



VIACOM NETWORKS EUROPE LIMITED
(Registered number: 303806)

FINANCIAL STATEMENTS

31 DECEMBER 1995

Presented for filing by: -

ROBERT J. BUTLER
BUTLER HOUSE
19 ST. BOTOLPH STREET
LONDON, EC2A 7EE
SOLICITORS

Smy / 96-41215

VIACOM NETWORKS EUROPE LIMITED

DIRECTORS' REPORT FOR THE PERIOD FROM 27 MARCH 1995 TO 31 DECEMBER 1995

The directors present their report on the affairs of the company, together with the financial statements and auditors' report, for the period ended 31 December 1995.

PRINCIPAL ACTIVITY AND BUSINESS REVIEW

The principal activity of the company is investment.

RESULTS AND DIVIDENDS

The company did not trade during the period.

The directors do not recommend the payment of a dividend for the period ended 31 December 1995.

DIRECTORS

The directors who served during the period are as follows:

J Shaw
JAAM Jorritsma

DIRECTORS' INTERESTS AND IN CONTRACTS

No directors had any beneficial interests in the shares of the company nor had a material interest in any contract of significance to which the company was a party during the period.

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:

- select suitable accounting policies 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 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 to enable them to ensure that the

VIACOM NETWORKS EUROPE LIMITED

DIRECTORS' REPORT FOR THE PERIOD FROM 27 MARCH 1995 TO 31 DECEMBER 1995

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 directors will place a resolution before the forthcoming Annual General Meeting to re-appoint Price Waterhouse as auditors for the ensuing year.

By Order of the Board

JAAM Jorritsma

Director

13 November 1996 —



Registered Office

Beaufort House
Tenth Floor
15 St Botolph Street
London EC3A 7EE

Price Waterhouse



AUDITORS' REPORT TO THE SHAREHOLDERS OF VIACOM NETWORKS EUROPE LIMITED

We have audited the financial statements on pages 5 to 9 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

Respective responsibilities of directors and auditors

As described in the directors' report 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 31 December 1995 and of its result for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

Price Waterhouse

Price Waterhouse
Chartered Accountants
and Registered Auditors

13 November 1996

VIACOM NETWORKS EUROPE LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE PERIOD FROM 27 MARCH 1995 TO 31 DECEMBER 1995**

	<u>1995</u>
TURNOVER	<u>£</u>
	-
Cost of sales	-
GROSS PROFIT	-
Administrative expenses	-
PROFIT ON ORDINARY ACTIVITIES BEFORE INTEREST AND TAXATION	-
PROFIT ON ORDINARY ACTIVITIES BEFORE AND AFTER TAXATION AND RETAINED FOR THE PERIOD	-
PROFIT AND LOSS ACCOUNT BROUGHT FORWARD	-
PROFIT AND LOSS ACCOUNT CARRIED FORWARD	<u><u>-</u></u>

There is no difference between the retained profit above, and its historical cost equivalent.

The Company has no recognised gains or losses and therefore no separate statement of total recognised gains and losses has been presented.

The notes on pages 7 to 9 form part of these financial statements.

VIACOM NETWORKS EUROPE LIMITED

BALANCE SHEET AS AT 31 DECEMBER 1995

	Note	<u>1995</u> £
FIXED ASSETS		-
CURRENT ASSETS		
Investments		1
Debtors	4	<u>2</u>
		3
CREDITORS (Amounts falling due within one year)	5	<u>(1)</u>
NET CURRENT ASSETS		<u>2</u>
NET ASSETS		2
		<u><u> </u></u>
CAPITAL AND RESERVES		
Called up share capital	6	2
Profit and loss account		<u>-</u>
EQUITY SHAREHOLDERS' FUNDS	7	2
		<u><u> </u></u>

Approved by the Board on 13 November 1996

J Jorritsma
DIRECTOR



The notes on pages 7 to 9 form part of these financial statements.

VIACOM NETWORKS EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS AT 31 DECEMBER 1995

1 ACCOUNTING POLICIES

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

Viacom Networks Europe is a small company, it has taken advantage of the exemption in PRS1 for producing a cash flow statement.

2 DIRECTORS' EMOLUMENTS

Directors' emoluments, including pension contributions, amounted to £Nil during the period.

The Chairman received no emoluments in respect of his services to the company during the period. The highest paid director received emoluments from the company, excluding pension contributions of £Nil during the period.

3 EMPLOYEES

	<u>1995</u>
	£
Staff costs (including directors) comprised:	
Wages and salaries	-
Social security costs	-
	<u>-</u>
	<u>-</u>

The average number of staff employed by the company during the period, including executive directors is analysed below:

	<u>1995</u>
	Number
Operations and administration	-
	<u>-</u>

VIACOM NETWORKS EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS AT 31 DECEMBER 1995 (CONTINUED)

4 DEBTORS

	<u>1995</u> £
Trade debtors	-
Other debtors	<u>2</u>
	<u>2</u>

All debtor balances are due within one year.

5 CREDITORS: (amounts falling due within one year)

	<u>1995</u> £
Amount owed to group company	<u>1</u>

6 CALLED UP SHARE CAPITAL

	<u>1995</u> £
Authorised:	
100 ordinary shares of £1 each	<u>100</u>
Allotted, called up	
100 ordinary shares of £1 each	<u>2</u>

7 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	<u>1995</u> £
Opening shareholders' funds	2
Retained profit for the period	<u>-</u>
Closing shareholders' funds	<u>2</u>

VIACOM NETWORKS EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS AT 31 DECEMBER 1995 (CONTINUED)

8 GUARANTEES AND OTHER FINANCIAL COMMITMENTS

At 31 December 1995 the company has no capital commitments.

9 PARENT COMPANY

The directors consider the ultimate parent company to be Viacom Inc incorporated in the USA which is the parent undertaking of the largest group to consolidate the accounts of the company.

Viacom International BV, registered in the Netherlands, is the smallest undertaking to consolidate the accounts of the company.

Copies of these accounts can be obtained from:

Beaufort House
Tenth floor
15 St Botolph Street
London EC3A 7EE