensity metric, and the total energy use of electricity, gas and transport fuel is not practical to determine at the Company level. The information is obtainable only at the Sky Group and the UK and Ireland levels, and there is no practical allocation method available (for example based on revenue or headcount) that would result in consistent and reliable information between companies in the Sky Group and over time. Accordingly, the table below presents the carbon footprint for the Sky Group and the UK and Ireland, which are the only levels at which the information can be practically obtained.

Non-Financial and Sustainability Information (NFSI) Statement (continued)

	2023		2022	
	UK and Ireland	**Sky Group**	**UK and Ireland**	**Sky Group**
Carbon Emissions (tCO2e)				
Emissions from combustion of gas (Scope 1)	3,244	**3,244**	5,264	**5,264**
Emissions from the consumption of fuel for the purposes of transport (Scope 1)	17,469	**19,992**	20,075	**22,836**
Emissions from purchased electricity (Scope 2 - location-based)	36,434	**54,580**	32,772	**48,774**
Emissions from business travel in employee-owned vehicles where the company is responsible for purchasing the fuel (Scope 3)	254	**438**	1,013	**1,194**
Total Carbon Emissions (tCO2e)	57,401	**78,254**	59,124	**78,068**
Total Energy consumption (kWh)	266,903,404	**336,620,365**	285,258,511	**352,872,911**

During the year ended 31 December 2023 the UK&I intensity ratio of tCO2e per FTE was 2.22 (2022: 2.19). Note that this metric was presented in prior year as emissions divided by revenue, whereas in current year this metric represents emissions divided by FTE.

Further, the presentation of emission data in the metric has been updated to bifurcate Scope 1 and Scope 2 information. As such the 2022 numbers in the metric above are not directly comparable to the disclosure in the prior-year financial statements.

Methodology

The Company has revised the presentation of the metrics in line with the 2019 UK Government environmental reporting guidance.

The Company has calculated GHG emissions using the location-based method, in compliance with Streamlined Energy and Carbon Reporting (SECR) requirements. Sky's GHG emissions are calculated in carbon dioxide equivalent (CO2e) according to the Greenhouse Gas Protocol Corporate Standard and associated guidance. Sky utilise the emission factors from the latest UK Government (DESNZ) Greenhouse Gas Conversion Factors for Company Reporting (2023), IEA Statistics Data Service: Emission Factors (2023 edition) and theEPA eGRID (2021 edition). Sky does not currently track emissions related to rental cars within Scope 3 business travel emissions.

Data for UK and Ireland includes Sky Limited's Joint Ventures, small international offices and news bureaus and business activities in Portugal.

Targets

Sky was the first media company to go CarbonNeutral® in Scope 1 and 2 emissions in 2006. In 2020, Sky set a science-based target, verified by the Science Based Targets initiative, to halve Scope 1, 2 (market-based), and 3 emissions by 2030 from a 2018 baseline. From 2018 to 2023, Sky's total Scope 1, 2 (market-based) and 3 emissions have increased by 3%, driven by an increase in Scope 3 emissions.

Sky's focus for Scope 3 emission reductions is through engaging suppliers and designing products and services with energy efficiency and recyclability in mind. Sky is shifting the product mix to include more efficient streaming devices to help reduce emission impacts and incorporating product Life Cycle Assessment (LCA) data into future emissions reporting to better reflect this.

Between 2022 and 2023, the total Scope 1 and 2 (market-based) emissions have decreased by 17%. The reduction in Scope 1 and 2 emissions is a result of utilising more renewable electricity and decarbonising the fleet. Sky continues to be carbon neutral for Scope 1 and 2. During the year, to further reduce Scope 1 and 2 emissions, the Sky Group delivered a range of heating, ventilation, and air conditioning (HVAC) optimisations primarily focussed on building management initiatives for increasing energy efficiency.

Impact and Resilience

The Directors reasonably believe that, having regard to the nature of the Company's business, and the manner in which it is carried on, the climate-related financial disclosures set forth in Section 414CB(2A)(e) and (f) of the Companies Act 2006 are not necessary for an understanding of the Company's business and have therefore been omitted. This information is not necessary because the Company's business model and strategy form part of a Comcast Group-wide business model and strategy that takes into account climate-related risks and opportunities. Various climate-related risks are components of several Comcast Group-wide risks identified as part of the Comcast Group-wide ERM process. These risks, including relevant climate-related risks, are managed by the operational owners of such risks so that mitigation is considered within the broader risk mitigation plan. At this time, neither the Comcast Group nor the Company has identified climate-related risks that are independent of the material operational risks identified through the ERM process, therefore the Company has not performed a stand-alone qualitative or quantitative climate-related scenario analysis.

Strategic and Directors' Report (continued)

Approved by the Board and signed on its behalf by:

P Wedlock
Director

Grant Way
Isleworth
Middlesex
United Kingdom
TW7 5QD

29 August 2024

Directors' Responsibilities Statement

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 101 "Reduced Disclosure Framework". 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 the 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
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

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

Auditor's Report

Independent Auditor's report to the members of SKY SNI LIMITED

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Sky SNI Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 December 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework"
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the income statement;
- the balance sheet;
- the statement of changes in equity;
- the related notes 1 to 19.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Responsibilities of directors

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

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

Auditor's Report (continued)

Independent auditor's report to the members of Sky UK Limited (continued)

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: http://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management and the directors about their own identification and assessment of the risks of irregularities, including those that are specific to the company's business sector.

We obtained an understanding of the legal and regulatory framework that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act, and relevant tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty. These included Employment Law, the Privacy and Electronic Communications Regulations 2003, the Communications Act 2003, the Broadcasting Act 1990, the Data Protection Act 2018 and the Bribery Act 2010.

We discussed among the audit engagement team including relevant internal specialists such as tax and IT specialists, regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud in the revenue recognised for the provision of news production and news gathering services to Sky UK Limited. This risk arises due to the potential incentive to overstate revenue by recording estimates for revenue recognition at the balance sheet date. We performed specific procedures to address this risk through:

- obtaining an understanding of management's process in relation to the calculation and recognition of revenue and intercompany recharges;
- understanding the nature of the adjustments and resulting journals that were made to record the revenue;
- making selections from revenue journals and testing these selections by tracing them to sufficient and appropriate audit evidence; and
- recalculating the intercompany recharge to Sky UK Limited and comparing to the amount recorded in the ledger.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management, in-house and external legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

Auditor's Report (continued)

Independent auditor's report to the members of Sky SNI Limited (continued)

Report on other legal and regulatory requirements

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters 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.

We have nothing to report in respect of these matters.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Danny Sivers ACA, (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
Chartered Accountants and Statutory Audit Firm
29 August 2024

Income Statement

For the year ended 31 December 2023

	Notes	2023 £'000	2022 £'000
Revenue	3	**85,589**	86,484
Operating expense	4	**(78,304)**	(79,955)
Operating profit		**7,285**	6,529
Finance income/(cost)		**11**	(28)
Impairment of investment in subsidiaries	12	**-**	(87,000)
Profit/(loss) before tax	5	**7,296**	(80,499)
Tax	7	**(87)**	48
Profit/(loss) for the year attributable to equity shareholder		**7,209**	(80,451)

The accompanying notes are an integral part of this Income Statement.

For the year ended 31 December 2023 and 31 December 2022, the Company did not have any other items of Comprehensive Income. Accordingly, no separate Statement of Comprehensive Income is presented.

All recognised gains and losses for both the current financial year and the previous financial year arise from continuing operations.

Balance Sheet

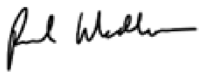
As at 31 December 2023

	Notes	2023 £'000	2022 £'000
Non-current assets			
Intangible assets	8	**10**	-
Property, plant and equipment	9	**338**	886
Right-of-use assets	11	**1,089**	-
Investment in subsidiaries	12	**1,715**	1,715
Deferred tax assets	10	**1,126**	1,213
Trade and other receivables	13	**90,679**	82,582
Total non-current assets		**94,957**	86,396
Current assets			
Trade and other receivables	13	**1,806**	1,912
Total current assets		**1,806**	1,912
Total assets		**96,763**	88,308
Current liabilities			
Trade and other payables	14	**72,342**	2,229
Lease liabilities		**223**	-
Total current liabilities		**72,565**	2,229
Net current liabilities		**(70,759)**	(317)
Lease liabilities		**910**	-
Total non-current liabilities		**910**	-
Total liabilities		**73,475**	2,229
Share capital	17	**-**	-
Reserves		**23,288**	86,079
Total equity attributable to equity shareholder		**23,288**	86,079
Total liabilities and shareholder's equity		**96,763**	88,308

Balance Sheet (continued)

The accompanying notes are an integral part of this Balance Sheet.

The financial statements of Sky SNI Limited, registered number 08458834 were approved by the Board of Directors on 29 August 2024 and were signed on its behalf by:



P Wedlock
Director

29 August 2024

Statement of Changes in Equity

For the year ended 31 December 2023

	Share capital £'000	Share premium £'000	Retained earnings £'000	Total shareholder's equity £'000
At 1 January 2022	-	-	79,528	79,528
Loss for the year	-	-	(80,451)	(80,451)
Total comprehensive loss for the year	**-**	**-**	**(80,451)**	**(80,451)**
Issue of share capital (see note 17)	-	87,000	-	87,000
Reduction of share premium	-	(87,000)	87,002	2
At 31 December 2022	**-**	**-**	**86,079**	**86,079**
Profit for the year	-	-	7,209	7,209
Total comprehensive income for the year	**-**	**-**	**7,209**	**7,209**
Dividends	-	-	(70,000)	(70,000)
At 31 December 2023	**-**	**-**	**23,288**	**23,288**

The accompanying notes are an integral part of this Statement of Changes in Equity.

All results relate to continuing operations.

Notes to the financial statements

1. Company information

Sky SNI Limited (the "Company") is a private limited liability company, limited by shares, incorporated in the United Kingdom and registered in England and Wales. The address of the registered office is Grant Way, Isleworth, Middlesex, United Kingdom, TW7 5QD and registered number is 08458834. The Company's principal activities are set out in the Strategic report.

These financial statements are presented in pounds sterling because that is the currency of the primary economic environment in which the Company operates.

2. Material accounting policies

a) Statement of compliance

The financial statements of the Company have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' ("FRS 101"), in conformity with the requirements of the Companies Act 2006.

The Company meets the definition of a qualifying entity under FRS 100 'Application of Financial Reporting Requirements' issued by the Financial Reporting Council.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of IFRS, but makes amendments where necessary in order to comply with the Companies Act 2006 and to take advantage of FRS 101 disclosure exemptions. These exemptions are listed in accounting policy 2(j).

b) Basis of preparation

The financial statements have been prepared using the going concern basis and on a historical cost basis, except for the remeasurement to fair value of certain financial assets and liabilities as described in the accounting policies below.

The Company has classified assets and liabilities as current when they are expected to be realised in, or intended for sale or consumption in, the normal operating cycle of the Company.

The Company has taken advantage of the exemption from preparing consolidated accounts afforded by section 401 of the Companies Act 2006, because it is a wholly-owned subsidiary of Comcast Corporation ("Comcast") which prepares consolidated accounts which are publicly available (see note 19).

Going concern

The Company's business activities together with the factors likely to affect its future development and performance are set out in the Business Review. The Strategic Report details the financial position of the Company, as well as the Company's objectives and policies, and assessment of risk.

Given the integrated nature of the Group's financial planning and treasury functions, funding requirements have been assessed at the Group level. The Directors believe that the cash flow from operating activities generated by the businesses, together with the Company's existing cash, cash equivalents, investments and available borrowings under its existing credit facilities, including the £6 billion revolving credit facility with Comcast, will be sufficient for the Company to meet its current and long-term liquidity and capital requirements.

The Company is in a net current liability position. However, the Company has received confirmation that Comcast intends to support the Company for a period of at least 12 months from the date of signing of these financial statements.

As a result, after making enquiries, the Directors have formed a judgement at the time of approving the financial statements that the Company will have access to adequate resources to continue for at least 12 months from the date of signing of the financial statements. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

2. Material accounting policies (continued)

c) Intangible assets and property, plant and equipment ("PPE")

i. Intangible assets

Research expenditure is recognised in operating expense in the Income Statement as the expenditure is incurred. Development expenditure (relating to the application of research knowledge to plan or design new or substantially improved products for sale or use within the business) is recognised as an intangible asset from the point that the Company has the intention and ability to generate future economic benefits from the development expenditure, that the development is technically feasible and that the subsequent expenditure can be measured reliably. Any other development expenditure is recognised in operating expense as incurred.

Other intangible assets, which are acquired by the Company separately or through a business combination, are initially stated at cost or fair value, respectively, less accumulated amortisation and impairment losses, other than those that are classified as held for sale, which are stated at the lower of carrying amount and fair value less costs to sell.

Amortisation of an intangible asset begins when the asset is available for use, and is charged to the Income Statement through operating expense on a straight-line basis over the asset's useful economic life in order to match the expected pattern of consumption of future economic benefits embodied in the asset.

Principal useful economic lives used for this purpose are:

Internally generated intangible assets	3 to 5 years straight-line
Other intangible assets	1 to 5 years straight-line

If the useful life is indefinite or the asset is not yet available for use, no amortisation is charged and an impairment test is carried out at least annually. Other intangible assets are tested for impairment in line with impairment accounting policy f) below.

ii. Property, plant and equipment ("PPE")

Owned PPE is stated at cost, net of accumulated depreciation and any impairment losses, (see accounting policy f). When an item of PPE comprises major components having different useful economic lives, the components are accounted for as separate items of PPE.

The costs of assets comprise the following, where applicable:

- Purchase price, including import duty and non-refundable purchase taxes, after probable trade discounts and rebates; and
- Directly attributable costs of bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, including relevant delivery and logistics costs.

The cost of PPE, less estimated residual value, is depreciated in operating expense on a straight-line basis over its estimated useful life. Land, and assets that are not yet available for use, are not depreciated. Principal useful economic lives used for this purpose are:

Freehold buildings	25 to 40 years
Equipment, furniture and fixtures	3 to 20 years

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale.

To the extent that the financing for a qualifying asset is part of the Group's general borrowings, the interest cost to be capitalised is calculated based upon the weighted average cost of borrowing to the Group (excluding the interest on any borrowings specific to any qualifying assets). This is then applied to the expenditures on the asset.

All other borrowing costs are recognised in profit or loss in the year to which they relate.

The assessment of the useful economic lives of both intangible assets and PPE requires judgement. Depreciation and amortisation is charged to the Income Statement based on the useful economic life selected, which requires an estimation of the period and profile over which the Company expects to consume the future economic benefits embodied in the assets. The Company reviews useful economic lives of all its assets on at least an annual basis.

Assessing whether assets meet the required criteria for initial capitalisation for both intangible assets and PPE requires judgement. This requires a determination of whether the assets will result in future benefits to the Company. In particular, internally generated intangible assets must be assessed during the development phase to identify whether the Company has the ability and intention to complete the development successfully. There is also a judgement required as to whether technological feasibility has been met.

Determining the costs of assets to be capitalised requires judgement. Specifically, judgement and estimation is required in determining the amount of duties and non-refundable taxes, probable trade discounts and rebates, and directly attributable costs to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management (including relevant delivery and logistics costs to the customer's premises) to be allocated to the asset.

2. Material accounting policies (continued)

d) Financial assets and liabilities

Directly attributable transaction costs are included in the initial measurement of financial assets and liabilities only with respect to those assets and liabilities that are not subsequently measured at fair value through profit and loss. At each balance sheet date, the Company assesses whether there is any objective evidence that any financial asset is impaired.

Financial assets and liabilities are initially recognised at fair value plus any directly attributable transaction costs. Financial assets and liabilities are recognised on the Company's Balance Sheet when the Company becomes a party to the contractual provisions of the financial asset or liability. Financial assets are derecognised from the Balance Sheet when the Company's contractual rights to the cash flows expire or the Company transfers substantially all the risks and rewards of the financial asset. Financial liabilities are derecognised from the Company's Balance Sheet when the obligation specified in the contract is discharged, cancelled or expires. Financial assets are determined to be current or non-current based on expected settlement, whilst financial liabilities are determined to be current or non-current based on their contractual settlement date.

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a currently enforceable legal right to set off the recognised amounts and there is the ability and intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

i. Trade and other receivables

Trade and other receivables are non-derivative financial assets with fixed or determinable payments and, where no stated interest rate is applicable, are measured at the original invoice amount, if the effect of discounting is immaterial. Where discounting is material, trade and other receivables are measured at amortised cost using the effective interest method.

An allowance account is maintained to reduce the carrying value of trade and other receivables for impairment losses provided for on an expected loss model according to IFRS 9, with movements in the allowance account, either from increased impairment losses or reversals of impairment losses, being recognised in the Income Statement.

ii. Trade and other payables

Trade and other payables are non-derivative financial liabilities and are measured at amortised cost using the effective interest method. Trade and other payables with no stated interest rate are measured at the original invoice amount if the effect of discounting is immaterial.

e) Investment in subsidiaries

An investment in a subsidiary is recognised at cost less any accumulated impairment. Cost is considered to be the aggregate of the nominal value of the relevant number of the Company's shares and the fair value of any other consideration given to acquire the share capital of the subsidiary undertakings.

f) Impairment

At each balance sheet date, in accordance with IAS 36 "Impairment of Assets", the Company reviews the carrying amounts of all its assets excluding inventories, non-current assets classified as held-for-sale, financial assets (see accounting policy d) and deferred taxation (see accounting policy i) to determine whether there is any indication that any of those assets have suffered an impairment loss.

An impairment is recognised in the Income Statement whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. 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 current market assessments of the time value of money and risks specific to the asset.

Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs. Impairment losses recognised in respect of cash generating units are allocated first to reduce the carrying amount of any goodwill allocated to those units, and then to reduce the carrying amount of other assets in the unit on a pro-rata basis.

An impairment loss for an individual asset or cash generating unit shall be reversed if there has been a change in estimates used to determine the recoverable amount since the last impairment loss was recognised and is only reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Impairment of goodwill is not reversed.

2. Material accounting policies (continued)

g) Revenue recognition

Revenue, which excludes value added tax, represents the gross inflow of economic benefit from the Company's operating activities, and is measured at the fair value of the consideration received or receivable. Syndication revenue is recognised on an accrual basis under the relevant terms of the agreements between the parties. Other revenue is generated from intercompany recharges for the provision of news production and news gathering services to the Sky Group.

Selecting the appropriate timing for, and amount of, revenue to be recognised requires judgement. This may involve estimating the fair value of consideration before it is received.

h) Leases

The Company has elected to not apply the general requirements to short-term leases (lease term of 12 months or less). These leases will be recognised on a straight-line basis as an expense on the Income Statement over the term. The Company has also elected not to recognise non-lease components separately from lease components for those classes of assets in which non-lease components are not significant with respect to the total value of the arrangement.

Right-of-use (ROU) assets comprise the initial measurement of the corresponding lease liability, plus lease payments made at or before the commencement date, less any lease incentives received and any initial direct costs incurred.

ROU assets are subsequently measured using the cost model by charging depreciation to profit and loss over the term of the lease and adjusting for any remeasurement of the lease liability or impairment of the asset.

A provision is recognised if the Company incurs an obligation for costs to be incurred in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease. If the costs incurred relate to a ROU asset, the costs are included in the related ROU asset.

Lease liabilities are initially measured at the present value of the lease payments that are not paid at commencement date, adjusting for any remeasurement of the lease liability if it can be readily determined, and discounted by using the rate implicit to the lease. If this rate cannot be readily determined, the lessee utilises the incremental borrowing rate of interest required to finance the expected payments during the lease term. Lease payments included in the initial measurement comprise fixed payments, less any incentives receivable; variable lease payments that depend on an index or rate; amounts expected to be paid under residual value guarantees; the exercise price of a purchase option if the Company is reasonably certain to exercise that option and payments for penalties for terminating the lease, if the lease term reflects the Company exercising an option to terminate the lease.

The Company determines the lease term as the non-cancellable term of the contract, together with any period covered by an extension (or termination) option whose exercise is at the option of the Company and is assessed to be reasonably certain that it will be exercised (or will not be exercised). The Company considers all accessible information by asset class in the industry and evaluates relevant factors that create an economic incentive to exercise an option.

Lease liabilities are subsequently measured by increasing the carrying amount to reflect interest on the lease liability and reducing the carrying amount to reflect the lease payments made. The Company also remeasures the carrying amount to reflect any reassessment or lease modifications. Interest on the liability will be charged as an expense on the Income statement.

i) Tax, including deferred tax

The Company's liability for current tax is based on taxable profits for the year, and is calculated using tax rates that have been enacted or substantively enacted at the balance sheet date.

Deferred tax assets and liabilities are recognised using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities in the Balance Sheet and the corresponding tax bases used in the computation of taxable profits.

Taxable temporary differences arising from goodwill and, except in a business combination, the initial recognition of assets or liabilities that affect neither accounting profit nor taxable profit, are not provided for. Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates that have been enacted or substantively enacted at the balance sheet date.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and adjusted to reflect an amount that is probable to be realised based on the weight of all available evidence. Deferred tax is calculated at the rates that are expected to apply in the year when the liability is settled or the asset is realised. Deferred tax assets and liabilities are not discounted. Deferred tax is charged or credited in the Income Statement / Statement of Comprehensive Income, except where it relates to items charged or credited directly to equity, in which case the deferred tax is also included within equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same tax authority and the Company intends to settle its current tax assets and liabilities on a net basis.

2. Material accounting policies (continued)

i) Tax, including deferred tax (continued)

The Company's tax charge is the sum of the total current and deferred tax charges. The calculation of the Company's total tax charge necessarily involves a degree of judgement in respect of certain items whose tax treatment cannot be finally determined until resolution has been reached with the relevant tax authority or, as appropriate, through a formal legal process.

Provisions for tax contingencies require management to make judgements and estimates in relation to tax audit issues and exposures. Amounts accrued are based on management's interpretation of country-specific tax law and the likelihood of settlement. Tax benefits are not recognised unless it is probable that the tax positions will be sustained. Once considered to be probable, management reviews each material tax benefit to assess whether a provision should be taken against full recognition of the benefit on the basis of the likely resolution of the issue through negotiation and/or litigation. The amounts recognised in the financial statements in respect of each matter are derived from the Company's best estimation and judgement, as described above.

However, the inherent uncertainty regarding the outcome of these items means the eventual resolution could differ from the provision and in such event the Company would be required to make an adjustment in a subsequent year which could have a material impact on the Company's profit and loss and/or cash position.

The key area of judgement in respect of deferred tax accounting is the assessment of the expected timing and manner of realisation or settlement of the carrying amounts of assets and liabilities held at the balance sheet date. In particular, assessment is required of whether it is probable that there will be suitable future taxable profits against which any deferred tax assets can be utilised.

j) FRS 101 exemptions

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- The requirements of IAS 1 'Presentation of financial statements' and IAS 7 'Statement of cash flows' to present a statement of cash flows and related notes;
- The requirements of IAS 8 'Accounting policies, changes in accounting estimates and errors' to disclose information in relation to accounting standards which are issued but not yet effective;
- The requirements of IAS 24 'Related party disclosures' relating to key management compensation;
- The requirements of IAS 24 'Related party disclosures' to disclose related party transactions between two or more wholly-owned members of a group,

k) Critical judgements and key sources of estimation uncertainty

The application of the Company's accounting policies may require the use of estimation or judgement in a manner which may affect the Company's financial position or results.

There are no areas identified for which there are major sources of estimation uncertainty at the reporting year end that have a significant risk of causing a material adjustment to be made to the carrying value amounts of assets or liabilities within the next financial year. As such, there are no critical estimates noted.

There are not considered to be any critical judgements applied in the preparation of the financial statements.

Areas where estimation or judgement is applied have been discussed in the related accounting policies sections above.

Notes to the financial statements (continued)

3. Revenue

	2023 £'000	2022 £'000
Wholesale and syndication	**3,779**	3,857
News production and gathering services	**81,810**	82,627
Total revenue	**85,589**	86,484

Wholesale and syndication revenue arises from the sales of News content to digital, radio and other platforms in the United Kingdom and Republic of Ireland. The other revenue is generated from intercompany recharges for the provision of news production and news gathering services to Sky UK Limited.

4. Operating expense

	2023 £'000	2022 £'000
Programming	**73,578**	76,070
Sales, general and administration	**4,726**	3,885
Total operating expense	**78,304**	79,955

Notes to the financial statements (continued)

5. Profit/(loss) before tax

Profit/(loss) before tax is stated after charging	**2023**	2022
	£'000	£'000
Depreciation and impairment of property, plant and equipment	**548**	1,256
Amortisation of intangible assets	**1**	-
Depreciation and impairment of right of use assets	**221**	-
Rentals on operating leases and similar arrangements	**(5)**	-

Employee Services

There were no employee costs during the year or prior year, as the Company had no employees, other than the Directors. Services are provided by employees of other companies within the Group with no charge being made for their services. The Directors did not receive any remuneration during the year in respect of their services to the Company.

6. Auditor's remuneration

Audit fees

Fees payable to the Company's auditor for the audit of the annual accounts were £35,200 (2022: £27,000) and fees payable to the Company's auditor for settlement of audit fees on behalf of other Group companies were £nil (2022: £nil).

7. Tax

a) Tax recognised in the Income Statement

	2023	2022
	£'000	£'000
Current tax expense		
Current year	**-**	-
Adjustment in respect of prior years	**-**	-
Total current tax charge	**-**	-
Deferred tax expense/(credit)		
Origination and reversal of temporary differences	**82**	11
Adjustment in respect of prior years	**-**	(72)
Adjustment in respect of change in tax rate	**5**	13
Total deferred tax charge/(credit)	**87**	(48)
Tax expense/(credit)	**87**	(48)

The group has applied the temporary exception, introduced in May 2023, from the accounting requirements for deferred taxes in IAS 12, so that the group neither recognises nor discloses information about deferred tax assets and liabilities related to Pillar Two income taxes. There is not expected to be any material impact of Pillar Two income taxes reporting legislation, which will be applicable to the financial statements for the year-ended 31 December 2024.

7. Tax (continued)

b) Reconciliation of effective tax rate

The tax expense/(income) for the year is lower (2022: lower) the standard rate of corporation tax in the UK of 23.5% (2022: 19.0%) applied to profit/(loss) before tax. The differences are explained below:

The charge/(credit) for the year can be reconciled to the profit/(loss) in the Income Statement as follows:

	2023	2022
	£'000	£'000
Profit/(loss) before tax	**7,296**	(80,499)
Profit/(loss) before tax multiplied by rate of corporation tax in the UK of 23.5% (2022: 19.0%)	**1,714**	(15,295)
Effects of:		
Adjustment in respect of change in tax rates	**5**	13
Group relief claimed for £nil consideration	**(1,682)**	(1,316)
Other permanent differences	**-**	16,530
Temporary differences not recognised	**-**	-
Non-deductible expense	**50**	92
Adjustment in respect of prior year	**-**	(72)
Tax	**87**	(48)

All tax relates to UK corporation tax.

8. Intangible assets

	Internally generated intangible assets £'000	Other intangible assets £'000	Total £'000
Cost			
At 1 January 2022	174	9	183
At 31 December 2022	174	9	183
Additions	11	-	11
At 31 December 2023	**185**	**9**	**194**
Amortisation			
At 1 January 2022	174	9	183
At 31 December 2022	174	9	183
Charge for the year	1	-	1
At 31 December 2023	**175**	**9**	**184**
Carrying amounts			
At 1 January 2022	-	-	-
At 31 December 2022	-	-	-
At 31 December 2023	**10**	**-**	**10**

The Company's internally generated intangible assets relate to software development associated with producing and providing Sky News content.

9. Property, plant and equipment

	Freehold land and buildings £'000	Leasehold improvements £'000	Equipment, furniture and fixtures £'000	Total £'000
Cost				
At 1 January 2022	25	4	14,399	14,428
Transfers	-	-	(3,034)	(3,034)
At 31 December 2022	**25**	**4**	**11,365**	**11,394**
Transfers	-	-	-	-
At 31 December 2023	**25**	**4**	**11,365**	**11,394**
Accumulated depreciation				
At 1 January 2022	11	1	12,274	12,286
Charge for the year	1	-	1,255	1,256
Disposals	-	-	(3,034)	(3,034)
At 31 December 2022	**12**	**1**	**10,495**	**10,508**
Charge for the year	1	-	547	548
At 31 December 2023	**13**	**1**	**11,042**	**11,056**
Carrying amounts				
At 1 January 2022	14	3	2,125	2,142
At 31 December 2022	13	3	870	886
At 31 December 2023	**12**	**3**	**323**	**338**

10. Deferred tax

Recognised deferred tax assets

	Accelerated tax depreciation £'000	Total £'000
At 1 January 2022	1,165	1,165
Credit to income	48	48
At 31 December 2022	1,213	1,213
Charge to income	(87)	(87)
At 31 December 2023	**1,126**	**1,126**

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the years in which they reverse. The rate enacted for the relevant years of reversal is 25% (2022: 25%).

11. Right-of-use assets

	2 Shield Drive £'000	Total £'000
Cost		
At 31 December 2022	-	-
Modifications	1,975	1,975
At 31 December 2023	**1,975**	**1,975**
Depreciation		
At 31 December 2022	-	-
Charge for the year	221	221
Modifications	665	665
At 31 December 2023	**886**	**886**
Carrying amounts		
At 31 December 2022	-	-
At 31 December 2023	**1,089**	**1,089**

Notes to the financial statements (continued)

12. Investment in subsidiaries

The following are included in the net book value of fixed asset investments:

	2023	2022
	£'000	£'000
Investment in subsidiaries	**1,715**	1,715

Investments in subsidiaries shown above represent the cost of the shares of the wholly-owned subsidiary undertakings plus non-current loans advanced, less provisions made for any impairment in value.

During the year the company did not invest in subsidiaries.

Details of the principal investments of the Company are as follows:

Grant Way, Isleworth, Middlesex, TW7 5QD

Name	**Country of incorporation**	**Description and proportion of shares held (%)**
Direct holdings		
Sky SNA Limited	United Kingdom	101 ordinary shares of £1 each (100%)
Sky SNI Operations Limited	United Kingdom	200 ordinary shares of £1 each (100%)

Boulevard Charlemagne 1, 1041 Brussels

Name	**Country of incorporation**	**Description and proportion of shares held (%)**
Direct holdings		
Sky Channel SA	Belgium	1,249 ordinary shares of €49.60 each (99.92%)

Notes to the financial statements (continued)

13. Trade and other receivables

	2023 £'000	2022 £'000
Current		
Gross trade receivables	**1**	430
Net current trade receivables	**1**	430
Amounts falling due within one year:		
Amounts receivable from subsidiaries	**-**	485
Prepayments	**273**	9
VAT	**115**	111
Accrued income	**1,417**	877
Current trade and other receivables	**1,806**	1,912
Non-current		
Amounts receivable from parent company	**86,610**	79,364
Amounts receivable from other Group companies	**3,218**	3,218
Amounts receivable from subsidiaries	**851**	-
Total non-current trade and other receivables	**90,679**	82,582
Total trade and other receivables	**92,485**	84,494

The Directors consider that the carrying amount of trade and other receivables approximates their fair value.

There are no contract assets which require recognition under IFRS 15.

Amounts receivable from other group companies

Amounts due from other Group companies as at 31 December 2023 totalling £3,218,000 (2022: £3,218,000) represent trade receivables, these are unsecured, non-interest bearing and are repayable on demand.

Amounts receivable from immediate parent company

Amounts due from immediate parent company Sky UK Limited as at 31 December 2023 totalling £86,610,000 (2022: £79,364,000) represent trade receivables; they are unsecured, non-interest bearing and are repayable on demand.

Amounts receivable from subsidiaries

Amounts due from subsidiaries as at 31 December 2023 totalling £851,000 (2022: £485,000) represent trade receivables, these are unsecured, non-interest bearing and are repayable on demand.

14. Trade and other payables

	2023	2022
	£'000	£'000
Current		
Amounts falling due within one year:		
Trade payables	**277**	44
Amounts payable to parent company	**70,251**	-
Amounts payable to other group companies	**1,552**	1,558
VAT	**116**	161
Accruals	**146**	466
Total current trade and other payables	**72,342**	2,229
Total trade and other payables	**72,342**	2,229

The Directors consider that the carrying amount of trade and other payables approximates their fair values. Trade payables principally comprise amounts outstanding for programming purchases and on-going costs.

There are no contract liabilities which require recognition under IFRS 15.

Amounts payable to other group companies totalling £1,552,000 (2022: £1,558,000) represent other payables; they are unsecured, non-interest bearing and repayable on demand.

The Directors consider that the carrying amount of trade and other payables approximates their fair values. Trade payables principally comprise amounts outstanding for ongoing costs.

15. Financial Instruments

Carrying value and fair value

The Company's principal financial instruments comprise trade and other receivables and trade and other payables.

The accounting classification of each class of the Company's financial assets and liabilities, together with their fair values is as follows:

	Financial Assets at Amortised Cost	Financial Liabilities at Amortised Cost	Total carrying value	Total fair values
	£'000	£'000	£'000	£'000
At 31 December 2023				
Trade and other payables	**-**	**(72,226)**	**(72,226)**	**(72,226)**
Trade and other receivables	**92,097**	**-**	**92,097**	**92,097**
At 31 December 2022				
Trade and other payables	-	(2,068)	(2,068)	(2,068)
Trade and other receivables	84,374	-	84,374	84,374

The fair values of financial assets and financial liabilities are determined as follows:

- The fair value of financial assets and financial liabilities with standard terms and conditions and which are traded on active liquid markets is determined with reference to quoted market prices;
- The fair value of other financial assets and financial liabilities (excluding derivative instruments) is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes for similar instruments;

The differences between carrying values and fair values reflect unrealised gains or losses inherent in the financial instruments, based on valuations as at 31 December 2023 and 31 December 2022. The volatile nature of the markets means that values at any subsequent date could be significantly different from the values reported above.

16. Financial risk management objectives and policies

The Comcast Group's Treasury function is responsible for raising finance for the Company's operations and managing credit risk. The Sky Group Treasury function manages liquidity, foreign exchange and interest rate. Treasury operations are conducted within a framework of policies and guidelines authorised and reviewed by both Comcast's Audit Committee and the Board, which receive regular updates of Treasury activity. Derivative instruments are transacted for risk management purposes only. It is the Group's policy that all hedging is to cover known risks and no speculative trading is undertaken. Regular and frequent reporting to management is required for all transactions and exposures, and the internal control environment is subject to periodic review by the Group's internal audit team.

The Sky Group's principal market risks are exposures to changes in interest rates and foreign exchange rates, which arise both from the Sky Group's sources of finance and its operations. Following evaluation of those market risks, the Sky Group selectively enters into derivative financial instruments to manage these exposures. The principal instruments currently used are interest rate swaps to hedge interest rate risks, and cross currency swaps and forward foreign exchange contracts to hedge transactional and translational currency exposures.

Capital Risk Management

The capital structure of the Company consists of equity attributable to equity holders of the parent company, comprising issued capital, reserves and retained earnings. Risk and treasury management is governed by Comcast Corporation's policies approved by its Board of Directors.

Liquidity risk

The Company relies on the Group Treasury function to manage its liquidity and ensure that sufficient funds are available for ongoing operations and future developments. The Group currently has access to a £6 billion revolving credit facility with its ultimate parent, Comcast Corporation, which is due to expire in 2027. The Company benefits from this liquidity through intra-group facilities and loans. The Company's financial liabilities are shown in notes 14

Notes to the financial statements (continued)

16. Financial risk management objectives and policies (continued)

The following table analyses the Company's non-derivative financial liabilities into relevant maturity groupings, based on the remaining period at the balance sheet date to the contractual maturity date.

The amounts disclosed in the table are the contractual undiscounted cash flows. These amounts may therefore not reconcile to the liabilities disclosed on the Balance Sheet.

	Less than 12 months	**Between one and two years**	**Between two and five years**	**More than five years**	**Total**
	£'000	**£'000**	**£'000**	**£'000**	**£'000**
At 31 December 2023					
Non-derivative financial liabilities					
Trade and other payables	**72,226**	**-**	**-**	**-**	**72,226**
Gross settled derivatives					

	Less than 12 months	**Between one and two years**	**Between two and five years**	**More than five years**	**Total**
	£'000	**£'000**	**£'000**	**£'000**	**£'000**
At 31 December 2022					
Trade and other payables	2,068	-	-	-	2,068

Credit risk

The Company's maximum exposure to credit risk on trade receivables is the carrying amounts as disclosed in note 13.

17. Share capital

	2023	2022
	£	£'
Authorised, called-up and fully paid		
101 (2022: 101) Ordinary shares of £1 (2022: £1) each	**101**	101

The Company has one class of ordinary shares which carries equal voting rights and no contractual right to receive payment.

18. Contracted commitments, contingencies and guarantees

a) Future minimum expenditure contracted for but not recognised in the financial statements

	Less than 1 year	**Between 1 and 5 years**	**After 5 years**	**Total at 31 December 2023**	Total at 31 December 2022
	£'000	**£'000**	**£'000**	**£'000**	£'000
Newsgathering	1,780	112	-	**1,892**	5,823
Total	**1,780**	**112**	**-**	**1,892**	5,823

19. Ultimate parent undertaking

The Company is a wholly-owned subsidiary undertaking of Sky UK Limited, (the immediate parent company), a company incorporated in the United Kingdom and registered in England and Wales. The Company's ultimate parent company and the smallest and largest group in which the results of the Company are consolidated is Comcast Corporation, a company incorporated in the United States of America and registered in Pennsylvania.

The Company is ultimately controlled by Comcast and operates together with Comcast's other subsidiaries, as a part of the Comcast Group. The only group in which the results of the Company are consolidated is that headed by Comcast.

The consolidated financial statements of the Comcast Group are available to the public and may be obtained from Company Investor Relations at Comcast Corporation, One Comcast Center, Philadelphia, PA 19103, USA (registered address), or at :https://www.cmcsa.com/investors.