REGISTRAR OF
COMPANIES

World Television Limited

Report and Financial Statements

Year Ended

31 December 2010

Company Number 2590549

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World Television Limited

Report and financial statements
for the year ended 31 December 2010

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Directors

S Garvey
E Kimber

Secretary

E Kimber

Company number

2590549

Registered office

33 Notting Hill Gate, London, W11 3JQ

Auditors

BDO LLP, 55 Baker Street, London, W1U 7EU

World Television Limited

Report of the directors
for the year ended 31 December 2010

The directors present their report together with the audited financial statements for the year ended 31 December 2010

Principal activities

World Television Limited is a leading video communications company for corporations and international organisations It is a UK business unit of World Television Group PLC acting together with Virtue Corporate Services Ltd

Business review

The profit and loss account is set out on page 5 and shows the loss for the year

Revenues increased during the year from £3,855k to £4,008k, representing a 4% increase

Key performance indicators

The Company uses two primary key performance indicators (KPI's) to measure and monitor the performance of the business effectively They are turnover and profitability as measured by EBITDA and EBITDA per employee

The KPI's for the year ended 31 December 2010, with comparatives for the year ended 31 December 2009, are set out below

	2010 £'000	2009 £'000
Turnover	4,008	3,855
EBITDA	(32)	(38)
EBITDA per employee	(2)	(1)

Dividends

The directors do not recommend the payment of a dividend (2009 - £Nil)

Financial and commercial risk management

The funding and treasury functions are managed by the parent company centrally under guidelines approved by the parent company's Board

The directors consider the principal risk facing the company is the impact of the global downturn Further information on the company's outlook and commercial risk is set out in the ultimate parent's accounts Copies of World Television Group PLC consolidated financial statements can be obtained from the company's registered address

Directors

The directors of the company during the year were

S Garvey
E Kimber

Going concern

After making due and careful enquiry, the directors have formed a judgement at the time of approving the financial statements that there is a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future, given the ongoing support of its parent, World Television Group PLC For this reason, the directors continue to adopt a 'Going Concern' basis in preparing the financial statements

Directors' responsibilities

The directors are responsible for preparing the report of the directors and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period

In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- state whether applicable UK 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 company will continue in business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and 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 2006 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

All of the current directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditors for the purposes of their audit and to establish that the auditors are aware of that information The directors are not aware of any relevant audit information of which the auditors are unaware

BDO LLP have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting

On behalf of the Board

E Kimber

Director

26 May 2011

World Television Limited

Independent auditor's report

TO THE MEMBERS OF WORLD TELEVISION LIMITED

We have audited the financial statements of World Television Limited for the year ended 31 December 2010 which comprise the profit and loss account, the balance sheet and the related notes The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 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 auditor's 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 explained more fully in the statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www frc org uk/apb/scope/private cfm

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2010 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit

BDO LLP

Andrew Viner, (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
London
United Kingdom

26 May 2011

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)

World Television Limited

Profit and loss account
for the year ended 31 December 2010

	Note	2010 £'000	2009 £'000
Turnover	2	**4,008**	3,855
Cost of sales		**(2,169)**	(1,640)
Gross profit		**1,839**	2,215
Administrative expenses		**(1,931)**	(2,311)
Operating loss	5	**(92)**	(96)
Interest receivable		-	6
Interest payable	6	**(5)**	(6)
Loss on ordinary activities before taxation		**(97)**	(96)
Taxation	7	-	(41)
Loss for the financial year	17	**(97)**	(137)

All amounts relate to continuing activities
The company has no recognised gains and losses other than the loss above and therefore no separate statement of total recognised gains and losses has been presented

The notes on pages 7 to 15 form part of these financial statements

World Television Limited

Balance sheet
at 31 December 2010

Company number 2590549	Note	2010 £'000	2010 £'000	2009 £'000	2009 £'000
Fixed assets					
Tangible assets	8		**116**		145
Investments	9		**-**		-
			116		145
Current assets					
Stocks and work in progress	10	**20**		20	
Debtors					
- due in one year	11	**988**		450	
- due after more than one year	11	**-**		20	
		988		470	
Cash at bank and in hand		**106**		37	
		1,114		527	
Creditors amounts falling due within one year	12	**1,771**		1,123	
Net current liabilities			**(657)**		(596)
Total assets less current liabilities			**(541)**		(451)
Creditors: amounts falling due after more than one year	13		**(468)**		(461)
Provisions for liabilities	14		**(50)**		(50)
Net liabilities			**(1,059)**		(962)
Capital and reserves					
Called up share capital	16		**28**		28
Share premium account	17		**453**		453
Other reserves	17		**5**		5
Profit and loss account	17		**(1,545)**		(1,448)
Shareholders' deficit	18		**(1,059)**		(962)

The financial statements were approved by the Board of Directors and authorised for issue on 26 May 2011

E Kimber
Director

The notes on pages 7 to 15 form part of these financial statements

1 Accounting policies

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

The following principal accounting policies have been applied

Group financial statements

The financial statements contain information about World Television Limited as an individual company and do not contain consolidated financial information as the parent of a group The company has taken advantage of s400 of the Companies Act 2006 not to produce consolidated financial statements as the company is a wholly owned subsidiary of World Television Group PLC

Going concern basis

The company is supported by its parent company, World Television Group PLC The directors consider that World Television Group PLC has sufficient funds to continue funding the company's business On this basis the directors believe the going concern basis is appropriate, as they believe that World Television Group PLC will make sufficient funds available to the company

Cash flow

Under the provisions of Financial Reporting Standard No 1 (Revised) 'Cash Flow Statements', the company has not prepared a cash flow statement because its ultimate parent undertaking, World Television Group PLC, which is registered in England and Wales, has prepared consolidated accounts for the year These accounts contain a consolidated cash flow statement and are publicly available

Turnover

The company is a communications agency that specialises in video for large corporations, governments and international organisations Turnover relating to webcasting is recognised when the webcasting services are performed, which is compliant with FRS 5 Application Note G Turnover in respect of television programme production is recognised on the basis of the amount earned during the year in accordance with the contractual arrangements Turnover excludes VAT

Tangible fixed assets

Tangible fixed assets are stated at cost net of depreciation and any provision for impairment

Depreciation is charged so as to allocate the cost of each asset less its estimated residual value to the periods expected to benefit from its use at the following rates

Leasehold improvements	-	20% straight line
Computer and office equipment	-	33% straight line
Specialist equipment	-	20% straight line

Investments

Investments are stated at cost less provision for any impairment

1 Accounting policies *(continued)*

Stocks

Stocks are stated at the lower of cost and net realisable value Provision is made for obsolete, slow moving or defective items where appropriate

Long term contracts and work in progress

Amounts recoverable on long term contracts, which are included in debtors as accrued income, are stated at the net sales value of the work done less amounts received as progress payments on account Excess progress payments are included in creditors as deferred income Cumulative costs incurred net of amounts transferred to cost of sales, less provision for contingencies and anticipated future losses on contracts, are included as work in progress balances in stock

Deferred taxation

Deferred tax is recognised in respect of timing differences that have originated but not reversed by the balance sheet date subject to the deferred tax assets being recognised to the extent that they are regarded as recoverable Assets are regarded as recoverable when it is regarded as 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 balances are not discounted

Leased assets

Where assets are financed by leasing agreements that give rights approximating to ownership ('finance leases'), the assets are treated as if they had been purchased outright The amount capitalised is the present value of the minimum lease payments payable during the lease term The corresponding leasing commitments are shown as payable to the lessor Depreciation on the relevant assets is charged to the profit and loss account

Lease payments are analysed between capital and interest components so that the interest element of the payment is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding The capital part reduces the amounts payable to the lessor

All other leases are treated as operating leases Their annual rentals are charged to the profit and loss account on a straight-line basis over the term of the lease

Pensions

Contributions made by the company to money purchase pension schemes are charged to the profit and loss account in the period to which they relate Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet

Foreign currency

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date All exchange differences are included in the profit and loss account

1 Accounting policies *(continued)*

Share-based payments

Where share options are awarded by World Television Group PLC to employees, the fair value of the options at the date of grant is charged to the profit and loss account over the vesting period Non-market vesting conditions are taken into account by adjusting the total number of equity instruments expected to vest at each balance sheet date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that will eventually vest

When shares and share options are granted by World Television Group PLC to employees of subsidiary companies, the fair value of the awards is recharged to the profit and loss account of that subsidiary All options have now vested, therefore no charge (2009 - £nil) has been included in the profit and loss account of the company The information relevant and assumptions used to determine the fair value of the options granted under the equity - settled based remuneration schemes are disclosed in the accounts of the ultimate parent

2 Turnover

Turnover is wholly attributable to the principal activity of the company, and arises solely within the United Kingdom Turnover excludes VAT

3 Employees

	2010 £'000	2009 £'000
Staff costs consist of		
Wages and salaries	**868**	1,258
Social security costs	**86**	141
Other pension costs	**11**	14
	965	1,413

The average number of employees and officers (including executive directors) employed by the company is set out below	Number	Number
Sales and operations	**13**	25
General, finance and administration	**5**	6
	18	31

Average number of employees in 2010 excludes staff performing group functions

4 Directors

The directors of the company are paid for services to the group by the company's ultimate parent undertaking, World Television Group PLC There were no emoluments paid during the year by World Television Limited

5 Operating loss

	2010 £'000	2009 £'000
This has been arrived at after charging		
Auditors' remuneration		
- Fees payable to the company's auditor for the audit of the company's annual accounts	**20**	22
- Fees payable to the company's auditor for tax services	**4**	6
Depreciation		
- owned assets	**50**	30
- held under finance leases	**10**	28
Operating lease rentals		
- equipment	**6**	12
- other	**49**	117
Gain on disposal of fixed assets	**10**	-
Exchange loss	**17**	4

6 Interest payable

	2010 £'000	2009 £'000
Interest payable and similar charges		
On finance leases	**5**	5
On bank loans and overdrafts	-	1
	5	6

7 Taxation

There was no tax charge in the current year (2009 - £Nil)

	2010 £'000	2009 £'000
UK corporation tax		
Total current tax	-	-
Deferred tax		
Deferred tax charge	-	41
	-	41

7 Taxation *(continued)*

	2010 £'000	2009 £'000
Loss on ordinary activities before taxation	**(97)**	(96)
Loss on ordinary activities at the standard rate of corporation tax in the UK of 28% (2009 - 28%)	**(27)**	(27)
Effects of		
Expenses not deductible for tax purposes	**6**	(4)
Depreciation in excess of capital allowances for year	**12**	(2)
Losses not recognised in the period for which no deferred tax asset was recognised	**9**	33
Current tax charge	**-**	-

A deferred tax asset of £362,000 (2009 - £360,000) has not been recognised on the grounds that there is currently insufficient evidence of recoverability

8 Tangible assets

	Leasehold improvements £'000	Computer and office equipment £'000	Specialist Equipment £'000	Total £'000
Cost				
At 1 January 2010	61	309	187	557
Additions	9	11	13	33
Disposals/write off	-	(2)	-	(2)
At 31 December 2010	**70**	**318**	**200**	**588**
Depreciation				
At 1 January 2010	5	270	137	412
Charge for the year	12	22	26	60
Disposals/write off	-	-	-	-
At 31 December 2010	**17**	**292**	**163**	**472**
Net book value				
At 31 December 2010	**53**	**26**	**37**	**116**
At 31 December 2009	56	39	50	145

Included in the above is leased equipment at a net book value of £20,353 (2009 - £36,475) The related depreciation charge for the year was £9,851 (2009 - £27,711)

9 Fixed asset investments

	Subsidiary undertakings £'000
Cost	
At 1 January 2010 and 31 December 2010	**126**
Provision	
At 1 January 2010 and at 31 December 2010	**126**
Net book value	
At 1 January 2010 and 31 December 2010	**-**

The company has investments in 100% of the ordinary share capital of the following non-trading subsidiary undertakings

	Country of incorporation	Holding
UCTX Limited	Great Britain	100% Ordinary shares

10 Stocks and work in progress

	2010 £'000	2009 £'000
Work in progress	**1**	6
Stocks	**19**	14
	20	20

11 Debtors

	2010 £'000	2009 £'000
Amounts receivable in one year		
Trade debtors	**628**	222
Other debtors	**10**	11
Amounts owed by group undertakings	**17**	70
Prepayments and accrued income	**333**	147
	988	450
Amounts receivable after more than one year		
Amounts owed by group undertakings	**-**	20

12 Creditors· amounts falling due within one year

	2010 £'000	2009 £'000
Bank loans and overdraft	**326**	80
Obligations under finance leases	**12**	21
Trade creditors	**400**	266
Other creditors	**-**	-
Amounts owed to group undertakings	**511**	431
Other taxes and social security	**220**	148
Accruals and deferred income	**302**	177
	1,771	1,123

The bank loans and overdraft are secured by a fixed and floating charge over the assets of the company

13 Creditors amounts falling due after more than one year

	2010 £'000	2009 £'000
Amounts owed to group undertakings	**460**	456
Obligations under finance leases	**8**	5
	468	461

Amounts owed to group undertakings are unsecured and interest free

14 Provision for liabilities

	Property provisions £'000
At 1 January 2010 and 31 December 2010	**50**

Property provision is for dilapidations of the company's previous leased offices

15 Finance lease creditor

Obligations under finance leases are due as follows

	2010 £'000	2009 £'000
Within one year	12	21
In more than one year but not more than two years	8	5
	20	26

16 Share capital

	2010 £'000	2009 £'000
Issued, called up and fully paid		
28,570 ordinary shares of £1 each	28	28

17 Reserves

	Share premium account £'000	Other Reserve £'000	Profit and loss account £'000
At 1 January 2010	453	5	(1,448)
Loss for the year	-	-	(97)
At 31 December 2010	453	5	(1,545)

18 Reconciliation of movements in shareholders' deficit

	2010 £'000	2009 £'000
Loss for the year	(97)	(137)
Opening shareholders' deficit	(962)	(825)
Closing shareholders' deficit	(1,059)	(962)

19 Commitments under operating leases

As at 31 December 2010, the company had annual commitments under non-cancellable operating leases as set out below

	2010 Land and buildings £'000	2010 Other £'000	2009 Land and Buildings £'000	2009 Other £'000
Operating leases which expire				
In less than 1 year	-	-	-	-
In two to five years	**60**	**6**	60	6

20 Related party transactions

The company has taken advantage of the exemption conferred by Financial Reporting Standard 8 "Related party disclosures" not to disclose transactions with members of the group headed by World Television Group PLC on the grounds that 100% of the voting rights in the company are controlled within that group and the company is included in consolidated financial statements

21 Ultimate parent company

The ultimate parent undertaking and controlling party is World Television Group PLC Copies of World Television Group PLC consolidated financial statements can be obtained from the company's registered address