

**WALL TO WALL (HOLDINGS) LTD  
FINANCIAL STATEMENTS  
FOR  
THE YEAR ENDED 30 JUNE 2003**

**Company Registration Number 2580387**



# **WALL TO WALL (HOLDINGS) LTD**

## **FINANCIAL STATEMENTS**

**YEAR ENDED 30 JUNE 2003**

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# WALL TO WALL (HOLDINGS) LTD

## THE DIRECTORS' REPORT

YEAR ENDED 30 JUNE 2003

The directors have pleasure in presenting their report and the financial statements of the group for the year ended 30 June 2003.

### PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the group is the production of television programmes.

The group has had a successful year with increased margins despite the loss of Sale and Leaseback income. The current year is projected to exceed 2003.

### RESULTS AND DIVIDENDS

The trading results for the year, and the group's financial position at the end of the year are shown in the attached financial statements.

The directors have recommended the following dividends:

	2003	2002
	£	£
Proposed dividend on ordinary shares	<u>319,612</u>	<u>280,000</u>

### THE DIRECTORS AND THEIR INTERESTS

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 £0.10 each	
	At	At
	30 June 2003	1 July 2002
A Graham	7,500	7,500
J Hewes	<u>1,250</u>	<u>—</u>

### 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 and of the group at the end of the year and of the group's 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 pages 9 to 11, 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; and

prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

# WALL TO WALL (HOLDINGS) LTD

## THE DIRECTORS' REPORT *(continued)*

**YEAR ENDED 30 JUNE 2003**

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the group 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 group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **AUDITORS**

A resolution to re-appoint West and Co as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

Registered office:  
325 City Road  
London  
EC1V 1LJ

Signed by order of the directors



L GOODMAN  
Company Secretary

Approved by the directors on 22 December 2003

**WALL TO WALL (HOLDINGS) LTD**  
**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS**  
**YEAR ENDED 30 JUNE 2003**

We have audited the financial statements on pages 5 to 18 which have been prepared under the historical cost convention and the accounting policies set out on pages 9 to 11.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS**

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

**BASIS OF AUDIT OPINION**

We conducted our audit in accordance with United Kingdom 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 group'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.

# WALL TO WALL (HOLDINGS) LTD

## INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS *(continued)*

YEAR ENDED 30 JUNE 2003

### OPINION

In our opinion the financial statements give a true and fair view of the state of the company's affairs and of the group as at 30 June 2003 and of the profit of the group for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.



WEST AND CO  
Chartered Accountants  
& Registered Auditors

325 City Road  
London  
EC1V 1LJ

22 December 2003

# WALL TO WALL (HOLDINGS) LTD

## PROFIT AND LOSS ACCOUNT

YEAR ENDED 30 JUNE 2003

	Note	2003 £	2002 £
<b>GROUP TURNOVER</b>	<b>2</b>	<b>16,861,432</b>	14,007,878
Cost of sales		<u>12,828,541</u>	<u>10,477,827</u>
<b>GROSS PROFIT</b>		<b>4,032,891</b>	3,530,051
Administrative expenses		<u>3,622,763</u>	<u>3,524,321</u>
<b>OPERATING PROFIT</b>	<b>3</b>	<b>410,128</b>	5,730
Interest receivable		332,795	434,593
Interest payable	<b>6</b>	<u>(37,403)</u>	<u>(46,775)</u>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>705,520</b>	393,548
Tax on profit on ordinary activities	<b>7</b>	<u>180,143</u>	<u>105,922</u>
<b>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</b>	<b>8</b>	<b>525,377</b>	287,626
Dividends	<b>9</b>	<u>319,612</u>	<u>280,000</u>
<b>RETAINED PROFIT FOR THE FINANCIAL YEAR</b>		<b><u>205,765</u></b>	<u>7,626</u>

All of the activities of the group are classed as continuing.

The group has no recognised gains or losses other than the results for the year as set out above.

The company has taken advantage of section 230 of the Companies Act 1985 not to publish its own Profit and Loss Account.

The notes on page 5 form part of these financial statements.

**WALL TO WALL (HOLDINGS) LTD**  
**RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**  
**YEAR ENDED 30 JUNE 2003**

	2003 £	2002 £
Profit for the financial year	525,377	287,626
Dividends	<u>(319,612)</u>	<u>(280,000)</u>
	205,765	7,626
New equity share capital subscribed	—	(2)
Net addition to funds	<u>205,765</u>	<u>7,624</u>
Opening shareholders' equity funds	911,595	903,969
Closing shareholders' equity funds	<u><u>1,117,360</u></u>	<u><u>911,593</u></u>

The notes on page 6 form part of these financial statements.



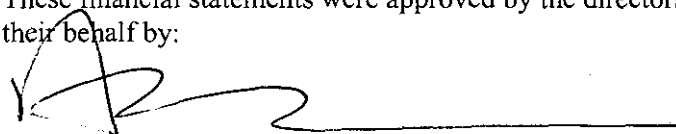
# WALL TO WALL (HOLDINGS) LTD

## GROUP BALANCE SHEET

30 JUNE 2003

	Note	2003 £	2002 £
<b>FIXED ASSETS</b>			
Tangible assets	10	693,771	593,285
<b>CURRENT ASSETS</b>			
Stocks	13	627,204	1,225,990
Debtors	14	2,656,105	1,688,920
Cash at bank and in hand	15	539,220	596,500
		<u>3,822,529</u>	<u>3,511,410</u>
<b>CREDITORS: Amounts falling due within one year</b>	16	<u>3,347,559</u>	<u>3,149,935</u>
<b>NET CURRENT ASSETS</b>		<u>474,970</u>	<u>361,475</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>1,168,741</u>	<u>954,760</u>
<b>CREDITORS: Amounts falling due after more than one year</b>	17	51,381	43,165
<b>LINKED TRANSACTIONS</b>			
Amounts held on deposit	19	5,313,348	5,458,337
Less: Capital element of leasing liabilities outstanding		<u>5,313,348</u>	<u>5,458,337</u>
		<u>1,117,360</u>	<u>911,595</u>
<b>CAPITAL AND RESERVES</b>			
Called-up equity share capital	21	1,000	1,000
Profit and loss account	22	<u>1,116,360</u>	<u>910,595</u>
<b>SHAREHOLDERS' FUNDS</b>		<u>1,117,360</u>	<u>911,595</u>

These financial statements were approved by the directors on the 22 December 2003 and are signed on their behalf by:



A GRAHAM

The notes on page 7 form part of these financial statements.

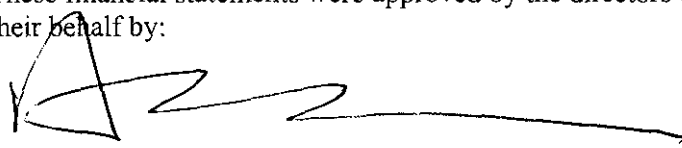
# WALL TO WALL (HOLDINGS) LTD

## BALANCE SHEET

30 JUNE 2003

	Note	2003 £	2002 £
<b>FIXED ASSETS</b>			
Investments	11	200	200
<b>CURRENT ASSETS</b>			
Debtors	14	562,598	503,694
Cash at bank and in hand	15	2,716	2,716
		<u>565,314</u>	<u>506,410</u>
<b>CREDITORS: Amounts falling due within one year</b>	16	<u>501,487</u>	<u>455,471</u>
<b>NET CURRENT ASSETS</b>		<u>63,827</u>	<u>50,939</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>64,027</u>	<u>51,139</u>
<b>CAPITAL AND RESERVES</b>			
Called-up equity share capital	21	1,000	1,000
Profit and loss account	22	63,027	50,139
<b>SHAREHOLDERS' FUNDS</b>		<u>64,027</u>	<u>51,139</u>

These financial statements were approved by the directors on the 22 December 2003 and are signed on their behalf by:



A GRAHAM

The notes on page 8 form part of these financial statements.

**WALL TO WALL (HOLDINGS) LTD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 30 JUNE 2003**

**1. ACCOUNTING POLICIES**

**Basis of accounting**

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

**Basis of consolidation**

The consolidated financial statements incorporate the financial statements of the company and all group undertakings. These are adjusted, where appropriate, to conform to group accounting policies. Acquisitions are accounted for under the acquisition method and goodwill on consolidation is capitalised and written off over five years from the year of acquisition. The results of companies acquired or disposed of are included in the profit and loss account after or up to the date that control passes respectively. As a consolidated profit and loss account is published, a separate profit and loss account for the parent company is omitted from the group financial statements by virtue of section 230 of the Companies Act 1985.

**Related parties transactions**

As stated in note 11, the company has a 100% interest, either directly or indirectly, in four subsidiary undertakings. Accordingly, the company has taken advantage of the exemption in FRS 8 from disclosing transactions with other members of the group.

**Turnover**

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

**Fixed assets**

All fixed assets are initially recorded at cost.

**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:

Fixtures and Fittings	15% straight line basis
Motor Vehicles	20% straight line basis
Equipment	15% straight line basis

**Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**Work in progress**

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

# **WALL TO WALL (HOLDINGS) LTD**

## **NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 30 JUNE 2003**

### **1. ACCOUNTING POLICIES** *(continued)*

#### **Hire purchase agreements**

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account at a constant rate of charge on the balance of capital repayments outstanding.

#### **Finance lease agreements**

Where the company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated in accordance with the above depreciation policies. Future instalments under such leases, net of finance charges, are included with creditors. Rentals payable are apportioned between the finance element, which is charged to the profit and loss account at a constant rate of charge on the balance of capital repayments outstanding, and the capital element which reduces the outstanding obligation for future instalments.

#### **Operating lease agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

#### **Deferred taxation**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold;

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

**WALL TO WALL (HOLDINGS) LTD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 30 JUNE 2003**

**1. ACCOUNTING POLICIES** *(continued)*

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

**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 under spent costs can be dealt with.

**2. TURNOVER**

The turnover and profit before tax are attributable to the one principal activity of the group. An analysis of turnover is given below:

	2003	2002
	£	£
United Kingdom	11,044,072	10,583,740
Overseas	5,817,360	3,424,138
	<u>16,861,432</u>	<u>14,007,878</u>

**3. OPERATING PROFIT**

Operating profit is stated after charging/(crediting):

	2003	2002
	£	£
Directors' emoluments	184,807	99,807
Depreciation of owned fixed assets	78,944	—
Depreciation of assets held under hire purchase agreements	61,010	—
Loss on disposal of fixed assets	—	152,882
Auditors' remuneration		
- as auditors	23,225	11,000
Operating lease costs:		
Land and buildings	106,561	98,204
Net loss/(profit) on foreign currency translation	<u>51,544</u>	<u>(53,305)</u>

**WALL TO WALL (HOLDINGS) LTD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 30 JUNE 2003**

**4. PARTICULARS OF EMPLOYEES**

The average number of staff employed by the group during the financial year amounted to:

	2003	2002
	No	No
Number of production staff	50	50
Number of administrative staff	26	65
	<u>76</u>	<u>115</u>

The aggregate payroll costs of the above were:

	2003	2002
	£	£
Wages and salaries	2,097,993	2,037,995
Social security costs	189,971	218,754
Other pension costs	50,490	58,395
	<u>2,338,454</u>	<u>2,315,144</u>

**5. DIRECTORS' EMOLUMENTS**

The directors' aggregate emoluments in respect of qualifying services were:

	2003	2002
	£	£
Emoluments receivable	184,807	130,994
Value of company pension contributions to money purchase schemes	28,677	—
	<u>213,484</u>	<u>130,994</u>

The number of directors who are accruing benefits under company pension schemes was as follows:

	2003	2002
	No	No
Money purchase schemes	<u>1</u>	<u>1</u>

**6. INTEREST PAYABLE**

	2003	2002
	£	£
Interest payable on bank borrowing	653	994
Finance charges	36,750	45,781
	<u>37,403</u>	<u>46,775</u>

**WALL TO WALL (HOLDINGS) LTD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 30 JUNE 2003**

**7. TAX ON PROFIT ON ORDINARY ACTIVITIES**

**(a) Analysis of charge in the year**

	2003 £	2002 £
Current tax:		
UK Corporation tax based on the results for the year at 30% (2002 - 30%)	<u>180,143</u>	<u>105,922</u>
Total current tax	<u>180,143</u>	<u>105,922</u>

**(b) Factors affecting current tax charge**

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 30% (2002 - 30%).

	2003 £	2002 £
Profit on ordinary activities before taxation	<u>705,520</u>	<u>393,548</u>
Profit/(loss) on ordinary activities by rate of tax	211,654	118,064
Capital allowances adjustment	(60,415)	(47,042)
Marginal rate adjustment	(15,732)	(15,307)
Additional items added back	<u>44,636</u>	<u>50,207</u>
Total current tax (note 7(a))	<u>180,143</u>	<u>105,922</u>

**8. PROFIT ATTRIBUTABLE TO MEMBERS OF THE PARENT COMPANY**

The profit dealt with in the accounts of the parent company was £332,500 (2002 - £167,585).

**9. DIVIDENDS**

The following dividends have been proposed in respect of the year:

	2003 £	2002 £
Proposed dividend on ordinary shares	<u>319,612</u>	<u>280,000</u>

**WALL TO WALL (HOLDINGS) LTD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 30 JUNE 2003**

**10. TANGIBLE FIXED ASSETS**

Group	Leasehold Property £	Fixtures & Fittings £	Motor Vehicles £	Equipment £	Total £
<b>COST</b>					
At 1 July 2002	31,570	5,218	14,747	541,750	593,285
Additions	—	3,775	—	236,665	240,440
<b>At 30 June 2003</b>	<u>31,570</u>	<u>8,993</u>	<u>14,747</u>	<u>778,415</u>	<u>833,725</u>
<b>DEPRECIATION</b>					
Charge for the year	—	2,273	3,587	134,094	139,954
<b>At 30 June 2003</b>	<u>—</u>	<u>2,273</u>	<u>3,587</u>	<u>134,094</u>	<u>139,954</u>
<b>NET BOOK VALUE</b>					
<b>At 30 June 2003</b>	<u>31,570</u>	<u>6,720</u>	<u>11,160</u>	<u>644,321</u>	<u>693,771</u>
At 30 June 2002	<u>31,570</u>	<u>5,218</u>	<u>14,747</u>	<u>541,750</u>	<u>593,285</u>

**Hire purchase agreements**

Included within the net book value of £693,771 is £294,210 (2002 - £315,654) relating to assets held under hire purchase agreements. The depreciation charged to the financial statements in the year in respect of such assets amounted to £61,010 (2002 - £Nil).

**11. INVESTMENTS**

Company	Group companies £
<b>COST</b>	
At 1 July 2002 and 30 June 2003	<u>200</u>
<b>NET BOOK VALUE</b>	
<b>At 30 June 2003</b>	<u>200</u>
At 30 June 2002	<u>200</u>



**WALL TO WALL (HOLDINGS) LTD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 30 JUNE 2003**

**12. FIXED ASSET INVESTMENTS**

	Group		Company	
	2003	2002	2003	2002
	£	£	£	£
Interests in Subsidiary undertakings	302	200	302	200

At 30th June 2003 the Group and the Company held 100% of the equity of the following companies

Name of Company	Class of shares	Principal activity
Wall to Wall Television Ltd	ordinary £1 shares	TV production
Spring Pace Services Ltd	ordinary £1 shares	Management Services
Wall to Wall Drama Ltd*	ordinary £1 shares	TV production
Wall to Wall Egypt Ltd*	ordinary £1 shares	TV production

\*Investments held through subsidiary undertakings

All of the subsidiary undertakings have been consolidated in the Group financial statements and are registered in England and Wales.

All of the above companies are subsidiaries undertakings by virtue of the group's control.

**13. STOCKS**

	Group		Company	
	2003	2002	2003	2002
	£	£	£	£
Raw materials	—	5,531	—	—
Work in progress	627,204	1,220,459	—	—
	<u>627,204</u>	<u>1,225,990</u>	<u>—</u>	<u>—</u>

**14. DEBTORS**

	Group		Company	
	2003	2002	2003	2002
	£	£	£	£
Trade debtors	2,525,304	1,145,442	—	—
Amounts owed by group undertakings	—	469,811	562,473	502,819
Amounts owed by undertakings in which the company has a participating interest	1	—	—	—
Other debtors	50,785	17,847	125	—
Called up share capital not paid	—	875	—	875
Prepayments and accrued income	80,015	54,945	—	—
	<u>2,656,105</u>	<u>1,688,920</u>	<u>562,598</u>	<u>503,694</u>

**WALL TO WALL (HOLDINGS) LTD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 30 JUNE 2003**

**15. CASH AT BANK AND IN HAND**

An amount of £153,047 (2002 £524,135) in respect of trust monies is included in the reported bank balance of £539,220 (2002 £596,500) and is represented by an equivalent amount of deferred income. (2002 figures are restated as described in note 19)

**16. CREDITORS: Amounts falling due within one year**

	<b>Group</b>		<b>Company</b>	
	<b>2003</b>	<b>2002</b>	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Bank loans and overdrafts	661,395	710,081	—	—
Trade creditors	568,828	212,079	—	—
Amounts owed to associated companies	94,793	143,496	40,125	99,051
Hire purchase agreements	106,879	597,134	—	—
Directors' loan accounts	318,962	280,100	318,862	280,000
Other creditors	632,600	438,508	142,500	71,420
Accruals and deferred income	964,102	768,537	—	5,000
	<u>3,347,559</u>	<u>3,149,935</u>	<u>501,487</u>	<u>455,471</u>

The following liabilities disclosed under creditors falling due within one year are secured by the company:

	<b>Group</b>		<b>Company</b>	
	<b>2003</b>	<b>2002</b>	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Bank loans and overdrafts	<u>661,395</u>	<u>—</u>	<u>—</u>	<u>—</u>

**17. CREDITORS: Amounts falling due after more than one year**

	<b>Group</b>		<b>Company</b>	
	<b>2003</b>	<b>2002</b>	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade creditors	(2)	—	—	—
Hire purchase agreements	51,383	43,165	—	—
	<u>51,381</u>	<u>43,165</u>	<u>—</u>	<u>—</u>

**WALL TO WALL (HOLDINGS) LTD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 30 JUNE 2003**

**18. COMMITMENTS UNDER HIRE PURCHASE AGREEMENTS**

Future commitments under hire purchase agreements are as follows:

	<b>Group</b>		<b>Company</b>	
	<b>2003</b>	<b>2002</b>	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Amounts payable within 1 year	<b>106,879</b>	127,322	-	-
Amounts payable between 1 and 2 years	<b>51,383</b>	43,165	-	-
	<b><u>158,262</u></b>	<u>170,487</u>	<u>-</u>	<u>-</u>

**19. LINKED TRANSACTIONS**

The company has entered into certain sale and leaseback transactions of television and film programme rights. Funds received from these transactions are held in deposit accounts and comprise monies to provide for the full discharge of future leasing liabilities. The banks with which these sums are deposited have given guarantees to the lessor in respect of these liabilities.

	<b>Group</b>	
	<b>2003</b>	<b>as restated 2002</b>
	<b>£</b>	<b>£</b>
Amounts payable within 1 year	<b>175,896</b>	144,989
Amounts payable between 1 and 2 years	<b>211,002</b>	175,896
Amounts payable between 3 and 5 years	<b>880,353</b>	752,992
Amounts payable after more than 5 years	<b>4,046,097</b>	4,384,460
	<b><u>5,313,348</u></b>	<u>5,458,337</u>

**20. RELATED PARTY TRANSACTIONS**

The company was under the control of Mr A Graham throughout the current and previous year. Mr A Graham is the managing director and majority shareholder.

The group charged Wall to Wall Sale and Leaseback Ltd, a company controlled by Mr A Graham but not part of the group, a management charge of £100,000 (2002: £214,775). At the year end it owed the company £94,793 (2002: £143,496).

**WALL TO WALL (HOLDINGS) LTD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 30 JUNE 2003**

**21. SHARE CAPITAL**

**Authorised share capital:**

	2003	2002
	£	£
10,000 Ordinary shares of £0.10 each	<u>1,000</u>	<u>1,000</u>

**Allotted and called up:**

	2003		2002	
	No	£	No	£
Ordinary shares of £0.10 each	<u>10,000</u>	<u>1,000</u>	<u>10,000</u>	<u>1,000</u>

The amounts of paid-up share capital for the following category of shares differed from the called-up share capital stated above due to unpaid calls and were as follows:

	2003	2002
	£	£
Ordinary shares	<u>-</u>	<u>875</u>

**22. RESERVES**

**Group**

	Profit and loss account £
At 1 July 2002 & 30 June 2003	910,595
Retained profit for the year	<u>205,765</u>

**Company**

	Profit and loss account £
At 1 July 2002 & 30 June 2003	50,139
Retained profit for the year	<u>12,888</u>

**WALL TO WALL (HOLDINGS) LTD**

**MANAGEMENT INFORMATION**

**YEAR ENDED 30 JUNE 2003**

**The following pages do not form part of the statutory financial statements which are the subject of the independent auditors' report on pages 3 to 4.**

**WALL TO WALL (HOLDINGS) LTD**  
**DETAILED PROFIT AND LOSS ACCOUNT**  
**YEAR ENDED 30 JUNE 2003**

	2003 £	2002 £
<b>TURNOVER</b>		
External sales	10,985,750	10,583,740
Internal sales	3,944,486	965,366
Insurance claim	58,322	—
Overseas sales	5,817,360	3,424,138
	<u>20,805,918</u>	<u>14,973,244</u>
<b>COST OF SALES</b>		
Under spent production costs brought forward	551,689	206,806
Production costs	15,814,639	11,456,357
Leasing payments	324,822	331,719
	<u>16,691,150</u>	<u>11,994,882</u>
Under spent production costs carried forward	81,877	(551,689)
	<u>16,773,027</u>	<u>11,443,193</u>
<b>GROSS PROFIT</b>	<u>4,032,891</u>	<u>3,530,051</u>
<b>OVERHEADS</b>		
Directors salaries	184,807	99,807
Directors national insurance contributions	12,580	11,233
Directors pensions	4,250	—
Directors pension contributions	24,427	31,187
Administrative staff salaries	1,913,186	1,881,206
Wages and salaries	—	56,982
Staff national insurance contributions	177,391	207,521
Staff pension contributions	21,813	27,208
Rent	106,561	98,204
Rates and water	29,373	34,413
Light and heat	16,978	14,434
Insurance	28,050	20,315
Repairs and maintenance	125,200	60,911
Cleaning of premises	22,200	21,907
Motor expenses	790	—
Travel and subsistence	114,970	46,801
Telephone	54,062	78,272
Courier	14,894	34,284
Office expenses	229,231	203,877
Hire of equipment	21,723	73,466
Equipment repairs and renewals	—	67,023
Printing, stationery and postage	41,734	41,341
Publications	—	24,236
Staff training	24,901	10,381
Staff welfare	59,676	41,206
Other staff related expenses	16,571	76,400
Compensation for loss of office	—	37,415
Carried forward	<u>3,245,368</u>	<u>(4,032,891)</u> 3,300,030

**WALL TO WALL (HOLDINGS) LTD**  
**DETAILED PROFIT AND LOSS ACCOUNT**  
**YEAR ENDED 30 JUNE 2003**

	2003	2002
	£	£
Brought forward	3,245,368	(4,032,891)
Sundry expenses	10,986	5,109
Donations	1,747	1,380
Advertising	—	2,543
Publicity	14,429	1,337
Exhibitions	—	23,863
Entertaining	8,833	5,039
Legal and professional fees	49,836	22,852
Other professional fees	—	505
Consultancy	38,756	17,622
Accountancy fees	6,818	17,415
Auditors remuneration	23,225	11,000
Depreciation	139,954	—
Loss on disposal of fixed assets	—	152,882
Bad debts written off	—	209
Bank charges	9,534	15,840
Bank loan interest	21,733	—
Foreign currency gains/losses	51,544	(53,305)
	<u>3,622,763</u>	<u>3,524,321</u>
<b>OPERATING PROFIT</b>	<b>410,128</b>	<b>5,730</b>
Bank interest receivable	<u>332,795</u>	<u>434,593</u>
	<b>742,923</b>	<b>440,323</b>
Interest payable	<u>(37,403)</u>	<u>(46,775)</u>
<b>PROFIT ON ORDINARY ACTIVITIES</b>	<b><u>705,520</u></b>	<b><u>393,548</u></b>

**WALL TO WALL (HOLDINGS) LTD**  
**NOTES TO THE DETAILED PROFIT AND LOSS ACCOUNT**  
**YEAR ENDED 30 JUNE 2003**

	2003 £	2002 £
<b>INTEREST RECEIVABLE</b>		
Bank interest receivable	<u>332,795</u>	<u>434,593</u>
<b>INTEREST PAYABLE</b>		
Bank interest payable	653	994
Hire purchase and finance lease charges	<u>36,750</u>	<u>45,781</u>
	<u>37,403</u>	<u>46,775</u>