

BBC ENTERPRISES LIMITEDCONTENTS

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BBC ENTERPRISES LIMITED

REPORT OF THE DIRECTORS

The directors present their report and the audited consolidated financial statements of the group for the year ended 31st March 1993.

RESULTS FOR THE YEAR

The consolidated profit after taxation and minority interests for the year was £6,700,000 (1992: £2,155,000) which will be added to reserves. The directors do not recommend the payment of a dividend.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The company licenses television programmes worldwide, publishes books and magazines, and distributes videos, tapes and programme related products. The activities are organised under various operating divisions and subsidiaries. The objective is to maximise the multimedia potential throughout the world for BBC and other products and to reinvest into BBC programming. The major operating areas are now:

1. International Division

This recently reorganised division is the major co-producer of BBC programmes and provider of third party co-finance and facilities for the BBC. The division is responsible for worldwide licensing and distribution of television programming on behalf of the BBC and other producers.

Following the reorganisation of International Division and merging of the Co-productions activities the division has opened offices in France (Paris) and Germany (Cologne) to add to the current overseas presence through the Australian branch office (Sydney), the subsidiary in America (New York) and the Canadian office (Toronto). The remit of the division now includes the overseas exploitation of multimedia products such as videos and books.

BBC ENTERPRISES LIMITED
REPORT OF THE DIRECTORS (CONT'D)

2. Magazines Division

The group, including its subsidiary and associated undertakings, publishes and distributes a wide range of magazines including the leading UK listings magazine Radio Times. Continuing growth and new launches have resulted in a wide range of consumer magazines, many leading their particular market sector, and each having an important and mutually advantageous association with BBC Television programmes. Many of the consumer magazines are published through Redwood, a majority owned subsidiary, which also produces some magazines on behalf of others. A new sub-division within magazines group is Electronic Publishing, the three main business of which are Audiocall, Broadcasting Data Services and Datacast.

During the year magazines division staff moved from Marylebone High Street to accommodation in Woodlands.

3. UK Television Division

The new division is responsible for the development of cable and satellite projects in the exploitation of the BBC programme archive. The division also markets sport, news and current affairs programmes worldwide.

4. Consumer Products Division

The division invests in BBC products and produces and distributes videos and audio tapes for the consumer market. It also publishes books associated with BBC output and produces educational publishing materials for schools, further education and business training. Other activities include character merchandising and retail outlets.

INVESTMENT IN SUBSIDIARIES AND ASSOCIATES

Note 16 in the Notes to the Financial Statements for the year ended March 31 1993 lists investments in subsidiaries and Note 17 lists investments in associated undertakings. Changes to investments in subsidiaries and associated undertakings occurring during this financial year were as follows:-

BBC Telecordiale SARL a wholly owned French subsidiary was renamed BBC Enterprises France SARL with effect from March 30 1992.

BBC ENTERPRISES LIMITED
REPORT OF THE DIRECTORS (CONT'D)

On May 12 1992 BBC Enterprises (Investments) Ltd acquired a 50% interest in BBC Haymarket Exhibitions Ltd.

On December 23 1992 BBC Enterprises (Investments) Ltd acquired a 50% interest in Galleon Ltd whose principal activity is the provision and management of a subscription data base.

On February 12 1993 a wholly owned subsidiary BBC Enterprises (Germany) GMBH was incorporated based in Cologne, Germany. The principal activity will be programme licencing and multimedia exploitation.

BBC Direct Ltd was incorporated on March 13 1993 and the company has a 55% equity interest in it. The principal activity will be the direct marketing of products associated directly with BBC output.

A cash call from Film and Television Completions Ltd resulted in a further investment of £10k.

OTHER INVESTMENTS

Note 18 lists details of other investments held. Changes during the year were as follows:

Venture capital was introduced into Cardcast Ltd during the year which diluted the company's investment to 13.05% (previously 27%).

BBC Enterprises (Investments) Ltd, on November 9 1992, acquired a 20% interest in UK Gold Television Ltd whose principal activity is satellite broadcasting.

CURRENT AND FUTURE DEVELOPMENTS

Overview

The company is still very dependent on the domestic economy and in view of the continuing deep UK recession the increased turnover and much increased profit over last year was an excellent result. Several businesses improved market share and a continuing programme of new magazine launches was maintained.

The company will continue to increase the multi-media overseas activity through its increasing network of overseas offices.

The company will assist in the development of an overall BBC commercial policy within which it will operate to achieve the planned growth consistent with Extending Choice and the Government's Green Paper.

BBC ENTERPRISES LIMITED
REPORT OF THE DIRECTORS (CONT'D)

CHANGES IN FIXED ASSETS

The movements in fixed assets during the year are set out in note 8 to the consolidated financial statements.

EMPLOYEES AND HEALTH AND SAFETY

The company has fulfilled its intention of becoming an employer in its own right, separate from the BBC, and will progressively determine and implement appropriate conditions of service and personnel strategies.

Employees who become unable to carry out the job for which they are employed are given individual consideration. Depending on the nature, severity and duration of the disability, individuals may be considered for alternative work, including retraining if necessary.

It is company policy to make information available to employees to enable them to take a wider interest in the company and its performance. This objective is achieved through regular consultative meetings, handbooks, newspapers and noticeboards.

DIRECTORS

The directors who served during the year are:

D E Hatch	(Vice Chairman)
C J Arnold-Baker	(Chief Executive)
K S Owen	
Dr J A G Thomas	
K N Wright	
N J Chapman	
G Massey	
J Alexander	(appointed April 1992)
W Wyatt	
G Roscoe	
A P Howden	
Sir Michael Checkland	(resigned January 1993)
J F Keeble	(resigned November 1992)
I Phillips	(Chairman resigned February 1993)

DIRECTORS' INTERESTS

No director had any interest in the share capital of the company at 1st April 1992 or 31st March 1993.

CONTRIBUTIONS FOR CHARITABLE PURPOSES

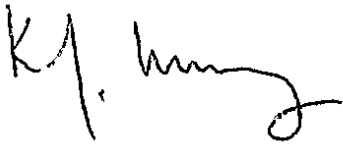
Charitable contributions amounted to £53,920 (1992: £4,470)

BBC ENTERPRISES LIMITED
REPORT OF THE DIRECTORS (CONT'D)

AUDITORS

A resolution will be proposed at the forthcoming Annual General Meeting to reappoint Coopers & Lybrand as the company's auditors.

BY ORDER OF THE BOARD

A handwritten signature in dark ink, appearing to read 'K N Wright', is written over the printed name and title.

K N WRIGHT
Director

15 June 1993

STATEMENT OF DIRECTORS' RESPONSIBILITY
FOR PREPARING THE ACCOUNTS

The directors are obliged under company law to prepare financial statements for each financial year and to present them annually to the Company's members in Annual General Meeting.

The financial statements, of which the form and content is prescribed by the Companies Act 1985, must give a true and fair view of the state of affairs of the Company and the Group at the end of the financial year, and of the profit for that period, and they must comply with applicable accounting standards.

The directors are also responsible for the adoption of suitable accounting policies, their consistent use in the financial statements, supported where necessary by reasonable and prudent judgements.

The directors confirm that the above requirements have been complied with in the financial statements.

In addition, the directors are responsible for maintaining adequate accounting records and sufficient internal controls to safeguard the assets of the Group and to prevent and detect fraud or any other irregularities.

**AUDITORS' REPORT TO THE MEMBERS
OF BBC ENTERPRISES LIMITED**

We have audited the financial statements on pages 8 to 27 which have been prepared on the basis set out in the statement of accounting policies on page 12.

Respective responsibilities of directors and auditors

As described on page 6 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of 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 presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the group and company as at 31 March 1993 and of the profit and total recognised gains of the group for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

Coopers & Lybrand

Coopers & Lybrand
London
Chartered Accountants and Registered Auditors

15 June 1993

BBC ENTERPRISES LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST MARCH 1993

	<u>Notes</u>	<u>1993</u> <u>£'000</u>	<u>1992</u> <u>£'000</u>
TURNOVER	2	204,327	177,443
Cost of sales		<u>127,929</u>	<u>112,050</u>
GROSS PROFIT		76,398	65,393
Other operating expenses	3	65,716	60,579
Income from interests in associated undertakings		1,073	801
PROFIT ON ORDINARY ACTIVITIES BEFORE INTEREST		<u>11,755</u>	<u>5,615</u>
Net interest (payable)/receivable	4	(1,385)	29
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	5	<u>10,370</u>	<u>5,644</u>
Taxation on profit on ordinary activities	7	<u>3,378</u>	<u>3,148</u>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		6,992	2,496
Minority interests		<u>292</u>	<u>341</u>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION AND MINORITY INTERESTS		6,700	2,155
Dividends		-	-
RETAINED PROFIT FOR THE YEAR	19	<u>6,700</u> =====	<u>2,155</u> =====

BBC ENTERPRISES LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 1993

	Notes	1993 £'000	1992 £'000
FIXED ASSETS			
Tangible assets			
Investment in programmes for future sale	8a	13,975	11,914
Investments in associated undertakings	9	45,074	39,461
	17	373	1
		<u>59,422</u>	<u>51,376</u>
CURRENT ASSETS			
Stocks			
Debtors	10	8,722	7,247
Cash at bank and in hand	11	54,707	46,696
Investments		5,495	4,073
		<u>5</u>	<u>-</u>
		68,929	58,016
CREDITORS: amounts falling due within one year	12	64,405	52,856
NET CURRENT ASSETS		<u>4,524</u>	<u>5,160</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		63,946	56,536
CREDITORS: amounts falling due after one year	13	24,127	24,048
PROVISIONS FOR LIABILITIES AND CHARGES			
Deferred taxation	14	1,806	2,636
NET ASSETS		<u>38,013</u>	<u>29,852</u>
CAPITAL AND RESERVES		<u>=====</u>	<u>=====</u>
Called up share capital	15	250	250
Profit and loss account	19	37,394	29,525
Minority interests		369	77
		<u>38,013</u>	<u>29,852</u>
		<u>=====</u>	<u>=====</u>

The financial statements on pages 8 to 27 were approved by the
board of directors on 15 June 1993 and were signed on its behalf
by:

C. J. ARNOLD-BAKER]

] DIRECTORS

K. N. WRIGHT]

K. N. Wright

BBC ENTERPRISES LIMITED

COMPANY BALANCE SHEET AS AT 31ST MARCH 1993

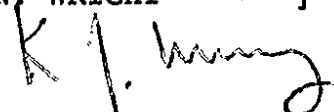
	<u>Notes</u>	<u>1993</u> <u>£'000</u>	<u>1992</u> <u>£'000</u>
FIXED ASSETS			
Tangible assets	8b	12,499	11,155
Investment in programmes for future sale	9	38,432	34,834
Investments in subsidiary undertakings	16	8,606	8,585
Investments in associated undertakings	17	<u>11</u>	<u>1</u>
		<u>59,548</u>	<u>54,575</u>
CURRENT ASSETS			
Stocks	10	7,648	6,277
Debtors	11	48,909	42,525
Cash at bank and in hand		<u>1,336</u>	<u>619</u>
		57,893	49,421
CREDITORS: amounts falling due within one year	12	<u>56,521</u>	<u>45,096</u>
NET CURRENT ASSETS		<u>1,372</u>	<u>4,325</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		60,920	58,900
CREDITORS: amounts falling due after one year	13	24,050	24,000
PROVISIONS FOR LIABILITIES AND CHARGES			
Deferred taxation	14	<u>1,806</u>	<u>2,636</u>
NET ASSETS		<u>35,064</u> =====	<u>32,264</u> =====
CAPITAL AND RESERVES			
Called up share capital	15	250	250
Profit and loss account	19	<u>34,814</u>	<u>32,014</u>
		<u>35,064</u> =====	<u>32,264</u> =====

The financial statements on pages 8 to 27 were approved by the board of directors on 15 June 1993 and were signed on its behalf by:

C. J. [ARNOLD-BAKER]

 DIRECTORS

K. N. WRIGHT]



BBC ENTERPRISES LIMITED

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
AND RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	<u>1993</u> <u>£'000</u>	<u>1992</u> <u>£'000</u>
Profit for the financial year	6,700	2,155
Other net gains and losses recognised in reserves:		
Exchange translations effect on:		
profit for the financial year	248	13
foreign currency net assets	921	10
	<hr/>	<hr/>
Total recognised gains and losses for the year	7,869	2,178
Shareholders' funds at 1 April	29,775	27,597
	<hr/>	<hr/>
Shareholders' funds at 31 March	<u>37,644</u>	<u>29,775</u>

BBC ENTERPRISES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 1993

1. PRINCIPAL ACCOUNTING POLICIES

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. A summary of the more important accounting policies, which have been applied consistently, is set out below.

a) Basis of Accounting

The company and its subsidiaries prepare their financial statements in accordance with the historical cost convention.

b) Basis of Consolidation

The consolidated financial statements show the results for the year ended 31st March 1993 and the state of affairs at that date of the company and its subsidiaries.

As permitted by Section 228(7) of the Companies Act 1985 no profit and loss account has been presented for the holding company.

c) Changes in presentation

In order for consistency with current year's sales and cost classifications, transfers have been made between the comparatives for sales, cost of sales, distribution and administrative expenses. These changes have had no effect on profit before tax.

In addition, the share of profits/losses in associated undertakings, previously included in cost of sales, has now been separately disclosed in both income from interests in associated undertakings and in the taxation charge. As a result, profit before tax, previously £5,372,000, has been increased by £272,000, being the transfer of the share of associated undertakings tax to the group tax charge.

Following the introduction of FRS3 Reporting Financial Performance, a statement of total recognised gains and losses has been presented in order to comply with the requirement of the new standard.

d) Turnover

Turnover represents licence fees from the distribution of joint productions, agency income and commission from the distribution of programmes on behalf of the BBC and from other producers' titles and from the publication of magazines, books, videos, records and tapes, character merchandising, transmission, and other facilities.

BBC ENTERPRISES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 1993 (Cont'd)

1. PRINCIPAL ACCOUNTING POLICIES (CONT'D)

e) Foreign Currency Translation

Assets and liabilities denominated in foreign currencies at the balance sheet date are translated into sterling at the rates of exchange ruling at that date and the results of overseas subsidiaries are translated into sterling at month-end rates.

Differences on exchange arising from the retranslation of the opening net investment in subsidiary undertakings, and from the translation of the results of those undertakings at month-end rates are taken to reserves. All other foreign exchange differences are taken to the profit and loss account in the year in which they arise.

f) Purchased goodwill

Goodwill arising on consolidation represents the excess of the fair value of the consideration given over the fair value of the identifiable net assets acquired. Goodwill arising on the acquisition of subsidiary and associate undertakings is written off immediately against reserves.

g) Tangible Fixed Assets

Tangible fixed assets are stated at cost, other than assets costing less than £100 which are written off in the year of acquisition. Depreciation of plant and machinery, furniture and fittings, tools and equipment is calculated to write off the cost of the assets by equal annual instalments over their estimated economic lives, at appropriate rates, between three and five years. Depreciation on buildings has been calculated on the straight line basis over an estimated life of forty years.

h) Leased Assets

Finance lease rentals are capitalised at the total amount of rentals payable under the leasing agreement (excluding finance charges) and are depreciated, on a straight line basis, from the date of acquisition, over the period of their anticipated useful life of five years. Finance charges are charged over the period of the lease on a reducing balance basis in relation to the original cost. Rentals under operating leases are charged on a straight line basis over the lease term.

BBC ENTERPRISES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 1993 (Cont'd)

1. PRINCIPAL ACCOUNTING POLICIES (CONT'D)

i) Investment in Programmes for Future Sale

Investment in programmes for future sale are stated at cost, after writing off the costs of programmes that are considered irrecoverable, less accumulated amortisation. Certain 'topical' programme genres are recognised as having a one to two year life and are amortised accordingly. Amortisation on all other programming is charged against income over the average marketable life which is estimated to be five years. The cost of 'Investment in Programmes for Future Sale' and accumulated amortisation have been reduced by the value of programmes over five years old.

j) Stocks

Stocks comprising raw film, blank tape, video tape, records, books and paper stock and work in progress are stated at the lower of cost and net realisable value.

k) Pensions

BBC Enterprises Limited is a member of the BBC Pension Scheme and its contributions to the scheme are based on pension costs across the BBC as a whole.

The charge to the profit and loss account for pensions comprises the regular pension cost reduced by the amortisation of the scheme surplus over the average remaining service lives of employees in the scheme.

l) Deferred Taxation

Deferred taxation has been provided at 31st March 1993 at expected applicable rates to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for taxation purposes, except to the extent that it is, in the opinion of the directors, reasonable to assume that the timing differences will not crystallise in the future so as to give rise to a tax liability.

m) Segmental Reporting

As permitted by paragraph 55 (5) schedule 4 of the Companies Act 1985 and Statement of Standard Accounting Practice 25 the group has not presented segmental information on profit before tax and net assets as, in the view of the directors, such disclosure would be seriously prejudicial to its interests.

n) Cash Flow Statement

The cash flows of the group are included in the consolidated group cash flow statement of the British Broadcasting Corporation, the ultimate parent, consequently the group is exempt, under the terms of Financial Reporting Statement No. 1, from publishing a cash flow statement.

BBC ENTERPRISES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 1993 (Cont'd)

2. TURNOVER AND PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

	<u>1993</u> £'000	<u>1992</u> £'000
Turnover analysed by type of business		
Television sales	53,083	47,904
Magazines and books publishing	105,441	91,607
Videos, records and tapes	36,723	32,375
Other activities	<u>9,080</u>	<u>5,557</u>
	<u>204,327</u>	<u>177,443</u>

Turnover analysed by geographical destination
(all turnover originates from within the UK)

UK	<u>148,627</u>	<u>131,382</u>
Rest of world	<u>55,700</u>	<u>46,061</u>
	<u>204,327</u>	<u>177,443</u>

Television sales include licensing for standard television, cable, and simultaneous relay. Co-production contributions to the British Broadcasting Corporation are administered by BBC Enterprises Limited but not included in the above turnover figures. All turnover and profit on ordinary activities before taxation is derived from continuing operations.

3. OTHER OPERATING EXPENSES	<u>1993</u> £'000	<u>1992</u> £'000
Distribution costs	43,019	41,121
Administrative expenses	<u>22,597</u>	<u>19,458</u>
	<u>65,716</u>	<u>60,579</u>

4. NET INTEREST (Payable)/Receivable	<u>1993</u> £'000	<u>1992</u> £'000
Interest receivable	661	1,370
Interest payable on bank loans and overdrafts repayable by instalments within five years	<u>(2,046)</u>	<u>(1,341)</u>
	<u>(1,385)</u>	<u>29</u>

BBC ENTERPRISES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 1993 (Cont'd)

5. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

Profit on ordinary activities before taxation is stated after charging:

	<u>1993</u> <u>£'000</u>	<u>1992</u> <u>£'000</u>
Depreciation - owned	3,070	2,373
- held under finance leases	16	26
Amortisation of programme investment for future sales	22,186	14,598
Auditors' remuneration		
- company audit fees	75	62
- subsidiaries audit fees	58	54
- other fees	155	
Operating lease rentals	1,353	1,617
Hire of plant and machinery	139	95
Amounts written off investments	10	208
Litigation and MMC defence fees	-	2,300

6. DIRECTORS AND EMPLOYEES

a) Employees

	<u>1993</u> <u>£'000</u>	<u>1992</u> <u>£'000</u>
Staff costs - wages and salaries	25,130	20,644
- social security costs	2,288	2,049
- other pension costs	364	430
	<u>27,782</u>	<u>23,123</u>
	=====	=====

Excluded from staff costs analysed above are the following amounts in respect of redundancy costs: £405,508 (1992: £627,000).

The average number of persons employed by the group during the year was:

	<u>1993</u>	<u>1992</u>
	<u>Number</u>	<u>Number</u>
UK Television	25	-
International Division	206	215
Magazines	509	445
Consumer Products	203	200
Service Departments	179	180
Other	-	21
	<u>1,122</u>	<u>1,061</u>
	=====	=====

BBC ENTERPRISES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 1993 (Cont'd)

b) Pensions

BBC Enterprises Limited is a member of the BBC Pension Scheme and its contributions to the scheme are based on pension costs across the BBC as a whole.

Many employees are members of the BBC Pension Scheme, which provides salary-related pension benefits on a defined-benefit basis. The scheme is subject to independent valuations by a professionally qualified actuary at least every three years, on the basis of which the actuary certifies the rate of employer's contribution which, together with the specified contributions payable by the employees and proceeds from the scheme's assets, are sufficient to fund the benefits payable under the scheme.

The latest actuarial valuation of the scheme was as at 1 April 1990, using the projected unit method. The main long term assumptions are that the annual rate of return on investments would exceed increases in earnings by 1½% and exceed pension increases by 3½%. The scheme is to be revalued as at 1 April 1993 but the details of this new valuation will not be available until late in the year.

The market value of the scheme's assets at 1 April 1990 was £2,782m and the actuarial value of the assets represents 133% of the value of the benefits due to the members, after allowing for expected future increases in earnings and the benefit improvements introduced shortly after the valuation. With the agreement of the actuary and trustees, the employers' standard contribution rate was reduced to 4½% of pensionable salary from 1 April 1992, the employees standard contribution rate being 4½%, to maintain the scheme surplus within the parameters of the Inland Revenue guidelines.

After allowing for the cost of certain benefit improvements, the pension charge in the BBC Enterprises Limited financial statements for 1992/93 was £364,000 (1991/92 £430,000) after deducting a proportion of the scheme surplus amortised over the average remaining service of the contributing members.

The company also operates its own defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £70. Contributions totalling £70 were payable to the fund at the year end and are included in creditors.

BBC ENTERPRISES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 1993 (Cont'd)

6. DIRECTORS AND EMPLOYEES (CONT'D)

c) Directors' emoluments

The remuneration paid to the directors of the parent company was:

<u>1993</u>	<u>1992</u>
£'000	£'000

Emoluments (including pension contributions and benefits in kind)	<u>873</u>	<u>673</u>
	873	673
	=====	=====

<u>1993</u>	<u>1992</u>
£'000	£'000

Fees and emoluments (excluding pension contributions) include amounts paid to:		
The Chairman	-	-
The highest-paid director	134	128

The number of directors (including the Chairman and the highest-paid director) who received fees and other emoluments (excluding pension contributions) in the following ranges was:

	<u>1993</u>	<u>1992</u>
	Number	Number
£ 0 - £ 5,000	6	7
£ 60,001 - £ 65,000	1	-
£ 65,001 - £ 70,000	-	1
£ 70,001 - £ 75,000	-	1
£ 80,001 - £ 85,000	-	3
£ 90,001 - £ 95,000	1	-
£ 95,001 - £100,000	3	1
£100,001 - £105,000	1	-
£115,001 - £120,000	1	-
£125,001 - £135,000	1	1

7. TAXATION ON PROFIT ON ORDINARY ACTIVITIES

	<u>1993</u>	<u>1992</u>
	£'000	£'000
Current:		
UK Corporation tax at 33% (1992: 33%)	957	364
Group relief payable	3,125	2,350
Deferred taxation (see note 14)	(1,348)	(818)
Double taxation relief	<u>(503)</u>	<u>(365)</u>
	2,231	1,531
Overseas taxation	<u>1,901</u>	<u>866</u>
	4,132	2,397
	326	272
Share of associated undertakings tax		
Prior year adjustment:		
Corporation tax	(1,286)	(975)
Group relief payable	(312)	42
Deferred taxation (see note 14)	<u>518</u>	<u>1,412</u>
	3,378	3,148
	=====	=====

BBC ENTERPRISES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 1993 (Cont'd)

8. TANGIBLE FIXED ASSETS

a) Group

	<u>Buildings</u> £'000	<u>Plant & Machinery</u> £'000	<u>Fixtures & Fittings</u> £'000	<u>Total</u> £'000
Cost:				
At 1st April 1992	9,648	7,605	4,994	22,247
Additions	881	2,484	1,841	5,206
Disposals	-	(188)	(7)	(195)
Exchange adjustment	60	-	82	142
	<hr/>	<hr/>	<hr/>	<hr/>
At 31st March 1993	<u>10,589</u>	<u>9,901</u>	<u>6,910</u>	<u>27,400</u>
	<hr/>	<hr/>	<hr/>	<hr/>
Accumulated depreciation:				
At 1st April 1992	1,552	4,899	3,882	10,333
Charge for the year	336	1,693	1,057	3,086
Eliminated on disposals	-	(81)	(1)	(82)
Exchange adjustment	36	-	52	88
	<hr/>	<hr/>	<hr/>	<hr/>
At 31st March 1993	<u>1,924</u>	<u>6,511</u>	<u>4,990</u>	<u>13,425</u>
	<hr/>	<hr/>	<hr/>	<hr/>
Net book value:				
At 31st March 1993	<u>8,665</u>	<u>3,390</u>	<u>1,920</u>	<u>13,975</u>
	<hr/>	<hr/>	<hr/>	<hr/>
At 31st March 1992	<u>8,096</u>	<u>2,706</u>	<u>1,112</u>	<u>11,914</u>
	<hr/>	<hr/>	<hr/>	<hr/>

The net book value of plant & machinery includes an amount of £32,737 (1992: £49,070) in respect of assets obtained under finance leases.

The net book value of buildings contains the following amounts in respect of leasehold and freehold property:

	1993 £	1992 £
Short leasehold	268	163
Long leasehold	4,142	4,278
Freehold assets	4,255	3,655
	<hr/>	<hr/>
	<u>8,665</u>	<u>8,096</u>
	<hr/>	<hr/>

BBC ENTERPRISES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 1993 (Cont'd)

8. TANGIBLE FIXED ASSETS (CONT'D)

b) Company

	<u>Buildings</u> £'000	<u>Plant & Machinery</u> £'000	<u>Fixtures & Fittings</u> £'000	<u>Total</u> £'000
Cost:				
At 1st April 1992	9,172	7,604	3,808	20,584
Additions	711	2,484	1,055	4,250
Disposals	-	(580)	(30)	(610)
At 31st March 1993	<u>9,883</u>	<u>9,508</u>	<u>4,833</u>	<u>24,224</u>
	=====	=====	=====	=====
Accumulated depreciation:				
At 1st April 1992	1,239	4,900	3,290	9,429
Charge for the year	247	1,694	695	2,636
Eliminated on disposals	-	(311)	(29)	(340)
At 31st March 1993	<u>1,486</u>	<u>6,283</u>	<u>3,956</u>	<u>11,725</u>
	=====	=====	=====	=====
Net book value:				
At 31st March 1993	<u>8,397</u>	<u>3,225</u>	<u>877</u>	<u>12,499</u>
	=====	=====	=====	=====
At 31st March 1992	<u>7,933</u>	<u>2,704</u>	<u>518</u>	<u>11,155</u>
	=====	=====	=====	=====

The net book value of buildings contains the following amounts in respect of leasehold and freehold property:

	1993 £	1992 £
Long leasehold	4,142	4,278
Freehold assets	4,255	3,655
	<u>8,397</u>	<u>7,933</u>
	=====	=====

BBC ENTERPRISES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 1993 (Cont'd)

9. INVESTMENT IN PROGRAMMES FOR FUTURE SALE	<u>Group</u> £'000	<u>Company</u> £'000
Cost:		
At 1st April 1992	69,732	61,339
Exchange Adjustment	1,283	-
Additions	27,726	20,927
Written off during the year	(8,523)	(8,523)
Less: cost of programmes fully amortised as at 31st March 1993	<u>(4,566)</u>	<u>(3,271)</u>
At 31st March 1993	<u>85,652</u>	<u>70,472</u>
Amortisation:		
At 1st April 1992	30,271	26,505
Exchange Adjustment	1,210	-
Amortisation for the year	22,186	17,329
Amortisation on programmes written off during the year	(8,523)	(8,523)
Less: accumulated amortisation on programmes fully amortised as at 31st March 1993	<u>(4,566)</u>	<u>(3,271)</u>
At 31st March 1993	<u>40,578</u>	<u>32,040</u>
Net book value:		
At 31st March 1993	<u>45,074</u>	<u>38,432</u>
At 31st March 1992	<u>39,461</u>	<u>34,834</u>
The amortisation charge for the year of £22,186,000 (1992: £14,598,000) is included in cost of sales.		

10. STOCKS

	<u>Group</u>		<u>Company</u>	
	<u>1993</u> £'000	<u>1992</u> £'000	<u>1993</u> £'000	<u>1992</u> £'000
Raw materials and consumables	2,294	2,467	1,220	1,497
Work in progress	2,942	1,640	2,942	1,640
Finished goods and goods for resale	<u>3,486</u>	<u>3,140</u>	<u>3,486</u>	<u>3,140</u>
	<u>8,722</u>	<u>7,247</u>	<u>7,648</u>	<u>6,277</u>

BBC ENTERPRISES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 1993 (Cont'd)

11. DEBTORS

	Group		Company	
	<u>1993</u> £'000	<u>1992</u> £'000	<u>1993</u> £'000	<u>1992</u> £'000
Amounts falling due within one year:				
Trade debtors	32,516	27,047	25,628	21,421
Amounts owed by subsidiary undertakings	-	-	3,644	4,053
Amounts owed by associate undertakings	8,002	7,169	8,002	7,169
Other debtors	3,501	1,919	2,555	509
Prepayments and accrued income	<u>9,760</u>	<u>9,785</u>	<u>8,788</u>	<u>8,747</u>
	<u>53,779</u> =====	<u>45,920</u> =====	<u>48,617</u> =====	<u>41,899</u> =====
Amounts falling due after more than one year:				
Trade debtors	<u>928</u>	<u>776</u>	<u>292</u>	<u>626</u>
	<u>928</u> =====	<u>776</u> =====	<u>292</u> =====	<u>626</u> =====
	<u>54,707</u> =====	<u>46,696</u> =====	<u>48,909</u> =====	<u>42,525</u> =====

BBC ENTERPRISES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 1993 (Cont'd)

12. CREDITORS

Amounts falling due
within one year:

	Group		Company	
	<u>1993</u>	<u>1992</u>	<u>1993</u>	<u>1992</u>
	£'000	£'000	£'000	£'000
Bank loans and overdrafts	701	875	410	-
Trade creditors	28,309	26,907	25,872	24,949
Amounts owed to the BBC	6,983	6,707	5,005	4,205
Amounts owed to subsidiary undertakings	-	-	1,883	2,061
Amounts owed to fellow subsidiary undertakings	3,159	4,099	3,159	4,045
Other creditors	1,721	824	1,319	794
Social security and other taxes	1,506	221	961	14
Accruals and deferred income	22,026	13,223	17,912	9,028
	<u>64,405</u>	<u>52,856</u>	<u>56,521</u>	<u>45,096</u>

BBC ENTERPRISES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 1993 (Cont'd)

13. CREDITORS

Amounts falling due
after more than one year:

	Group		Company	
	1993	1992	1993	1992
	£'000	£'000	£'000	£'000
Bank loan repayable within five years by instalments	24,000	24,000	24,000	24,000
Obligations under finance leases	16	33	-	-
Other creditors	<u>111</u>	<u>15</u>	<u>50</u>	<u>-</u>
	<u>24,127</u>	<u>24,048</u>	<u>24,050</u>	<u>24,000</u>
	=====	=====	=====	=====

The bank loan represents a five year syndicated facility placed with UK commercial banks which is guaranteed by the BBC.

14. DEFERRED TAXATION (Group and Company)

£'000

At 1st April 1992

2,636

Current year credit (see note 7)

(1,348)

Prior year charge (see note 7)

518

At 31st March 1993

1,806

=====

The full potential liability
comprises:

1993
£'000

1992
£'000

Capital allowances on tangible
fixed assets

(1,020)

502

Capital allowances on investment in
programmes for future sale

2,468

1,706

Other timing differences

358

428

1,806

2,636

=====

=====

BBC ENTERPRISES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 1993 (Cont'd)

15. CALLED UP SHARE CAPITAL	<u>1993</u> £'000	<u>1992</u> £'000
Authorised		
1,000,000 Ordinary shares of £1 each	1,000	1,000
	=====	=====
Allotted, called up and fully paid		
250,000 Ordinary shares of £1 each	250	250
	=====	=====
16. INVESTMENTS IN SUBSIDIARY UNDERTAKINGS (Company)		£,000
At 1st April 1992		8,585
Provision		(16)
Additions		37
		=====
At 31st March 1993		8,606
		=====

The principal subsidiaries of the company as at 31st March 1993 are:

<u>% Interest</u>	<u>Name</u>	<u>Principal Activity</u>
100	Lionheart Television International Incorporated*	US Programme Distribution
77.5	Redwood Publishing Limited	Contract Publishing
100	Hartog Hutton Publishing Limited	Publisher of Periodicals
95	World Publications Limited	Publisher of Periodicals
100	Video World Publishing Limited	Dormant
100	Wildlife Publications Limited	Dormant
100	BBC Enterprises (France) SARL **	French Programme Distribution
100	Ealing Studios Limited	Dormant
100	BBC Enterprises (Investments) Limited	Investment company
100	BBC Enterprises (Germany) GMBH	Programme Licensing and multimedia exploitation
100	Broadcasting Data Services	Publisher of listings data.
55	BBC Direct Ltd	Direct Marketing
* registered in Delaware, USA		
** incorporated in France		

All of the above are incorporated in England and Wales except where otherwise indicated, and have been included in the consolidated accounts except for BBC Direct Ltd and Ealing Studios Ltd which have been excluded on the grounds of immateriality.

BBC ENTERPRISES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 1993 (Cont'd)

17. INVESTMENTS IN ASSOCIATED UNDERTAKINGS

	Group £'000	Company £'000
At 1st April 1992	1	1
Additions	49	20
Retained profits	333	-
Less: provisions against investments	<u>(10)</u>	<u>(10)</u>
	373	11
	=====	=====

The investments in associated undertakings comprises a 27.8% interest in Film & Television Completions plc, a 23% interest in BBC Frontline Limited, a 50% interest in BBC Audio International Limited, a 33.3% interest in The Sales Consortium Limited, a 50% interest in Galleon Limited, and a 50% interest in BBC Haymarket Exhibitions Limited.

18. TRADE INVESTMENTS

The company also has an interest of 15.2% in Twin Network Limited and a 13.05% interest in Cardcast Limited. These investments have all been fully provided against.

In addition the Group has a 20% interest in UK Gold Television Limited of nominal value. In the opinion of the directors, the group is not in a position to exercise significant influence over the operating and financial policies of UK Gold, largely because of the disposition of the other shareholders and the voting arrangements, and has no requirement to provide financial support. The group's interest in UK Gold has therefore been accounted for as a trade investment.

All of the above companies are registered in England and Wales.

19. PROFIT AND LOSS ACCOUNT

	Group £'000	Company £'000
At 1st April 1992	29,525	32,014
Retained profit for the year	6,700	2,800
Exchange adjustment	1,169	-
	<u>37,394</u>	<u>34,814</u>
	=====	=====
At 31st March 1993	37,394	34,814

Goodwill arising on acquisitions is written off to reserves in the year of acquisition. The cumulative goodwill written off brought forward is £6,253,961.

BBC ENTERPRISES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 1993

20. CAPITAL COMMITMENTS

	<u>1993</u> <u>£'000</u>	<u>1992</u> <u>£'000</u>
Fixed Assets:		
Authorised but not contracted for	1,812	1,266
Programme Investments:		
Contracted for but not provided for	5,048	2,915
Authorised but not contracted for	17,800	17,800

21. LEASE COMMITMENTS

Future minimum rental payments under non cancellable operating leases, payable in the next year, are as follows:

	<u>1993</u> <u>£'000</u>	<u>1992</u> <u>£'000</u>
Expiring: within one year	41	41
between one and two years	54	33
between two and five years	860	879
after more than five years	416	383
	<hr/>	<hr/>
	1,371	1,336
	<hr/>	<hr/>

The lease commitment expiring after more than five years is in respect of land and buildings.

22. BRITISH BROADCASTING CORPORATION

The company is a wholly owned subsidiary of the British Broadcasting Corporation which is incorporated in the United Kingdom by Royal Charter. Copies of the financial statements of the British Broadcasting Corporation may be obtained from BBC Information Services, 201 Wood Lane, London, W12 7TS.

23. CONTINGENT LIABILITY

The contract under which the company acquired 77.5% of the issued share capital of Redwood Publishing Limited contains provisions for put options to be exercised from 1993 under which the company may be requested by the minority to acquire the remaining 22.5% of the issued share capital at open market value.