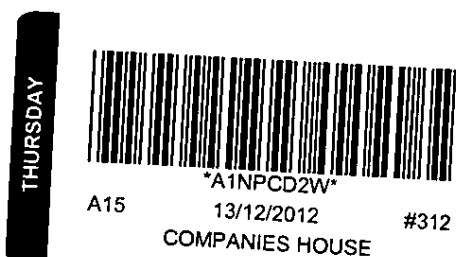


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**Report of the Directors and
Unaudited Financial Statements for the Year Ended 31 March 2012
for
Diagonal View Limited**



Diagonal View Limited

Contents of the Financial Statements
for the Year Ended 31 March 2012

	Page
Company Information	1
Report of the Directors	2
Profit and Loss Account	3
Balance Sheet	4
Notes to the Financial Statements	5

Diagonal View Limited

Company Information
for the Year Ended 31 March 2012

DIRECTORS

M Heiman
S Carey
J M Hardie
A Oberoi (resigned 18 5 12)
A Williams (Appointed 18 5 12)

SECRETARY:

M Heiman

REGISTERED OFFICE

16 Mortimer Street
London
W1T 3JL

REGISTERED NUMBER

06515277 (England and Wales)

Diagonal View Limited

Report of the Directors
for the Year Ended 31 March 2012

The directors present their report with the financial statements of the company for the year ended 31 March 2012

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of online video production

DIRECTORS

The directors shown below have served during the year

M Heiman
J M Hardie
S Carey
A Oberoi (Resigned 18 5 12)

Directors appointed since the balance sheet date

A Williams (Appointed 18 5 12)

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies

ON BEHALF OF THE BOARD



M Heiman - Director

Date

5/12/2012

Diagonal View Limited

Profit and Loss Account
for the Year Ended 31 March 2012

		Year Ended 31 3 12	Year Ended 31 3 11
	Notes	£	£
TURNOVER		1,835,073	1,556,326
Cost of sales		<u>1,129,185</u>	<u>990,440</u>
GROSS PROFIT		705,888	565,886
Administrative expenses		<u>800,962</u>	<u>732,749</u>
OPERATING (LOSS) / PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	2	(95,074)	(166,863)
Tax on loss on ordinary activities	3	<u>-</u>	<u>-</u>
(LOSS) / PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		<u>(95,074)</u>	<u>(166,863)</u>

Statement of total recognised gains and losses

The company does not have any gains and losses other than Profit and Loss for the period to report

Diagonal View Limited

Balance Sheet
31 March 2012

		31 3 12	31 3 11
	Notes	£	£
FIXED ASSETS			
Intangible assets	4	843,453	656,656
Tangible assets	5	<u>13,938</u> 857,391	<u>21,262</u> 677,918
CURRENT ASSETS			
Debtors	6	168,472	391,818
Cash at bank		<u>13,916</u> 182,388	<u>60,496</u> 452,314
CREDITORS			
Amounts falling due within one year	7	(532,895)	(958,274)
NET CURRENT LIABILITIES		(350,507)	(505,960)
TOTAL ASSETS LESS CURRENT LIABILITIES		506,884	171,958
CREDITORS			
Amounts falling due after more than one year	8	(419,045)	(419,045)
SHAREHOLDERS' FUNDS		<u>87,839</u>	<u>(247,087)</u>
CAPITAL AND RESERVES			
Called up share capital	9	325	200
Share Premium	9	429,875	-
Profit and loss account	10	(342,361)	(247,287)
SHAREHOLDERS' FUNDS		<u>87,839</u>	<u>(247,087)</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2012

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2012 in accordance with Section 476 of the Companies Act 2006

The directors acknowledge their responsibilities for

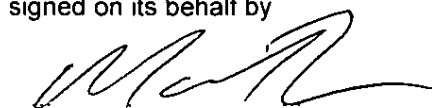
- ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements were approved by the Board of Directors on

5/12/2012

and were signed on its behalf by



M Heiman - Director

Notes to the Financial Statements
for the Year Ended 31 March 2012

1 ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

Turnover

Turnover represents gross invoiced sales, excluding value added tax. All turnover was generated from the UK.

Intangible assets

Content, Editing and Production costs are recognised as an expense except that any expenditure incurred on the production of online material is capitalised as a long term asset to the extent that such expenditure is expected to generate future economic benefit. These costs are amortised on a straight line basis over a period of 3 years.

Tangible fixed assets

Fixed assets are stated at their cost prices, less accumulated depreciation. Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Computer equipment – 33.33% on cost

2 OPERATING LOSS / (PROFIT)

The operating loss/ (profit) is stated after charging

	Year Ended 31.3.12 £	Year Ended 31.3.11 £
Amortisation	439,282	248,535
Depreciation - owned assets	9,444	7,735
Loss on disposal of fixed assets	<u>4,237</u>	<u>16,688</u>

3 TAXATION

Analysis of the tax charge

No liability to UK corporation tax arose on ordinary activities for the year ended 31 March 2012, nor for the period ended 31 March 2011.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2012

4 INTANGIBLE ASSETS

	Year Ended 31 3 12 £	Year Ended 31 3 11 £
COST		
Balance brought forward	981,983	449,786
Additions	<u>626,079</u>	<u>532,197</u>
Balance carried forward	<u>1,608,062</u>	<u>981,983</u>
AMORTISATION		
Balance brought forward	325,327	76,792
Charge for year	<u>439,282</u>	<u>248,535</u>
Balance carried forward	<u>764,609</u>	<u>325,327</u>
NET BOOK VALUE	<u>843,453</u>	<u>656,656</u>

5 TANGIBLE FIXED ASSETS

	Year Ended 31 3 12 £	Year Ended 31 3 11 £
COST		
Balance brought forward	28,001	21,306
Additions	6,357	27,160
Disposals	<u>(5,749)</u>	<u>(20,465)</u>
Balance carried forward	<u>28,609</u>	<u>28,001</u>
DEPRECIATION		
Balance brought forward	6,739	2,781
Charge in year	9,444	7,735
Disposals	<u>(1,512)</u>	<u>(3,777)</u>
Balance carried forward	<u>14,671</u>	<u>6,739</u>
NET BOOK VALUE	<u>13,938</u>	<u>21,262</u>

Diagonal View Limited

Notes to the Financial Statements - continued
for the Year Ended 31 March 2012

6 DEBTORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 3 12	31 3 11
	£	£
Taxation and social security	8	-
Other debtors	<u>168,464</u>	<u>391,818</u>
	<u>168,472</u>	<u>391,818</u>

7 CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 3 12	31 3 11
	£	£
Taxation and social security	-	24,542
Other creditors	532,895	753,732
Shareholders loans	-	180,000
	<u>532,895</u>	<u>958,274</u>

8 CREDITORS AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31 3 12	31 3 11
	£	£
Shareholders loans	<u>419,045</u>	<u>419,045</u>

9 CALLED UP SHARE CAPITAL AND SHARE PREMIUM

	31 3 12	31 3 11
	£	£
32,500 (2011 20,000) ordinary shares of £0.01 each	325	200
Share premium account	<u>429,875</u>	<u>-</u>

All shares are allotted, issued and fully paid. During the year ended 31 March 2012, 12,500 ordinary shares of £0.01 each were issued to the shareholders, of which 11,250 were issued in settlement of a loan. The amount received as consideration in excess of the nominal value is shown in the share premium account.

10 RESERVES

	Profit and loss account £
At 1 April 2011	(247,287)
Deficit for the year	<u>(95,074)</u>
At 31 March 2012	<u>(342,361)</u>

11 TRANSACTIONS WITH DIRECTORS

As at 31 March 2012 the loan owed to M Heiman amounted to £209,045 (2011 £299,045), the reduction being the loan conversion to shares detailed in note 9

12 RELATED PARTY DISCLOSURES

As at 31 March 2012 the loan from Independent Television News Limited, a shareholder of the company, amounted to £210,000 (2011 £300,000) The reduction relates to the loan conversion to shares detailed in note 9

13 ULTIMATE CONTROLLING PARTY

The company is controlled by the two shareholders, M Heiman and Independent Television News Limited

14 DEFERRED TAX

As at 31 March 2012 the company had tax losses to carry forward amounting to £364,281 (2011 £274,949) There is a potential deferred tax asset substantially relating to these losses amounting to £72,856 (2011 £54,990) As there is potential uncertainty over the recoverability of this asset, it has not been recognised in the accounts