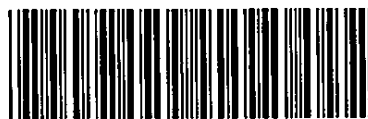


Shed Productions (Jailbirds) Limited

REPORT AND FINANCIAL STATEMENTS

For the year ended 31 December 2008

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COMPANIES HOUSE

Company Registration Number: 3613050

Shed Productions (Jailbirds) Limited

DIRECTORS

M Chadwick
B Park
E Gallagher
A McManus
J Kemp
N Southgate

SECRETARY

J Kemp

COMPANY NUMBER

3613050

REGISTERED OFFICE AND BUSINESS ADDRESS

2 Holford Yard
London
WC1X 9HD

AUDITOR

Baker Tilly UK Audit LLP
Chartered Accountants
2 Bloomsbury Street
London WC1B 3ST

BANKERS

Barclays Bank Plc
27 Soho Square
London W1D 3QR

Shed Productions (Jailbirds) Limited

DIRECTORS' REPORT

The directors present their report and financial statements of Shed Productions (Jailbirds) Limited for the year period ended 31 December 2008.

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was the production and exploitation of television programmes.

REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS

Business review

The profit for the year after taxation amounted to £4,328 (16 months ended 31 December 2007: £4,975 loss).

In the current year the company received receipts from international and DVD sales of Bad Girls Series 1 and had costs associated with the depreciation of programme assets.

Future outlook

In future years the company will continue to receive receipts from international and DVD sales and is likely to produce additional television programming.

Principal risks

The directors of Shed Media plc manage the group's risks at a group level, rather than at an individual business unit level. For this reason, the directors believe that a discussion of the company's risks would not be appropriate for an understanding of the development, performance and position of Shed Productions (Jailbirds) Limited's business. The principal risks and uncertainties of Shed Media plc, which include those of the company, are discussed in the group's annual report, which does not form part of this report.

Key performance indicators

The directors of Shed Media plc manage the group's operations at a group level, rather than at an individual business unit level. For this reason, the directors believe that an analysis of the key performance indicators for the company is not necessary or appropriate for an understanding of the development, performance and position of the business of Shed Productions (Jailbirds) Limited. The development, performance and position of Shed Media plc, which include those of the company, are discussed in the group's annual report, which does not form part of this report.

DIVIDENDS

The directors do not recommend the payment of an ordinary dividend (2007: £Nil).

Shed Productions (Jailbirds) Limited

DIRECTORS' REPORT

DIRECTORS

The following directors have held office since 1 January 2008:

M Chadwick
B Park
E Gallagher
A McManus
J Kemp
N Southgate (appointed 20 January 2009)

STATEMENT AS TO DISCLOSURE OF INFORMATION TO THE AUDITOR

The directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditor is unaware. Each of the directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

AUDITOR

A resolution to reappoint Baker Tilly UK Audit LLP, Chartered Accountant as auditor will be put to the members at the next annual general meeting.

On behalf of the Board



J Kemp
Director

1 April 2009

Shed Productions (Jailbirds) Limited

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

The directors are responsible for preparing the Annual 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 elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and estimates that are reasonable and prudent;
- c. 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 requirements of 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SHED PRODUCTIONS (JAILBIRDS) LIMITED

We have audited the financial statements on pages 6 to 13.

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 auditor

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) 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 International Standards on Auditing (UK and Ireland).

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 whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition, we report to you if, in our opinion, 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 other transactions is not disclosed.

We read the Directors' Report and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs at 31 December 2008 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.

Baker Tilly UK Audit LLP

BAKER TILLY UK AUDIT LLP

Registered Auditor
Chartered Accountants
2 Bloomsbury Street
London WC1B 3ST

1 April 2009

Shed Productions (Jailbirds) Limited

PROFIT AND LOSS ACCOUNT for the year ended 31 December 2008

	Notes	Year ended 31 December 2008 £	16 months ended 31 December 2007 £
TURNOVER	1	3,384	8,059
Cost of sales		(18,594)	(47,855)
GROSS LOSS		<u>(15,210)</u>	<u>(39,796)</u>
Operating expenses		(4,444)	(6,915)
OPERATING LOSS		<u>(19,654)</u>	<u>(46,711)</u>
Interest receivable	2	201,863	236,827
Interest payable	3	(170,395)	(200,675)
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION	4	<u>11,814</u>	<u>(10,559)</u>
Taxation	6	(7,486)	5,584
PROFIT/(LOSS) FOR THE YEAR/PERIOD	12	<u><u>4,328</u></u>	<u><u>(4,975)</u></u>

The operating loss for the year/period arises from the company's continuing operations.

No separate Statement of Total Recognised Gains and Losses has been presented as all such gains and losses have been dealt with in the profit and loss account.

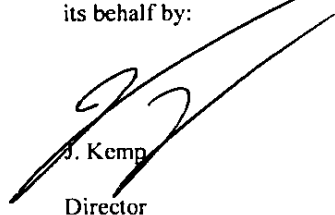
Shed Productions (Jailbirds) Limited

BALANCE SHEET

as at 31 December 2008

	Notes	2008 £	2007 £
FIXED ASSETS			
Tangible assets	7	136,692	155,271
CURRENT ASSETS			
Debtors	8	258,249	277,903
Cash at bank and in hand		-	5,321
		258,249	283,224
CREDITORS: amounts falling due within one year	9	(260,269)	(286,150)
NET CURRENT LIABILITIES		(2,020)	(2,926)
TOTAL ASSETS LESS CURRENT LIABILITIES		134,672	152,345
CREDITORS: amounts falling due after more than one year	10	(47,262)	(69,263)
NET ASSETS		87,410	83,082
CAPITAL AND RESERVES			
Called up share capital	11	300	300
Profit and loss account	12	87,110	82,782
EQUITY SHAREHOLDERS' FUNDS	13	87,410	83,082

The financial statements were approved by the Board and authorised for issue on 1 April 2009 and are signed on its behalf by:


J. Kemp
Director

Shed Productions (Jailbirds) Limited

ACCOUNTING POLICIES

BASIS OF ACCOUNTING

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

TURNOVER

Turnover represents distribution income and amounts receivable for work carried out in producing television programmes.

Production income is recognised over the period of the production or as per the contract where payment is dependent on delivery of materials. Gross profit on production activity is recognised over the period of the production or in accordance with the underlying contract and where there is certainty of this being realised; overages on productions are recognised as they arise and underages are recognised on completion of the productions.

Distribution income is recognised when invoiced, by the distributor, as per the contract.

LEASED ASSETS AND OBLIGATIONS

Where assets are financed by leasing agreements that give rights approximating to ownership ("finance leases"), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable during the lease term. The corresponding leasing commitments are shown as obligations to the lessor.

Lease payments are treated as consisting of capital and interest elements, and the interest is charged to the profit and loss account in proportion to the remaining balance outstanding.

All other leases are "operating leases" and the annual rentals are charged to profit and loss on a straight line basis over the lease term.

TANGIBLE FIXED ASSETS

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided on the programme assets in accordance with the income forecast method whereby depreciation is taken to the profit and loss account on the same pro rata basis as the income received in the accounting period bears to the expected revenue over the life of the programme.

PROGRAMME ASSETS HELD UNDER FINANCE LEASES

Programme assets held under finance leases are treated as if they had been purchased outright at the present value of the rentals payable, less finance charges, over the primary period of the agreements. Any surplus generated from the excess of interest due from the sale proceeds held on deposit as compared with the interest payable under the lease agreement is recognised as profit in the period of initial contract, after accounting for related costs.

DEFERRED TAXATION

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 that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

Shed Productions (Jailbirds) Limited

ACCOUNTING POLICIES

CASHFLOW STATEMENT EXEMPTION

The company has taken advantage of the exemption within FRS1 – Cash Flow Statements, for subsidiaries with 90% or more of the voting rights controlled within the group.

Shed Productions (Jailbirds) Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2008

1 TURNOVER AND PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION

The company's turnover and profit/(loss) before taxation were all derived from its principal activity wholly undertaken in the United Kingdom.

2 INTEREST RECEIVABLE

	Year ended 31 December 2008 £	16 months ended 31 December 2007 £
Other interest receivable	201,863	236,827

3 INTEREST PAYABLE

	Year ended 31 December 2008 £	16 months ended 31 December 2007 £
Interest payable on finance lease and hire purchase contracts	170,395	200,675

4 PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION

	Year ended 31 December 2008 £	16 months ended 31 December 2007 £
Profit/(loss) on ordinary activities before taxation is stated after charging:		
Depreciation and amounts written off tangible fixed assets:		
Charge for the year/period – programme assets	18,579	47,854

Auditor's remuneration in the current and prior periods was borne by the parent company, Shed Media plc.

5 EMPLOYEES

The only employees during the year were the directors, none of whom received any remuneration as directors of this company (2007: £Nil).

Shed Productions (Jailbirds) Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2008

6	TAX ON PROFIT/(LOSS) ON ORDINARY ACTIVITIES	Year ended	16 months
		31 December	ended
		2008	2007
		£	£
	Based on the result for the year/period:		
	UK corporation tax on profit of year/period	3,830	-
	Adjustment in respect of prior periods	3,656	(5,584)
	Total current tax charge/(credit) for the year/period	<u>7,486</u>	<u>(5,584)</u>
	Factors affecting tax charge/(credit) for year/period:		
	Profit/(loss) on ordinary activities before tax	<u>11,814</u>	<u>(10,559)</u>
	Profit/(loss) on ordinary activities multiplied by the average standard rate of 28.5% (2007: 30%)	3,367	(3,168)
	Effects of:		
	Group relief not paid for	-	3,168
	Transfer pricing adjustments	2,077	-
	Adjustments in respect of previous periods	3,656	(5,584)
	Other timing differences	(1,614)	-
	Current tax charge/(credit) for the year/period	<u>7,486</u>	<u>(5,584)</u>
7	TANGIBLE FIXED ASSETS		Programme
			assets
			£
	Cost:		
	At 1 January 2008 and 31 December 2008		<u>747,880</u>
	Depreciation:		
	At 1 January 2008		592,609
	Charge for the year		18,579
	At 31 December 2008		<u>611,188</u>
	Net book value:		
	At 31 December 2008		<u>136,692</u>
	At 1 January 2008		<u>155,271</u>

The net book value of programme assets held under finance leases is £136,692 (31 December 2007: £155,271). The related depreciation charge for the year in respect of those assets is £18,579 (period ended 31 December 2007: £47,854).

Shed Productions (Jailbirds) Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2008

8	DEBTORS	2008	2007
		£	£
	Amounts owed by group undertakings	190,000	190,000
	Corporation tax	-	2,499
	Prepayments and accrued income	68,249	85,404
		<u>258,249</u>	<u>277,903</u>
9	CREDITORS: Amounts falling due within one year	2008	2007
		£	£
	Net obligations under finance lease and hire purchase contracts	22,001	33,322
	Amounts owed to group undertakings	182,897	186,735
	Accruals and deferred income	55,371	66,093
		<u>260,269</u>	<u>286,150</u>
10	CREDITORS: Amounts falling due after more than one year	2008	2007
		£	£
	Net obligations under finance lease and hire purchase contracts	69,263	102,585
	Net obligations under finance leases and hire purchase contracts:		
	Repayable within one year	22,001	33,322
	Repayable between two and five years	47,262	69,263
		<u>69,263</u>	<u>102,585</u>
	Included in creditors falling due within one year	(22,001)	(33,322)
		<u>47,262</u>	<u>69,263</u>
11	SHARE CAPITAL	2008	2007
		£	£
	Authorised:		
	10,000 ordinary shares of £1 each	10,000	10,000
	Allotted, called up and fully paid:		
	300 ordinary share of £1 each	300	300
12	PROFIT AND LOSS ACCOUNT		£
	At 1 January 2008		82,782
	Profit for the financial year		4,328
	At 31 December 2008		<u>87,110</u>

Shed Productions (Jailbirds) Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2008

13	RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS	2008 £	2007 £
	Profit/(loss) for the financial year/period	4,328	(4,975)
	Net addition to (reduction in) shareholders' funds	<u>4,328</u>	<u>(4,975)</u>
	Opening shareholders' funds	83,082	88,057
	Closing shareholders' funds	<u>87,410</u>	<u>83,082</u>

14 RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption conferred by Financial Reporting Standard No.8 from the requirements to disclose details of transactions with group companies.

Other than the transactions with group companies, there were no related party transactions during the year/period.

15 CONTROLLING PARTIES

The immediate parent undertaking is Shed Media plc, a company incorporated in England and Wales.

Consolidated accounts have been drawn up for Shed Media plc and are available from the following address:

2 Holford Yard
London
WC1X 9HD

The ultimate controlling party is Shed Media plc, which is the only parent company to have prepared consolidated financial statements.