

**REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012
FOR
PARTHENON ENTERTAINMENT LIMITED**

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PARTHENON ENTERTAINMENT LIMITED (REGISTERED NUMBER: 04377175)

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FOR THE YEAR ENDED 30 JUNE 2012**

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PARTHENON ENTERTAINMENT LIMITED

COMPANY INFORMATION FOR THE YEAR ENDED 30 JUNE 2012

DIRECTORS

C V Hall
M J Shanks
D J Darroch
A J Griffith

SECRETARY

C J Taylor

REGISTERED OFFICE

Grant Way
Isleworth
Middlesex
TW7 5QD

REGISTERED NUMBER

04377175

AUDITORS

Nunn Hayward
Chartered Accountants
Statutory Auditor
Sterling House
20 Station Road
Gerrards Cross
Buckinghamshire
SL9 8EL

PARTHENON ENTERTAINMENT LIMITED (REGISTERED NUMBER: 04377175)

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 30 JUNE 2012

The directors present their report with the financial statements of the company for the year ended 30 June 2012

PRINCIPAL ACTIVITY

The principal activity of the company in the year has continued to be that of the production and distribution of factual entertainment programmes, wildlife documentaries and children's programmes

REVIEW OF BUSINESS

The results for the year were positive considering the continued downturn in the global economy. The directors consider turnover and operating profit to be key performance indicators of the company. As shown in the profit and loss account on page 5, turnover was £10.3m and operating profit was £2.3m.

The directors continue to take steps to exploit new revenue streams from the existing programme library and have taken all possible action to protect the business throughout the on-going downturn in the global economy.

Given the size of the company, the directors have not delegated the responsibility of monitoring financial risk management and the company's finance department implements the policies set by the board of directors.

DIVIDENDS

The total distribution of dividends for the year ended 30 June 2012 will be £133,800.

An interim ordinary dividend was paid amounting to £133,800. The directors do not recommend payment of a final dividend.

FUTURE DEVELOPMENTS

The company continues to build on its strong relationships with broadcasters, licensees and producers, built over the years as a result of its proven track record of delivering programmes of exceptional quality.

EVENTS SINCE THE END OF THE YEAR

On 26 July 2012 Parthenon Entertainment Limited's parent company, Parthenon Media Group Limited, was acquired by British Sky Broadcasting Limited when 100% of its issued share capital was acquired in full.

The continued support of British Sky Broadcasting Limited leads the directors to believe that the company has adequate resources to continue in operational existence for the foreseeable future and the financial statements have been prepared on the going concern basis.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 July 2011 to the date of this report.

C V Hall
M J Shanks

Other changes in directors holding office are as follows:

D E Jones - resigned 31 December 2011

D J Darroch and A J Griffith were appointed as directors after 30 June 2012 but prior to the date of this report.

C G Hodson, C P Baldwin and D M Tipping ceased to be directors after 30 June 2012 but prior to the date of this report.

FINANCIAL RISK MANAGEMENT

The company's operations expose it to a limited level of credit and liquidity risk. There is little financial risk arising from the effects of changes in market prices of commodities as a result of its operations. The company actively maintains a treasury system that ensures that the company has sufficient available funds for operations and to support the business going forward.

PARTHENON ENTERTAINMENT LIMITED (REGISTERED NUMBER. 04377175)

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 30 JUNE 2012

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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 these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- 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.


STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Nunn Hayward, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

ON BEHALF OF THE BOARD



C V Hall - Director

5 December 2012

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF PARTHENON ENTERTAINMENT LIMITED

We have audited the financial statements of Parthenon Entertainment Limited for the year ended 30 June 2012 on pages five to sixteen. 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 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 a Report of the Auditors 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 explained more fully in the Statement of Directors' Responsibilities set out on page three, 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 and express an opinion on 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 Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Directors to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 30 June 2012 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 Report of the Directors 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.

Nunn Hayward

Daniel Palmer (Senior Statutory Auditor)
for and on behalf of Nunn Hayward
Chartered Accountants
Statutory Auditor
Sterling House
20 Station Road
Gerrards Cross
Buckinghamshire
SL9 8EL

Date *5 December 2012*

PARTHENON ENTERTAINMENT LIMITED (REGISTERED NUMBER: 04377175)

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 JUNE 2012**

		Year Ended 30 6 12 £	Period 1 4 10 to 30 6 11 £
	Notes		
TURNOVER	2	10,346,585	11,423,917
Cost of sales		<u>5,250,020</u>	<u>6,224,259</u>
GROSS PROFIT		5,096,565	5,199,658
Administrative expenses		<u>2,776,040</u>	<u>3,184,825</u>
		2,320,525	2,014,833
Other operating income		<u>-</u>	<u>13,650</u>
OPERATING PROFIT	4	2,320,525	2,028,483
Interest payable and similar charges	5	<u>432,305</u>	<u>555,321</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		1,888,220	1,473,162
Tax on profit on ordinary activities	6	<u>618,690</u>	<u>434,912</u>
PROFIT FOR THE FINANCIAL YEAR		<u><u>1,269,530</u></u>	<u><u>1,038,250</u></u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current year or previous period

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current year or previous period

The notes form part of these financial statements

PARTHENON ENTERTAINMENT LIMITED (REGISTERED NUMBER: 04377175)

**BALANCE SHEET
30 JUNE 2012**

		2012		2011	
	Notes	£	£	£	£
FIXED ASSETS					
Intangible assets	8		16,204,516		15,000,111
Tangible assets	9		538,878		568,958
Investments	10		<u>104</u>		<u>104</u>
			16,743,498		15,569,173
CURRENT ASSETS					
Debtors	11	4,721,368		3,672,550	
Cash at bank and in hand		<u>343,644</u>		<u>213,133</u>	
		5,065,012		3,885,683	
CREDITORS					
Amounts falling due within one year	12	<u>16,203,579</u>		<u>12,084,405</u>	
NET CURRENT LIABILITIES			<u>(11,138,567)</u>		<u>(8,198,722)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			5,604,931		7,370,451
CREDITORS					
Amounts falling due after more than one year	13		(40,233)		(3,143,139)
PROVISIONS FOR LIABILITIES	16		<u>(1,206,288)</u>		<u>(1,004,632)</u>
NET ASSETS			<u>4,358,410</u>		<u>3,222,680</u>
CAPITAL AND RESERVES					
Called up share capital	17		100		100
Profit and loss account	18		<u>4,358,310</u>		<u>3,222,580</u>
SHAREHOLDERS' FUNDS	22		<u>4,358,410</u>		<u>3,222,680</u>

The financial statements were approved by the Board of Directors on 5 December 2012 and were signed on its behalf by



C V Hall - Director

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012**

1 ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated)

The company's parent undertaking, Parthenon Media Group Limited, was acquired by British Sky Broadcasting Limited on 26 July 2012 and the company relies on the continued support of British Sky Broadcasting Limited. The accounts are prepared on the going concern basis on the assumption that such support will continue for the foreseeable future.

Preparation of consolidated financial statements

The financial statements contain information about Parthenon Entertainment Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 400 of the Companies Act 2006 from the requirements to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its parent, Parthenon Media Group Limited, a company registered in England & Wales.

Financial Reporting Standard Number 1

Exemption has been taken from preparing a cash flow statement on the grounds that the parent company includes the subsidiary in its published financial statements.

Turnover and Revenue Recognition

Turnover represents amounts receivable for production services and distribution fees net of VAT.

Revenue from a production commissioned or contracted by broadcasters is recognised as turnover in proportion to the stage of completion of the production at the relevant date. The stage of completion of a production is determined based on the proportion of costs incurred for work performed to date to total expected production costs.

Revenue from the distribution of programmes is recognised when a contract has been executed by both the company and licensee and the relevant programmes have met all the necessary technical requirements. Distribution revenue from programmes or formats distributed by third parties and other ancillary revenues are recognised once the company has been notified of the sums due to it. Non-refundable advance payments received from third parties are recognised as revenue on execution of a contract. Any fees received in advance, which do not meet all the above criteria, are included in deferred income until the above criteria are met.

Production and development costs

Production costs incurred in programming where future distribution rights are retained are capitalised in the balance sheet as intangible assets as they are incurred. Production costs are amortised to the profit and loss account as a proportion of projected total turnover from each film.

Production costs incurred in programming where no distribution rights are retained are charged to the profit and loss account as they are incurred.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Short leasehold	- Over the term of the lease
Plant and machinery	- 25% on reducing balance
Fixtures and fittings	- 25% on reducing balance
Motor vehicles	- 20% on cost

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date. The deferred tax balance has not been discounted.

Foreign currencies

Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

PARTHENON ENTERTAINMENT LIMITED (REGISTERED NUMBER: 04377175)

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2012**

1 ACCOUNTING POLICIES - continued

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce periodic rate of charge on the net obligation outstanding in each period

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate

Investments

Fixed asset investments are stated at cost less provision for diminution in value

2 TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the company

An analysis of turnover by geographical market is given below

	Year Ended 30 6 12 £	Period 1 4 10 to 30 6 11 £
United Kingdom	1,379,735	1,243,948
Other European Union Markets	4,118,096	3,626,051
Rest of the World	4,848,754	6,553,918
	<u>10,346,585</u>	<u>11,423,917</u>

3 STAFF COSTS

	Year Ended 30 6 12 £	Period 1 4 10 to 30 6 11 £
Wages and salaries	1,916,601	2,065,497
Social security costs	196,044	290,562
Other pension costs	6,000	-
	<u>2,118,645</u>	<u>2,356,059</u>

The average monthly number of employees during the year was as follows

	Year Ended 30 6 12	Period 1 4 10 to 30 6 11
Distribution	6	10
Production	24	19
Other	23	19
	<u>53</u>	<u>48</u>

PARTHENON ENTERTAINMENT LIMITED (REGISTERED NUMBER: 04377175)

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2012**

3 STAFF COSTS - continued

Production employment costs of £713,438 (2011 £398,651) were capitalised during the year

The parent company set up a share-option scheme in December 2009 and four directors of Parthenon Entertainment Limited were granted on that date share options over 16 ordinary shares each

The options were able to be exercised from December 2014 or on sale or listing of the company. No options had lapsed in the year and no options were exercised in the year

There are no performance conditions attached to the options and the exercise price is £1,983

The share options have been valued at grant date at £142 based on the Black-Scholes pricing model with the following assumptions

Weighted average share price	£1,983
Exercise price	£1,983
Expected volatility	20%
Expected life	5 years
Expected dividends	7.5%
Risk-free interest rate	3.48%

After the balance sheet date, on 26 July 2012, all share options were exercised upon the sale of Parthenon Media Group Limited to British Sky Broadcasting Limited

4 OPERATING PROFIT

The operating profit is stated after charging/(crediting)

	Year Ended 30 6 12 £	Period 1 4 10 to 30 6 11 £
Hire of plant and machinery	920	3,146
Other operating leases	93,867	145,109
Depreciation - owned assets	156,818	225,025
Profit on disposal of fixed assets	-	(16,000)
Film rights amortisation	2,656,975	2,905,134
Auditors' remuneration	11,000	11,000
Foreign exchange differences	<u>123,322</u>	<u>106,229</u>
Directors' remuneration	<u>497,577</u>	<u>573,571</u>

Information regarding the highest paid director is as follows

	Year Ended 30 6 12 £	Period 1 4 10 to 30 6 11 £
Emoluments etc	<u>145,600</u>	<u>182,000</u>

PARTHENON ENTERTAINMENT LIMITED (REGISTERED NUMBER: 04377175)

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2012**

5 INTEREST PAYABLE AND SIMILAR CHARGES

	Year Ended 30 6 12 £	Period 1 4 10 to 30 6 11 £
Bank interest	409,024	492,440
Interest on other loans	-	30,805
Interest on overdue taxation	839	2,487
Hire purchase	<u>22,442</u>	<u>29,589</u>
	<u>432,305</u>	<u>555,321</u>

6 TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows

	Year Ended 30 6 12 £	Period 1 4 10 to 30 6 11 £
Current tax		
UK corporation tax	441,055	30,720
Double taxation relief	(29,496)	-
Foreign tax	5,475	29,681
Irrecoverable withholding tax	<u>-</u>	<u>163,025</u>
Total current tax	417,034	223,426
Deferred tax	<u>201,656</u>	<u>211,486</u>
Tax on profit on ordinary activities	<u>618,690</u>	<u>434,912</u>

UK corporation tax has been charged at 24% (2011 - 26%)

PARTHENON ENTERTAINMENT LIMITED (REGISTERED NUMBER: 04377175)

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2012**

6 TAXATION - continued

Factors affecting the tax charge

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below

	Year Ended 30 6 12 £	Period 1 4 10 to 30 6 11 £
Profit on ordinary activities before tax	<u>1,888,220</u>	<u>1,473,162</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 24% (2011 - 26%)	453,173	383,022
Effects of		
Non deductible expenses	665,641	644,779
Capital allowances	(33,559)	(37,289)
Tax losses utilised	(57,774)	(223,137)
Double taxation relief	(29,496)	-
Intangibles	(550,846)	(495,586)
Other tax adjustments	(61,568)	(241,069)
Foreign tax	5,475	29,681
Irrecoverable withholding tax	-	163,025
Change in UK main rate of corporation tax	<u>25,988</u>	<u>-</u>
Current tax charge	<u>417,034</u>	<u>223,426</u>

The company has estimated losses of £667,710 (2011 £777,740) available for carry forward against future trading profits

7 DIVIDENDS

	Year Ended 30 6 12 £	Period 1 4 10 to 30 6 11 £
Interim	<u>133,800</u>	<u>150,000</u>

8 INTANGIBLE FIXED ASSETS

	Film rights £
COST	
At 1 July 2011	24,754,980
Additions	<u>3,861,380</u>
At 30 June 2012	<u>28,616,360</u>
AMORTISATION	
At 1 July 2011	9,754,869
Amortisation for year	<u>2,656,975</u>
At 30 June 2012	<u>12,411,844</u>
NET BOOK VALUE	
At 30 June 2012	<u>16,204,516</u>
At 30 June 2011	<u>15,000,111</u>

PARTHENON ENTERTAINMENT LIMITED (REGISTERED NUMBER: 04377175)

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2012**

9 TANGIBLE FIXED ASSETS

	Short leasehold £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST					
At 1 July 2011	106,200	1,218,481	208,873	10,000	1,543,554
Additions	-	125,788	950	-	126,738
At 30 June 2012	106,200	1,344,269	209,823	10,000	1,670,292
DEPRECIATION					
At 1 July 2011	62,969	786,136	117,001	8,490	974,596
Charge for year	10,751	121,557	23,000	1,510	156,818
At 30 June 2012	73,720	907,693	140,001	10,000	1,131,414
NET BOOK VALUE					
At 30 June 2012	32,480	436,576	69,822	-	538,878
At 30 June 2011	43,231	432,345	91,872	1,510	568,958

Included above are assets held under finance leases or hire purchase contracts as follows

	Plant and Machinery £	Motor Vehicles £	Total £
Net Book Values			
At 30 June 2012	155,733	-	155,733
At 30 June 2011	204,121	-	204,121
Depreciation charge for the year			
At 30 June 2012	51,485	-	51,485
At 30 June 2011	54,624	5,543	60,167

10 FIXED ASSET INVESTMENTS

	Shares in group undertakings £
COST	
At 1 July 2011 and 30 June 2012	104
NET BOOK VALUE	
At 30 June 2012	104
At 30 June 2011	104

PARTHENON ENTERTAINMENT LIMITED (REGISTERED NUMBER. 04377175)

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2012**

10 FIXED ASSET INVESTMENTS - continued

The company's investments at the balance sheet date in the share capital of companies include the following

Barbershop Sound Studios Limited

Nature of business Audio post production

Class of shares	% holding	2012	2011
Ordinary	100.00	£	£
Aggregate capital and reserves		5,759	35,565
(Loss)/profit for the year/period		<u>(29,806)</u>	<u>13,844</u>

Cymru International Limited

Nature of business Distribution and Licensing

Class of shares	% holding	2012	2011
Ordinary	100.00	£	£
Aggregate capital and reserves		227,644	182,476
Profit for the year/period		<u>45,168</u>	<u>156,138</u>

Cymru International 2 Limited

Nature of business Distribution and Licensing

Class of shares	% holding	2012	2011
Ordinary	100.00	£	£
Aggregate capital and reserves		<u>(306)</u>	<u>(306)</u>

11 DEBTORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	2012	2011
	£	£
Trade debtors	3,681,443	2,293,451
Amounts owed by group undertakings	208,249	65,213
Amounts owed by participating interests	-	800
Other debtors	-	99,337
VAT	11,922	77,121
Prepayments and accrued income	<u>819,754</u>	<u>1,136,628</u>
	<u>4,721,368</u>	<u>3,672,550</u>

PARTHENON ENTERTAINMENT LIMITED (REGISTERED NUMBER: 04377175)

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2012**

12 CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	2012	2011
	£	£
Bank loans and overdrafts (see note 14)	8,995,021	5,212,602
Other loans (see note 14)	200,609	200,609
Hire purchase contracts (see note 15)	43,513	86,655
Trade creditors	1,851,770	1,613,043
Amounts owed to group undertakings	1,064,941	1,579,700
Corporation tax	296,813	-
Social security and other taxes	79,807	75,522
Other creditors	124,333	335,866
Directors' current accounts	138,000	138,000
Accruals and deferred income	3,408,772	2,842,408
	<u>16,203,579</u>	<u>12,084,405</u>

At the balance sheet date the bank borrowings are secured on the assets of the company and assets of the other companies within the group headed by Parthenon Media Group Limited. The director, Carl Hall, has also provided a personal guarantee limited to £1.35 million. Liabilities of 422 South Limited amounting to £88,440, Cymru International 2 Limited amounting to £27,760 and Parthenon Media Group Limited amounting to £3,672, at the balance sheet date, are secured on the assets of the company.

British Sky Broadcasting Limited acquired Parthenon Media Group Limited on 26 July 2012 and, as part of the acquisition, British Sky Broadcasting Limited procured that Parthenon Media Group Limited and its relevant subsidiaries repay all outstanding amounts under the Coutts & Co facilities provided to the group. These were repaid on 26 July 2012 and all charges were fully satisfied.

As part of the acquisition, British Sky Broadcasting Limited also procured that Parthenon Media Group Limited and its relevant subsidiaries repay all outstanding amounts owing to C. V. Hall and his wife. These were repaid on 26 July 2012.

Further details concerning post balance sheet events are disclosed in note 23.

13 CREDITORS AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2012	2011
	£	£
Bank loans (see note 14)	-	3,000,000
Other loans (see note 14)	24,740	105,824
Hire purchase contracts (see note 15)	15,493	37,315
	<u>40,233</u>	<u>3,143,139</u>

14 LOANS

An analysis of the maturity of loans is given below.

	2012	2011
	£	£
Amounts falling due within one year or on demand		
Bank overdrafts	3,245,021	5,212,602
Bank loans	5,750,000	-
Other loans	200,609	200,609
	<u>9,195,630</u>	<u>5,413,211</u>
Amounts falling due between one and two years		
Bank loans - 1-2 years	-	3,000,000

PARTHENON ENTERTAINMENT LIMITED (REGISTERED NUMBER: 04377175)

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2012**

14 LOANS - continued

	2012 £	2011 £
Amounts falling due between two and five years		
Other loans - 2-5 years	<u>24,740</u>	<u>105,824</u>

Interest is charged on the loans at a rate which is equivalent to 4.00% per annum over the Bank's Base Rate

See note 12 for further details concerning settlement of loans

15 OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES

	2012 £	Hire purchase contracts 2011 £
Net obligations repayable		
Within one year	43,513	86,655
Between one and five years	<u>15,493</u>	<u>37,315</u>
	<u>59,006</u>	<u>123,970</u>

The following operating lease payments are committed to be paid within one year

	2012 £	Land and buildings 2011 £
Expiring		
Between one and five years	142,597	89,297
In more than five years	-	53,300
	<u>142,597</u>	<u>142,597</u>

16 PROVISIONS FOR LIABILITIES

	2012 £	2011 £
Deferred tax	<u>1,206,288</u>	<u>1,004,632</u>

	Deferred tax £
Balance at 1 July 2011	1,004,632
Profit and loss account	<u>201,656</u>
Balance at 30 June 2012	<u>1,206,288</u>

	2012 £	2011 £
Accelerated capital allowances	30,947	18,029
Other timing differences	1,335,591	1,136,735
Tax losses available	<u>(160,258)</u>	<u>(150,132)</u>
	<u>1,206,288</u>	<u>1,004,632</u>

PARTHENON ENTERTAINMENT LIMITED (REGISTERED NUMBER: 04377175)

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2012**

17 CALLED UP SHARE CAPITAL

Allotted, issued and fully paid Number	Class	Nominal value £1	2012 £	2011 £
100	Ordinary		<u>100</u>	<u>100</u>

18 RESERVES

	Profit and loss account £
At 1 July 2011	3,222,580
Profit for the year	1,269,530
Dividends	<u>(133,800)</u>
At 30 June 2012	<u>4,358,310</u>

19 TRANSACTIONS WITH DIRECTORS

During the period the company paid rent of £89,297 (2011 £92,533) on properties owned by C V Hall and his wife

Included within trade creditors is £97,757 (2011 £28,074) owed to C V Hall and his wife

Included within creditors due within one year is £138,000 (2011 £138,000) and £24,740 (2011 £105,824) due in more than one year, advanced to the company by C V Hall and his wife See note 12 for further details relating to repayment

20 RELATED PARTY DISCLOSURES

The company has taken advantage of the exemption in Financial Reporting Standard Number 8 from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by the ultimate parent company, Parthenon Media Group Limited

21 ULTIMATE CONTROLLING PARTY

At the balance sheet date the company is a wholly owned subsidiary undertaking of Parthenon Media Group Limited which is owned by C V Hall and his wife at the balance sheet date

22 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2012 £	2011 £
Profit for the financial year	1,269,530	1,038,250
Dividends	<u>(133,800)</u>	<u>(150,000)</u>
Net addition to shareholders' funds	1,135,730	888,250
Opening shareholders' funds	<u>3,222,680</u>	<u>2,334,430</u>
Closing shareholders' funds	<u>4,358,410</u>	<u>3,222,680</u>

23 POST BALANCE SHEET EVENTS

On 26 July 2012, British Sky Broadcasting Limited acquired the company's parent undertaking, Parthenon Media Group Limited British Sky Broadcasting Limited is ultimately controlled by British Sky Broadcasting Group Plc