

Company Registration Number: 02214359  
(England & Wales)

**CORPORATE TELEVISION NETWORKS LIMITED**

**ABBREVIATED STATUTORY ACCOUNTS**

**31 DECEMBER 1999**



# **CORPORATE TELEVISION NETWORKS LIMITED**

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

We have examined the abbreviated accounts on pages 2 to 4 together with the financial statements of Corporate Television Networks Limited for the year ended 31 December 1999.

**Respective responsibilities of directors and auditors**

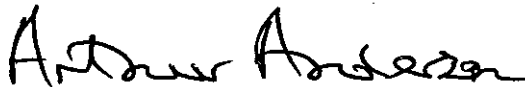
The directors are responsible for preparing the abbreviated accounts in accordance with Section 246 of Schedule 8A to the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to deliver abbreviated financial statements prepared in accordance with sections 246 (5) and (6) of the Companies Act 1985 and whether the abbreviated financial statements are properly prepared in accordance with those provisions and to report our opinion to you.

**Basis of opinion**

We have carried out the procedures we considered necessary to confirm, by reference to the annual financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements are properly prepared from those financial statements. 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 annual financial statements.

**Opinion**

In our opinion the company is entitled to deliver abbreviated accounts in accordance with Section 246 (5) and (6) of the Companies Act 1985 and the abbreviated financial statements to be delivered are properly prepared in accordance with those provisions.



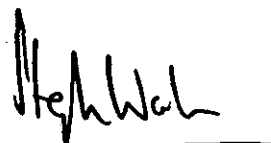
Arthur Andersen  
Chartered Accountants and Registered Auditors,  
17 Lansdowne Road Croydon CR9 2PL

Date 27 July 2000

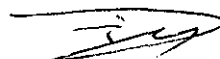
**CORPORATE TELEVISION NETWORKS LIMITED**  
**ABBREVIATED BALANCE SHEET AS AT 31 DECEMBER 1999**

	Notes	1999 £	1998 (Note 6) £
<b>Fixed assets</b>			
Tangible assets	2	79,424	<u>50,248</u>
<b>Current assets</b>			
Work in progress		9,544	14,089
Debtors		488,170	760,742
Cash at bank and in hand		<u>19,622</u>	<u>48,224</u>
		517,336	823,055
<b>Creditors: due within one year</b>		<u>(511,120)</u>	<u>(586,821)</u>
<b>Net current assets</b>		<u>6,216</u>	<u>236,234</u>
<b>Total assets less current liabilities</b>		<u>85,640</u>	<u>286,482</u>
<b>Capital and reserves</b>			
Called up share capital	3	1,000	1,000
Profit and loss account		<u>84,640</u>	<u>285,482</u>
<b>Equity shareholders' funds</b>		<u>85,640</u>	<u>286,482</u>

The financial statements, which have been prepared with the special provisions of Part VII of the Companies Act 1985 applicable to small companies, were approved by the board on 27 July 2000 and signed on its behalf.



S Watson  
Director



D Mistry  
Director

**CORPORATE TELEVISION NETWORKS LIMITED**  
**NOTES TO THE ABBREVIATED ACCOUNTS - 31 DECEMBER 1999**

**1 ACCOUNTING POLICIES**

**(a) Basis of preparation of financial statements**

The financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000) under the historical cost accounting convention.

**(b) Turnover**

Turnover comprises amounts invoiced to clients, except in respect of contracting activities where turnover represents the value of work carried out during the year. Turnover excludes value added tax.

**(c) Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided to write off the cost of fixed assets over their estimated economic lives on a straight-line basis as follows:

Furniture and equipment - 2 to 3 years

**(d) Work in progress**

Work in progress is valued at the lower of cost and net realisable value.

**(e) Foreign Currency Transactions**

Transactions in foreign currencies are recorded in sterling at the rate ruling at the date of the transaction. Assets and liabilities denominated in foreign currencies have been translated into sterling at the rate of exchange ruling at the balance sheet date. Differences arising on translation of foreign currency transactions and of assets and liabilities denominated in foreign currencies have been reflected in the Profit and Loss Account.

**(f) Deferred taxation**

Deferred taxation is provided in respect of all material timing differences to the extent that it is probable that an asset or liability will arise in the foreseeable future.

**(g) Leases**

Rentals under operating leases are charged on a straight-line basis over the period of the lease term, even if the payments are not made on such a basis.

**(h) Pension costs**

The company provides pensions to eligible employees through two schemes. Three employees whose employment contracts were transferred to the company from Independent Television News Limited (ITN) continue to belong The ITN Pension Scheme which is a defined benefit scheme. For the remaining employees, the company pays defined contributions to their individual personal pension plans.

The amounts charged to the profit and loss account for the defined contribution scheme are the contributions payable in the period. The amount charged to the profit and loss account for the ITN Pension Scheme is calculated with reference to the contributions rates set by ITN. ITN calculates this regular cost so that it represents a substantially level percentage of current and future pensionable earnings. Further information on these pension costs is provided in ITN's Annual Report and Accounts.

**CORPORATE TELEVISION NETWORKS LIMITED**  
**NOTES TO THE ABBREVIATED ACCOUNTS - 31 DECEMBER 1999 (continued)**

**2 TANGIBLE FIXED ASSETS**

	Furniture & Equipment £
<b>Cost</b>	
At 1 January 1999	148,847
Additions	67,956
Disposals	<u>(40,926)</u>
At 31 December 1999	<u>175,877</u>
<b>Depreciation</b>	
At 1 January 1999	98,599
Charge for the year	38,780
Depreciation on disposals in year	<u>(40,926)</u>
At 31 December 1999	<u>96,453</u>
<b>Net book value</b>	
At 31 December 1999	<u>79,424</u>
At 31 December 1998	<u>50,248</u>

**3 SHARE CAPITAL**

	1999 £	1998 £
<b>Authorised, allotted and fully paid:</b>		
500 'A' ordinary shares of £1 each	500	500
500 'B' ordinary shares of £1 each	<u>500</u>	<u>500</u>
	<u>1,000</u>	<u>1,000</u>

Both classes of shares carry equal voting rights.

**4 JOINT VENTURE (to 24<sup>th</sup> August 1999)**

The company was a joint venture between:

Independent Television News Limited, a company registered in England and Burson-Marsteller Limited, a company ultimately owned by Young & Rubican Inc., incorporated in the United States of America.

**5 ULTIMATE HOLDING COMPANY (from 24<sup>th</sup> August 1999)**

The ultimate holding company is Anglovision International Limited, a company incorporated in England and Wales.

**6 COMPARATIVE YEAR**

The 1998 figures were audited by the previous auditors, PricewaterhouseCoopers.