

Actually Films Limited

Directors' report and financial statements
For the year ended 31 December 2004
Registered number: 3387050



Actually Films Limited

Directors' report and financial statements

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Actually Films Limited

Directors' report

The directors present their annual report and the audited financial statements of the company for the year ended 31 December 2004.

Principal activities

The company's principal activity is the development and production of film projects. It is considered that the company's principal activity will remain unchanged in the foreseeable future.

During the year ended 31 December 2004 no film was in production. Final costs relating to the Production "Love actually" which was completed and delivered to its financiers during the year ended 31 December 2003 were incurred. The rights to the film had been assigned to its financiers. The right to distribute the film was assigned to the company's financiers in order that they might recoup advances made to the company for the production of the film.

The company has therefore received no income and incurred no expenditure on its own account and accordingly no profit and loss account or statement of total recognised gains and losses have been presented.

Business review

On 11 May 2004, the company's ultimate parent undertaking, Vivendi Universal S.A and National Broadcasting Company Inc, an indirect subsidiary of General Electric Company combined certain of their respective businesses, including the business of National Broadcasting Company, Inc. and Universal Studios Inc, (an indirect majority owned subsidiary of Vivendi Universal S.A and an indirect majority owner of Vivendi Universal Entertainment LLLP, the group in which the company is included), into National Broadcasting Company, Inc, which changed its name to NBC Universal, Inc.

NBC Universal, Inc is 80% owned by National Broadcasting Company Holding Inc, a subsidiary of General Electric Company and 20% by Universal Studios Holding III Corp, a subsidiary of Vivendi Universal S.A.

On 6 November 2004 the accounting reference date was extended from 29 December 2004 to 31 December 2004.

Directors and directors' interests

The persons who held office as directors during the year and up to the date of the directors' report were as follows:

T J Bevan
E N Fellner

The directors who held office during the year had no interests in the ordinary share capital of the company. Disclosures in relation to share options held by the directors in fellow group undertakings are disclosed in the financial statements of the group undertakings to which they relate.

At no time during the year ended 31 December 2004 did the directors have any other interests that are required to be disclosed under section 324 of the Companies Act 1985.

Elective resolutions

On 14 April 1998 an elective resolution was passed in respect of dispensing with laying of the annual report and financial statements before the company in general meeting, holding annual general meeting and the requirement to appoint annually the registered auditors of the company in general meeting.

The provisions of this elective resolution will apply for subsequent years until the election is revoked.

Actually Films Limited

Directors' report (continued)

Auditors

On 20 June 2005 Ernst and Young LLP resigned as auditor of the company. On 30 June 2005 KPMG LLP was appointed in its place.

On behalf of the board

Director



15 SEPTEMBER 2005

Prospect House
80-110, New Oxford Street
London
WC1A 1HB

Actually Films Limited

Statement of directors' responsibilities

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 for that year. 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; 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 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 Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Report of the independent auditor, KPMG LLP, to the members of Actually Films Limited

We have audited the financial statements on pages 5 to 7.

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 are responsible for preparing the directors' report and, as described on page 3, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

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.

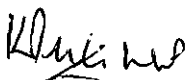
Basis of audit opinion

We conducted our audit in accordance with Auditing Standards 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 judgments 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 of the state of the company's affairs as at 31 December 2004 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



KPMG LLP
Chartered Accountants
Registered Auditors

15 September 2005

8 Salisbury Square
London
EC4Y 8BB

Actually Films Limited

Balance sheet

at 31 December 2004

	Note	2004 £	2003 £
Current assets			
Debtors	5	100	296,373
Cash at bank and in hand		21,233	30,473
		<hr/>	<hr/>
		21,333	326,846
Creditors: amounts falling due within one year	6	(21,233)	(326,746)
		<hr/>	<hr/>
Net assets		100	100
		<hr/>	<hr/>
Capital and reserves			
Called up share capital	7	100	100
		<hr/>	<hr/>
Equity shareholders' funds		100	100
		<hr/>	<hr/>

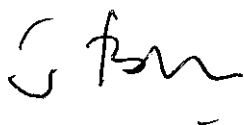
The notes on pages 6 and 7 form part of these financial statements.

These financial statements were approved by the board of directors on
and were signed on its behalf by:

15 SEPTEMBER

2005

Director



Actually Films Limited

Notes

(forming part of the financial statements)

1. Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

(a) Basis of preparation

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

(b) Film production and development costs

Amounts have been advanced to the company by certain financiers for the production, as a work for hire, of the film "Love Actually". Such advances are in consideration of the assignment to the financiers of all valuable rights. The sums advanced up to the final cost of production are not repayable by Actually Films Limited. Accordingly, the film production expenditure and related advances are not shown in the financial statements of the company.

At 31 December 2004 total advances relating to production expenditure were £ 24,274,528 (2003: 23,048,354).

(c) Cash flow statements

Under FRS 1 (Revised 1996) the company is exempt from the requirement to prepare a cash flow statement. Exemption is on the grounds that it is a wholly owned subsidiary undertaking and its cash flows appear in a consolidated cash flow statement in the financial statements of Universal Pictures International B.V. which are available to the public and can be obtained from the address given in note 8.

(d) Transactions with related parties

The company, as a wholly owned subsidiary undertaking of Universal Pictures International B.V., has taken advantage of an exemption contained in FRS 8, "Related Party Disclosures", in preparing its financial statements. This exemption allows the company not to disclose details of transactions with other group companies or investees of the group qualifying as related parties, as the consolidated financial statements of Universal Pictures International B.V. in which the company is included are available to the public and can be obtained from the address given in note 8.

(e) Going Concern

The financial statements have been prepared on a going concern basis which assumes that the company will remain in operational existence for the foreseeable future.

2. Auditor's remuneration

Any remuneration paid to the auditors for their services to the company during the current and preceding financial year was borne by a fellow group undertaking.

3. Directors emoluments

No director received any remuneration in respect of services to the company during the current or preceding financial year.

4. Employee information

The company had no employees, other than directors, during the current or preceding financial year.