

WALL TO WALL TELEVISION LIMITED
DIRECTOR'S REPORT AND ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2000

Amended.



WALL TO WALL TELEVISION LIMITED

COMPANY INFORMATION

Director	A Graham
Secretary	S L Shell
Company number	2087671
Registered office	325 City Road London EC1V 1LJ
Auditors	West and Co Chartered Accountants and Registered Auditors 325 City Road London EC1V 1LJ

WALL TO WALL TELEVISION LIMITED

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WALL TO WALL TELEVISION LIMITED

DIRECTOR'S REPORT

FOR THE YEAR ENDED 30TH JUNE 2000

The director presents his report and the audited financial statements for the company for the year ended 30th June 2000.

Principal activities

The company's principal activity during the year was the production of television programmes.

Director and his interests

The director who held office during the year and his beneficial interest in the company's issued share capital are given below:

Name of director	Share type	At 30th June 2000	At 1st July 1999
A Graham	Ordinary	-	-

Statement of director's responsibilities

Company law requires the director to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss for that year. In preparing those financial statements the director is 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 the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the company and enable him to ensure that the financial statements comply with the Companies Act 1985. He is 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.

Small company exemptions

This report has been prepared in accordance with the special provisions relating to small companies within part VII of the Companies Act 1985.

By order of the Board



S L Shell, Secretary
30th April 2001
325 City Road
London
EC1V 1LJ
30th April 2001

AUDITORS' REPORT TO WALL TO WALL TELEVISION LIMITED

UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated financial statements set out on pages 3 to 11 together with the financial statements of Wall To Wall Television Limited for the year ended 30th June 2000 prepared under Section 226 of the Companies Act 1985.

Respective responsibilities of director and auditors

The director is responsible for preparing the abbreviated financial statements in accordance with Section 246A 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 3 to 11 are properly prepared in accordance with that provision.



West and Co
Chartered Accountants and Registered Auditors
325 City Road
London
EC1V 1LJ
Date: 30th April 2001

WALL TO WALL TELEVISION LIMITED
ABBREVIATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30TH JUNE 2000

	Notes	2000 £	1999 £
Gross profit		460,252	785,995
Administrative expenses		(406,070)	(709,463)
Operating profit	3	54,182	76,532
Interest receivable		2,312	22,187
Interest payable and similar charges		(2,407)	-
Profit on ordinary activities before taxation		54,087	98,719
Tax on profit on ordinary activities	4	(10,817)	(20,485)
Profit for the financial year		43,270	78,234
Retained profit brought forward		245,398	167,164
Retained profit carried forward		288,668	245,398

All amounts relate to continuing activities.

The profit for the period represented the historical cost profit for the period.

There were no recognised gains or losses for 2000 or 1999 other than those included in the profit and loss account.

WALL TO WALL TELEVISION LIMITED

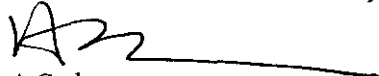
ABBREVIATED BALANCE SHEET

AS AT 30TH JUNE 2000

	Notes	£	2000 £	£	1999 £
Fixed assets					
Investments	5		<u>100</u>		<u>100</u>
			100		100
Current assets					
Debtors	7	1,179,367		911,318	
Cash at bank and in hand	7	<u>656,989</u>		<u>433,981</u>	
		1,836,356		1,345,299	
Creditors: amounts falling due within one year	9	<u>(1,547,688)</u>		<u>(1,099,901)</u>	
Net current assets			<u>288,668</u>		<u>245,398</u>
Total assets less current liabilities			<u>288,768</u>		<u>245,498</u>
Capital and reserves					
Share capital	11		100		100
Profit and loss account			<u>288,668</u>		<u>245,398</u>
Shareholders' funds	12		<u>288,768</u>		<u>245,498</u>

These 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 30th April 2001 and signed on its behalf.


A Graham
Director

WALL TO WALL TELEVISION LIMITED

CASH FLOW STATEMENT

FOR THE YEAR ENDED 30TH JUNE 2000

	Notes	2000 £	1999 £
Reconciliation of operating profit to net cash flow from operating activities			
Operating profit		54,182	76,532
Increase/Decrease in debtors		(268,049)	803,233
Increase/Decrease in creditors		446,575	(1,581,996)
Net cash inflow/outflow from operating activities		232,708	(702,231)
CASH FLOW STATEMENT			
Net cash inflow/outflow from operating activities		232,708	(702,231)
Returns on investments and servicing of finance	15	(95)	22,187
Taxation		(17,491)	15,143
Cash inflow/outflow before use of liquid resources and financing		215,122	(664,901)
Financing	15	7,886	166,828
Increase/Decrease in cash		223,008	(498,073)
Reconciliation of net cash flow to movement in net debt			
Increase/Decrease in cash in the year		223,008	(498,073)
Cash inflow from increase in net debt and lease financing	16	(7,886)	(166,828)
Decrease in net debt		215,122	(664,901)
Net debt at 1st July 1999	16	40,974	705,876
Net funds at 30th June 2000		256,096	40,975

WALL TO WALL TELEVISION LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2000

1 Accounting policies

Basis of accounting

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

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 fully 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.

Consolidation

The financial statements contain information about Wall To Wall Television Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under section 248 of the Companies Act 1985 from the requirement to prepare consolidated financial statements as the group it heads qualifies as a medium group.

Turnover

Turnover comprises the value of sales excluding value added tax and trade discounts.

Deferred taxation

Provision is made for deferred taxation using the liability method to take account of timing differences between the incidence of income and expenditure for taxation and accounting purposes except to the extent that the director considers that a liability to taxation is unlikely to crystallise.

Foreign currencies

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. Where exchange differences result from the translation of foreign currency borrowings raised to acquire foreign assets they are taken to reserves and offset against the differences arising from the translation of those assets. All other exchange differences are dealt with through the profit and loss account.

WALL TO WALL TELEVISION LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2000

2 Employees

Staff costs, including director's remuneration, were as follows:

	2000	1999
	£	£
Wages and salaries	298,711	555,933
Social security costs	18,894	35,117
Other costs	2,275	-
	319,880	591,050

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

	2000	1999
	Number	Number
Administration and production	15	18
	15	18

3 Operating profit

The operating profit is stated after charging or crediting:

	2000	1999
	£	£
Auditors' remuneration	7,000	7,000

4 Taxation

Based on the profit for the year:

UK corporation tax at 20% (1999: 21%/31%)

2000	1999
£	£
10,817	20,485
10,817	20,485

WALL TO WALL TELEVISION LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2000

5 Fixed asset investments

	Shares in group undertakings £
Cost	
At 1st July 1999	100
At 30th June 2000	100
Net book value	
At 30th June 2000	100
At 30th June 1999	100

6 Shares in group undertakings

Name of company and registered office	Country of incorporation	Details of investments	Proportion held by company	Proportion held by subsidiary	Nature of business
Wall To Wall Drama Limited	England	100%	100%	Film production	
The capital and reserves and profit or loss for the subsidiary as at its financial year ending with, or last before, the financial year of the holding company were as follows :					
	Losses brought forward	Loss for the period			
Wall To Wall Drama Limited	£ (788)	Nil			

7 Debtors

	2000 £	1999 £
Trade debtors	1,179,367	514,895
Amounts owed by group undertakings and undertakings in which the company has a participating interest	-	328,547
Other debtors	-	67,876
	1,179,367	911,318

WALL TO WALL TELEVISION LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2000

8 Cash at Bank and In Hand

An amount of £270,621 (1999 - £256,945) in respect of trust monies is included in the reported bank balance of £656,989 (1999 - £433,981) and is represented by an equivalent amount of deferred income.

9 Creditors: amounts falling due within one year

	2000	1999
	£	£
Trade creditors	357,423	217,987
Amounts owed to group undertakings and undertakings in which the company has a participating interest (Note 10)	400,893	393,007
Other creditors	789,372	488,907
	<u>1,547,688</u>	<u>1,099,901</u>

'Other creditors' include £152,512 (1999: £183,236) in respect of taxation and social security.

10 Loans and borrowings

	2000	1999
	£	£
Analysis of loans		
Amounts owed to associated undertakings	400,893	393,007
	<u>400,893</u>	<u>393,007</u>
 Maturity of debt		
In one year or less, or on demand	400,893	393,007
	<u>400,893</u>	<u>393,007</u>

11 Share capital

	2000	1999
	£	£
Authorised		
100 Ordinary shares of £1.00 each	100	100
Allotted		
100 Allotted, called up and fully paid ordinary shares of £1.00 each	100	100
	<u>100</u>	<u>100</u>

WALL TO WALL TELEVISION LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2000

12	Reconciliation of movement in shareholders' funds	2000	1999
		£	£
	Profit for the financial year	<u>43,270</u>	<u>78,234</u>
	Increase in the shareholders' funds	<u>43,270</u>	<u>78,234</u>
	Opening shareholders' funds	<u>245,498</u>	<u>167,264</u>
	Closing shareholders' funds	<u><u>288,768</u></u>	<u><u>245,498</u></u>

13 Ultimate holding company

In the director's opinion the company's ultimate parent company and controlling party is Wall to Wall (Holdings) Ltd which is incorporated in England. The company is controlled by Mr A Graham.

14 Related Parties

During the year the company purchased goods in the normal course of business from Spring Pace Services Limited a member of the group, at a cost of £2,625,106 (1999: £1,731,292), and was charged an administration charge by Wall to Wall (Holdings) Limited, the group holding company, of £75,000 (1999: £100,000). Amounts owed to Spring Place Services Limited amounted to £200,685 at 30th June 2000 (1999: £62,154), to Wall to Wall (Holdings) Limited amounted to £200,109 at 30th June 2000 (1999: £330,753). Wall to Wall Drama Limited amounted to £99 at 30th June 2000 (1999: £99) as disclosed in note 9.

15	Gross cash flows	2000	1999
		£	£
	Returns on investments and servicing of finance		
	Interest received	<u>2,312</u>	<u>22,187</u>
	Interest paid	<u>(2,407)</u>	<u>-</u>
		<u><u>(95)</u></u>	<u><u>22,187</u></u>
	Financing		
	Increase in amounts owed to associated companies due within one year	<u>7,886</u>	<u>166,828</u>
		<u><u>7,886</u></u>	<u><u>166,828</u></u>

WALL TO WALL TELEVISION LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2000

16 Analysis of changes in net debt

	1999	Cash flows	2000
	£	£	£
Cash at bank and in hand	433,981	223,008	656,989
Debt due within one year	(393,007)	(7,886)	(400,893)
	(393,007)	(7,886)	(400,893)
	40,974	215,122	256,096