

GRANT NAYLOR PRODUCTIONS LIMITED
FINANCIAL STATEMENTS
FOR
31ST DECEMBER 1999

Company Registration Number 2468538



ROBSON TAYLOR
Chartered Accountants & Registered Auditors
1 Abacus House
Newlands Road
Corsham
Wiltshire

GRANT NAYLOR PRODUCTIONS LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 1999

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GRANT NAYLOR PRODUCTIONS LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

The board of directors

D Naylor
R Grant
C E M Armitage

Company secretary

C E M Armitage

Registered office

2nd Floor
19 Denmark Street
London
WC2H 8NA

Auditors

Robson Taylor
Chartered Accountants
& Registered Auditors
1 Abacus House
Newlands Road
Corsham
Wiltshire

Bankers

Bank of Scotland
St James Gate
14-16 Cockspur Street
London
SW1Y 5BL

GRANT NAYLOR PRODUCTIONS LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 31ST DECEMBER 1999

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31st December 1999.

PRINCIPAL ACTIVITIES

The principal activity of the company during the year continued to be that of television producers.

THE DIRECTORS AND THEIR INTERESTS IN SHARES OF THE COMPANY

The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows:

	Ordinary Shares of £1 each	
	At 31 December 1999	At 1 January 1999
D Naylor	25	25
R Grant	25	25
C E M Armitage	-	-
	<hr/>	<hr/>

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 at the end of the year and of the profit or loss for the year then ended.

In preparing those financial statements, the directors are required to select suitable accounting policies, as described on page 7, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The directors must also 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 to enable them to ensure that the financial statements comply with the Companies Act 1985. The directors 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 re-appoint Robson Taylor as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

GRANT NAYLOR PRODUCTIONS LIMITED

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31ST DECEMBER 1999

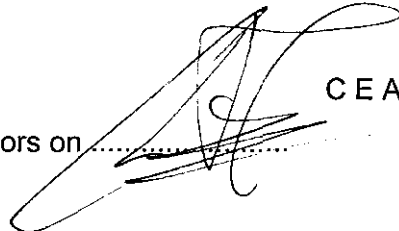
SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

Registered office:
2nd Floor
19 Denmark Street
London
WC2H 8NA

Signed on behalf of the directors

Approved by the directors on



C E ARMITAGE

30/10/2000

GRANT NAYLOR PRODUCTIONS LIMITED

AUDITORS' REPORT TO THE SHAREHOLDERS

YEAR ENDED 31ST DECEMBER 1999

We have audited the financial statements on pages 5 to 10 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000), under the historical cost convention and the accounting policies set out on page 7 .

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS

As described on page 2, 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 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 the presentation of 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 31st December 1999 and of the loss of the company for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

1 Abacus House
Newlands Road
Corsham
Wiltshire

Robson Taylor
Chartered Accountants
& Registered Auditors

20th November 2000

GRANT NAYLOR PRODUCTIONS LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31ST DECEMBER 1999

	Note	1999 £	1998 £
TURNOVER		1,615,338	3,257,879
Cost of sales		(1,159,821)	(2,647,411)
GROSS PROFIT		455,517	610,468
Administrative expenses		(469,683)	(617,541)
OPERATING LOSS	2	(14,166)	(7,073)
Interest receivable and similar income		13,449	4,694
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(717)	(2,379)
Tax on loss on ordinary activities	3	-	(944)
LOSS FOR THE FINANCIAL YEAR		(717)	(3,323)
Balance brought forward		16,693	20,016
Balance carried forward		<u>15,976</u>	<u>16,693</u>

The notes on pages 7 to 10 form part of these financial statements.

GRANT NAYLOR PRODUCTIONS LIMITED

BALANCE SHEET

31ST DECEMBER 1999

	Note	1999 £	1998 £
FIXED ASSETS			
Tangible assets	4	13,585	8,660
Investments	5	<u>2</u>	<u>2</u>
		13,587	8,662
CURRENT ASSETS			
Debtors	6	204,721	467,148
Cash at bank and in hand		<u>52,210</u>	<u>53,948</u>
		256,931	521,096
CREDITORS: Amounts falling due within one year	7	<u>(254,442)</u>	<u>(512,965)</u>
NET CURRENT ASSETS		2,489	8,131
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>16,076</u>	<u>16,793</u>
CAPITAL AND RESERVES			
Called-up equity share capital	10	100	100
Profit and loss account		<u>15,976</u>	<u>16,693</u>
SHAREHOLDERS' FUNDS		<u>16,076</u>	<u>16,793</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective March 2000).

These financial statements were approved by the directors on the 30/10/2000, and are signed on their behalf by:


D NAYLOR


C E ARMITAGE

The notes on pages 7 to 10 form part of these financial statements.

GRANT NAYLOR PRODUCTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 1999

1. ACCOUNTING POLICIES

(a) Basis of accounting

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

(b) Turnover

The turnover shown in the Profit and Loss Account represents amounts invoiced during the year, exclusive of Value Added Tax.

(c) Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Office furniture	-	Straight Line over 5 years
Electronic equipment	-	Straight Line over 3 years

(d) Deferred taxation

Provision is made, under the liability method, to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for tax purposes. Tax deferred or accelerated is accounted for in respect of all material timing differences to the extent that it is considered that a net liability may arise.

2. OPERATING LOSS

Operating loss is stated after charging:

	1999 £	1998 £
Directors' emoluments	-	-
Staff pension contributions	1,278	1,190
Depreciation	10,867	7,329
Loss on disposal of fixed assets	47	-
Auditors' fees	<u>3,750</u>	<u>3,500</u>

3. TAX ON LOSS ON ORDINARY ACTIVITIES

	1999 £	1998 £
Corporation Tax based on the results for the year at 21/20% (1998 - 21%)	-	107
Adjustment in respect of previous years:		
Corporation Tax	-	837
	<u>-</u>	<u>944</u>

GRANT NAYLOR PRODUCTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 1999

4. TANGIBLE FIXED ASSETS

	Office furniture £	Electronic equipment £	Total £
COST			
At 1st January 1999	850	50,424	51,274
Additions	-	16,215	16,215
Disposals	(850)	(4,597)	(5,447)
At 31st December 1999	<u>-</u>	<u>62,042</u>	<u>62,042</u>
DEPRECIATION			
At 1st January 1999	680	41,934	42,614
Charge for the year	-	10,867	10,867
On disposals	(680)	(4,344)	(5,024)
At 31st December 1999	<u>-</u>	<u>48,457</u>	<u>48,457</u>
NET BOOK VALUE			
At 31st December 1999	<u>-</u>	<u>13,585</u>	<u>13,585</u>
At 31st December 1998	<u>170</u>	<u>8,490</u>	<u>8,660</u>

5. INVESTMENTS

SHARES IN GROUP UNDERTAKINGS

COST

At 1st January 1999 and 31st December 1999 2

NET BOOK VALUE

At 31st December 1999 2

At 31st December 1998 2

The company owns 100% of the share capital of Eden Management (Artists) Limited. The company was incorporated in the United Kingdom and is dormant.

Under the provision of section 248 of the Companies Act 1985 the company is exempt from preparing consolidated accounts and has not done so, therefore the accounts show information about the company as an individual entity.

6. DEBTORS

	1999 £	1998 £
Trade debtors	4,287	18,246
VAT recoverable	9,029	8,483
Other debtors	25,292	28,270
Prepayments and accrued income	166,113	412,149
	<u>204,721</u>	<u>467,148</u>

GRANT NAYLOR PRODUCTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 1999

7. CREDITORS: Amounts falling due within one year

	1999		1998
	£	£	£
Trade creditors		6,757	11,334
Amounts owed to group undertakings		59,947	134,454
Other creditors including taxation:			
Corporation Tax	-		107
Other creditors	166,862		344,355
		166,862	344,462
Accruals and deferred income		20,876	22,715
		254,442	512,965

8. RELATED PARTY TRANSACTIONS

Name	Nature of relationship	Purchases		Balance at year end	
		1999	1998	1999	1998
D Naylor	25% shareholder Director	-	-	-	-
R Grant	25% shareholder Director	61,242	97,295	38,742	99,795
Noel Gay	50% shareholder	81,242	130,489	1,177	130,317
Noel Gay Organisation Ltd	100% shareholder of Noel Gay Television Ltd	58,678	48,008	7,529	4,134
DN Management Services Ltd	A company in which D Naylor and his wife, Mrs L Naylor, are 100% shareholders	117,832	231,092	40,812	235,237

9. SHARE CAPITAL

Authorised share capital:

	1999	1998
	£	£
100 Ordinary shares of £1.00 each	100	100

Allotted, called up and fully paid:

	1999	1998
	£	£
Ordinary share capital	100	100

10. PENSIONS

The company has not operated, or contributed to any pension scheme on behalf of its employees.

11. CONTINGENCIES

The directors have confirmed that there were no contingent liabilities which should be disclosed at 31st December 1999.

GRANT NAYLOR PRODUCTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 1999

12. CAPITAL COMMITMENTS

The directors have confirmed that there were no capital commitments at 31st December 1999.