

Company Number: 2087671

WALL TO WALL TELEVISION LIMITED
ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 1997



WALL TO WALL TELEVISION LIMITED

COMPANY INFORMATION

Directors	A Graham J M Root (Resigned 31st March 1997)
Secretary	S L Shell
Company Number	2087671
Registered Office	325 City Road London EC1V 1LJ
Auditors	West & Co Chartered Accountants and Registered Auditors 325 City Road London EC1V 1LJ

WALL TO WALL TELEVISION LIMITED

CONTENTS

	Page
Directors' Report	1
Auditors' Report	2 to 3
Profit and Loss Account	4
Balance Sheet	5
Cash Flow Statement	6
Notes to the Financial Statements	7 to 11

WALL TO WALL TELEVISION LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30TH JUNE 1997

The directors present their report together with the audited financial statements for the year ended 30th June 1997.

Principal Activities and Review of Business

The company's principal activity continued to be that of producing shows and documentaries for media broadcasting.

Results and Dividends

The results for the year are set out in the profit and loss account on page 4.

The directors do not recommend a dividend.

Directors

The directors who served during the year and their beneficial interests in the company's issued share capital were:

	<u>Ordinary Shares of £1 Each</u>	
	30th June 1997	1st July 1996
A Graham	1/2	1/2
J M Root (Resigned 31st March 1997)	-	1/2

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 the company's affairs and of the profit or loss for that year. In preparing these 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;

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 proper accounting records which 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 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.

Auditors

A resolution to reappoint West & Co Chartered Accountants will be proposed for reappointment in accordance with Section 385 of the Companies Act 1985.

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



S L Shell, Secretary
14th April 1998

**AUDITORS' REPORT TO THE
DIRECTORS OF WALL TO WALL TELEVISION LIMITED
UNDER SECTION 247B OF THE COMPANIES ACT 1985**

We have examined the abbreviated financial statements set out on pages 4 to 11 together with the financial statements of Wall To Wall Television Limited for the year ended 30th June 1997 prepared under Section 226 of the Companies Act 1985.

Respective Responsibilities of Directors and Auditors

The directors are responsible for preparing the abbreviated financial statements in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance with section 246A(3) of the Act to the registrar of companies and whether the financial statements to be delivered are properly prepared in accordance with that provision and to report our opinion to you.

Basis of Opinion

We have carried out procedures we considered necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements have been properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with section 246A(3) of the Companies Act 1985, and the abbreviated financial statements on pages 4 to 11 are properly prepared in accordance with that provision.

Other Information

On 14th April 1998 we reported, as auditors of Wall To Wall Television Limited, to the members on the financial statements prepared under Section 226 of the Companies Act 1985 for the year ended 30th June 1997, and our audit report was as follows:

We have audited the financial statements on pages 3 to 9 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

Respective Responsibilities of Directors and Auditors

As described on page 1 the company's directors are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those financial statements and report our opinion to you.

**AUDITORS' REPORT TO THE
DIRECTORS OF WALL TO WALL TELEVISION LIMITED
UNDER SECTION 247B OF THE COMPANIES ACT 1985**

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 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 the information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30th June 1997 and of its profit and cashflow for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

In our opinion the directors are not entitled to have taken advantage of the exemption from preparing group accounts conferred by Section 248 of the Companies Act 1985.



West & Co
Chartered Accountants
and Registered Auditors
325 City Road
London
EC1V 1LJ

Date: 14th April 1998

WALL TO WALL TELEVISION LIMITED
ABBREVIATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30TH JUNE 1997

	Notes	1997 £	1996 £
Gross Profit		309,262	319,866
Administrative Expenses		303,997	355,566
Operating Profit/Loss	2	5,265	(35,700)
Interest Receivable		32,982	36,781
Interest Payable and Similar Charges	3	(1,795)	(252)
Profit on Ordinary Activities before Taxation		36,452	829
Tax on profit on ordinary activities	5	8,936	1,378
Profit/Loss for the Financial Year	11	27,516	(549)
Retained Profit Brought Forward		32,804	33,353
Retained Profit Carried Forward		60,320	32,804

Continuing Operations

None of the company's activities were acquired or discontinued during the above two financial years.

Total Recognised Gains and Losses

There were no recognised gains or losses for 1997 or 1996 other than those included in the profit and loss account.

WALL TO WALL TELEVISION LIMITED

ABBREVIATED BALANCE SHEET

AS AT 30TH JUNE 1997

	Notes	1997	1996
		£	£
Fixed Assets			
Investments	6	99	99
Current Assets			
Debtors	7	1,985,604	1,434,882
Cash at bank and in hand	8	1,182,547	256,318
		<u>3,168,151</u>	<u>1,691,200</u>
Creditors: Amounts Falling Due Within One Year	9	<u>3,107,830</u>	<u>1,658,395</u>
Net Current Assets		<u>60,321</u>	<u>32,805</u>
Total Assets Less Current Liabilities		<u>60,420</u>	<u>32,904</u>
Capital and Reserves			
Share Capital - Equity	10	100	100
Profit and loss account	11	60,320	32,804
Shareholders' Funds	16	<u>60,420</u>	<u>32,904</u>

The abbreviated financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies.

These financial statements were approved by the board on 14th April 1998 and signed on its behalf.



A Graham
Director

WALL TO WALL TELEVISION LIMITED

CASH FLOW STATEMENT

FOR THE YEAR ENDED 30TH JUNE 1997

	Notes	1997 £	1996 £
Reconciliation of Operating Profit to Net Cash Inflow from Operating Activities			
Operating profit		5,265	(35,700)
Increase in debtors		(550,722)	(1,434,882)
Increase in creditors		1,440,704	1,658,190
Net Cash Inflow from Operating Activities		895,247	187,608

CASH FLOW STATEMENT

Net Cash Inflow from Operating Activities		895,247	187,608
Returns on Investments and Servicing of Finance	14	31,187	36,529
Taxation		(205)	(1,173)
Acquisitions and Disposals	14	-	(99)
Increase in Cash		926,229	222,865
Reconciliation of Net Cash Flow to Movement in Net Cash			
Increase in Cash in the Year		926,229	222,865
Increase in Net Cash		926,229	222,865
Net Cash at 1st July 1996		256,318	-
Net Funds at 30th June 1997	15	1,182,547	222,865

WALL TO WALL TELEVISION LIMITED

ABBREVIATED NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 1997

1 Accounting Policies

Basis of Accounting

The Financial Statements have been prepared under the historical cost convention.

The company is exempt from the requirement to prepare group financial statements by virtue of section 248 of the Companies Act 1985. These accounts therefore present information about the company as an individual undertaking and not about its group.

Turnover

Turnover is the total amount receivable by the company for goods supplied and services provided, excluding VAT and trade discounts.

Foreign Currencies

All translations denominated in a foreign currencies are translated and recorded at the exchange rate ruling at the date of settlement.

Production Advances and Production Costs In Progress

Advances received for the funding of productions less production costs expended at the balance sheet date are carried forward until the production has been completed. Profit on the production is not taken until the production has been completed when the final costs of production have been agreed and over or underspent costs can be dealt with.

2 Operating Profit

The operating profit is arrived at after charging or crediting:

	1997	1996
	£	£
Auditors' remuneration	7,000	7,500

3 Interest Payable and Similar Charges

	1997	1996
	£	£
Bank overdrafts and loans	1,795	252

WALL TO WALL TELEVISION LIMITED

ABBREVIATED NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 1997

4 Directors and Employees

Staff costs, including directors' remuneration, were as follows:

	1997	1996
	£	£
Wages and salaries	202,154	154,517
Social security costs	20,556	15,697
	<u>222,710</u>	<u>170,214</u>

The average monthly number of employees, including directors, during the year was as follows:

	1997	1996
	Number	Number
Office and management	23	16
	<u>23</u>	<u>16</u>

5 Taxation

	1997	1996
	£	£
Based on the profit for the year		
UK corporation tax at 24%/21% (1996: 25%/24%)	8,936	205
	<u>8,936</u>	<u>205</u>
Prior periods		
UK corporation tax	-	1,173
	<u>8,936</u>	<u>1,378</u>

6 Fixed Assets Investments

	Shares in Group Undertakings £
Cost	
At 1st July 1996	99
At 30th June 1997	<u>99</u>
Net Book Value	
At 30th June 1997	<u>99</u>
At 30th June 1996	<u>99</u>

WALL TO WALL TELEVISION LIMITED

ABBREVIATED NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 1997

7	Debtors	1997	1996
		£	£
	Trade debtors	758,403	689,283
	Amounts owed by group undertakings	278,729	97,966
	Other debtors	945,472	647,633
	Prepayments and accrued income	3,000	-
		<u>1,985,604</u>	<u>1,434,882</u>
8	Cash At Bank and In Hand		
	The company holds funds at their bankers on trust from third parties in the normal course of business. At 30th June 1997 £801,144 was held on trust accounts (1996 - £244,827).		
9	Creditors: Amounts Falling Due Within One Year	1997	1996
		£	£
	Trade creditors	480,005	107,287
	Amounts owed to group undertakings	840,416	171,565
	Corporation tax	8,936	205
	Other taxes and social security	182,326	56,009
	Other creditors	1,337,967	871,314
	Accruals and deferred income	258,180	452,015
		<u>3,107,830</u>	<u>1,658,395</u>
10	Share Capital	1997	1996
		£	£
	Authorised		
	Equity Shares		
	100 Ordinary shares of £1.00 each	100	100
	Issued		
	Equity Shares		
	100 Issued, called up and fully paid ordinary shares of £1.00 each	100	100
11	Reserves		Profit and Loss Account
			£
	At 1st July 1995		33,353
	Profit/Loss for the year		(549)
	At 1st July 1996		32,804
	Profit/Loss for the year		27,516
	At 30th June 1997		<u>60,320</u>

WALL TO WALL TELEVISION LIMITED

ABBREVIATED NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 1997

12 Related Parties

In the directors' opinion the company is controlled ultimately by Wall To Wall (Holdings) Limited, a company incorporated in England.

13 Subsidiary Undertakings

Name of company	Country of registration (or incorporation and operation)	Holding	Proportion of voting rights and shares held	Nature of business
Wall To Wall Plotlands Limited	England	100%	100%	Film production

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

	Capital and reserves	Loss for the period
Wall To Wall Plotlands Limited	£ (788)	£ (888)

14 Gross Cash Flows

	1997 £	1996 £
Returns on Investments and Servicing of Finance		
Interest received	32,982	36,781
Interest paid	(1,795)	(252)
Net cash inflow for returns on investments and servicing of finance	<u>31,187</u>	<u>36,529</u>
Aquisitions and Disposals		
Aquisition of subsidiary undertaking	-	(99)
Net cash outflow for acquisitions and disposals	<u>-</u>	<u>(99)</u>

15 Analysis of Changes in Net Cash

	1996 £	Cash flows £	1997 £
Cash at bank and in hand	256,318	926,229	1,182,547
	<u>256,318</u>	<u>926,229</u>	<u>1,182,547</u>

WALL TO WALL TELEVISION LIMITED

ABBREVIATED NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 1997

16 Reconciliation of Shareholders' Funds

	1997	1996
	£	£
Profit/Loss for the financial year	27,516	(549)
Increase/Decrease in the shareholders' funds	27,516	(549)
Opening shareholders' funds	32,904	33,453
Closing shareholders' funds	60,420	32,904