



BANDLER LIMITED

Report and Financial Statements

30 April 1996

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





REPORT AND FINANCIAL STATEMENTS 1996

CONTENTS	Page
Directors' report	1
Statement of directors' responsibilities	2
Auditors' report	3
Profit and loss account	4
Balance sheet	5
Notes to the accounts	6



DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 30 April 1996. The previous period was the seven months ended 30 April 1995. The company was dormant in the previous period.

PRINCIPAL ACTIVITIES

The company was set up to hold and manage investments. The value of investments in the balance sheet includes costs incurred in the acquisition of those investments.

REVIEW OF DEVELOPMENTS AND FUTURE PROSPECTS

The company was incorporated on 19 October 1994 and on 29 September 1995 acquired two companies, a video dubbing facility and a satellite television transmission facility. The directors do not anticipate any change in the company's activities.

DIRECTORS AND THEIR INTERESTS

The directors who served during the year were as follows:

S Bowen

N Brookes (appointed 9 August 1995)

At 30 April 1996 S Bowen held an interest, as a beneficiary of a family trust, in the ultimate parent company, The Barnes Trust Limited. Details of this holding are disclosed in the accounts of that company.

AUDITORS

Touche Ross & Co. were appointed as auditors in the year. On 1 February 1996 our auditors changed the name under which they practise to Deloitte & Touche and, accordingly, have signed their report in their new name.

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

S Bowen

Director

28 February 1997

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.



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AUDITORS' REPORT TO THE MEMBERS OF

BANDLER LIMITED

We have audited the financial statements on pages 4 to 9 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 1996 and of its loss for the year ended 30 April 1996 and have been properly prepared in accordance with the Companies Act 1985.

Deloitte & Touche

Chartered Accountants and Registered Auditors

1997

PROFIT AND LOSS ACCOUNT
Year ended 30 April 1996

	Note	Year ended 30 April 1996 £	Period from 19 October 1994 to 30 April 1995 £
Administrative expenses		5,689	-
OPERATING LOSS	3	(5,689)	-
Interest receivable		16,234	-
Interest payable	4	(34,990)	-
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(24,445)	-
Taxation on loss on ordinary activities		-	-
LOSS ON ORDINARY ACTIVITIES AFTER TAXATION		(24,445)	-

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

All movements in shareholders' funds in the current financial year and preceding financial period 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 1996

	Note	£	1996 £	£	1995 £
FIXED ASSETS					
Investments	5		472,703		-
CURRENT ASSETS					
Debtors	6	290,475		2	
Cash at bank and in hand		7,687		-	
		<u>298,162</u>		<u>2</u>	
CURRENT LIABILITIES					
Creditors: amounts falling due within one year	7	(314,307)		-	
NET CURRENT (LIABILITIES)/ASSETS			<u>(16,145)</u>		<u>2</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			456,558		2
Creditors: amounts falling due after more than one year	8		(301,003)		-
			<u>155,555</u>		<u>2</u>
CAPITAL AND RESERVES					
Called up share capital	9		180,000		2
Profit and loss account			(24,445)		-
EQUITY SHAREHOLDERS' FUNDS			<u>155,555</u>		<u>2</u>

These financial statements were approved by the Board of Directors on 25 February 1997.

Signed on behalf of the Board of Directors

S Bowen

Director



NOTES TO THE ACCOUNTS
Year ended 30 April 1996

1. ACCOUNTING POLICIES

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

Investments

Fixed asset investments are shown at cost less any provision for permanent diminution in value.

Consolidation

The company is exempt from preparing consolidated accounts under the Companies Act 1985 and under FRS 1 from preparing a cash flow statement, because it is a medium sized company under the terms of the Act.

2. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

	Year ended 30 April 1996 £	Period from 19 October 1994 to 30 April 1995 £
Directors' emoluments:		
Fees	2,917	-
Remuneration of Chairman	2,917	-

Other than the directors, the company has no employees.

3. OPERATING LOSS

	Year ended 30 April 1996 £	Period from 19 October 1994 to 30 April 1995 £
Operating loss is stated after charging:		
Auditors' remuneration		
- Audit fees	1,200	-
- Other services	1,550	-


NOTES TO THE ACCOUNTS
Year ended 30 April 1996
4. INTEREST PAYABLE

	Year ended 30 April 1996 £	Period from 19 October 1994 to 30 April 1995 £
Interest due on loans from a director's family trust	34,990	-

5. INVESTMENTS

Shares in subsidiary undertakings:

	1996 £	1995 £
Cost at start of period	-	-
Additions	472,703	-
At end of period	472,703	-
Net book value at 30 April 1996	472,703	-

Name	Country of registration and operation	Share Capital £	Profit and loss account £	Activity	Proportion of ordinary shares held
Arena Transmissions Limited	England and Wales	180,300	(364,130)	Satellite transmissions facility	100%
Klones Limited	England and Wales	30	44,491	Dubbing facility	100%

NOTES TO THE ACCOUNTS
Year ended 30 April 1996

6. DEBTORS

	1996 £	1995 £
Amounts owed by a subsidiary	278,566	-
Other debtors	11,909	2
	<u>290,475</u>	<u>2</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	1996 £	1995 £
Amounts owed to a director's family trust	274,000	-
Accruals and deferred income	40,307	-
	<u>314,307</u>	<u>-</u>

The amount owed to a director's family trust is secured by a fixed and floating charge over the assets of the company. The interest on amounts owed to a director's family trust is charged at 10%.

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

	1996 £	1995 £
Amounts owed to a director's family trust	301,003	-

The interest on amounts owed to a director's family trust is charged at 4 % above base rate.

9. CALLED UP SHARE CAPITAL

	Authorised No.	Issued No.
£1 ordinary shares:		
At 1 May 1995	1,000	2
Authorised/issued in year	<u>499,000</u>	<u>179,998</u>
At 30 April 1996	<u>500,000</u>	<u>180,000</u>

On 19 October 1994, the company issued its incorporation share capital of 2 ordinary shares of £1 each.

In the year 179,998 shares were issued at par to The Barnes Trust Media Limited. The new issue of shares was fully paid for in the year.

10. ULTIMATE PARENT COMPANY

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



NOTES TO THE ACCOUNTS

Year ended 30 April 1996

10. ULTIMATE PARENT COMPANY

The immediate parent company is The Barnes Trust Media Limited. (This company is 96.7% owned by Barnes Trust Limited).

The company's ultimate parent company is The Barnes Trust Limited, a company registered in the Isle of Man. That company's accounts can be obtained from the registered office at 4 Old Park Lane, London W1Y 3LJ.