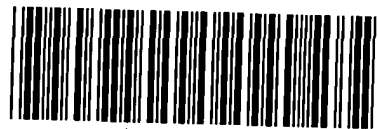


Registration number: NI053107

# Wireless Group New Media Limited

**Report and financial statements**  
**for the year ended 1 July 2018**

FRIDAY



\*L7L9295T\*  
L16 21/12/2018 #149  
COMPANIES HOUSE

## **Wireless Group New Media Limited**

### **Contents**

Directors' Report	1 - 3
Independent Auditor's Report	4 - 6
Profit and Loss Account	7
Statement of Comprehensive Income	7
Balance Sheet	8
Statement of Changes in Equity	9
Notes to the Financial Statements	10 - 16

## **Wireless Group New Media Limited**

### **Directors' Report For the year ended 1 July 2018**

The directors present their report and the financial statements for the year ended 1 July 2018.

#### **Principal activities and business review**

The principal activity of the company is that of a holding company.

A strategic review and a business review have not been completed for the company because it is entitled to claim the exemption from doing so under Section 414B and 415A of the Companies Act 2006.

#### **Principal risks and uncertainties**

A summary of the principal risks and uncertainties facing the company has not been completed because it is entitled to claim the exemption from preparing the strategic report under Section 414B of the Companies Act 2006.

#### **Going concern**

News Corporation has committed to provide financial support until 31 December 2019 to News Corp Investments UK & Ireland which in turn supports News Corp UK & Ireland Limited and its subsidiary undertakings.

News Corp UK & Ireland Limited operates two collective facilities, in which News Corp UK & Ireland Limited has provided multilateral guarantees of up to £20 million in respect of each of these bank overdrafts of subsidiary undertakings. These facilities are ultimately guaranteed by News Corporation.

The News UK group has prepared a rolling three year forecast in which the cash flows of the group are assessed. These show the group to be cash generative and a letter of support has also been received News Corp UK & Ireland Limited.

The above factors lead the directors to conclude that they have a reasonable expectation that the company has adequate resources to continue in operation for the foreseeable future.

#### **Results and dividends**

The loss for the year after taxation, amounted to £111,000 (18 months ended 30 June 2017 - £4,935,000).

The directors do not recommend a dividend (2017 - £Nil).

#### **Directors of the company**

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

M. C. Gill

C.C.S. Longcroft

All directors served throughout the year and are still directors at the date of this report.

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

## **Wireless Group New Media Limited**

### **Directors' Report (continued) For the year ended 1 July 2018**

#### **Directors' indemnity provision**

News Corporation has indemnified all directors of the company against liability in respect of proceedings brought by third parties, except that, in accordance with the Companies Act 2006, no indemnity is provided against: any liability incurred by the director in defending civil proceedings brought by the company, or an associated company, in which the final judgement is given against the director; and liability of the director to pay a fine imposed by criminal proceedings; any liability incurred by the director in defending criminal proceedings in which the director is convicted; any liability of the director to pay a penalty sum to a regulatory authority in respect of non compliance with any requirement of a regulatory nature, howsoever arising; or any liability of the director in connection with an application for relief in which the court refuses to grant him relief. Such qualifying third party indemnity provision was in force during the year and is in force as at the date of approving the Directors' report.

#### **Directors' responsibilities statement**

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

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

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

#### **Disclosure of information to the auditor**

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

## **Wireless Group New Media Limited**

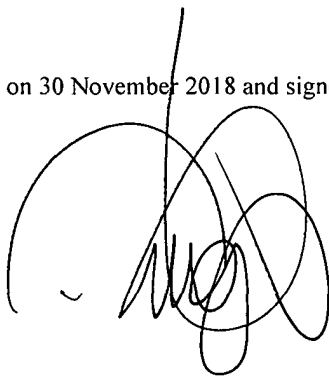
### **Directors' Report (continued) For the year ended 1 July 2018**

#### **Auditor**

The directors have passed a resolution to dispense with the requirement to reappoint the auditors annually. Ernst & Young LLP are deemed to be reappointed as auditor in the absence of a notice that the appointment is to be terminated.

Approved by the Board on 30 November 2018 and signed on its behalf by:

C.C.S. Longcroft  
Director  
City Quays 2  
Belfast  
BT1 3YD

A handwritten signature in black ink, consisting of several overlapping loops and a long vertical stroke extending upwards from the main body of the signature.

## **Independent Auditor's Report to the Members of Wireless Group New Media Limited**

### **Opinion**

We have audited the financial statements of Wireless Group New Media Limited for the year ended 1 July 2018 which comprise the Profit and Loss Account, the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the related notes 1 to 14, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the company's affairs as at 1 July 2018 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

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

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

### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### **Other information**

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

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

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

## **Independent Auditor's Report to the Members of Wireless Group New Media Limited (continued)**

### **Opinions 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

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 material misstatements in the Directors' Report.

We have nothing to report in respect of the following matters in relation to which 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 exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

### **Responsibilities of directors**

As explained more fully in the Directors' responsibilities statement set out on page 2, 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 responsibilities for the audit of the financial statements**

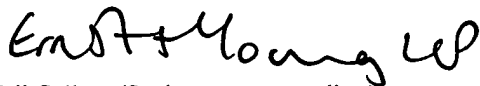
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee 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 Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

## **Independent Auditor's Report to the Members of Wireless Group New Media Limited (continued)**

### **Use of our report**

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

A handwritten signature in black ink, appearing to read 'Ernst & Young LLP' in a stylized, cursive script.

Neil Cullum (Senior statutory auditor)

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

London

Date: 7/12/2018



## Wireless Group New Media Limited

### Profit and Loss Account For the year ended 1 July 2018

		12 months to 1 July 2018 £ 000	18 months to 30 June 2017 £ 000
	Note		
Impairment loss	6	-	(4,671)
Total operating loss		-	(4,671)
Interest payable and similar expenses	7	(111)	(264)
Loss before tax		(111)	(4,935)
Taxation	8	-	-
Loss for the financial year		<u>(111)</u>	<u>(4,935)</u>

The above results were derived from continuing operations.

### Statement of Comprehensive Income For the year ended 1 July 2018

	12 months to 1 July 2018 £ 000	18 months to 30 June 2017 £ 000
Loss for the financial year	<u>(111)</u>	<u>(4,935)</u>
Total comprehensive income for the year	<u>(111)</u>	<u>(4,935)</u>

The notes on pages 10 to 16 form part of these financial statements.

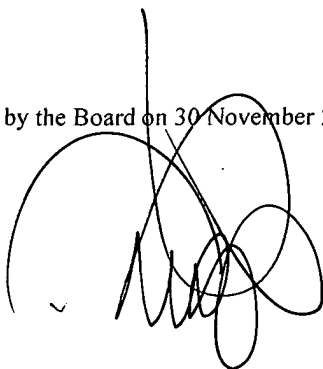
**Wireless Group New Media Limited**  
**Registered number: NI053107**

**Balance Sheet**  
**As at 1 July 2018**

	Note	2018 £ 000	2017 £ 000
<b>Fixed assets</b>			
Investments	9	<u>22</u>	<u>22</u>
		22	22
Creditors: amounts falling due within one year	10	<u>(5,365)</u>	<u>(5,254)</u>
<b>Net liabilities</b>		<u>(5,343)</u>	<u>(5,232)</u>
<b>Capital and reserves</b>			
Called up share capital	11	12	12
Profit and loss account		<u>(5,355)</u>	<u>(5,244)</u>
<b>Shareholder's deficit</b>		<u>(5,343)</u>	<u>(5,232)</u>

Approved and authorised by the Board on 30 November 2018 and signed on its behalf by:

C.C.S. Longcroft  
Director



The notes on pages 10 to 16 form part of these financial statements.

## Wireless Group New Media Limited

### Statement of Changes in Equity For the year ended 1 July 2018

	Share capital £ 000	Profit and loss account £ 000	Total £ 000
At 1 July 2017	12	(5,244)	(5,232)
Loss for the financial year	-	(111)	(111)
At 1 July 2018	<u>12</u>	<u>(5,355)</u>	<u>(5,343)</u>

### Statement of Changes in Equity For the period ended 30 June 2017

	Share capital £ 000	Profit and loss account £ 000	Total £ 000
At 1 January 2016	12	(309)	(297)
Loss for the financial period	-	(4,935)	(4,935)
At 30 June 2017	<u>12</u>	<u>(5,244)</u>	<u>(5,232)</u>

The notes on pages 10 to 16 form part of these financial statements.

## **Wireless Group New Media Limited**

### **Notes to the Financial Statements For the year ended 1 July 2018**

#### **1 General information**

The company is a limited liability company incorporated in England and Wales under the Companies Act.

The address of its registered office is:

City Quays 2  
2 Clarendon Road  
Belfast  
BT1 3YD

These financial statements were authorised for issue by the Board on 30 November 2018.

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

#### **2 Accounting policies**

##### **Summary of significant accounting policies and key accounting estimates**

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

##### **Statement of compliance**

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The company transitioned from FRS 101 to FRS 102 as at 31 December 2015. An explanation of how the transition to FRS 102 has affected the reported financial position and financial performance is given in note 14.

##### **Basis of preparation**

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

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

The company maintains a 52/53 week financial year ending on the Sunday nearest to 30 June in each year. Consequently, the financial statements for the current period cover the 12 month period ended 1 July 2018 (prior period 18 months ended 30 June 2017). The financial statements are presented in pounds sterling which is the functional currency of the company, and rounded to the nearest £'000.

## **Wireless Group New Media Limited**

### **Notes to the Financial Statements For the year ended 1 July 2018 (continued)**

#### **2 Accounting policies (continued)**

##### **Summary of disclosure exemptions**

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

The company has taken advantage of the following exemptions:

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

##### **Consolidated financial statements**

Under Section 401 of the Companies Act 2006 the company is exempt from the requirement to prepare and deliver group financial statements since it is a wholly owned subsidiary of News Corporation which is incorporated in the United States of America and prepares consolidated financial statements. The consolidated financial statements are available to the public and may be obtained from 1 London Bridge Street, London, SE1 9GF. Accordingly, these financial statements present information about the company as an individual undertaking and not about its group..

##### **Going concern**

News Corporation has committed to provide financial support until 31 December 2019 to News Corp Investments UK & Ireland which in turn supports News Corp UK & Ireland Limited and its subsidiary undertakings.

News Corp UK & Ireland Limited operates two collective facilities, in which News Corp UK & Ireland Limited has provided multilateral guarantees of up to £20 million in respect of each of these bank overdrafts of subsidiary undertakings. These facilities are ultimately guaranteed by News Corporation.

The News UK group has prepared a rolling three year forecast in which the cash flows of the group are assessed. These show the group to be cash generative and a letter of support has also been received News Corp UK & Ireland Limited.

The above factors lead the directors to conclude that they have a reasonable expectation that the company has adequate resources to continue in operation for the foreseeable future.

##### **Interest payable**

Interest payable is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

## **Wireless Group New Media Limited**

### **Notes to the Financial Statements For the year ended 1 July 2018 (continued)**

#### **2 Accounting policies (continued)**

##### **Taxation**

Taxation expense for the reporting period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current tax, including UK corporation tax and foreign tax, is the amount payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

##### **Investments in subsidiaries**

Investments are recorded at cost and adjusted for any impairment provisions. When an impairment has been identified it is reflected in the profit and loss account.

##### **Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at the present value of amounts payable discounted at a market rate of interest, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

##### **Related party transactions**

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

##### **Critical accounting judgements and key sources of estimation uncertainty**

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

#### **3 Auditor's remuneration**

Auditor's remuneration of £5,000 has been paid by a fellow group undertaking in the current year and prior period (2017 - £5,000).

#### **4 Employees**

The company has no employees (2017 - None).

## Wireless Group New Media Limited

### Notes to the Financial Statements For the year ended 1 July 2018 (continued)

#### 5 Directors' remuneration

The directors' remuneration for the period was as follows:

	<b>12 months to 1 July 2018 £ 000</b>	<b>18 months to 30 June 2017 £ 000</b>
Remuneration	1,540	765
Contributions paid to money pension schemes	20	-
	<u>1,560</u>	<u>765</u>

The directors of the company are also directors of the holding company and fellow subsidiaries. The directors received total remuneration for the year of £1,560,000 (2017 - £765,000), all of which was paid by fellow subsidiary companies. The directors do not believe that it is practicable to apportion this amount between their services as directors of the company and their services as directors of the holding company and fellow subsidiary companies.

#### 6 Impairment loss

The analysis of the company's other gains and losses for the period is as follows:

	<b>12 months to 1 July 2018 £ 000</b>	<b>18 months to 30 June 2017 £ 000</b>
Impairment loss	-	4,671

The impairment of £4,671,000 during the prior period related to the Company's investment in Simply Zesty Limited. As Simply Zesty Limited has negative reserves, this investment was written down to £Nil.

#### 7 Interest payable and similar expenses

	<b>12 months to 1 July 2018 £ 000</b>	<b>18 months to 30 June 2017 £ 000</b>
Interest payable on loans from group undertakings	111	264

## Wireless Group New Media Limited

### Notes to the Financial Statements For the year ended 1 July 2018 (continued)

#### 8 Taxation

The tax on the loss for the year is higher than the standard rate of corporation tax in the UK (2017 - higher than the standard rate of corporation tax in the UK) of 19% (2017 - 19.83%).

The differences are reconciled below:

	12 months to 1 July 2018 £ 000	18 months to 30 June 2017 £ 000
Loss before tax	(111)	(4,935)
Corporation tax at standard rate	(21)	(979)
Non taxable provision against investments	-	926
Losses surrendered for group relief	21	53
Total tax charge/(credit)	-	-

*Factors that may affect future tax charges:*

The UK corporation tax rate reduced from 20% to 19% from 1 April 2017 and will reduce to 17% from 1 April 2020. The 2016 Budget announced that the rate would reduce to 17% from 1 April 2020, which was enacted on 16 September 2016. No subsequent changes have been announced in relation to UK corporation tax rates.

#### 9 Fixed asset investments

<b>Subsidiary undertakings</b>	<b>£ 000</b>
<b>Cost</b>	
At 1 July 2017	9,169
<b>Provision</b>	
At 1 July 2017	(9,147)
<b>Carrying amount</b>	
At 1 July 2018	22
At 30 June 2017	22

#### Details of undertakings

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows:



## Wireless Group New Media Limited

### Notes to the Financial Statements For the year ended 1 July 2018 (continued)

#### 9 Fixed asset investments (continued)

Name	Registered Office	Principal Activity	Holding	% Shares held
The Internet Business Limited	Northern Ireland	Web hosting	Ordinary shares	100%
Simply Zesty Limited	Republic of Ireland	Web design	Ordinary shares	100%
Simply Zesty UK Limited *	England and Wales	Non trading	Ordinary shares	100%
Wireless Connect Limited	Northern Ireland	Sales Agency	Ordinary shares	100%
Recruitment Northern Ireland Limited	Northern Ireland	Digital multiplex operator	Ordinary shares	100%
Wireless Drive Limited	Northern Ireland	Digital multiplex operator	Ordinary shares	100%

\*Held by a subsidiary undertaking

#### 10 Creditors: amounts falling due within one year

	2018 £ 000	2017 £ 000
Amounts owed to group undertakings	<u>5,365</u>	<u>5,254</u>

#### 11 Share capital

##### Allotted, called up and fully paid shares

	2018		2017	
	No.	£ 000	No.	£ 000
Ordinary shares of £1 each	<u>11,513</u>	<u>12</u>	<u>11,513</u>	<u>12</u>

#### 12 Funding

The financial statements are prepared on the going concern basis. The net liabilities of the company are £5,343,000 at 1 July 2018 (2017 - £5,232,000). News Corp UK & Ireland Limited, the immediate parent company, has confirmed its intention of providing continuing financial support to enable the company to meet its liabilities as they fall due for the foreseeable future.

## **Wireless Group New Media Limited**

### **Notes to the Financial Statements**

#### **For the year ended 1 July 2018 (continued)**

##### **13 Parent and ultimate parent undertaking**

The company's immediate parent is The Wireless Group Limited, incorporated in Northern Ireland.

The ultimate parent is News Corporation, incorporated in Delaware in the United States.

The smallest and largest group in which the results of the company are consolidated is that headed by News Corporation, whose principal place of business is at 1211 Avenue of the Americas, New York, NY 10036. The consolidated financial statements are available to the public and may be obtained from 1 London Bridge Street, London, SE1 9GF.

##### **14 Transition to FRS 102**

This is the first year that the company has presented its results under FRS 102. The last financial statements prepared under FRS 101 were for the period ended 30 June 2017.

The date of transition to FRS 102 was 31 December 2015. The transition had no impact on the profit or loss for the financial period ended 30 June 2017 and the total equity as at 31 December 2015 and 30 June 2017. Hence no reconciliation between FRS 101 as previously reported and FRS 102 is presented.