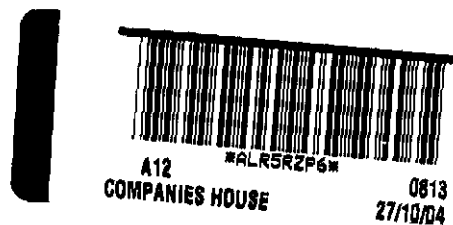


COMPANY NUMBER: 3534197

RAVENCOURT SERVICES LIMITED

ABBREVIATED ACCOUNTS

31ST DECEMBER, 2003



**INDEPENDENT AUDITORS' REPORT TO
RAVENCOURT SERVICES LIMITED
UNDER SECTION 247B OF THE COMPANIES ACT 1985**

We have audited the abbreviated accounts set out on pages 2 to 13 together with full statutory accounts of the company for the year ended 31st December, 2003, prepared under section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Act to the Registrar of Companies and whether the accounts to be delivered are properly prepared in accordance with that provision and to report our opinion to you.

Basis of opinion

We have carried out the procedures we consider necessary to confirm, by reference to the accounts, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the full statutory accounts.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Companies Act 1985 and the abbreviated accounts on pages 2 to 13 are properly prepared in accordance with that provision.

AGN Shipley

**AGN Shipleys
Registered Auditors
10 Orange Street
London
WC2H 7DQ**

3 June 2004

RAVENCOURT SERVICES LIMITED

COMPANY INFORMATION

Directors

R. Bradley
N. Catliff
S. Meer
J. Mills

Secretary and Registered Office

J. Mills
Lion House,
26 Paddenswick Road,
London W6 0UB.

Auditors

AGN Shipleys
10 Orange Street,
Haymarket,
London WC2H 7DQ.

RAVENCOURT SERVICES LIMITED

DIRECTORS' REPORT

The directors submit their report together with the abbreviated accounts of the company for the year ended 31st December, 2003.

ACTIVITIES

The company's principal activity during the year was the provision of services to its immediate parent undertaking, Lion Television Limited.

RESULTS, DIVIDENDS AND BUSINESS REVIEW

The results for the year are reported on page 5 of the abbreviated accounts. The company continued to increase its level of activity and generated an operating profit for the year. The directors anticipate that this will continue in the forthcoming period. The directors do not recommend the payment of a dividend (2002: £nil).

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are required by the Companies Act 1985 to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company at the end of the financial period and of the result for that period. The directors consider that in preparing the financial statements the company has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates and confirm that all applicable accounting standards have been followed. The financial statements have been prepared on a going concern basis.

The directors are responsible for ensuring that the company keeps proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the company and for ensuring that the financial statements comply with the Companies Act 1985. The directors also have responsibility for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DIRECTORS' INTERESTS

The names of the directors who served during the year and their interests in the shares of the company are as follows:-

Ordinary Shares of £1 Each At 1st January, 2003 and 31st December, 2003

R. Bradley	-
N. Catliff	-
S. Meer	-
J. Mills	-

ULTIMATE PARENT UNDERTAKING

Lion Television Limited owns 100% of the ordinary share capital of Ravenscourt Services Limited. The directors' interests in the share capital of the holding company are disclosed in the directors' report of Lion Television Limited.

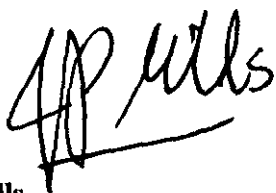
RAVENCOURT SERVICES LIMITED

DIRECTORS' REPORT – CONTINUED

AUDITORS

A resolution to reappoint AGN Shipleys as auditor will be proposed at the Annual General Meeting.

By Order of the Board

A handwritten signature in black ink, appearing to read 'J. Mills', with a horizontal line drawn underneath the signature.

J. Mills
Secretary

3 June 2004

RAVENCOURT SERVICES LIMITED
ABBREVIATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST DECEMBER, 2003

	Notes	2003 £	2002 £
GROSS PROFIT		1,687,681	1,352,853
ADMINISTRATIVE EXPENSES		(1,658,886)	(1,333,804)
OPERATING PROFIT	4	28,795	19,049
INTEREST RECEIVABLE		1,073	1,008
INTEREST PAYABLE AND SIMILAR CHARGES	5	-	(4,004)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		29,868	16,053
TAXATION	6	(11,729)	(11,533)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		18,139	4,520
RETAINED PROFIT BROUGHT FORWARD		440,351	435,831
RETAINED PROFIT CARRIED FORWARD		£458,490	£440,351

All amounts relate to continuing activities.

There have been no recognised gains or losses, other than the results for the financial year, and all profits or losses have been accounted for on an historical cost basis.

RAVENCOURT SERVICES LIMITED

BALANCE SHEET

AS AT 31ST DECEMBER, 2003

	Notes	2003 £	2002 £
FIXED ASSETS			
Tangible assets	7	339,112	156,175
CURRENT ASSETS			
Stocks	1.4	550	2,985
Debtors	8	925,804	725,125
Cash at bank and in hand		<u>2,890</u>	<u>156,509</u>
		929,244	884,619
CREDITORS: Amounts falling due within one year	9	<u>(809,864)</u>	<u>(600,441)</u>
NET CURRENT ASSETS		<u>119,380</u>	<u>284,178</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>£458,492</u>	<u>£440,353</u>
CAPITAL AND RESERVES			
Called up share capital	11	2	2
Profit and loss account		<u>458,490</u>	<u>440,351</u>
EQUITY SHAREHOLDERS' FUNDS		<u>£458,492</u>	<u>£440,353</u>

These abbreviated accounts have been prepared in accordance with the special provisions relating to medium-sized companies within Part VII of the Companies Act 1985.

Approved by the Board on 3 June 2004 and signed on its behalf by:


J. Mills - Director

The notes on pages 9 to 13 form part of these abbreviated accounts.

RAVENSCOURT SERVICES LIMITED

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST DECEMBER, 2003

	Notes	2003 £	2002 £
Reconciliation of operating profit to net cash inflow from operating activities			
Operating profit		28,795	19,049
Depreciation charges		152,754	174,202
Loss on disposal of tangible fixed assets		6,723	966
Decrease in stocks		2,435	2,660
Increase in debtors		(200,679)	(485,522)
Increase in creditors		209,023	314,432
		<u>£199,051</u>	<u>£25,787</u>

CASH FLOW STATEMENT

Net cash inflow from operating activities		199,051	25,787
Returns on investments and servicing of finance	a	1,073	(2,996)
Capital expenditure	b	(342,414)	(131,354)
Taxation		<u>(11,329)</u>	<u>(34,433)</u>
Decrease in cash		<u>£(153,619)</u>	<u>£(142,996)</u>

Reconciliation of net cash flow to movement in net funds

	c		
Decrease in cash in the year		(153,619)	(142,996)
Net funds at 1st January, 2003		<u>156,509</u>	<u>299,505</u>
Net funds at 31st December, 2003		<u>£2,890</u>	<u>£156,509</u>

RAVENCOURT SERVICES LIMITED
NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST DECEMBER, 2003

	2003 £	2002 £	
(a) Returns on investments and servicing of finance			
Bank interest received	1,073	1,008	
Bank interest paid	<u>-</u>	<u>(4,004)</u>	
Net cash inflow/(outflow) from returns on investments and servicing of finance	<u>£1,073</u>	<u>£(2,996)</u>	
(b) Capital expenditure			
Payments to acquire tangible fixed assets	(347,902)	(131,592)	
Receipts from sale of tangible fixed assets	<u>5,488</u>	<u>238</u>	
	<u>£(342,414)</u>	<u>£(131,354)</u>	
(c) Analysis of changes in net funds	At 1st January, 2003	Cash Flows	At 31st December, 2003
Cash at bank	<u>£156,509</u>	<u>£(153,619)</u>	<u>£2,890</u>

RAVENCOURT SERVICES LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
31ST DECEMBER, 2003

1. ACCOUNTING POLICIES

These financial statements have been prepared on the basis of the following accounting policies, which have been applied consistently for the period.

1.1 Basis of Accounting

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

1.2 Depreciation

Depreciation is provided to write off the cost less estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:-

Leasehold improvements	:	20% straight line
Plant and machinery	:	20% - 100% straight line

1.3 Leases

Assets acquired under finance leases are capitalised and the outstanding future lease obligations are shown in creditors. Operating lease rentals are charged to the profit and loss account on a straight line basis over the period of the lease.

1.4 Stocks

Stocks are stated at the lower of cost and net realisable value in accordance with current United Kingdom accounting standards.

1.5 Deferred Taxation

Deferred tax arises as a result of including items of income and expenditure in taxation computations in periods different from those in which they are included in the company's accounts. Deferred tax is provided in full on timing differences, which result in an obligation to pay more tax at a future date, at the current tax rates and laws. Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

1.6 Turnover

Turnover represents the invoiced value of goods and services supplied by the company to its parent undertaking, net of value added tax and trade discounts.

1.7 Post-retirement Benefits

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The amount charged against profit represents the contributions payable to the scheme in respect of the accounting period.

RAVENCOURT SERVICES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS - CONTINUED

31ST DECEMBER, 2003

2. EMPLOYEE INFORMATION

The average number of employees during the year (including directors) was as follows:-

	Number 2003	Number 2002
Administration and production	58 ==	52 ==
The aggregate payroll costs of these persons were as follows:-	£	£
Wages and salaries	2,699,933	2,326,443
Social security costs	281,859	238,285
Defined contribution pension costs	51,814	40,861
	<u>£3,033,606</u>	<u>£2,605,589</u>

3. REMUNERATION OF DIRECTORS

Included in wages and salaries above are the following amounts relating to directors:

	£	£
Emoluments	689,860	660,000
Defined contribution pension cost	20,154	20,160
	<u>£710,014</u>	<u>£680,160</u>

The remuneration of the highest paid director was £359,860 (2002: £165,000) and company pension contributions of £5,040 (2002: £5,040) were made to a money purchase scheme on their behalf.

Four directors are accruing retirement benefits under money purchase schemes.

4. OPERATING PROFIT

	2003 £	2002 £
Operating profit is stated after charging:-		
Auditors' remuneration - audit	5,000	4,500
- other services	-	1,500
Depreciation - owned assets	152,754	118,816
- leased assets	-	55,386
Loss on disposal of fixed assets	6,723	966
Operating leases	<u>309,217</u>	<u>119,257</u>

RAVENCOURT SERVICES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS - CONTINUED

31ST DECEMBER, 2003

5. INTEREST PAYABLE AND SIMILAR CHARGES

	2003	2002
Finance charges payable in respect of finance leases and hire purchase contracts	£ -	£4,004
	<u>=====</u>	<u>=====</u>

6(a). TAX ON PROFITS ON ORDINARY ACTIVITIES

	£	£
UK corporation tax on profits of the period	12,000	11,600
Adjustment in respect of previous periods	(271)	(67)
	<u>=====</u>	<u>=====</u>
Total current tax	£11,729	£11,533
	<u>=====</u>	<u>=====</u>

6(b). Factors affecting the tax charge for the period

	£	£
Profit on ordinary activities before tax	29,868	16,053
	<u>=====</u>	<u>=====</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 19% (2002: 19%)	5,675	3,050
Expenses not deductible for tax purposes	33,979	34,038
Deductions allowable for tax purposes	(3,982)	(192)
Capital allowances for the year in excess of depreciation	(24,147)	(25,661)
Adjustments in respect of a change in corporation tax rates	-	145
Adjustment to tax charge in respect of provision made	204	153
	<u>=====</u>	<u>=====</u>
Current tax charge for the period (note 6(a))	£11,729	£11,533
	<u>=====</u>	<u>=====</u>

7. TANGIBLE FIXED ASSETS

	Leasehold Improvements £	Plant and Machinery £	Total £
Cost			
At 1st January, 2003	34,170	1,101,183	1,135,353
Additions	198,660	149,242	347,902
Disposals	(34,170)	(296,975)	(331,145)
	<u>=====</u>	<u>=====</u>	<u>=====</u>
At 31st December, 2003	198,660	953,450	1,152,110
	<u>=====</u>	<u>=====</u>	<u>=====</u>
Depreciation			
At 1st January, 2003	29,614	949,564	979,178
Charge for the year	31,044	121,710	152,754
Eliminated on disposal	(34,170)	(284,764)	(318,934)
	<u>=====</u>	<u>=====</u>	<u>=====</u>
At 31st December, 2003	26,488	786,510	812,998
	<u>=====</u>	<u>=====</u>	<u>=====</u>
Net Book Value			
As at 31st December, 2003	£172,172	£166,940	£339,112
	<u>=====</u>	<u>=====</u>	<u>=====</u>
As at 31st December, 2002	£4,556	£151,619	£156,175
	<u>=====</u>	<u>=====</u>	<u>=====</u>

RAVENCOURT SERVICES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS - CONTINUED

31ST DECEMBER, 2003

7. TANGIBLE FIXED ASSETS - Continued

Included in the net book value of plant and machinery is £nil (2002: £nil) in respect of assets held under hire purchase contracts. Depreciation for the year on these assets was £nil (2002: £55,386).

8. DEBTORS	2003 £	2002 £
Trade debtors	-	80,414
Amounts owed by parent company	774,456	564,957
Other debtors	35,200	34,192
Prepayments and accrued income	116,148	45,562
	<u>£925,804</u>	<u>£725,125</u>

9. CREDITORS: Amounts falling due within one year

	£	£
Trade creditors	36,729	73,370
Corporation tax	12,000	11,600
Other taxes and social security costs	91,307	86,557
Other creditors	221	4,002
Accruals and deferred income	669,607	424,912
	<u>£809,864</u>	<u>£600,441</u>

10. OPERATING LEASE COMMITMENTS

At the year end the company had no capital commitments.

At 31st December, 2003 the company was committed to paying the following annual rentals, under irrecoverable agreements as set out below:-

	2003 Land & Buildings £	2002 Land & Buildings £
Operating leases which expire:		
Within one year	15,415	60,000
Within two to five years	-	37,335
More than five years (see note below)	358,812	358,812
	<u></u>	<u></u>
	2003 Other £	2002 Other £
Operating leases which expire:		
Within two to five years	65,776	-
	<u></u>	<u></u>

The annual rental payable, that is due for more than five years, does not commence until May 2004.

RAVENSCOURT SERVICES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS - CONTINUED

31ST DECEMBER, 2003

11. CALLED UP SHARE CAPITAL

	2003	2002
Authorised		
1,000 Ordinary shares of £1 each	£1,000	£1,000
	<u>=====</u>	<u>=====</u>
Allotted, called up and fully paid		
2 Ordinary shares of £1 each	£2	£2
	<u>==</u>	<u>==</u>

**12. RECONCILIATION OF MOVEMENTS
IN SHAREHOLDERS' FUNDS**

	£	£
Profit for the financial year	18,139	4,520
Shareholders' funds brought forward	<u>440,353</u>	<u>435,833</u>
Shareholders' funds carried forward	<u>£458,492</u>	<u>£440,353</u>

13. RELATED PARTY TRANSACTIONS

As a 100% owned subsidiary, the company has taken advantage of the exemptions conferred by Financial Reporting Standard Number 8 not to disclose its transactions with its parent company.

At 31st December 2003, the company was owed £nil (2002: £80,414) from Leopard Films Limited, a company in which J. Mills was a director, until his resignation from that company on 30th April 2003.

14. ULTIMATE CONTROLLING PARTY

The company's parent company is Lion Television Limited, a company incorporated in England, by virtue of its 100% shareholding in Ravenscourt Services Limited.

The company is therefore controlled by the directors of Lion Television Limited by virtue of their shareholdings in that company.