



BANDLER LIMITED

Report and Financial Statements

30 April 1999

**Deloitte & Touche
Hill House
1 Little New Street
London EC4A 3TR**





REPORT AND FINANCIAL STATEMENTS 1999

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**DIRECTORS' REPORT**

The directors present their annual report and the audited financial statements for the year ended 30 April 1999.

PRINCIPAL ACTIVITIES

The company holds and manages investments in three companies, a video dubbing facility, a satellite television transmission facility and a television production facility. The company's results are in accordance with the directors' expectations.

REVIEW OF DEVELOPMENTS AND FUTURE PROSPECTS

The directors do not anticipate any change in the company's future activities.

DIRECTORS AND THEIR INTERESTS

The directors who served during the year were as follows:

S Bowen
N Brookes

At 1 May 1998 and 30 April 1999 Mr S Bowen had an interest, as a beneficiary of a family trust, in the ultimate parent company, The Barnes Trust Limited, which has an effective holding of 56% in the company.

At 30 April 1999, Ms N Brookes held 6,000 £0.10 ordinary shares and 24,000 £0.10 "C" redeemable preference shares in Barnes Trust Television Limited, an intermediate parent company.

No other director has any interest in the shares of the company or any other group company.

YEAR 2000

Following their initial review, the directors continue to be alert to the potential risks and uncertainties surrounding the Year 2000 issue. As at the date of this report, the directors are not aware of any significant factors which have arisen, or that may arise, which will affect the activities of the business; however the situation is still being monitored. Any future costs associated with this issue cannot be quantified but are not expected to be significant.

AUDITORS

Deloitte & Touche have expressed their willingness to continue in office as auditors and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors
and signed on behalf of the Board

N Brookes

Director

**STATEMENT OF 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 as at the end of the financial year and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on a 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 enable them to ensure that the financial statements comply with the Companies Act. 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' REPORT TO THE MEMBERS OF

BANDLER LIMITED

We have audited the financial statements on pages 4 to 8 which have been prepared under the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

As described on page 2 the company's directors are responsible for the preparation of 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 30 April 1999 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Deloitte & Touche

Chartered Accountants
and Registered Auditors

29 February 2000

PROFIT AND LOSS ACCOUNT
Year ended 30 April 1999

	Note	1999 £	1998 £
Administrative expenses		(2,697)	(4,103)
OPERATING LOSS	3	(2,697)	(4,103)
Interest receivable	4	5,251	28,194
Bank interest payable		-	(154)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		2,554	23,937
Tax on profit on ordinary activities	5	-	-
RETAINED PROFIT FOR THE YEAR		2,554	23,937
Profit and loss account brought forward		16,758	(7,179)
Profit and loss account carried forward		19,312	16,758

There are no recognised gains or losses in the current and preceding financial years other than the reported profits and as a result no statement of total recognised gains and losses has been prepared. The profit for the year derives from continuing operations.

All movements in shareholders' funds in the current financial year and preceding financial year are shown in the profit and loss account. Accordingly, no reconciliation of movements in shareholders' funds has been presented.



BALANCE SHEET
As at 30 April 1999

	Note	£	1999 £	£	1998 £
FIXED ASSETS					
Investments	6		473,580		473,580
CURRENT ASSETS					
Debtors	7	284,641		284,423	
Cash at bank and in hand		65,687		61,335	
		<u>350,328</u>		<u>345,758</u>	
CURRENT LIABILITIES					
CREDITORS: amounts falling due within one year	8	<u>(13,727)</u>		<u>(11,711)</u>	
NET CURRENT ASSETS			<u>336,601</u>		<u>334,047</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			810,181		807,627
CREDITORS: amounts falling due after more than one year	9		<u>(34,990)</u>		<u>(34,990)</u>
			<u>775,191</u>		<u>772,637</u>
CAPITAL AND RESERVES					
Called up share capital	10		755,879		755,879
Profit and loss account			19,312		16,758
EQUITY SHAREHOLDERS' FUNDS			<u>775,191</u>		<u>772,637</u>

These financial statements were approved by the Board of Directors on *28 February 2000*.

Signed on behalf of the Board of Directors

N Brookes

N Brookes

Director

NOTES TO THE ACCOUNTS
Year ended 30 April 1999

1. ACCOUNTING POLICIES

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

Investments

Fixed asset investments are shown at cost less any provision for impairment.

Consolidation

Consolidated financial statements of Bandler Limited and its subsidiaries are not presented, as group accounts are the responsibility of the ultimate parent company which is registered in England and Wales.

2. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

None of the directors received any emoluments from the company in the current or the preceding financial period. Other than the directors, the company has no employees.

3. OPERATING LOSS

	1999 £	1998 £
Operating loss is stated after charging:		
Auditors' remuneration		
- Audit fees	1,500	1,250
- Other services	1,150	1,225
	<u>2,650</u>	<u>2,475</u>

4. INTEREST RECEIVABLE

	1999 £	1998 £
Bank interest	5,251	-
Interest from group undertakings	-	28,194
	<u>5,251</u>	<u>28,194</u>

5. TAX ON PROFIT ON ORDINARY ACTIVITIES

	1999 £	1998 £
Group relief payable	-	-
	<u>-</u>	<u>-</u>

No tax is due as a result of the availability of group relief.



NOTES TO THE ACCOUNTS

Year ended 30 April 1999

6. INVESTMENTS HELD AS FIXED ASSETS

	Shares in subsidiary undertakings £
Balance at 1 May 1998 and 30 April 1999	473,580

The above investments relate to four wholly owned subsidiaries, all registered in England and Wales.

	Country of Registration	Share Capital £	Profit and loss account £	Activity	Proportion of ordinary shares held Directly Indirectly
Cable & Satellite Transmissions (cas.t) Limited	England and Wales	180,300	(268,325)	Satellite transmissions facility	100%
Arena Transmission Facilities Limited	England and Wales	2	(11,749)	Property management for group	100%
Klones Limited	England and Wales	30	(279,085)	Dubbing facility	100%
Teddington Studios Limited	England and Wales	2	(137,241)	Television production studios	100%

7. DEBTORS

	1999 £	1998 £
Amounts owed by a group undertaking	284,378	284,378
Other debtors	263	45
	<u>284,641</u>	<u>284,423</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	1999 £	1998 £
Trade creditors	617	-
Group relief payable	7,757	7,757
Accruals and deferred income	5,353	3,954
	<u>13,727</u>	<u>11,711</u>

NOTES TO THE ACCOUNTS

Year ended 30 April 1999

9. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	1999 £	1998 £
Amounts owed to a director's family trust	34,990	34,990

There are no scheduled repayment terms for this balance.

10. CALLED UP SHARE CAPITAL

	Ordinary shares of £1 each No.	Total £
Authorised: At 1 May 1998 and 30 April 1999	1,000,000	1,000,000
Allotted, called up and fully paid: At 1 May 1998 and 30 April 1999	755,879	755,879

11. ULTIMATE PARENT COMPANY

The immediate parent company is Barnes Trust Media Limited which does not prepare group accounts.

The company's ultimate parent company and controlling entity is The Barnes Trust Limited, a company registered in the Isle of Man.

The company's accounts are included in those of Barnes Trust Television Limited, an immediate parent company which is registered in England and Wales. The accounts of Barnes Trust Television Limited may be obtained from Broom Road, Teddington Lock, Teddington, Middlesex, TW11 9NT.

12. RELATED PARTY TRANSACTIONS

At the year end the company has a balance outstanding of £34,990 (1998 - £34,990) due to a director's family trust.

The company has taken advantage of exemptions available under section 3 (c) of FRS8 with regard to 90% subsidiaries.

13. COMMITMENTS AND CONTINGENCIES

The company has entered into an agreement with its bankers and certain loan stock providers to cross-guarantee the bank loans, loan stock and overdrafts of Barnes Trust Television Limited and its subsidiaries ("the group"). At 30 April 1999, the group's overdraft was £3,348,229 (1998 - £1,822,572). At the same date bank loan balances of £3,335,001 (1998 - £4,013,090) and loan notes of £2,313,011 (1998 - £2,243,095) were outstanding in respect of the group.