

# **Paramount Television Limited**

(Registered Number: 715593)

## **Directors' Report And Financial Statements**

**31 December 1999**



# **Paramount Television Limited**

## **Directors' Report**

The directors present their report and consolidated financial statements for the year ended 31 December 1999.

### **Principal Activity And Business Review**

The group's principal activity is the distribution of filmed product for theatrical and television viewing. It is envisaged that these activities will continue to be provided in future years. The directors view the results of the group for the year as satisfactory.

### **Results And Dividends**

The consolidated financial statements for the year disclose a profit after taxation and minority interest of £2,664,183 (1998: £1,570,269) which has been taken to reserves. The directors do not recommend the payment of a dividend (1998: £nil).

### **Directors And Their Interests**

The directors of the company during the year were as follows:

M O'Sullivan  
S Taylor (USA)

None of the directors had any interest in the company's share capital or in any transactions entered into by the company during the year which are required to be disclosed in accordance with the Companies Act 1985.

### **Statement Of Directors' Responsibilities**

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. 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.

# **Paramount Television Limited**

## **Directors' Report** (Continued)

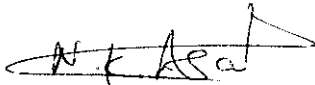
### **Year 2000**

The company has not experienced any significant problems in connection with Year 2000 nor does it expect any problems in the future. All costs to render hardware and software Year 2000 compliant were borne by the ultimate parent undertaking.

### **Auditors**

PricewaterhouseCoopers have indicated their willingness to continue as auditors and a resolution concerning their re-appointment will be proposed at the Annual General Meeting.

By order of the board

A handwritten signature in black ink, appearing to read 'N. K. Asal', with a long horizontal stroke extending to the right.

N Asal  
**Secretary**

17 April 2000

## **Report Of The Auditors To The Members Of Paramount Television Limited**

We have audited the financial statements on pages 5 to 17 which have been prepared under the historical cost convention and the accounting policies set out on pages 8 and 9.

### **Respective responsibilities of directors and auditors**

The directors are responsible for preparing the annual report. As described on page 1, this includes responsibility for preparing the financial statements in accordance with United Kingdom applicable standards. Our responsibilities, as independent auditors, are established by statute, the Auditing Practices Board and our profession's ethical guidance.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the United Kingdom Companies Act. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions is not disclosed.

We read the other information contained in the annual report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

### **Basis of audit opinion**

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**Report Of The Auditors To The Members Of  
Paramount Television Limited** (Continued)

**Opinion**

In our opinion the financial statements give a true and fair view of the state of affairs of the company and the group at 31 December 1999 of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*PricewaterhouseCoopers*

**PricewaterhouseCoopers**  
Chartered Accountants  
and Registered Auditors

17 April 2000

# Paramount Television Limited

## Consolidated Profit And Loss Account For The Year Ended 31 December 1999

	Notes	1999 £	1998 £
Turnover	2	19,946,915	16,463,269
Cost of sales		(17,530,631)	(13,476,381)
<b>Gross profit</b>		<b>2,416,284</b>	<b>2,986,888</b>
Administrative expenses		(603,780)	(1,294,233)
<b>Operating profit</b>	3	<b>1,812,504</b>	<b>1,692,655</b>
Profit on disposal of subsidiary	4	445,547	-
<b>Profit before interest and taxation</b>		<b>2,258,051</b>	<b>1,692,655</b>
Interest receivable and similar income	7	762,087	78,452
Interest payable and similar charges	8	(348,936)	(233,826)
<b>Profit on ordinary activities before taxation</b>		<b>2,671,202</b>	<b>1,537,281</b>
Taxation on profit on ordinary activities	9	(5,673)	18,326
<b>Profit on ordinary activities after taxation</b>		<b>2,665,529</b>	<b>1,555,607</b>
Equity minority interest		(1,346)	14,662
<b>Retained profit for the year</b>		<b>2,664,183</b>	<b>1,570,269</b>

Turnover, and profit on ordinary activities before taxation for the year relate exclusively to continuing operations.

The company had no recognised gains or losses other than the result for the year as shown above.

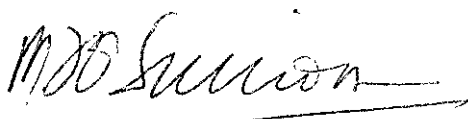
The notes on pages 8 to 17 form an integral part of these financial statements.

# Paramount Television Limited

## Consolidated Balance Sheet As At 31 December 1999

	Notes	1999 £	1998 £
<b>Fixed assets</b>			
Tangible assets	11	43,391	47,040
Investments	12	17,501,000	17,501,000
		17,544,391	17,548,040
<b>Current assets</b>			
Debtors	13	9,669,741	7,626,868
Amounts due from group undertakings	14	28,817,841	16,546,638
Cash at bank and in hand		550	550
		38,488,132	24,174,056
<b>Creditors: amounts falling due within one year</b>	15	(83,565,994)	(71,479,359)
<b>Net current liabilities</b>		(45,077,862)	(47,305,303)
<b>Total assets less current liabilities</b>		(27,533,471)	(29,757,263)
<b>Capital and reserves</b>			
Called up share capital	16	15,133,733	15,133,733
Share premium account	17	449,700	449,700
Profit and loss account	17	(43,151,875)	(45,816,058)
Capital reserve	17	-	445,547
		(27,568,442)	(29,787,078)
Equity minority interest		34,971	29,815
		(27,533,471)	(29,757,263)
<b>Shareholders' funds</b>	18		
Equity		(42,568,442)	(44,787,078)
Non-equity		15,000,000	15,000,000
		(27,568,442)	(29,787,078)

Approved on behalf of the Board on 17 April 2000 and signed on its behalf by:

  
M O'Sullivan  
Director


The notes on pages 8 to 17 form an integral part of these financial statements

# Paramount Television Limited

## Company Balance Sheet As At 31 December 1999

	Notes	1999 £	1998 £
<b>Fixed assets</b>			
Tangible assets	11	40,129	41,551
Investments	12	17,501,075	17,501,075
		<b>17,541,204</b>	<b>17,542,626</b>
<b>Current assets</b>			
Debtors	13	9,591,489	7,562,167
Amounts owed by group undertakings	14	28,399,937	16,157,447
Amounts owed by subsidiary undertaking	14	60,000	60,000
Cash at bank and in hand		550	550
		<b>38,051,976</b>	<b>23,780,164</b>
<b>Creditors: amounts falling due within one year</b>	15	<b>(83,267,990)</b>	<b>(71,140,117)</b>
<b>Net current liabilities</b>		<b>(45,216,014)</b>	<b>(47,359,953)</b>
<b>Total assets less current liabilities</b>		<b>(27,674,810)</b>	<b>(29,817,327)</b>
<b>Capital and reserves</b>			
Called up share capital	18	15,133,733	15,133,733
Share premium account		449,700	449,700
Profit and loss account	18	(43,258,243)	(45,400,760)
		<b>(27,674,810)</b>	<b>(29,817,327)</b>
<b>Shareholders' funds</b>	18		
Equity		<b>(42,674,810)</b>	<b>(44,817,327)</b>
Non-equity		<b>15,000,000</b>	<b>15,000,000</b>
		<b>(27,674,810)</b>	<b>(29,817,327)</b>

Approved on behalf of the Board on 17 April 2000 and signed on its behalf by:

  
M O'Sullivan  
Director

The notes on pages 8 to 17 form an integral part of these financial statements.



# **Paramount Television Limited**

## **Notes To The Financial Statements For The Year Ended 31 December 1999**

### **1 Accounting policies**

#### **(a) Accounting convention**

The financial statements have been prepared under the historical cost convention in accordance with applicable accounting standards.

#### **(b) Turnover**

Turnover comprises revenues from the distribution of filmed product which are recognised as they fall due under the terms of the relevant contracts, and music royalties received, and are stated net of VAT.

#### **(c) Basis of consolidation**

The consolidated accounts incorporate the financial statements of the company and its subsidiary undertakings. Goodwill previously eliminated against reserves has not been reinstated on implementation of Financial Reporting Standard 10, Goodwill and Intangible Assets. As a consolidated profit and loss account is published, no parent undertaking profit and loss account is shown by virtue of the exemption granted by Section 230 of the Companies Act 1985.

#### **(d) Lease payments**

Subject to the accounting policy on leased assets below, payment under agreements for the leasing of feature films and television series are charged to the profit and loss account as they fall due.

#### **(e) Leased assets**

Assets held under leasing arrangements that transfer substantially all the risks and rewards of ownership to the company are capitalised. The capital element of the related rental obligations is included in creditors and in obligations under finance leases. The interest element of the rental obligations is charged to the profit and loss account so as to produce a constant periodic rate of charge.

#### **(f) Cash flow statement**

The company and its subsidiaries are wholly owned subsidiaries of Viacom Inc., and are included in the consolidated financial statements of Viacom Inc., which are publicly available. Consequently, the company has taken advantage of the exemption from preparing a cash flow statement under the terms of Financial Reporting Standard 1.

#### **(g) Depreciation of tangible fixed assets**

The costs of tangible fixed assets are written off by equal instalments over their expected useful lives as follows:

Leasehold improvements	Over period of lease
Furniture, fittings and equipment	10 years
Motor vehicles	3 years

# Paramount Television Limited

## Notes To The Financial Statements For The Year Ended 31 December 1999 (Continued)

### 1 Accounting Policies (Continued)

#### (h) Foreign currencies

Assets and liabilities denominated in foreign currencies are expressed in sterling at the rates of exchange ruling at the balance sheet date. Trading results are expressed in sterling at the average rates ruling during the month. The resulting profits or losses are dealt within the profit and loss account.

#### (i) Deferred taxation

Provision is made for deferred taxation, using the liability method, on all material timing differences which are not expected to continue for the foreseeable future.

#### (j) Pension benefits

The employees of the group are members of a group defined benefit pension scheme (see Note 20). The assets of the scheme are held separately from those of the company in independently administered funds. The scheme operates on a pre-funded basis, and the policy is to contribute variable amounts, based on actuarial advice, to achieve a 100% funding level on a projected salary basis. Contributions to the scheme are charged to the profit and loss account so as to spread the regular cost of pensions over the remaining service lives of the employees.

#### (k) Investments

Investments are stated at cost. Provision is made where in the opinion of the directors there has been a permanent diminution in value.

### 2 Turnover

Turnover of the Group principally comprises revenue arising from the distribution of filmed product and music royalties received, and are stated net of VAT. Turnover is predominately derived in the United Kingdom. There is only one principal class of business.

### 3 Operating Profit

Operating profit for the year is stated after charging:

	1999 £	1998 £
Foreign exchange (gain)/loss	(244,968)	241,977
Depreciation of tangible fixed assets	7,639	27,305
Auditors' remuneration - company	14,500	14,500
- group	16,500	16,500

# Paramount Television Limited

## Notes To The Financial Statements For The Year Ended 31 December 1999 (Continued)

### 4 Profit On Disposal of Subsidiary

Viacom Group Finance Limited, a subsidiary undertaking of the company was dissolved during the year, and therefore removed from the Register of Companies. Its net assets at the date of dissolution were £nil. Negative goodwill previously recognised by the company of £445,547 in respect of the acquisition of Viacom Group Finance Limited was therefore released to the profit and loss account during the year.

### 5 Directors' Emoluments

None of the directors received any remuneration in respect of their services to the company during the year (1998: nil). No (1998: 1) directors exercised share options in the ultimate parent undertaking during the year and one (1998: 1) director became entitled to receive shares under a long term incentive scheme.

### 6 Staff Costs

	1999 £	1998 £
Wages and salaries	387,554	347,092
Social security costs	35,292	33,126
Pension costs	48,939	42,286
	<hr/> 471,785	<hr/> 422,504

The average number of employees during the year was 10 (31 December 1998 - 11). All employees are involved in the principal activity of the company.

### 7 Interest Receivable and Similar Income

	1999 £	1998 £
Bank interest receivable	-	6,240
Interest receivable from fellow subsidiaries	762,087	72,212
	<hr/> 762,087	<hr/> 78,452

### 8 Interest Payable And Similar Charges

	1999 £	1998 £
Interest payable to fellow subsidiaries	348,936	233,826

# Paramount Television Limited

## Notes To The Financial Statements For The Year Ended 31 December 1999 (Continued)

### 9 Taxation on Profit on Ordinary Activities

The taxation charge based on the results for the year comprises:

	1999 £	1998 £
UK Corporation Tax at 30.25% (1998 - 31%)	(5,673)	(19,050)
Adjustments relating to prior years	-	37,376
	<b>(5,673)</b>	<b>18,326</b>

The current year taxation charge has been reduced due to the availability of accumulated tax losses.

### 10 Profitable Attributable To Members Of The Parent Company

The profit dealt within the financial statements of the parent company for the year ended 31 December 1999 was £2,142,517 (31 December 1998: £1,627,674)

### 11 Tangible Fixed Assets

#### (a) Group

	Motor Vehicles	Short leaseholds	Furniture and Fittings	Machinery equipment	Film Leases	Total
<b>Cost:</b>						
At 1 January 1999	67,535	49,472	20,295	26,557	88,541,896	88,705,755
Additions	-	-	3,791	199	-	3,990
Disposals	(67,535)	-	-	-	-	(67,535)
Write-offs	-	-	-	-	(88,541,896)	(88,541,896)
<b>At 31 December 1999</b>	<b>-</b>	<b>49,472</b>	<b>24,086</b>	<b>26,756</b>	<b>-</b>	<b>100,314</b>
<b>Depreciation:</b>						
At 1 January 1999	67,535	17,305	14,767	17,212	88,541,896	88,658,715
Charge for year	-	2,443	1,552	3,644	-	7,639
Disposals	(67,535)	-	-	-	-	(67,535)
Write-offs	-	-	-	-	(88,541,896)	(88,541,896)
<b>At 31 December 1999</b>	<b>-</b>	<b>19,748</b>	<b>16,319</b>	<b>20,856</b>	<b>-</b>	<b>56,923</b>
<b>Net book value:</b>						
<b>At 31 December 1999</b>	<b>-</b>	<b>29,724</b>	<b>7,767</b>	<b>5,900</b>	<b>-</b>	<b>43,391</b>
At 31 December 1998	-	32,167	5,528	9,345	-	47,040

# Paramount Television Limited

## Notes To The Financial Statements For The Year Ended 31 December 1999 (Continued)

### 11 Tangible Fixed Assets (Continued)

#### (b) Company

	Motor Vehicles	Short leaseholds	Furniture and Fittings	Machinery equipment	Film Leases	Total
<b>Cost:</b>						
At 1 January 1999	67,535	49,472	20,295	19,870	88,541,896	88,699,068
Additions	-	-	3,791	199	-	3,990
Disposals	(67,535)	-	-	-	-	(67,535)
Write-offs	-	-	-	-	(88,541,896)	(88,541,896)
<b>At 31 December 1999</b>	<b>-</b>	<b>49,472</b>	<b>24,086</b>	<b>20,069</b>	<b>-</b>	<b>93,627</b>
<b>Depreciation:</b>						
At 1 January 1999	67,535	17,305	14,767	16,014	88,541,896	88,657,517
Charge for year	-	2,443	1,552	1,417	-	5,412
Disposals	(67,535)	-	-	-	-	(67,535)
Write-offs	-	-	-	-	(88,541,896)	(88,541,896)
<b>At 31 December 1999</b>	<b>-</b>	<b>19,748</b>	<b>16,319</b>	<b>17,431</b>	<b>-</b>	<b>53,498</b>
<b>Net book value:</b>						
<b>At 31 December 1999</b>	<b>-</b>	<b>29,724</b>	<b>7,767</b>	<b>2,638</b>	<b>-</b>	<b>40,129</b>
At 31 December 1998	-	32,167	5,528	3,856	-	41,551

### 12 Fixed Asset Investments

	1999 £	Group 1998 £	1999 £	Company 1998 £
Shares in subsidiary undertakings	-	-	75	75
Other investments	17,501,000	17,501,000	17,501,000	17,501,000
	<b>17,501,000</b>	<b>17,501,000</b>	<b>17,501,075</b>	<b>17,501,075</b>

# Paramount Television Limited

## Notes To The Financial Statements For The Year Ended 31 December 1999 (Continued)

### 12 Fixed Asset Investments (Continued)

#### (a) Investment in subsidiary undertakings

	Company £
<b>Cost:</b>	
At 1 January 1999	2,798,475
Disposal of subsidiary undertaking	(2,798,400)
<hr/>	
At 31 December 1999	75
 <b>Provision against investment:</b>	
At 1 January 1999	2,798,400
Disposal of subsidiary undertaking	(2,798,400)
<hr/>	
At 1 31 December 1999	-
 <b>Net book value:</b>	
At 31 December 1999	75
<hr/>	
At 31 December 1998	75

#### (b) Other Investments:

	Group and company £
<b>Cost:</b>	
At 1 January and 31 December 1999	18,775,576
<hr/>	
<b>Provision against investment:</b>	
At 1 January and 31 December 1999	1,274,576
<hr/>	
<b>Net book amount</b>	
At 31 December 1999	17,501,000
<hr/>	
At 31 December 1998	17,501,000

# Paramount Television Limited

## Notes To The Financial Statements For The Year Ended 31 December 1999 (Continued)

### 12 Fixed Asset Investments (Continued)

	Country of incorporation	Principal activity	% equity holding
<b>Subsidiary undertakings:</b>			
Famous Music Publishing Limited	England and Wales	Music publishing	75%
Viacom Networks UK Limited	England and Wales	Dormant	75%

Famous Music Publishing Limited is included in these consolidated financial statements. Viacom Networks UK Limited is immaterial in the aggregate and hence excluded from the financial statements.

During the year, Viacom Group Finance Limited was dissolved and removed from the Register of Companies.

	Country of incorporation	Principal activity	% equity holding	% non-equity holding
<b>Other investments:</b>				
Simon & Schuster UK Limited (formerly International Book Distributors Limited)	England and Wales	Book Distribution	19%	-
Viacom UK Limited	England and Wales	Provision of financial and other services	-	27%

### 13 Debtors

	1999 £	Group 1998 £	1999 £	Company 1998 £
Trade debtors	9,591,083	7,558,633	9,591,083	7,558,633
Other debtors	77,129	68,235	406	3,534
Corporation tax recoverable	1,529	-	-	-
	<b>9,669,741</b>	<b>7,626,868</b>	<b>9,591,489</b>	<b>7,562,167</b>

# Paramount Television Limited

## Notes To The Financial Statements For The Year Ended 31 December 1999 (Continued)

### 14 Amounts Due From Group Undertakings

	1999 £	Group 1998 £	1999 £	Company 1998 £
Amounts due from group undertakings	28,817,841	16,546,638	28,399,937	16,157,447
Amounts due from subsidiary	-	-	60,000	60,000
	28,817,841	16,546,638	28,459,937	16,217,447

### 15 Creditors : Amounts Falling Due Within One Year

	1999 £	Group 1998 £	1999 £	Company 1998 £
Amounts owed to group undertakings	83,303,461	71,279,721	83,042,305	71,121,702
Corporation tax payable	-	19,050	-	-
Accruals and deferred income	262,533	180,588	225,685	18,415
	83,565,994	71,479,359	83,267,990	71,140,117

### 16 Share Capital

	1999 £	Authorised 1998 £	1999 £	Allotted, called up and fully paid 1998 £
Ordinary shares of £1 each	50,000,000	50,000,000	133,733	133,733
6% preference shares of £1 each	15,000,000	15,000,000	15,000,000	15,000,000
	65,000,000	65,000,000	15,133,733	15,133,733

The preference shares disclosed as non-equity interests carry a dividend of 6% per annum. The dividend rights are non-cumulative. The preference shares carry no votes at meetings. On a winding up of the company the preference shareholders have a right to receive, in preference to payments to ordinary shareholders, £1 per share plus accrued dividends.



# Paramount Television Limited

## Notes To The Financial Statements For The Year Ended 31 December 1999 (Continued)

### 17 Reserves

	Group 1999 £	Group 1998 £
<b>Share premium account</b>	<b>449,700</b>	<b>449,700</b>
<b>Capital reserve</b>		
Balance at 1 January	445,547	445,547
Capital reserve transferred to profit and loss on disposal	(445,547)	-
<b>Balance at 31 December</b>	<b>-</b>	<b>445,547</b>
<b>Profit and loss account</b>		
Balance at 1 January	(45,816,058)	(47,386,327)
Profit for the year	2,664,183	1,570,269
<b>Balance at 31 December</b>	<b>(43,151,875)</b>	<b>(45,816,058)</b>

### 18 Reconciliation Of Movement In Shareholders' Funds

	1999 £	Group 1998 £	1999 £	Company 1998 £
Opening shareholders' funds	(29,787,078)	(31,357,347)	(29,817,327)	(31,445,001)
Capital reserve released on disposal	(445,547)	-	-	-
Profit for the year	2,664,183	1,570,269	2,142,517	1,627,674
Net addition to shareholders' funds	2,218,636	1,570,269	2,142,517	1,627,674
Closing shareholders' funds	(27,568,442)	(29,787,078)	(27,674,810)	(29,817,327)

### 19 Related Party Transactions

As a wholly owned subsidiary of Viacom Inc. the company has taken advantage of the exemption contained within Financial Reporting Standard No. 8 (Related Party Transactions) not to disclose related party transactions with other members of the Viacom Inc. group of companies which are at least 90% owned by the ultimate parent. The ultimate controlling party of the company is National Amusements Inc., the parent undertaking of Viacom Inc.

During the year the company sold programme rights to the Paramount Comedy Channel, a partnership, 75% of which is controlled by Viacom Inc. The gross amount outstanding at the year end was £243,094 (1998: £1,331,679).

# Paramount Television Limited

## Notes To The Financial Statements For The Year Ended 31 December 1999 (Continued)

### 20 Pension Benefits

The group participates in a group pension plan. For the period ended 30 September 1998, the defined benefit plan was the Paramount Communications UK Pension Plan, ('the Plan').

The Plan is a defined benefit arrangement and operates on a pre-funded basis. The funding policy is to contribute such variable amounts as, on the advice on the actuary, will achieve a 100% funding level on a projected salary basis. Actuarial assessments covering expense and contributions are carried out by independent qualified actuaries, with the last such review being carried out as at 1 July 1997. The projected unit method was adopted for the last valuation of the Plan. Assets were valued by discounting income from a notional portfolio.

The main actuarial assumptions used in the valuation for accounting purposes were:

Investment return	9.0% per annum
Salary growth (including 0.5% pa in respect of age related and merit increase)	7.5% per annum
Price inflation	4.5% per annum
Equity dividend growth	4.5% per annum
Pension increases - pre 1997	3.0% per annum
- post 1997	4.0% per annum

The Plan is assessed to be fully funded on a current funding level basis, based on market value of assets of £9,015,000 at the valuation date. The actuarial value of the assets represented 106% of the on-going liabilities of the Plan. The pension expense for the year ended 31 December 1999 was £48,939 (1998: £42,286).

With effect from 1 October 1998, no further contributions were made to this Plan. A new defined benefit scheme, the 'Viacom UK Defined Benefit Plan', was established to replace the previous arrangement, and contributions have since been made to this plan. The balance of funds had not been transferred into the new plan from the Paramount Communications UK Pension Plan as at 31 December 1999. There has been no actuarial valuation carried out to date of the new plan.

### 21. Ultimate Parent Undertaking And Financial Support

The largest group for which consolidated financial statements are drawn up and of which the company is a member is Viacom Inc., incorporated in the state of Delaware in the USA.

The consolidated financial statements of this company can be obtained from 1515 Broadway, New York 10036. At the year end the ultimate parent undertaking was Viacom Inc.

A fellow Viacom Inc. subsidiary has indicated its current intention to continue to support the activities of the company, including providing the means to enable it to meet its liabilities as they fall due.