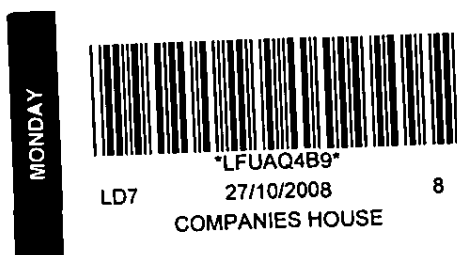


Off The Grid Limited
REPORT AND FINANCIAL STATEMENTS
for the period ended 31 December 2007



Company Registration No. 05706420 (England and Wales)

Off The Grid Limited

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

N Southgate
N Powell

SECRETARY

J Kemp

COMPANY NUMBER

05706420

REGISTERED OFFICE AND BUSINESS ADDRESS

Pacific House
126 Dyke Road
Brighton
BN1 3TE

AUDITORS

Baker Tilly UK Audit LLP
2 Bloomsbury Street
London WC1B 3ST

BANKERS

Barclays Bank Plc
27 Soho Square
London W1D 3QR

Off The Grid Limited

DIRECTORS' REPORT

The directors submit their report and the financial statements of Off The Grid Limited for the 16 months ended 31 December 2007

PRINCIPAL ACTIVITIES

The principal activity of the company during the period was the production and exploitation of television programmes

REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS

Business Review

The profit for the period after taxation amounted to £1,394 (6 months ended 31 August 2006- £nil)

Future Outlook

In the current period the company started the production of the programme title Off The Grid. This programme had not been finished at the year end and the company will continue to produce the programme in the next accounting period.

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 company's directors believe that a discussion of the company's risks would not be appropriate for an understanding of the development, performance and position of Off The Grid Limited's business. The principal risks and uncertainties of Shed Media plc, which include those of the company, are discussed on page 14 of 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 company's directors believe that an analysis of the group's key performance indicators for the company is not necessary or appropriate for an understanding of the development, performance and position of the business of Off The Grid Limited's business. The development, performance and position of Shed Media plc, which include those of the company, are discussed on pages 13 and 14 of 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 (2006 £Nil)

DIRECTORS

The following directors have held office during the period

N Southgate
N Powell

Off The Grid Limited

DIRECTORS' REPORT

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

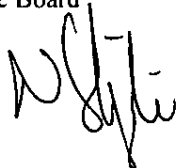
The directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the directors have confirmed that they have taken all the steps that they ought to have 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.

AUDITORS

Baker Tilly UK Audit LLP has indicated its willingness to continue in office, and a resolution proposing their reappointment will be put to the members at the Annual General Meeting of the company.

On behalf of the Board

N Southgate
Director



Date 22 October 2008

Off The Grid Limited

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

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 the 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 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 which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the requirements of 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 OFF THE GRID LIMITED

We have audited the financial statements on pages 6 to 10

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 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

The directors' responsibilities for preparing the Annual Report and 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.

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 at 31 August 2006 and of its profit for the period then ended and 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.

Baker Tilly UK Audit LLP

BAKER TILLY UK AUDIT LLP

Registered Auditor

Chartered Accountants

2 Bloomsbury Street

London WC1B 3ST

22 October 2008

Off The Grid Limited
PROFIT AND LOSS ACCOUNT
for the period ended 31 December 2007

	Notes	16 months ended 31 December 2007 £	6 ½ months ended 31 August 2006 £
TURNOVER	1	134,514	259,479
Cost of sales		(133,293)	(259,479)
Gross profit		<u>1,221</u>	<u>-</u>
Administrative expenses		-	-
OPERATING PROFIT		<u>-</u>	<u>-</u>
Bank Interest Receivable		513	-
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>1,734</u>	<u>-</u>
Taxation	2	(340)	-
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	7	<u><u>1,394</u></u>	<u><u>-</u></u>

The operating profit for the period 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


Off The Grid Limited

BALANCE SHEET

As at 31 December 2007

	Notes	31 December 2007 £	31 August 2006 £
CURRENT ASSETS			
Debtors	4	4,878	113,275
Cash at bank and in hand		1,372	66,465
		<u>6,250</u>	<u>179,740</u>
CREDITORS Amounts falling due within one year	5	(4,855)	(179,739)
NET CURRENT ASSETS		<u>1,395</u>	<u>1</u>
NET ASSETS		<u>1,395</u>	<u>1</u>
CAPITAL AND RESERVES			
Called up share capital	6	1	1
Profit and loss account	7	1,394	-
EQUITY SHAREHOLDERS' FUNDS	8	<u>1,395</u>	<u>1</u>

The financial statements were approved by the board and authorised for issue on 22 October 2008 and are signed on its behalf by



N Southgate
Director

Off The Grid Limited

ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention

The company is exempt under the terms of 'FRS1 (Revised 1996) Cash Flow Statements' from the requirement to publish its own cash flow statement, as its cash flows are included within the consolidated cash flow statement of the Group

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

FOREIGN CURRENCY TRANSLATION

Assets and liabilities denominated in foreign currencies are translated at the rate 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 the profit and loss account

TURNOVER

Turnover represents amounts receivable, net of VAT, for goods and services provided

Income from the production of television programmes is recognised on the basis of the proportion of services which have been provided and delivered by the balance sheet date

Royalty income from the exploitation of television programmes is recognised on a receivable basis in accordance with distribution statements as provided by programme distributors

Off The Grid Limited

NOTES TO THE FINANCIAL STATEMENTS

for the period ended 31 December 2007

1 TURNOVER AND PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

The company's turnover and profit before taxation were all derived from its principal activities. Sales were wholly derived from North America while the company's cost of sales were undertaken in the United Kingdom.

2 TAXATION

	16 months ended 31 December 2007 £	6 ½ months ended 31 August 2006 £
Based on the result for the period		
UK corporation tax on results for the period	340	-
Total current tax	340	-
Tax on profit on ordinary activities	340	-
Factors affecting tax charge for period		
Profit on ordinary activities before tax	1,734	-
Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 30% (2006 30%)	520	-
Effects of		
Small company rate	(180)	-
Current tax charge	340	-

3 EMPLOYEES

	16 months ended 31 December 2007 No.	6 ½ months ended 31 August 2006 No.
The average monthly number of persons (including directors) employed by the company during the period was		
Office and management	2	2

No directors were paid any remuneration during the period.

4 DEBTORS

	31 December 2007 £	31 August 2006 £
Due within one year		
Trade debtors	-	381
Amounts owed by parent undertaking	-	70,435
Other debtors	4,878	42,459
	4,878	113,275

Off The Grid Limited

NOTES TO THE FINANCIAL STATEMENTS

for the period ended 31 December 2007

5	CREDITORS: Amounts falling due within one year	31 December 2007 £	31 August 2006 £
	Trade creditors	503	-
	Amounts owed to parent undertaking	2,350	-
	Corporation tax payable	340	-
	Accruals and deferred income	1,662	179,739
		<u>4,855</u>	<u>179,739</u>
6	SHARE CAPITAL	31 December 2007 £	31 August 2006 £
	Authorised 1,000 ordinary shares of £1 each	1,000	1,000
	Issued 1 ordinary shares of £1 each	<u>1</u>	<u>1</u>
7	PROFIT AND LOSS ACCOUNT	31 December 2007 £	31 August 2006 £
	Profit for the financial period	1,394	-
	31 August 2006	<u>1,394</u>	<u>-</u>
8	RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS	31 December 2007	31 August 2006 £
	Profit for the financial period	1,394	-
	New shares issued	-	1
	Net addition to shareholders' funds	<u>1,394</u>	<u>1</u>
	Opening shareholders' funds	1	-
	Closing shareholders' funds	<u>1,395</u>	<u>1</u>

9 RELATED PARTY DISCLOSURES

The company has taken advantage of the exemption conferred by Financial Reporting Standard No 8 from the requirement to disclose details of transactions with group companies

Other than the transactions with group companies, there were no related party transactions during the period

Off The Grid Limited

NOTES TO THE FINANCIAL STATEMENTS for the period ended 31 December 2007

10 CONTROLLING PARTIES

The parent company of Off The Grid Ltd is Ricochet Ltd, a company incorporated in England and Wales

The ultimate 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