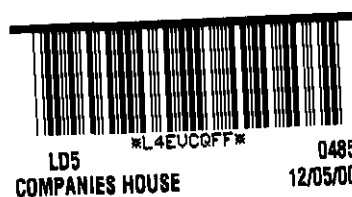


S1305

Company Registration No. 3617464 (England and Wales)

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**SHED PRODUCTIONS (BAD GIRLS) LIMITED**  
**DIRECTORS' REPORT AND ACCOUNTS**  
**FOR THE PERIOD ENDED 31 AUGUST 1999**



# SHED PRODUCTIONS (BAD GIRLS) LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	M Chadwick B Park E Gallagher A McManus
<b>Secretary</b>	K Gotts
<b>Company number</b>	3617464
<b>Registered office</b>	Acre House 11-15 William Road London NW1 3ER
<b>Business address</b>	69 Gibson Square London N1 0RA
<b>Auditors</b>	H. W. Fisher & Company Acre House 11-15 William Road London NW1 3ER
<b>Bankers</b>	Barclays Bank Plc 27 Soho Square London W1A 4WA

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# SHED PRODUCTIONS (BAD GIRLS) LIMITED

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**SHED PRODUCTIONS (BAD GIRLS) LIMITED****DIRECTORS' REPORT  
FOR THE PERIOD ENDED 31 AUGUST 1999**

The directors present their report and accounts for the period ended 31 August 1999. The company was incorporated on 18 August 1998 as Shed Productions Limited and changed its name to Shed Productions (Bad Girls) Limited on 17 May 1999. The company commenced trading on 25 November 1998.

**Principal activities**

The principal activity of the company is to provide television and film production services and the exploitation of the rights to those productions.

**Results and dividends**

The profit for the period after taxation amounted to £37,854.

**Year 2000 compliance**

The directors have considered whether the company's operations could be adversely affected by malfunctions in computer or other equipment arising from errors in processing dates in the year 2000 and beyond. No part of the company's current operations are critically dependent on computer or other equipment which could be affected by year 2000 problems.

**Directors and their interests**

The directors at 31 August 1999 and their beneficial interests in the shares of the company were:

	Ordinary of £1 each	
	31 August 1999	18 August 1998
M Chadwick	100	100
B Park	100	100
E Gallagher	50	50
A McManus	50	50

**Auditors**

H. W. Fisher & Company were appointed auditors to the company and a resolution proposing that they be reappointed will be put to the members at the next Annual General Meeting.

On behalf of the Board



E Gallagher

Director

Dated: ..... 20/4/00

## SHED PRODUCTIONS (BAD GIRLS) LIMITED

### STATEMENT OF DIRECTORS' RESPONSIBILITIES

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Company law requires the directors to prepare accounts 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 of the company for that period.

In preparing those accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the accounts 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 accounts comply with 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.

**SHED PRODUCTIONS (BAD GIRLS) LIMITED**

**AUDITORS' REPORT  
TO THE SHAREHOLDERS**

We have audited the accounts on pages 4 to 8 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

**Respective responsibilities of directors and auditors**

As described on page 2 the company's directors are responsible for the preparation of accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

**Basis of 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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, 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 accounts 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 accounts.

**Opinion**

In our opinion the accounts give a true and fair view of the state of the company's affairs as at 31 August 1999 and of its profit for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

*H. W. Fisher & Company*

H. W. Fisher & Company

Chartered Accountants

Registered Auditor

Acre House

11-15 William Road

London

NW1 3ER

Dated: *3 May 2000*

# SHED PRODUCTIONS (BAD GIRLS) LIMITED

## PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 31 AUGUST 1999

	Notes	Period ended 31 August 1999 £
Turnover	2	981,059
Cost of sales		(914,321)
Gross profit		66,738
Administrative expenses		(18,876)
Profit on ordinary activities before taxation		47,862
Tax on profit on ordinary activities	6	(10,008)
Profit on ordinary activities after taxation		37,854
Accumulated loss brought forward		-
Retained profit carried forward		37,854

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

There are no recognised gains and losses other than those passing through the profit and loss account.

# SHED PRODUCTIONS (BAD GIRLS) LIMITED

## BALANCE SHEET

AS AT 31 AUGUST 1999

	Notes	1999 £	£
<b>Current assets</b>			
Debtors	7	627,334	
Cash at bank and in hand		509,501	
		<u>1,136,835</u>	
<b>Creditors: amounts falling due within one year</b>	8	(1,098,681)	
		<u></u>	
<b>Total assets less current liabilities</b>			<u>38,154</u>
<b>Capital and reserves</b>			
Called up share capital	9		300
Profit and loss account			<u>37,854</u>
<b>Shareholders' funds - all equity interests</b>	10		<u>38,154</u>

The accounts were approved by the Board on 20/4/00



E Gallagher  
Director



# SHED PRODUCTIONS (BAD GIRLS) LIMITED

## NOTES TO THE ACCOUNTS

FOR THE PERIOD ENDED 31 AUGUST 1999

### 1 Accounting policies

#### 1.1 Basis of preparation

The accounts have been prepared under the historical cost convention.

#### 1.2 Turnover

Turnover represents the invoiced value of goods sold and services provided net of VAT.

### 2 Turnover

The total turnover of the company for the period has been derived from its principal activity wholly undertaken in the United Kingdom.

### 3 Operating profit

1999

£

Operating profit is stated after charging:

Auditors' remuneration

4,000

### 4 Directors' emoluments

1999

£

Aggregate emoluments

8,000

### 5 Employees

#### Number of employees

The average monthly number of employees during the period was:

1999

Number

Management and administration

4

#### Employment costs

£

Wages and salaries

8,000

### 6 Tax on profit on ordinary activities

1999

£

U.K. Current year taxation

U.K. Corporation tax at 21% and 20%

10,008



SHED PRODUCTIONS (BAD GIRLS) LIMITED

NOTES TO THE ACCOUNTS

FOR THE PERIOD ENDED 31 AUGUST 1999

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11 Related party transactions

The directors, or companies owned by the directors, received the following Producer's fees in respect of the first series of "Bad Girls" in accordance with the Production Services Agreement between Shed Productions (Bad Girls) Limited and Shed Productions (Jailbirds) Limited, a company which shares the same directors and shareholders as this company.

Maureen Chadwick / Crush Productions	294,000
Brian Park / Axeman Limited	294,000
Eileen Gallagher / ERG Media Limited	147,000
Ann McManus	<u>147,000</u>
	882,000

The above amounts are stated net of VAT. All the above amounts were outstanding at 31 August 1999.

During the period, the company invoiced Shed Productions (Jailbirds) Limited for executive production and concept fees totalling £848,937, excluding VAT, of which £420,000, excluding VAT, remained outstanding at 31 August 1999 and is included in Other debtors.

Included in Other creditors at 31 August 1999 is £17,612 due to Shed Productions (Jailbirds) Limited in respect of that company's share of income received by Shed Productions (Bad Girls) Limited from the exploitation of the first series of "Bad Girls", in accordance with the Productions Services Agreement between the two companies.