

Registered number: 00706607

## **Dolphin Book Club Limited**

**Report and financial statements  
for the year ended 30 June 2015**



# **Dolphin Book Club Limited**

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## **Dolphin Book Club Limited**

### **Directors' report 30 June 2015**

The directors present their report and the financial statements for the year ended 30 June 2015.

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

During the year under review the company continued to carry on the business of an investment company and will continue to do so in the forthcoming year.

*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 review under Section 415A of the Companies Act 2006.

#### **Going concern**

In line with the FRC guidance on Going Concern issued in November 2009, the directors have undertaken an exercise to review the appropriateness of the continued use of the Going Concern basis.

After making enquiries, the directors have a reasonable expectation that the company and the group have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

#### **Results and dividends**

The profit for the year, after taxation, amounted to £Nil (2014 - £Nil).

The directors do not recommend a dividend.

#### **Directors**

The directors who served during the year were:

C. Redmayne  
E. Kielbasiewicz

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.

## **Dolphin Book Club Limited**

### **Directors' report (continued)** **30 June 2015**

#### **Directors' responsibilities**

The directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 of the persons who is a director at the date of approval of this report confirm that:

- so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- each director has taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

#### **Auditor**

The directors have passed a resolution to dispense with the requirement to reappoint 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.

This report was approved by the board and signed on its behalf.



**E. Kielbasiewicz**  
Director

Date: 4 December 2015

Registered office:  
1 London Bridge Street  
London  
SE1 9GF

## **Independent auditor's report to the members of Dolphin Book Club Limited**

We have audited the financial statements of Dolphin Book Club Limited for the year ended 30 June 2015 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 11. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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.

### **Respective responsibilities of directors and auditor**

As explained more fully in the statement of directors' responsibilities 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. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the report and financial statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2015 and of its results 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.

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Independent auditor's report to the members of Dolphin Book Club Limited (continued)**

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

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a strategic report and take advantage of the small companies' exemption in preparing the Directors' report.



Ian McDowall (Senior Statutory Auditor)  
for and on behalf of  
**Ernst & Young LLP**  
Statutory Auditor  
Glasgow

Date: 7 December 2015

**Dolphin Book Club Limited**

**Profit and Loss Account  
Year ended 30 June 2015**

|                                                      | Note | 2015<br>£   | 2014<br>£   |
|------------------------------------------------------|------|-------------|-------------|
| Interest receivable                                  | 4    | 1,000,000   | 1,000,000   |
| Interest payable                                     | 5    | (1,000,000) | (1,000,000) |
|                                                      |      | <hr/>       | <hr/>       |
| <b>Profit on ordinary activities before taxation</b> |      | -           | -           |
| Tax on profit on ordinary activities                 |      | -           | -           |
|                                                      |      | <hr/>       | <hr/>       |
| <b>Profit for the financial year</b>                 | 9    | <hr/> <hr/> | <hr/> <hr/> |

All amounts relate to continuing operations.

There were no recognised gains and losses for 2015 or 2014 other than those included in the Profit and Loss Account.

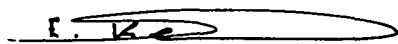
The notes on pages 7 to 9 form part of these financial statements.

**Dolphin Book Club Limited**  
**Registered number: 00706607**

**Balance Sheet**  
**30 June 2015**

|                                                       | Note | £                   | 2015<br>£           | 2014<br>£      |
|-------------------------------------------------------|------|---------------------|---------------------|----------------|
| <b>Current assets</b>                                 |      |                     |                     |                |
| Debtors                                               | 6    | 10,635,616          | 10,635,616          |                |
| <b>Creditors:</b> amounts falling due within one year | 7    | <u>(10,000,000)</u> | <u>(10,000,000)</u> |                |
| <b>Net current assets</b>                             |      |                     | 635,616             | 635,616        |
| <b>Net assets</b>                                     |      |                     | <u>635,616</u>      | <u>635,616</u> |
| <b>Capital and reserves</b>                           |      |                     |                     |                |
| Called up share capital                               | 8    |                     | 100                 | 100            |
| Profit and loss account                               | 9    |                     | <u>635,516</u>      | <u>635,516</u> |
| <b>Shareholders' funds</b>                            | 10   |                     | <u>635,616</u>      | <u>635,616</u> |

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



**E. Kielbasiewicz**  
Director

Date: 4 December 2015

The notes on pages 7 to 9 form part of these financial statements.

**Notes to the financial statements**  
**30 June 2015**

**1. Accounting policies**

**1.1 Basis of accounting**

The financial statements have been prepared under the historical cost convention and in accordance with United Kingdom Generally Accepted Accounting Principles.

The principal accounting policies have been applied consistently throughout the year and the preceding year.

**1.2 Going concern**

The company is an investment company and therefore does not actively trade.

After making enquires, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual financial statements.

**1.3 Cash flow statement**

The company is exempt from the requirement of FRS 1 'Cash Flow Statements' to include a cash flow statement as part of its financial statements because it is a wholly owned subsidiary undertaking of a body corporate and a consolidated cash flow statement is included in the accounts of News Corporation, the ultimate parent company.

**1.4 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 8 'Related Party Disclosures' not to disclose transactions with other wholly owned members of the group headed by News Corporation.

**1.5 Interest receivable and payable**

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

## Dolphin Book Club Limited

### Notes to the financial statements 30 June 2015

#### 2. Auditor's remuneration

|                               | 2015<br>£    | 2014<br>£    |
|-------------------------------|--------------|--------------|
| Audit of financial statements | <u>2,500</u> | <u>2,500</u> |

Auditor's remuneration, including amounts in respect of non-audit services, is borne by another group undertaking.

Fees paid to the company's auditors, Ernst & Young LLP, for services other than statutory audit of the company are disclosed in the financial statements of HarperCollins Publishers Limited.

#### 3. Particulars of employees

No salaries or wages have been paid to employees, including the directors, during the year (2014 - £Nil).

#### 4. Interest receivable

|                                                 | 2015<br>£        | 2014<br>£        |
|-------------------------------------------------|------------------|------------------|
| Interest on amounts due from group undertakings | <u>1,000,000</u> | <u>1,000,000</u> |

#### 5. Interest payable

|                        | 2015<br>£        | 2014<br>£        |
|------------------------|------------------|------------------|
| Interest on loan stock | <u>1,000,000</u> | <u>1,000,000</u> |

#### 6. Debtors

|                                     | 2015<br>£         | 2014<br>£         |
|-------------------------------------|-------------------|-------------------|
| Amounts due from parent undertaking | <u>10,635,616</u> | <u>10,635,616</u> |

#### 7. Creditors: Amounts falling due within one year

|                | 2015<br>£         | 2014<br>£         |
|----------------|-------------------|-------------------|
| 10% loan stock | <u>10,000,000</u> | <u>10,000,000</u> |

The stockholders have issued an undertaking that no redemption will be called within the next twelve months. Interest on the loan stock is payable by half yearly instalments in arrears.

## Dolphin Book Club Limited

### Notes to the financial statements 30 June 2015

#### 8. Share capital

|                                                       | 2015<br>£  | 2014<br>£  |
|-------------------------------------------------------|------------|------------|
| <b>Authorised, allotted, called up and fully paid</b> |            |            |
| 100 Ordinary shares shares of £1 each                 | <u>100</u> | <u>100</u> |

#### 9. Reserves

|                                 | Profit and<br>loss account<br>£ |
|---------------------------------|---------------------------------|
| At 1 July 2014 and 30 June 2015 | <u>635,516</u>                  |

#### 10. Reconciliation of movement in shareholders' funds

|                                                     | 2015<br>£      | 2014<br>£      |
|-----------------------------------------------------|----------------|----------------|
| Shareholders' funds at 1 July 2014 and 30 June 2015 | <u>635,616</u> | <u>635,616</u> |

#### 11. Ultimate parent company

The immediate parent company is HarperCollins Publishers Limited, a company incorporated in Scotland.

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

The 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, NY10036. The smallest group in which they are consolidated is that headed by News Corp UK & Ireland Limited, a company incorporated in England. The consolidated financial statements of these groups are available to the public and may be obtained from 1 London Bridge Street, London, SE1 9GF.