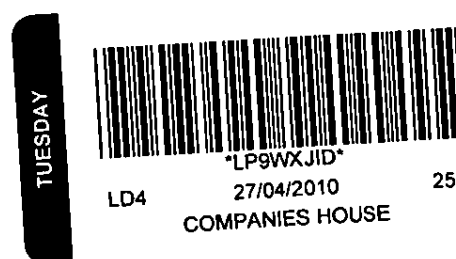


Shed Productions (Jailbirds) Limited

REPORT AND FINANCIAL STATEMENTS

For the year ended 31 December 2009



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
Registered Auditor
Chartered Accountants
2 Bloomsbury Street
London WC1B 3SF

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 ended 31 December 2009

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 £667 (2008 £4,328)

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 (2008 £Nil)

Shed Productions (Jailbirds) Limited

DIRECTORS' REPORT

DIRECTORS

The following directors have held office since 1 January 2009

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 that, as far as they are aware, 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

7 April 2010

Shed Productions (Jailbirds) Limited

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

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 elected to prepare 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 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 state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- d 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 AUDITOR'S REPORT TO THE MEMBERS OF SHED PRODUCTIONS (JAILBIRDS) LIMITED

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

This report is made solely to the company's members, as a body, in accordance with sections Chapter 3 of Part 16 of the Companies Act 2006. 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

As more fully explained in the Directors' Responsibilities Statement 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 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 (APB's) Ethical Standards for Auditors.

Scope of the audit

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/UKNP.

Opinion on the 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 December 2009 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.

Baker Tilly UK Audit LLP

David Clark (Senior Statutory Auditor)

For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor

Chartered Accountants

2 Bloomsbury Street

London WC1B 3ST

7 April 2010

Shed Productions (Jailbirds) Limited

PROFIT AND LOSS ACCOUNT

for the year ended 31 December 2009

	Notes	2009 £	2008 £
TURNOVER	1	830	3,384
Cost of sales		(16,309)	(18,594)
GROSS LOSS		<u>(15,479)</u>	<u>(15,210)</u>
Operating expenses		(3,971)	(4,444)
OPERATING LOSS		<u>(19,450)</u>	<u>(19,654)</u>
Interest receivable	2	126,941	201,863
Interest payable	3	(106,686)	(170,395)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	4	<u>805</u>	<u>11,814</u>
Taxation	6	(138)	(7,486)
PROFIT FOR THE YEAR	12	<u><u>667</u></u>	<u><u>4,328</u></u>

The operating loss for the year 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 2009

Company Registration No 3613050

	Notes	2009 £	2008 £
FIXED ASSETS			
Tangible assets	7	120,403	136,692
CURRENT ASSETS			
Debtors	8	242,964	258,249
		242,964	258,249
CREDITORS amounts falling due within one year	9	(246,664)	(260,269)
NET CURRENT LIABILITIES		(3,700)	(2,020)
TOTAL ASSETS LESS CURRENT LIABILITIES		116,703	134,672
CREDITORS amounts falling due after more than one year	10	(28,626)	(47,262)
NET ASSETS		88,077	87,410
CAPITAL AND RESERVES			
Called up share capital	11	300	300
Profit and loss account	12	87,777	87,110
EQUITY SHAREHOLDERS' FUNDS	13	88,077	87,410

The financial statements were approved by the Board and authorised for issue on 7 April 2010 and are signed on its behalf by

J. Kemp

Director

Shed Productions (Jailbirds) Limited

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2009

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

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 2009

GOING CONCERN

After making reasonable enquiries, the directors consider that the Company has adequate resources and facilities to continue in operational existence for the foreseeable future and therefore the financial statements are prepared on a going concern basis

Shed Productions (Jailbirds) Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2009

1 TURNOVER AND PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

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

2	INTEREST RECEIVABLE	2009	2008
		£	£
	Other interest receivable	126,941	201,863
		<u>126,941</u>	<u>201,863</u>
3	INTEREST PAYABLE	2009	2008
		£	£
	Interest payable on finance lease and hire purchase contracts	106,686	170,395
		<u>106,686</u>	<u>170,395</u>
4	PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	2009	2008
		£	£
	Profit on ordinary activities before taxation is stated after charging		
	Depreciation – programme assets	16,289	18,579
		<u>16,289</u>	<u>18,579</u>

Auditor's remuneration for the current year was borne by Shed Productions Limited. The prior year amount was borne by the ultimate 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 (2008: £Nil).

Shed Productions (Jailbirds) Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2009

6	TAX ON PROFIT ON ORDINARY ACTIVITIES	2009 £	2008 £
	Based on the result for the year		
	UK corporation tax on profit of year	-	3,830
	Adjustment in respect of prior periods	1,614	3,656
	Group relief	(1,476)	-
	Total current tax charge for the year	<u>138</u>	<u>7,486</u>
	Factors affecting tax charge for year		
	Profit on ordinary activities before tax	<u>805</u>	<u>11,814</u>
	Profit on ordinary activities multiplied by the average standard rate of 28% (2008 28.5%)	225	3,367
	Effects of		
	Transfer pricing adjustments	(1,701)	2,077
	Adjustments in respect of previous periods	1,614	3,656
	Other timing differences	-	(1,614)
	Current tax charge for the year	<u>138</u>	<u>7,486</u>

Corporation tax is charged through the intercompany account and settled on a group basis. The overall group corporation tax liability is held within the ultimate parent company, Shed Media Plc.

7	TANGIBLE FIXED ASSETS	Programme assets £
	Cost	
	At 1 January and 31 December 2009	<u>747,880</u>
	Depreciation	
	At 1 January 2009	611,188
	Charge for the year	16,289
	At 31 December 2009	<u>627,477</u>
	Net book value	
	At 31 December 2009	<u>120,403</u>
	At 1 January 2009	<u>136,692</u>

The programme assets are all held under finance lease arrangements.

Shed Productions (Jailbirds) Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2009

8	DEBTORS	2009 £	2008 £
	Amounts owed by group undertakings	189,418	190,000
	Prepayments and accrued income	53,546	68,249
		<u>242,964</u>	<u>258,249</u>
9	CREDITORS Amounts falling due within one year	2009 £	2008 £
	Net obligations under finance lease and hire purchase contracts	18,637	22,001
	Amounts owed to group undertakings	181,639	182,897
	Accruals and deferred income	46,388	55,371
		<u>246,664</u>	<u>260,269</u>
10	CREDITORS Amounts falling due after more than one year	2009 £	2008 £
	Net obligations under finance lease and hire purchase contracts	47,263	69,263
	Net obligations under finance leases and hire purchase contracts		
	Repayable within one year	18,637	22,001
	Repayable between two and five years	28,626	47,262
		<u>47,263</u>	<u>69,263</u>
	Included in creditors falling due within one year	(18,637)	(22,001)
		<u>28,626</u>	<u>47,262</u>
11	SHARE CAPITAL	2009 £	2008 £
	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 2009		87,110
	Profit for the financial year		667
	At 31 December 2009		<u>87,777</u>

Shed Productions (Jailbirds) Limited

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2009

13	RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS	2009 £	2008 £
	Profit for the financial year	667	4,328
	Net addition to shareholders' funds	667	4,328
	Opening shareholders' funds	87,410	83,082
	Closing shareholders' funds	88,077	87,410

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

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