

Company Registration No. 4728607 (England and Wales)

UNCLE POST PRODUCTIONS LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2005



UNCLE POST PRODUCTIONS LIMITED

COMPANY INFORMATION

Directors	N S J Sargent V C Dunn P W G Richardson J Eggar (Appointed 1 January 2006)
Secretary	O Hookway
Company number	4728607
Registered office	13 Soho Square London W1V 5FB
Auditors	Dover Childs Tyler Registered Auditors 7-9 Swallow Street London W1B 4DT
Business address	Network House 1 Ariel Way London W12 7SL

UNCLE POST PRODUCTIONS LIMITED

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UNCLE POST PRODUCTIONS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2005

The directors present their report and financial statements for the year ended 31 December 2005.

Principal activities

The principal activity of the company continued to be that of television post production.

Directors

The following directors have held office since 1 January 2005:

N S J Sargent	
V C Dunn	
P W G Richardson	
S Smith	(Resigned 1 January 2006)
J Eggar	(Appointed 1 January 2006)

Directors' interests

The directors' interests in the shares of the company were as stated below:

	Ordinary shares of £ 1 each	
	31 December 2005	1 January 2005
N S J Sargent	45	45
V C Dunn	45	45
P W G Richardson	-	-
S Smith	-	-

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Dover Childs Tyler be reappointed as auditors of the company will be put to the Annual General Meeting.

UNCLE POST PRODUCTIONS LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2005

Directors' responsibilities

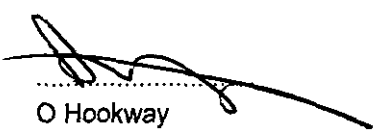
Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

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

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

By order of the board



O Hookway

Secretary

6/7/06

UNCLE POST PRODUCTIONS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF UNCLE POST PRODUCTIONS LIMITED

We have audited the financial statements of Uncle Post Productions Limited on pages 4 to 9 for the year ended 31 December 2005. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002), under the historical cost convention and the accounting policies set out therein.

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 the directors and auditors

As described in the statement of directors' responsibilities on page 2 the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

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 or 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.

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 United Kingdom 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 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 of the state of the company's affairs as at 31 December 2005 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Dover Childs Tyler

Chartered Certified Accountants

Registered Auditor

7-9 Swallow Street

London

W1B 4PT

6/7/06

UNCLE POST PRODUCTIONS LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2005

	Notes	2005 £	2004 £
Turnover		5,515,353	4,614,049
Cost of sales		(2,936,778)	(2,298,087)
Gross profit		<u>2,578,575</u>	<u>2,315,962</u>
Administrative expenses		(1,469,373)	(1,117,683)
Operating profit	2	<u>1,109,202</u>	<u>1,198,279</u>
Other interest receivable and similar income	3	16,331	4,233
Interest payable and similar charges		(66,642)	(128,421)
Profit on ordinary activities before taxation		<u>1,058,891</u>	<u>1,074,091</u>
Tax on profit on ordinary activities	4	(341,904)	(280,236)
Profit on ordinary activities after taxation		<u>716,987</u>	<u>793,855</u>
Dividends		(944,000)	(400,000)
Retained (loss)/profit for the year	11	<u>(227,013)</u>	<u>393,855</u>

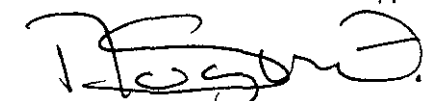
UNCLE POST PRODUCTIONS LIMITED

BALANCE SHEET AS AT 31 DECEMBER 2005

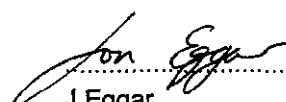
	Notes	2005 £	£	2004 £	£
Fixed assets					
Tangible assets	5		1,226,673		2,024,156
Current assets					
Stocks		2,288		3,784	
Debtors	6	1,145,740		607,724	
Cash at bank and in hand		626,946		172,317	
		<u>1,774,974</u>		<u>783,825</u>	
Creditors: amounts falling due within one year	7	<u>(2,874,634)</u>		<u>(1,667,458)</u>	
Net current liabilities			(1,099,660)		(883,633)
Total assets less current liabilities			127,013		1,140,523
Creditors: amounts falling due after more than one year	8		(79,340)		(726,198)
Provisions for liabilities and charges	9		(47,473)		(187,112)
			<u>200</u>		<u>227,213</u>
Capital and reserves					
Called up share capital	10		200		200
Profit and loss account	11		-		227,013
Shareholders' funds			<u>200</u>		<u>227,213</u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

The financial statements were approved by the Board on 6/7/06.



N S J Sargent
Director



J Eggar
Director

UNCLE POST PRODUCTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2005

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

1.2 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts. Income in respect of short term contracts is recognised on substantive completion of an assignment and represents the fair value of the right to consideration relating to services supplied. There was a change of accounting policy during the year, in accordance with the groups implementation of controls based upon compliance with Sarbanes Oxley. Turnover is only recognised once a written customer confirmation has been received. As part of our audit, we looked at the potential adjustment of this change of policy to the previous years figures. We found the adjustment to be negligible and not material to the accounts and so no adjustments have been made to reflect this change.

1.3 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:

Land and buildings Leasehold	Over the period of the lease
Plant and machinery	Between 3 and 5 years
Fixtures, fittings & equipment	Between 3 and 5 years

2 Operating profit	2005	2004
	£	£
Operating profit is stated after charging:		
Depreciation of tangible assets	855,557	665,906
Auditors' remuneration	7,800	4,800
	<u> </u>	<u> </u>
3 Investment income	2005	2004
	£	£
Bank interest	16,331	4,233
	<u> </u>	<u> </u>
4 Taxation	2005	2004
	£	£
Domestic current year tax		
U.K. corporation tax	481,543	93,124
	<u> </u>	<u> </u>
Current tax charge	481,543	93,124
Deferred tax		
Deferred tax charge/credit current year	(139,639)	187,112
	<u> </u>	<u> </u>
	341,904	280,236
	<u> </u>	<u> </u>

UNCLE POST PRODUCTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2005

5 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 January 2005	585,324	2,245,268	2,830,592
Additions	19,436	43,103	62,539
Disposals	(7,777)	-	(7,777)
At 31 December 2005	596,983	2,288,371	2,885,354
Depreciation			
At 1 January 2005	157,464	648,972	806,436
On disposals	(3,312)	-	(3,312)
Charge for the year	132,537	723,020	855,557
At 31 December 2005	286,689	1,371,992	1,658,681
Net book value			
At 31 December 2005	310,294	916,379	1,226,673
At 31 December 2004	427,860	1,596,296	2,024,156

The net book value of other tangible fixed assets includes £663,727 (2004 - £1,381,455) in respect of assets held under finance leases or hire purchase contracts. The depreciation charge in respect of such assets amounted to £581,448 (2004 - £471,071) for the year.

6 Debtors

	2005 £	2004 £
Trade debtors	839,993	555,913
Other debtors	305,747	51,811
	1,145,740	607,724

UNCLE POST PRODUCTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2005

7	Creditors: amounts falling due within one year	2005	2004
		£	£
	Net obligations under finance leases	646,859	646,918
	Trade creditors	378,086	212,920
	Taxation and social security	674,474	280,096
	Other creditors	1,175,215	527,524
		<u>2,874,634</u>	<u>1,667,458</u>
8	Creditors: amounts falling due after more than one year	2005	2004
		£	£
	Net obligations under finance leases	<u>79,340</u>	<u>726,198</u>
9	Provisions for liabilities and charges		Deferred tax liability
			£
	Balance at 1 January 2005		187,112
	Profit and loss account		(139,639)
	Balance at 31 December 2005		<u>47,473</u>
	The deferred tax liability is made up as follows:		
		2005	2004
		£	£
	Accelerated capital allowances	<u>47,473</u>	<u>187,112</u>
10	Share capital	2005	2004
		£	£
	Authorised		
	100,000 Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>
	Allotted, called up and fully paid		
	200 Ordinary shares of £1 each	<u>200</u>	<u>200</u>

UNCLE POST PRODUCTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2005

11 Statement of movements on profit and loss account

Profit and
loss
account
£

Balance at 1 January 2005	227,013
Retained loss for the year	(227,013)
Balance at 31 December 2005	-

12 Financial commitments

At 31 December 2005 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 December 2006:

	2005 £	2004 £
Operating leases which expire:		
Between two and five years	98,385	98,385

UNCLE POST PRODUCTIONS LIMITED
MANAGEMENT INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2005

UNCLE POST PRODUCTIONS LIMITED

DETAILED TRADING PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2005

	2005		2004	
	£	£	£	£
Turnover		5,515,353		4,614,049
Cost of sales		(2,936,778)		(2,298,087)
Gross profit		2,578,575		2,315,962
Overheads				
Staff	904,592		510,177	
Establishment	373,138		375,162	
Personal	54,071		51,132	
Commercial	(439)		49,461	
Office costs	103,089		97,599	
Financial	34,922		34,152	
		(1,469,373)		(1,117,683)
Net interest				
Bank interest received	16,331		4,233	
Bank interest paid	(21)		(94)	
Lease finance charges paid	(66,621)		(78,124)	
Other interest paid	-		(50,203)	
		(50,311)		(124,188)
Profit before taxation		1,058,891		1,074,091

UNCLE POST PRODUCTIONS LIMITED

ANALYSIS OF OVERHEADS FOR THE YEAR ENDED 31 DECEMBER 2005

	2005 £	2004 £
Staff		
Wages and salaries (excl. N.I.)	705,947	366,010
Employer's N.I. contributions	89,433	40,407
Management charges	109,212	103,760
	<u>904,592</u>	<u>510,177</u>
Establishment		
Rent	140,627	143,444
Rates	45,359	47,499
Profits/losses on disp of tangibles	4,464	-
Building utilities	24,756	25,009
Repairs and maintenance	5,669	10,273
Amortisation on short leasehold	132,537	127,113
Other establishment costs	19,726	21,824
	<u>373,138</u>	<u>375,162</u>
Personal		
Travelling expenses	37,236	24,993
Entertaining	20,539	17,667
Staff welfare	(3,704)	8,472
	<u>54,071</u>	<u>51,132</u>
Commercial		
Bad debts	(3,263)	43,331
Advertising	2,824	6,130
	<u>(439)</u>	<u>49,461</u>

UNCLE POST PRODUCTIONS LIMITED

ANALYSIS OF OVERHEADS FOR THE YEAR ENDED 31 DECEMBER 2005

	2005 £	2004 £
Office costs		
Printing, postage and stationery	15,746	13,295
Computer running costs	6,849	8,813
Depreciation on FF & E	35,537	33,439
Telephone	31,475	32,602
Sundry expenses	13,482	9,450
	<u>103,089</u>	<u>97,599</u>
Financial		
Audit fees	7,800	4,800
Accountancy	2,650	2,050
Legal and prof fees	875	3,857
Insurance	21,641	18,863
Bank charges	1,956	2,687
Other financial costs	-	1,895
	<u>34,922</u>	<u>34,152</u>