

**URBAN GOTHIC  
PRODUCTIONS LIMITED**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**31 DECEMBER 2006**

**COMPANY NUMBER 03882046**



# URBAN GOTHIC PRODUCTIONS LIMITED

## FINANCIAL STATEMENTS

For the year ended 31 DECEMBER 2006

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Company Registration Number      03882046

Registered Office                      4th Floor  
Portland House  
4 Great Portland Street  
London  
W1W 8QJ

Directors                                N I Humphrey

Secretary                                A Ordonez

Bankers                                  Barclays Bank PLC  
27 Soho Square  
London  
W1A 4WA

Solicitors                                Eversheds LLP  
Senator House  
85 Queen Victoria Street,  
London  
EC4V 4JL

Auditors                                  Shipleys LLP  
10 Orange Street  
Haymarket  
London  
WC2H 7DQ

# **URBAN GOTHIC PRODUCTIONS LIMITED**

## **FINANCIAL STATEMENTS**

For the year ended 31 DECEMBER 2006

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# **URBAN GOTHIC PRODUCTIONS LIMITED**

## **REPORT OF THE DIRECTORS**

For the year ended 31 DECEMBER 2006

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The directors present their report together with the audited financial statements for the year ended 31 December 2006

### **Principal activity**

The company's principal activity is television production and the exploitation of television rights

### **Business review and future developments**

The results for the year are shown on page 5. It is not envisaged that the company will engage in further projects but it is anticipated that the company will continue to exploit the rights in the projects it holds

The directors do not recommend the payment of a dividend (2005 £nil)

### **Directors**

The directors who served throughout the year were as follows

J C R Auty  
N I Humphrey

Chris Auty resigned as a director of the company on the 8<sup>th</sup> of March 2007

Neither of the directors held an interest in the shares of the company at 31 December 2006 or at 31 December 2005, and the interest of the directors in the shares of the parent undertaking are shown in that company's financial statements

### **Directors' responsibilities for the financial statements**

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 of the company for that period. In preparing those financial statements, the directors 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
- 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, for safeguarding the assets of the company and for taking reasonable steps for the prevention and detection of fraud and other irregularities

In so far as the directors are aware

- There is no relevant audit information of which the company's auditor is unaware, and
- The directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

**URBAN GOTHIC PRODUCTIONS LIMITED**

**REPORT OF THE DIRECTORS**

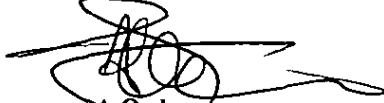
For the year ended 31 DECEMBER 2006

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**AUDITOR**

A resolution to re-appoint Shipleys LLP as auditor for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

**BY ORDER OF THE BOARD**



**A. Ordonez**

**Secretary**

30 March 2007

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF URBAN GOTHIC PRODUCTIONS LIMITED**

We have audited the financial statements of Urban Gothic Productions Limited for the year ended 31 December 2005, which comprise the Profit and Loss Account, the Balance Sheet and the related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

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 auditors' 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 described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Policy).

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 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.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatement within it.

### **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 as at 31 December, 2006 and of its result for the year then ended
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Director's report is consistent with the financial statements



**SHIPLEYS LLP**  
**REGISTERED AUDITORS**  
30 March 2007

# **URBAN GOTHIC PRODUCTIONS LIMITED**

## **PRINCIPAL ACCOUNTING POLICIES**

For the year ended 31 DECEMBER 2006

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### **BASIS OF PREPARATION**

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

The principal accounting policies of the company are set out below

### **TURNOVER**

Revenues are derived from the exploitation of the film rights that the company owns, inclusive of the net benefit from sale and leaseback arrangements, together with development premiums and executive production fees

### **STOCK AND WORK IN PROGRESS**

Stock and work in progress, which is stated at the lower of cost and net realisable value, represents development and production expenditure. These costs are carried forward only when, in the opinion of the directors, there is a clearly defined project, and the recovery of these costs can reasonably be expected. Where production expenditure has been financed by non-recourse loans, the company makes provision in full against such 'ring fenced' expenditure as it is incurred. The non-recourse loans are only repayable to the extent that revenues are generated from the exploitation of the asset to which they relate. Accordingly, full matching provision is made in respect of these liabilities, with no overall net effect on the profit and loss account. Any revenues subsequently received are recognised on receipt, and a corresponding release of both the rights and loan provisions made to the profit and loss account.

### **CASHFLOW STATEMENT**

The company is exempt from the requirement of Financial Reporting Standard Number 1 (Revised 1996) to prepare a cash flow statement as it is entitled to the filing exemptions as a small company under sections 246 to 247 of the Companies Act 1985 when filing accounts with the Registrar of Companies

### **GOING CONCERN**

The financial statements have been prepared on a going concern basis as the ultimate parent undertaking has guaranteed to continue to support the company for the foreseeable future

# URBAN GOTHIC PRODUCTIONS LIMITED

## PROFIT AND LOSS ACCOUNT

For the year ended 31 DECEMBER 2006

		Year Ended 31 December 2006	Year Ended 31 December 2005
	Note	£	£
Turnover		-	-
Cost of sales		-	-
Gross profit/(loss)		-	-
Administrative expenses		-	-
Operating profit/(loss)	1	-	-
Interest receivable and similar income	2	-	-
Profit/(loss) on ordinary activities before and after taxation		-	-
Adverse reserves brought forward		(3,938)	(3,938)
Adverse reserves carried forward	8	(3,938)	(3,938)

*All amounts relate to continuing activities*

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

The accounting policies and accompanying notes form an integral part of these financial statements



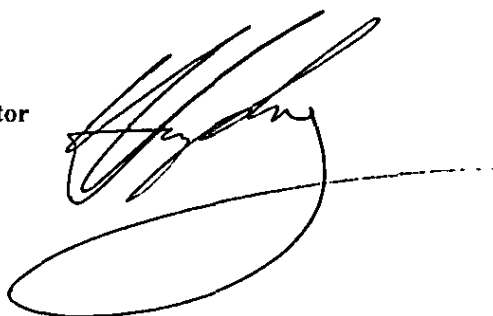
# URBAN GOTHIC PRODUCTIONS LIMITED

## BALANCE SHEET AT 31 DECEMBER 2006

	Note	2006 £	2005 £
<b>Current assets</b>			
Stock	4	-	-
Debtors	5	3,230	3,230
Cash at bank and in hand		2,154	2,154
		<u>5,384</u>	<u>5,384</u>
<b>Creditors: amounts falling due within one year</b>	6	(9,320)	(9,320)
<b>Net current liabilities</b>		<u>(3,936)</u>	<u>(3,936)</u>
<b>Capital and reserves</b>			
Called up share capital	7	2	2
Profit and loss account	8	(3,938)	(3,938)
<b>Equity shareholders' funds</b>	9	<u>(3,936)</u>	<u>(3,936)</u>

The financial statements were approved by the Board of Directors on 30 March 2007 and signed on its behalf by

N I Humphrey - Director



The accounting policies and accompanying notes form an integral part of these financial statements

# URBAN GOTHIC PRODUCTIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 DECEMBER 2006

### 1 OPERATING PROFIT

The operating profit is stated after charging -

	2006	2005
	£	£
Auditors' remuneration	-	-

### 2 INTEREST RECEIVABLE AND SIMILAR INCOME

	2006	2005
	£	£
Bank interest receivable	-	-
Bank interest payable	-	-
Net interest receivable	-	-

### 3 DIRECTORS AND EMPLOYEES

There were no employees during 2006 (2005 £nil)

No director received any remuneration for the year (2005 £nil)

### 4 STOCK AND WORK IN PROGRESS

	2006	2005
	£	£
Unamortised production costs	727,622	727,622
Less provision	(727,622)	(727,622)
	-	-

### 5 DEBTORS

	2006	2005
	£	£
Trade debtors	3,230	3,230

# URBAN GOTHIC PRODUCTIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 DECEMBER 2006

### 6 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2006	2005
	£	£
Amounts owed to group undertakings	8,680	8,680
Accruals and deferred income	640	640
	<u>9,320</u>	<u>9,320</u>

### 7 SHARE CAPITAL

	2006	2005
	£	£
Authorised		
1,000 ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
Allotted, called up and fully paid		
2 ordinary shares of £1	<u>2</u>	<u>2</u>

### 8 RESERVES

	2006	2005
	£	£
At 1 January 2006	(3,938)	(3,938)
Result for the year	-	-
At 31 December 2006	<u>(3,938)</u>	<u>(3,938)</u>

### 9 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2006	2005
	£	£
Result for the financial period	-	-
Shareholders' funds at 1 January 2006	<u>(3,936)</u>	<u>(3,936)</u>
Shareholders' funds at 31 December 2006	<u>(3,936)</u>	<u>(3,936)</u>

# **URBAN GOTHIC PRODUCTIONS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 DECEMBER 2006

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### **10 CAPITAL COMMITMENTS**

The company had no capital commitments at 31 December 2006 or at 31 December 2005

### **11 CONTINGENT LIABILITIES**

There were no contingent liabilities at 31 December 2006 or at 31 December 2005

### **12 RELATED PARTY TRANSACTIONS**

As a wholly owned subsidiary of The Works Media Group plc, the company is exempt from the requirements of Financial Reporting Standard No 8 to disclose transactions with other members of the group headed by The Works Media Group plc

There are no other related party transactions

### **13 ULTIMATE PARENT UNDERTAKING**

The directors consider the ultimate parent undertaking and the ultimate controlling party of this company to be The Works Media Group plc

Copies of the group financial statements can be obtained from that company's registered office

4th Floor  
Portland House  
4 Great Portland Street  
London  
W1W 8QJ