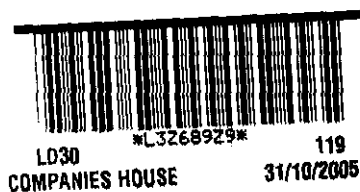


Company Registration No. 3264005 (England and Wales)

RIDGEWAY FILMS LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2004



RIDGEWAY FILMS LIMITED

COMPANY INFORMATION

Directors	I. Fishman E. A. Gaines M. V. Heap
Secretary	I. Fishman
Company Number	3264005
Registered Office	58-60 Berners Street London W1T 3JS
Auditors	KPMG Audit Plc 8 Salisbury Square London EC4Y 8BB

RIDGEWAY FILMS LIMITED

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RIDGEWAY FILMS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2004

The Directors present their report and financial statements for the year ended 31 December 2004.

Principal Activities and Review of the Business

The principal activity of the Company is film production.

Results and Dividends

The results for the year are set out on page 4.

The Directors do not recommend the payment of a dividend (2003: £nil).

Directors

The Directors who served during the year are:

I. Fishman
E. A. Gaines
M. V. Heap

Directors' Interests

The Directors' interests in the shares of the Company were as stated below:

	Ordinary Shares of 50p Each	
	31 December 2004	1 January 2004
I. Fishman	-	-
E. A. Gaines	-	-
M. V. Heap	-	-

The Directors' interests in the shares of the ultimate parent company, Entertainment Rights Plc, are disclosed in that company's financial statements.

Auditors

In accordance with Section 385 of the Company Act 1985 a resolution to re-appoint KPMG Audit Plc as auditors is to be proposed at the forthcoming Annual General Meeting.

RIDGEWAY FILMS LIMITED

DIRECTORS' REPORT (CONTINUED) **FOR THE YEAR ENDED 31 DECEMBER 2004**

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 for that period.

In preparing those financial statements, the Directors have agreed and 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 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 to enable them to ensure that the financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps, as is reasonably open to them, to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

On behalf of the Board



E. A. Gaines
Director

28 October 2005

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RIDGEWAY FILMS LIMITED

We have audited the financial statements on pages 4 to 9.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Directors and auditors

The Directors are responsible for preparing the Directors' report and, as described on page 2, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

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 with the Company 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 the Company's affairs as at 31 December 2004 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG Audit Plc
KPMG Audit Plc
Chartered Accountants
Registered Auditor
London

Date: *28/10/05*.....

RIDGEWAY FILMS LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2004

	Notes	2004 £	2003 £
Turnover	1,2	24,352	-
Cost of sales		(36,952)	(14,697)
Gross loss		<u>(12,600)</u>	<u>(14,697)</u>
Administrative expenses		<u>(11,942)</u>	<u>-</u>
Loss on ordinary activities before taxation	3	(24,542)	(14,697)
Tax on loss on ordinary activities	4	<u>7,362</u>	<u>-</u>
Retained loss for the year	9,10	<u>(17,180)</u>	<u>(14,697)</u>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses in either the current or prior year other than those passing through the profit and loss account. Consequently, a statement of total recognised gains and losses has not been prepared.

RIDGEWAY FILMS LIMITED

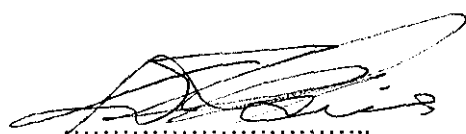
BALANCE SHEET

AS AT 31 DECEMBER 2004

	Notes	2004 £	2003 £
Fixed assets			
Intangible assets	5	<u>205,405</u>	<u>242,357</u>
Current assets			
Debtors: amount falling due after more than one year	6	31,714	-
Net current assets		<u>31,714</u>	<u>-</u>
Total assets less current liabilities		237,119	242,357
Creditors: amounts falling due after more than one year	7	<u>(49,533)</u>	<u>(37,591)</u>
Net assets		<u>187,586</u>	<u>204,766</u>
Capital and reserves			
Called up share capital	8	167,500	167,500
Share premium account	9	167,500	167,500
Profit and loss account	9	<u>(147,414)</u>	<u>(130,234)</u>
Equity shareholders' funds	10	<u>187,586</u>	<u>204,766</u>

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

The financial statements were approved by the Board of Directors on 28 October 2005 and signed on its behalf by:



.....
E. A. Gaines
Director

RIDGEWAY FILMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2004

1. Accounting Policies

1.1 Basis of accounting

These financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards. A summary of significant accounting policies applied is set out below.

1.2 Going concern

The ultimate parent company will continue to provide financial and other support to the company for at least the next twelve months and thereafter for the foreseeable future to enable the company to meet its liabilities as they fall due. Accordingly, a going concern basis for the preparation of the financial statements has been adopted.

1.3 Turnover

Turnover represents the amounts excluding VAT derived from the goods and services provided by the company.

1.4 Trademarks and copyrights

Publishing rights, titles, trademarks and other intangible assets are stated at fair value on acquisition. Any development costs, which are incurred by the Company and area associated with an acquired right, title or trademark are capitalised and amortised over their estimated useful lives, but no longer than 20 years. The estimated useful lives for determining the amortisation charge is reviewed annually and any further provision for permanent impairment is charged against profit in the year concerned. In respect of internally generated publishing rights, titles and trademarks only the external costs incurred of securing the trademarks are capitalised. All other internal costs are written off to the profit and loss account when incurred.

1.5 Taxation

The charge for taxation is based on the loss for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Deferred taxation is provided on all timing differences, without discounting, which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS19.

1.6 Related parties

Under FRS 8 – Related Party Disclosures, the Company is exempt from the requirement to disclose transactions with other entities within the Group headed by Entertainment Rights Plc.

1.7 Joint arrangement

The Company was incorporated for the purposes of trading through a joint arrangement “The Tidings Film and Television Partnership” for the production of The Tidings Films. The Company has a 25% share in partnership profits and losses and accounts for its own share of its assets, liabilities and cashflows in the joint arrangement.

1.8 Cash flow statement

As the ultimate parent company publishes a consolidated cash flow statement in which the Company’s cash flows are consolidated and, all of the Company’s share capital is held within the Group, the Company is exempt from the requirement to prepare a cash flow statement, as permitted by FRS 1.

RIDGEWAY FILMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2004

2. Turnover

The total turnover of the Company for the year has been derived from its principal activity wholly originating in the United Kingdom and predominantly destined for the United Kingdom.

3. Loss on ordinary activities before taxation

2004	2003
£	£

Loss on ordinary activities before taxation is stated after charging:

Amortisation of intangible assets	36,952	14,697
-----------------------------------	--------	--------

Directors' and auditors' remuneration is paid by the ultimate parent company.

4. Taxation

2004	2003
£	£

(a) Analysis of taxation charged in the period

Current tax

Consideration received for Group relief

(7,362)	-
---------	---

Total taxation on loss on ordinary activities

(7,362)	-
---------	---

2004	2003
£	£

(b) Factors affecting tax charge for the period

Loss on ordinary activities before taxation

(24,542)	(14,697)
----------	----------

**Loss chargeable to corporation tax multiplied by
standard rate of UK corporation tax of 30% (2003:30%)**

(7,362)	(4,409)
---------	---------

Effects of:

Group relief surrendered not paid for

-	3,900
---	-------

Group relief surrendered and paid for

7,362	-
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Current year losses not utilised

-	509
---	-----

Consideration received for Group relief

(7,362)	-
---------	---

Current tax credit for the period (Note 4 (a))

(7,362)	-
---------	---

(c) Factors that may affect future tax charges

The Company has £106,000 (2003: £106,000) of tax losses that may be available for relief against future trading profits.

RIDGEWAY FILMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2004

5. Intangible fixed assets		Trademarks and copyrights
Cost		
At 1 January 2004 & 31 December 2004		<u>313,966</u>
Amortisation		
At 1 January 2004		71,609
Charge for the year		36,952
At 31 December 2004		<u>108,561</u>
Net book value		
At 31 December 2004		<u>205,405</u>
At 31 December 2003		<u>242,357</u>
6. Debtors: amounts falling due after more than one year	2004	2003
	£	£
Amounts due from Group undertakings	<u>31,714</u>	<u>-</u>
7. Creditors: amounts falling due after more than one year	2004	2003
	£	£
Amounts due to Group undertakings	<u>49,533</u>	<u>37,591</u>
Amounts owed to group undertakings are unsecured, interest free and have no fixed repayment date.		
8. Share capital	2004	2003
	£	£
Authorised		
335,000 Ordinary shares of 50p each	<u>167,500</u>	<u>167,500</u>
Allotted called up and fully paid		
335,000 Ordinary shares of 50p each	<u>167,500</u>	<u>167,500</u>

RIDGEWAY FILMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2004

9. Statement of movements on reserves

	Share premium account £	Profit and loss account £
Balance at 1 January 2004	167,500	(130,234)
Retained loss for the year	-	(17,180)
	<hr/>	<hr/>
Balance at 31 December 2004	167,500	(147,414)

10. Reconciliation of movements in shareholders' funds

	2004 £	2003 £
Retained loss for the year	(17,180)	(14,697)
Opening shareholders' funds	<hr/> 204,766	<hr/> 219,463
Closing shareholders' funds	<hr/> 187,586	<hr/> 204,766

11. Contingent liabilities

There were no contingent liabilities at 31 December 2004 or 31 December 2003.

12. Capital commitments

There were no capital commitments at 31 December 2004 or 31 December 2003.

13. Employees

There were no employees during the year (2003: nil) apart from the Directors.

14. Ultimate parent undertaking

The immediate parent undertaking is The Richard Digance Card Company Limited, a company incorporated in England and Wales.

The ultimate parent undertaking and controlling related party is Entertainment Rights Plc, a company incorporated in England and Wales.

The largest and smallest Group of undertakings for which Group accounts have been drawn up is that headed by Entertainment Rights Plc. Group accounts are available from the Registered Office at 58-60 Berners Street, London W1T 3JS.