

# **Showtime UK Holdings Limited**

(Registered number: 3038061)

## **Directors' Report and Financial Statements Year Ended 31 December 2004**



# Showtime UK Holdings Limited

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# **Showtime UK Holdings Limited**

## **Directors' Report For the Year Ended 31 December 2004**

The directors present their annual report and the audited financial statements of the company for the year ended 31 December 2004.

### **Principal Activity, Business Review and Future Developments**

The principal activity of Showtime UK Holdings Limited is to hold an investment in Zone Broadcasting Showtime (Turkey) Limited. The directors do not foresee any change to the principal activity of the company.

### **Results and Dividends**

The company's profit for the financial year amounted to \$917,430 (2003: nil). The directors do not recommend the payment of a dividend (2003: nil).

### **Directors**

The directors listed below held office during the whole of the period from 1 January 2004 to the date of this report, unless stated below:

T Ellis                    (resigned 31 December 05)  
C Hyde

None of the directors had any interests in the shares of the company or its fellow subsidiaries during the year, or of any other body corporate within the Viacom Inc group, which would require disclosure by the company in accordance with Section 234 of the Companies Act 1985

# Showtime UK Holdings Limited

## Directors' Report

For the Year Ended 31 December 2004 (Continued)

### 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 and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors confirm that suitable accounting policies have been used and applied consistently. They also confirm that reasonable and prudent judgements and estimates have been made in preparing the financial statements for the year ended 31 December 2004 and that applicable accounting standards have been followed.

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 1985. 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

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office, and a resolution proposing their reappointment will be approved at the Annual General Meeting.

By Order of the Board



C Hyde  
Director

180 Oxford Street  
London  
W1D 1NN

27 January 2006

## **Showtime UK Holdings Limited**

### **Independent Auditors' Report To The Members Of Showtime UK Holdings Limited**

We have audited the financial statements which comprise the balance sheet, the profit and loss account and the related notes.

#### **Respective responsibilities of directors and auditors**

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and accounting standards are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards issued by the Auditing Practices Board. This report, including the opinion has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or in to whose hands it may come save where expressly agreed by our prior consent in writing.

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 is not disclosed.

#### **Basis of audit 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 affairs of the company at 31 December 2004 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*PricewaterhouseCoopers LLP*

**PricewaterhouseCoopers LLP**  
Chartered Accountants and Registered Auditors  
London

27 January 2005

# Showtime UK Holdings Limited

## Profit and Loss Account For the Year Ended 31 December 2004

	<i>Note</i>	2004 \$	2003 \$
Interest payable		(570)	-
Income from shares in subsidiaries		918,000	-
<b>Profit on ordinary activities before taxation</b>	<b>2</b>	<b>917,430</b>	<b>-</b>
Taxation		-	-
<b>Profit on ordinary activities after taxation</b>	<b>2</b>	<b>917,430</b>	<b>-</b>
<b>Retained profit for the financial year</b>	<b>8,9</b>	<b>917,430</b>	<b>-</b>

There is no difference between the retained profit for the year stated above and the historical cost equivalent.

There were no recognised gains or losses in the year other than the profit for the year as noted above. Therefore no separate statement of total recognised gains and losses has been presented.

The profit on ordinary activities for the year relates solely to continuing activities.

# Showtime UK Holdings Limited

## Balance Sheet As At 31 December 2004

	Note	2004 \$	2003 \$
<b>Fixed Assets</b>			
Investments	5	1,020,000	1,020,000
		<u>1,020,000</u>	<u>1,020,000</u>
<b>Creditors: amounts falling due within one year</b>	6	(102,567)	(1,019,997)
<b>Net Assets</b>		<u>917,433</u>	<u>3</u>
<b>Capital and Reserves</b>			
Called up share capital	7, 8	3	3
Profit and loss account	8	917,430	-
<b>Total Equity Shareholders' Funds</b>	9	<u>917,433</u>	<u>3</u>

The financial statements on pages 4 to 8 were approved by the board of directors on 27 January 2006 and signed on its behalf by:



C Hyde  
Director

The notes on pages 6 to 9 form part of these financial statements

# Showtime UK Holdings Limited

## Notes to the Financial Statements For The Year Ended 31 December 2004

### 1 Principal Accounting Policies

The financial statements have been prepared on a going concern basis in accordance with the Companies Act 1985 and applicable accounting standards in the United Kingdom, adopting the accounting policies set out below.

#### a) Basis of Preparation of the Accounts

The financial statements have been prepared under the historical cost convention.

The company has taken advantage of the exemption from preparing consolidated financial statements afforded by Section 228 of the Companies Act 1985 because it is a wholly owned subsidiary of Viacom UK Limited, which prepares consolidated accounts which are publicly available.

The functional currency of the company is US Dollars.

#### b) Cash Flow Statement

The company is a subsidiary of Viacom Inc. and is included in Viacom Inc.'s consolidated financial statements, which are publicly available. Consequently, the company has taken advantage of the exemption from preparing a consolidated cash flow statement under the terms of Financial Reporting Standard 1 (revised 1996).

#### c) Investments

The investment in the subsidiary undertaking is stated in the balance sheet at cost, less any provision for impairment.

### 2 Loss on Ordinary Activities Before Taxation

	2004 \$	2003 \$
This is stated after charging/(crediting):		
Intercompany interest	(570)	-
Income from shares in subsidiaries	918,000	-

Auditors' remuneration is borne by another group undertaking.



# Showtime UK Holdings Limited

## Notes to the Financial Statements For The Year Ended 31 December 2004

### 3 Directors Remuneration and Employee Information

No directors received any remuneration for any qualifying services provided to the company (2003: £nil).

No staff were employed by the company during the year and therefore no staff costs were incurred (2003: nil).

### 4 Taxation

The total tax charge should be £nil and can be analysed as follows:

	<u>2004</u>	<u>2003</u>
	<u>£</u>	<u>£</u>
UK CT at 30%	-	-

The effective rate reconciliation should read:

	<u>2004</u>	<u>2003</u>
	<u>£</u>	<u>£</u>
Profit before tax	917,430	-
Profit before tax - UK standard rate 30%	275,229	-
Effect of:		
Income not taxable	<u>(275,229)</u>	-
Current tax charge for the period	<u>-</u>	<u>-</u>

#### Current Tax

The tax creditor as at 31 December 2004 was £nil.

#### Deferred tax

There are no deferred tax assets or liabilities.

### 5 Investments - Shares in Group Undertakings

#### Company

Cost	\$
At 1 January 2004	1,020,000
<hr/>	
At 31 December 2004	1,020,000

As at 31 December 2004, Showtime UK Holdings Limited owned 51% of Zone Broadcasting Showtime (Turkey) Limited, a company registered in the United Kingdom.

Zone Broadcasting Showtime (Turkey) Limited is involved in the operation and distribution of programming content.

# Showtime UK Holdings Limited

## Notes to the Financial Statements For The Year Ended 31 December 2004

### 6 Creditors: amounts falling due within one year

	2004 \$	2003 \$
Amounts owed to immediate parent company	102,567	1,019,997

### 7 Share Capital

	2004 £	2003 £
<b>Authorised</b>		
1,100 ordinary share capital of £1 each	1,100	1,100
<b>Issued and fully paid</b>		
2 Ordinary shares of £1 each	2	2

### 8 Share Capital and Reserves

	Ordinary Share Capital \$	Profit and Loss Account \$
At 1 January 2004	3	-
Profit for the year	-	917,430
<b>At 31 December 2004</b>	<b>3</b>	<b>917,430</b>

### 9 Reconciliation of Movement in Equity Shareholders' Funds

	2004 \$	2003 \$
Profit for the year	917,430	-
<b>Net addition to Equity Shareholders' Funds</b>	<b>917,430</b>	<b>-</b>
Opening Equity Shareholders' Funds	3	3
<b>Closing Equity Shareholders' Funds</b>	<b>917,433</b>	<b>3</b>

# **Showtime UK Holdings Limited**

## **Notes to the Financial Statements For The Year Ended 31 December 2004**

### **10 Ultimate Parent Undertaking**

The company's ultimate parent company is Viacom Inc., incorporated in the USA. The ultimate controlling party of Showtime UK Holdings Limited is National Amusements Inc., the beneficial owner of the majority of Viacom Inc. voting shares.

The smallest group in which the results of the company are consolidated is that headed by Viacom UK Limited, the immediate parent, a company registered in England and Wales. The financial statements of this group can be obtained from Viacom UK Limited, 180 Oxford Street, London W1N 0DS.

The largest group in which the results of Showtime UK Holdings Limited is consolidated is Viacom Inc. The consolidated financial statements for this group are available to the public and may be obtained from 1515 Broadway, New York, N.Y., 10036, USA.

### **11 Related Party Transactions**

The group is exempt under the terms of Financial Reporting Standard 8 from disclosing related party transactions with entities that are part of the Viacom Inc. group.