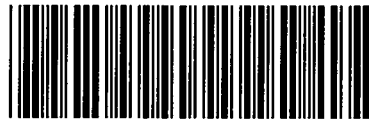


ALL3MEDIA International Limited

Directors' report and financial statements

For the year ended 31 August 2013
Registered number 3203247

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Contents

Directors' report	3-4
Independent auditors' report to the members of ALL3MEDIA International Limited	5
Profit and loss account	6
Reconciliation of movements in shareholders' funds	7
Balance sheet	8
Notes to the financial statements	9-16

Directors' report

The directors present their annual report and the audited financial statements of ALL3MEDIA International Limited for the year ended 31 August 2013.

Principal activity and review of the business

The principal activity of the company is the distribution of television programmes. The directors do not anticipate any changes in those activities over the coming year.

Results and dividends

The profit for the financial year, amounted to £5,428,661 (2012: £4,796,421). Interim dividends of £3,000,000 (2012: £3,233,037) per £1 ordinary share amounting to £6,000,000 (2012: £6,466,073) were paid during the year.

Future outlook

The commercial environment in which the company operates remains competitive, but the directors believe that the company's position as one of the leading distributors of television programmes will enable it to maintain its current position in the future.

Principal risks and uncertainties

The key business risks and uncertainties affecting the company relate to the general economic environment, competition from other distributors of television programmes and the success of the company's programming available for worldwide distribution. Further discussion of these risks and uncertainties, in the context of the ALL3MEDIA Holdings Limited group (the "group") as a whole, is provided on page 6 of the group's financial statements which does not form part of this report.

Financial risk Management

Through its trading activities the company is exposed to certain levels of credit, interest rate, currency and liquidity risk. Main credit risk arises from customers not meeting payment terms however this is monitored closely by management. Interest risk arises on cash balances subject to interest based on floating rates. Currency risk arises as certain debtors are denominated in foreign currency however the company hedges currency risk using forward contracts. The company funds its operations from trading activities.

Key performance indicators ("KPIs")

The directors of ALL3MEDIA Holdings Limited manage the group's operations on a divisional basis. For this reason, the company's directors believe that analysis using key performance indicators for the company is not necessary or appropriate for an understanding of the development, performance or position of the business of ALL3MEDIA International Limited. The development, performance and position of ALL3MEDIA Holdings Limited group, which includes the company, is discussed on page 5 of the group's financial statements which does not form part of this report.

Disclosure of information to auditors

Each of the persons who is a director at the date of approval of this report confirms that:

- (1) so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- (2) the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

Directors' report (continued)

Directors

The directors who held office during the year and up to the date of signing of the financial statements were as follows:

S Morrison
V Turton
A Jones (resigned 31st August 2013)
N Bright (appointed 31st August 2013)

The company maintains liability insurance for its directors and officers. Following shareholders' approval, ALL3MEDIA Holdings Limited, the company's ultimate parent undertaking, has also provided an indemnity for the company's directors and officers, which is a qualifying third party indemnity provision for the purposes of the Companies Act 2006. The indemnity was in force during the last financial year and is currently in force.

Statement of directors' responsibilities

The directors are responsible for preparing the directors' report 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 prepared 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 year. In preparing these financial statements, the directors are required to:

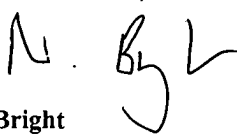
- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

Independent Auditors

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

By order of the Board


N Bright
Company Secretary

Berkshire House
168-173 High Holborn
London
WC1V 7AA

12 December 2013

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ALL3MEDIA INTERNATIONAL LIMITED

We have audited the financial statements of ALL3MEDIA International Limited for the year ended 31 August 2013 which comprise the profit and loss account, reconciliation of movements in shareholders' funds, 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).

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page 4 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 Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' report and financial statements to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 August 2013 and of its profit 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.

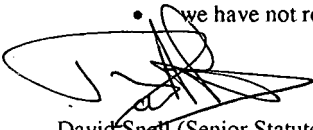
Opinion on other matter prescribed by the Companies Act 2006

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.



David Snell (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

12 December 2013

Profit and loss account for the year ended 31 August 2013

	Note	2013 £	2012 £
Turnover	2	49,224,207	40,719,937
Cost of sales		(37,472,477)	(30,610,858)
Gross profit		11,751,730	10,109,079
Distribution costs		(4,676,546)	(3,961,675)
Other operating income		270,530	215,034
Operating profit	3	7,345,713	6,362,438
Other interest receivable and similar income	6	29,497	49,248
Profit on ordinary activities before taxation		7,375,210	6,411,686
Tax on profit on ordinary activities	7	(1,946,549)	(1,615,265)
Profit for the financial year		5,428,661	4,796,421

All amounts relating to turnover and operating profit in the current and previous financial year derive from continuing operations.

There is no material difference between the profit on ordinary activities before taxation and the profit for the financial year stated above and their historical costs equivalents.

The company has no recognised gains and losses other than those included in the results above, and therefore no separate statement of total recognised gains and losses has been presented.

The notes on pages 9 to 16 form part of these financial statements.

Reconciliation of movements in shareholders' funds for the year ended 31 August 2013

	2013 £	2012 £
Profit for the financial year	5,428,661	4,796,421
Dividends	(6,000,000)	(6,466,073)
	<hr/>	<hr/>
Net change in shareholders' funds	(571,339)	(1,669,652)
Opening shareholders' funds	4,683,884	6,353,536
	<hr/>	<hr/>
Closing shareholders' funds	4,112,545	4,683,884
	<hr/> <hr/>	<hr/> <hr/>

Balance sheet as at 31 August 2013

Registered number 3203247

	Note	2013 £	£	2012 £	£
Fixed assets					
Tangible assets	9		67,072		68,627
Current assets					
Debtors	10	28,635,148		22,385,170	
Cash at bank and in hand		6,079,384		6,080,695	
		<u>34,714,532</u>		<u>28,465,865</u>	
Creditors: amounts falling due within one year	11	<u>(30,669,059)</u>		<u>(23,850,608)</u>	
Net current assets			<u>4,045,473</u>		<u>4,615,257</u>
Total assets less current liabilities			<u>4,112,545</u>		<u>4,683,884</u>
Net total assets			<u>4,112,545</u>		<u>4,683,884</u>
Capital and reserves					
Called up share capital	12		2		2
Profit and loss account	13		3,805,735		4,377,074
Other reserves	13		306,808		306,808
			<u>4,112,545</u>		<u>4,683,884</u>
Total shareholders' funds			<u>4,112,545</u>		<u>4,683,884</u>

These financial statements were approved by the Board of directors on 12 December 2013 and were signed on its behalf by:

V Turton
 Director

The notes on pages 9 to 16 form part of these financial statements.

Notes to the financial statements for the year ended 31 August 2013

1 Accounting policies

The following accounting policies have been applied in dealing with items which are considered material in relation to the company's financial statements:

Basis of preparation

These financial statements are prepared on the going concern basis, under the historical cost convention and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the year, are set out below.

Cash flow statement

The company is a wholly owned subsidiary of ALL3MEDIA Holdings Limited and is included in the consolidated financial statements of ALL3MEDIA Holdings Limited which are publicly available. The ALL3MEDIA Holdings Limited financial statements for the year ended 31 August 2013 contain a consolidated statement of cash flows. Consequently, the company has taken advantage of the exemption available under Financial Reporting Standard 1 (revised 1996) 'cash flow statements' from preparing its own statement of cash flows.

Turnover

Turnover and attributable profits are recognised in accordance with the company's right to receive revenue based on the contracted position. For finished programmes and formats distributed by the company, revenue is recognised once contracted and invoiced provided that the product is available for delivery.

Taxation

Corporation tax is payable on taxable profits at amounts expected to be paid, or recovered, under the tax rates and laws that have been enacted or substantially enacted at the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exception:

Deferred tax assets are recognised only to the extent that the directors consider that it is probable that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the average tax rates that are expected to apply in the years in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Notes to the financial statements for the year ended 31 August 2013 (continued)

1 Accounting policies (continued)

Royalties

Royalties payable to producers or rights holders are recognised as cost of sales on an accruals basis in accordance with the turnover recognised.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at purchase cost less accumulated depreciation. Depreciation is calculated to write off the cost of tangible fixed assets evenly over their estimated useful lives at the following annual rates:

Furniture and fittings –	20%
Technical equipment –	25%
Computer equipment –	33%

The carrying values of tangible fixed assets are reviewed for impairment if events or changes in circumstances indicate the carrying value may not be in line with the remaining estimated useful life.

Pensions

The company contributes to a defined contribution personal pension scheme. The contributions to this scheme are charged to the profit and loss account in the year in which the contributions are payable.

Translation of foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account.

2 Turnover

	2013 £	2012 £
United Kingdom	6,460,043	6,515,211
Rest of the World	42,764,164	34,204,726
	<u>49,224,207</u>	<u>40,719,937</u>

3 Operating profit

	2013 £	2012 £
This is stated after charging		
Auditors' remuneration:		
- Audit services	18,034	18,034
Depreciation of tangible fixed assets:		
- Owned by the company	23,293	17,457
	<u> </u>	<u> </u>

Notes to the financial statements for the year ended 31 August 2013 (continued)

4 Directors emoluments

Directors' remuneration in 2013 was £nil (2012: £nil) for services to this company.

The directors are remunerated by ALL3MEDIA Limited, and details of their emoluments and pension payments are available in the financial statements of that company.

5 Employee information

The average monthly number of persons employed by the company during the year is shown below.

By activity:	Number of employees	
	2013	2012
Sales and distribution	23	21
Administration	12	10
	<u>35</u>	<u>31</u>

	2013 £	2012 £
The aggregate payroll costs of these persons were as follows:		
Wages and salaries	2,735,931	2,211,506
Social security costs	296,355	254,917
Other pension costs	110,203	148,116
	<u>3,142,489</u>	<u>2,614,539</u>

6 Other Interest receivable and similar income

	2013 £	2012 £
Bank interest receivable	<u>29,497</u>	<u>49,248</u>

Notes to the financial statements for the year ended 31 August 2013 (continued)

7 Taxation

a) Taxation on profit on ordinary activities for the financial year

The tax charge is made up as follows:

	2013 £	2012 £
Current tax		
UK corporation tax	1,196,576	1,064,083
Adjustment in respect of prior years	(2,340)	(12,487)
Foreign tax: current tax on income for year	758,755	558,666
Total current tax	<u>1,952,991</u>	<u>1,610,262</u>
Deferred tax		
Origination and Reversal of timing difference	(7,417)	3,706
Effect of Change in tax rates	975	1,297
Tax on profit on ordinary activities	<u><u>1,946,549</u></u>	<u><u>1,615,265</u></u>

b) Factors affecting the tax charge for the current year

The tax charge for the year is higher (2012: lower) than the standard rate of corporation tax in the UK of 23.58% (2012: 25.16%). The differences are reconciled below.

	2013 £	2012 £
Profit on ordinary activities before taxation	7,375,210	6,411,686
Current tax at 23.58% (2012: 25.16%)	1,739,075	1,613,180
Effects of:		
Adjustment in respect of prior years	(2,340)	(12,487)
Depreciation for the year in excess of capital allowances	5,492	(2,611)
Transfer pricing adjustment	2,358	-
Expenses not deductible for tax purposes	18,168	12,180
Total current tax charge for the year	<u><u>1,952,991</u></u>	<u><u>1,610,262</u></u>

Notes to the financial statements for the year ended 31 August 2013 (continued)

7 Tax on profit on ordinary activities (continued)

c) Factors affecting the tax credit for the current and future years

The Finance Act 2012 was enacted in July 2012 and included legislation to reduce the main rate of corporation tax from 24% to 23% and was effective from 1 April 2013. The current tax rate for the period is therefore 23.58%.

Further reductions to the main rate of corporation tax were included within Finance Act 2013 which was enacted in July 2013, which further reduced the main rate of corporation tax from 23% to 21% effective from 1 April 2014, and reduce the rate further from 21% to 20% effective from 1 April 2015. These reductions supersede the reduction to 23% which had been included as part of Finance Act 2012.

The changes to the main rate of corporation tax disclosed above had been substantively enacted at the balance sheet date, and deferred taxes have been measured using the enacted rates within these financial statements.

d) Deferred taxation

The deferred taxation included in the balance sheet is as follows:

	2013 £	2012
Short term timing differences	15,553	11,211
Depreciation in advance of capital allowances	2,100	-
	<hr/>	<hr/>
Included in debtors (note 10)	17,653	11,211
	<hr/>	<hr/>

It is expected that the present level of business activity will be sustained for the foreseeable future, producing future profits against which the deferred tax asset can be recovered.

Movement in deferred tax balances:	2013 £
Opening balance as at 1 September 2012	11,211
Deferred tax credited in profit and loss account for the year	6,442
	<hr/>
Closing balance as at 31 August 2013	17,653
	<hr/>

8 Dividends

	2013 £	2012 £
Ordinary		
Interim paid: £3,000,000 (2012: £3,233,036) per £1 share	6,000,000	6,466,073

Notes to the financial statements for the year ended 31 August 2013 (continued)

9 Tangible fixed assets

	Furniture and fittings, computer and technical equipment £
Cost	
At 1 September 2012	126,118
Additions	22,204
Disposals	(465)
At 31 August 2013	147,856
Accumulated depreciation	
At 1 September 2012	(57,491)
Charge for year	(23,293)
At 31 August 2013	(80,784)
Net book value:	
At 31 August 2013	67,072
At 31 August 2012	68,627

10 Debtors

	2013 £	2012 £
Trade debtors	7,283,950	5,815,856
Amounts owed by the parent company	32,207	42,900
Amounts owed by group undertakings	1,983,252	1,231,462
Other debtors	18,445	22,391
Prepayments and accrued income	14,038,637	13,415,162
Value added tax	1,313,344	403,797
Deferred Tax	17,653	11,211
External distribution advances	1,616,635	799,707
Inter-group distribution advances	2,331,025	642,684
	28,635,148	22,385,170

Amounts falling due after more than one year included in the above are:

Trade debtors	73,726
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Amounts owed by the parent company and group undertakings are interest-free, unsecured and repayable on demand.

Notes to the financial statements for the year ended 31 August 2013 (continued)

11 Creditors: amounts falling due within one year

	2013 £	2012 £
Trade creditors	21,313,926	17,631,521
Amounts owed to group undertakings	6,574,642	4,061,595
UK corporation tax	414,960	231,472
Other taxation & social security creditors	111,159	64,699
Other creditors	68,002	144,135
Accruals and deferred income	2,186,370	1,717,186
	<u>30,669,059</u>	<u>23,850,608</u>

Amounts owed to group undertakings are interest-free, unsecured and repayable on demand.

12 Called up share capital

	2013 £	2012 £
<i>Allotted and fully paid</i>		
2 (2012: 2) ordinary shares of £1 each	<u>2</u>	<u>2</u>

Notes to the financial statements for the year ended 31 August 2013 (continued)

13 Reserves

	Profit and Loss Account	Other reserves	Total
	£	£	£
At 1 September 2012	4,377,074	306,808	4,683,882
Profit for the financial year	5,428,661	-	5,428,661
Dividends Paid	(6,000,000)	-	(6,000,000)
At 31 August 2013	3,805,735	306,808	4,112,543

Other reserves comprises of the accumulated charge for the parent company's share-based payment plans.

14 Contingent liabilities

The company is a participant in a group banking arrangement under which all surplus cash balances are held as collateral for bank facilities advanced to group members. In addition, the company has issued an unlimited guarantee to the bank to support these bank facilities. Details of these facilities are disclosed in note 32 of the ALL3MEDIA Intermediate Limited financial statements which are publicly available.

15 Related party transactions

The company has taken advantage of the exemption in Financial Reporting Standard No. 8 from the requirement to disclose transactions with wholly owned group companies on the grounds that consolidated financial statements are prepared by the ultimate parent company, which are publicly available. There were no other related party transactions in the current or prior year.

Included within turnover is £nil (2012: £nil) of sales made to fellow group companies of the ALL3MEDIA Group that are not wholly owned within the group. Included with costs of sales is £nil (2012: £nil) incurred from these companies. Included within amounts owed from fellow subsidiary undertakings is £987 (2012: £nil) owed from these companies.

16 Ultimate and immediate parent company and controlling party

The company's immediate parent undertaking is ALL3MEDIA Limited. In the directors' opinion, the company's ultimate parent undertaking is ALL3MEDIA Holdings Limited. ALL3MEDIA Holdings Limited is the parent undertaking of the smallest and largest group to consolidate these financial statements at 31 August 2013. Copies of its consolidated financial statements, which include the company, are available from Berkshire House, 168-173 High Holborn, London, WC1V 7AA.

The ultimate controlling party at the balance sheet date was Permira Holdings Limited, a company which owns Permira Europe III G.P. Limited, the general partner of Permira Europe III.