

Company Registration No. 05201333

Hat Trick North Limited

Report and Financial Statements

For the year ended 30 June 2008



**MACFARLANES LLP
20 CURSITOR STREET
LONDON
EC4A 1LT**

Hat Trick North Limited

Report and financial statements 2008

Contents	Page
Officers and professional advisors	1
Directors' report	2
Statement of directors' responsibilities	3
Independent auditors' report	4-5
Profit and loss account	6
Balance sheet	7
Notes to the accounts	8-12

Hat Trick North Limited

Report and financial statements 2008

Officers and professional advisors

Directors

J Mulville
M Redhead
D Manners

Company Secretary

P Cohen

Registered Office

10 Norwich Street
London
EC4A 1BD

Business Address

33 Oval Street
London
NW1 7EA

Bankers

Barclays Bank PLC
27 Soho Square
London
W1D 3QR

Solicitors

Macfarlanes
10 Norwich Street
London
EC4A 1BD

Auditors

Deloitte LLP
Chartered Accountants
London

Hat Trick North Limited

Directors' report

The directors present their annual report and the audited financial statements for the year ended 30 June 2008.

Principal activities

The principal activity of the company is the creation of content for broadcast media.

An enhanced business review is included within the financial statements of the parent company, Hat Trick Holdings Limited. The company has taken advantage of the exemption available under the Companies Act to not produce an enhanced business review.

The financial statements are prepared in accordance with the provisions relating to small companies under section 246(4) of the Companies Act.

Results and dividends

The results for the year are set out on page 6. The directors do not propose the payment of a dividend (2007: £nil).

Directors

The following served as directors throughout the year:

N Forster
J Mulville
M Redhead

The following changes in directorship have taken place since 30 June 2008:

N Forster (Resigned 31/07/08)
D Manners (Appointed 21/10/08)

In the case of each of the persons who are directors of the company at the date when this report was approved:

- so far as each of the directors is aware, there is no relevant audit information (as defined in the Companies Act 1985) of which the company's auditors are unaware; and
- each of the directors has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information (as defined) and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s234Z(A) of the Companies Act 1985.

Directors interests

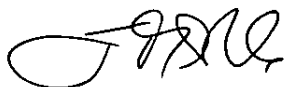
None of the directors had any interests in the shares of the company. Directors' interests in the shares of the parent company are shown in the Directors' report of that company.

Auditors

The company has by elective resolution dispensed with the obligation to appoint auditors annually in accordance with section 386(1) of the Companies Act 1985. Therefore, the auditors Deloitte LLP having changed their name from Deloitte and Touche LLP on 1st December 2008, will be deemed to be reappointed for each succeeding financial year.

Approved by the Board of Directors
and signed on behalf of the Board

J Mulville
Director



Hat Trick North Limited

Statement of directors' responsibilities

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 these 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 UK Accounting Standards have been followed; and
- 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 that 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 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 auditors' report to the members of Hat Trick North Limited

We have audited the financial statements of Hat Trick North Limited for the year ended 30 June 2008 which comprise the profit and loss account, the balance sheet and the related notes 1 to 16. These financial statements have been prepared under the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective January 2007).

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

The directors' responsibilities for preparing 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 the implications for our report if we become aware of any apparent misstatements 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.

Independent auditors' report to the members of Hat Trick North Limited (continued)

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 30 June 2008 and of its loss 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 Directors' Report is consistent with the financial statements.



Deloitte LLP
Chartered Accountants and Registered Auditors
London, United Kingdom

27 March 2009

Hat Trick North Limited

Profit and loss account Year ended 30 June 2008

	Notes	2008 £	2007 £
Turnover	2	199,498	3,981,409
Cost of sales		(85,571)	(3,364,036)
Gross profit		<u>113,927</u>	<u>617,373</u>
Administrative expenses		(262,104)	(352,571)
Other operating income		5,000	-
Operating Profit/(Loss)	3	<u>(143,177)</u>	<u>264,802</u>
Other interest receivable and similar income		8,389	12,371
Profit/(Loss) on ordinary activities before taxation		<u>(134,788)</u>	<u>277,173</u>
Tax on Profit/(Loss) on ordinary activities	4	3,563	4,524
Profit/(Loss) on ordinary activities after taxation	11	<u><u>(131,225)</u></u>	<u><u>281,697</u></u>

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, and consequently no statement of total recognised gains and losses is presented.

Hat Trick North Limited

Balance Sheet As at 30 June 2008

	Notes	2008 £	2007 £
Fixed Assets			
Tangible Assets	5	-	16,262
Current assets			
Stocks	6	-	4,675
Debtors: amounts falling due within one year	7	247,324	440,206
Cash at bank and in hand	8	32,791	517,590
		<u>280,115</u>	<u>962,471</u>
Creditors: amounts falling due within one year	9	<u>(5,187)</u>	<u>(572,580)</u>
Net current assets		<u>274,928</u>	<u>389,891</u>
Net assets		<u>274,928</u>	<u>406,153</u>
Capital and reserves			
Called up share capital	10	1	1
Profit and loss account	11	274,927	406,152
Shareholders' funds	12	<u>274,928</u>	<u>406,153</u>

These financial statements have been prepared in accordance with the special provisions relating to small companies under section 246 of the Companies Act 1985 and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007).

The financial statements were approved by the Board on
Signed on behalf of the Board of Directors



J Mulville
Director

Hat Trick North Limited

Notes to the accounts

Year ended 30 June 2008

1. Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and the preceding year.

Accounting convention

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

Turnover

Turnover represents amounts receivable in respect of television productions during the year, excluding Value Added Tax.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Office equipment - 25% on cost

Leasing

Rentals payable under operating leases are charged against profits as incurred.

Foreign exchange

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

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.

Stocks and work in progress

Project development costs, carried forward under stock, represent costs incurred on projects in development, and are stated at the lower of cost and net realisable value. Net realisable value is based on estimated selling price, less further costs expected to be incurred to completion and disposal.

Cash flow statement

As a consolidated cash flow statement is included within the parent company financial statements, the company has taken advantage of the exemption available under Financial Reporting Standard No. 1 not to produce its own cash flow statement.

Going concern

The company's forecast and projections, taking account of reasonably possible changes in trading performance, and the continued financial support from Hat Trick Holdings show that the company should be able to continue operating. Therefore the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

Pensions

The pension costs charged in the financial statements represent the contributions payable by the company during the year to a defined cost pension scheme.

Hat Trick North Limited

Notes to the accounts Year ended 30 June 2008

2. Turnover

All turnover was derived from sales made to UK broadcasters.

3 Operating loss

	2008	2007
	£	£
Operating loss is stated after charging:		
Fees payable to the company's auditors for the audit of the company's annual accounts	3,180	3,175
Depreciation of tangible assets	9,396	9,217
Operating lease rentals	20,615	20,013

4 Taxation

	2008	2007
	£	£
Domestic current period tax		
UK corporation tax	-	-
Current tax charge	-	-
Deferred tax		
Adjustments in respect of prior years	960	(147)
Current year movement	(4,523)	(4,377)
Tax charge/(credit) on ordinary activities	(3,563)	(4,524)
Factors affecting the tax charge for the period		
Profit on ordinary activities before taxation	(134,788)	277,173
Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of (2008:29.5% - 2007: 30%)	(39,762)	83,152
Effects of:		
Non deductible expenses	560	550
Capital allowances in excess of depreciation	4,553	4,673
Group relief claimed	34,679	(88,407)
Short term timing differences	(30)	32
	39,762	(83,152)
Current tax charge	-	-

Hat Trick North Limited

Notes to the accounts Year ended 30 June 2008

5 Tangible fixed assets

	Office equipment £
Cost	
At 1 July 2007	37,586
Additions	-
Disposals	(37,586)
At 30 June 2008	<u>-</u>
Depreciation	
At 1 July 2007	21,324
Charge for the year	9,396
Disposals	(30,720)
At 30 June 2008	<u>-</u>
Net book value	
At 30 June 2007	16,262
At 30 June 2008	-

6 Stocks

	2008 £	2,007 £
Project development costs	-	4,675

7 Debtors

	2008 £	2,007 £
Trade debtors	5,875	114,027
Other debtors	542	24,309
Prepayments and accrued income	2,897	5,234
Deferred tax (note 14)	7,706	4,143
Amounts owed from joint ventures	-	4,530
Amounts owed from group companies	212,383	210,001
Other taxes and social security costs	17,921	77,962
	<u>247,324</u>	<u>440,206</u>

8 Cash at bank and in hand

Included within the balance sheet figure of £32,791 (2007: £517,590) are sums amounting to £nil (2007: £147,104) held in trust bank accounts and petty cash balances of £nil (2007: £5,430) held on behalf of broadcasters who have commissioned work and advanced funds to cover future production costs.

Within creditors note 9, production advances, certain trade creditors and accruals represent the unexpended funds held on trust at the balance sheet date.

Hat Trick North Limited

Notes to the accounts

Year ended 30 June 2008

9 Creditors: amounts falling due within one year

	2008	2007
	£	£
Trade creditors	1,433	30,959
Other creditors	-	10,842
Amounts owed to group companies	-	382,432
Other taxes and social security costs	286	15,586
Production advances	-	31,292
Accruals and deferred income	3,468	101,469
	<u>5,187</u>	<u>572,580</u>

10 Share capital

	2008	2007
	£	£
Authorised:		
1 ordinary share of £1	1	1
Allotted, called up and fully paid:		
1 ordinary share of £1	1	1

11 Statement of movements on reserves

	Profit and loss account £
Balance at 1 July 2007	406,152
Loss for the year	(131,225)
Balance as at 30 June 2008	<u>274,927</u>

12 Reconciliation of movement in shareholders' funds

	2,008 £
Opening shareholders' funds	406,153
Loss for the year	(131,225)
Closing shareholders' funds	<u>274,928</u>

Hat Trick North Limited

Notes to the accounts Year ended 30 June 2008

13 Employees

Number of employees

The average monthly number of employees (excluding directors) during the year was:

	2008 No.	2007 No.
Management	1	1
Administration	1	1
Production, development and writing	1	1
	<u>3</u>	<u>3</u>
	£	£

Employment costs

Wages and salaries	108,981	155,564
Social security costs	9,721	17,671
Pension Costs	2,310	2,604
	<u>121,012</u>	<u>175,839</u>

None of the directors received any remuneration during the year (2007: £nil) in respect of their services.

14 Deferred tax

The deferred tax asset (included in debtors, note 7) is comprised of:

	2008 £	2007 £
Deferred tax (asset)/liability at beginning of year	(4,143)	381
Charge/(Credit) to profit and loss account	(3,563)	(4,524)
Deferred tax (asset)/liability	<u>(7,706)</u>	<u>(4,143)</u>

15 Ultimate parent company

The ultimate parent company and controlling party is Hat Trick Holdings Limited, a company incorporated in Great Britain and registered in England and Wales. Hat Trick Holdings Limited is the parent company of the largest and smallest group of which Hat Trick North Limited is a member and for which group financial statements are drawn up. Copies of its consolidated financial statements are available from the Registrar of Companies, Crown Way, Maindy, Cardiff, CF14 3UZ.

16 Related party transactions

The company forms part of a wholly owned group for which consolidated financial statements are publicly available and accordingly has taken advantage of the exemption allowed under Financial Reporting Standard 8: Related Party Disclosures not to disclose transactions with other group entities.