Viacom Camden Lock Limited (previously Viacom (UK) Holdings Limited)

(Registered No: 7139521)

Directors' report and financial statements for the year ending 30 September 2011

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Viacom Camden Lock Limited (previously Viacom (UK) Holdings Limited).

Directors' report and financial statements for the year ending 30 September 2011

Company information

Directors	J Currell S Jackson (appointed 15 06 11) T Stevenson (appointed 15 06 11) B Rathouse (resigned 15 06 11) C Jackson (resigned 28 09 10) E Lumb (resigned 28 09 10)
Company secretary	FFW Secretaries Limited
Company number	07139521
Registered office	17-29 Hawley Crescent Camden London NW1 8TT
Independent auditors	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors 1 Embankment Place London WC2N 6RH
Bankers	JPMorgan 60 Victoria Embankment, London EC4Y 0JP UK Bank Mendes Gans N V Herengracht 619 P O Box 198, 1000 AD Amsterdam Netherlands

Viacom Camden Lock Limited (previously Viacom (UK) Holdings Limited).

Directors' report and financial statements for the year ending 30 September 2011

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Viacom Camden Lock Limited (previously Viacom (UK) Holdings Limited).

Directors' report for the year ending 30 September 2011

The directors present their report and the audited financial statements of Viacom Camden Lock Limited ("the Company") for the year ended 30 September 2011 On 16 June 2011, the Company changed its name from Viacom (UK) Holdings Limited to Viacom Camden Lock Limited

Principal activity, review of the business and future developments
On 8 July 2011 the Company purchased land and buildings from a group undertaking at a fair market value of £16 3m The Company earns rental income from group undertakings as a property management business The directors expect this activity to continue in the foreseeable future The Company was previously dormant

Key Performance Indicators
Given the straightforward nature of the business, the Company's directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business

Principal risks and uncertainties
The principal risks and uncertainties of the Company are integrated with those of Viacom Inc and are not managed separately The principal risks and uncertainties of Viacom Inc , which include those of the Company, are discussed in Viacom Inc 's annual report which does not form part of this report

Going concern basis
As described in Note 7, the Company was refinanced on 18 October 2011 and all outstanding intercompany loans were repaid using the proceeds from the issue of a £34 7m zero coupon loan note at a subscription value of £27 4m to a fellow group undertaking The zero coupon loan note is repayable on 18 October 2016 Following this refinancing, and after making enquiries, the directors have formed a judgement, that at the time of approving the financial statements, and having considered the Company's forecasts and projections, there is reasonable expectation that the Company has adequate resources to continue in operation for the foreseeable future For this reason the directors continue to adopt the going concern basis in preparing the financial statements

Results and dividends
The profit for the year ended 30 September 2011 was £122,581 (9 month period ended 30 September 2010 £nil) The directors paid no dividends during the year (9 month period ended 30 September 2010 £nil)

Viacom Camden Lock Limited (previously Viacom (UK) Holdings Limited).

Directors' report for the year ending 30 September 2011 (continued)

Directors
The directors listed below held office during the period and up to the date of signing of the financial statements

J Currell
S Jackson (appointed 15 06 11)
T Stevenson (appointed 15 06 11)
B Rathouse (resigned 15 06 11)
C Jackson (resigned 28 09 10)
E Lumb (resigned 28 09 10)

None of the directors who served during the period had any interest in the shares of the Company

Qualifying third party indemnity
The Company has granted an indemnity in favour of its directors and officers against the financial exposure that they may incur in the course of their professional duties as directors and officers of the Company

Statement of directors' responsibilities
The directors are responsible for preparing the directors' 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 prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) Under company law the directors must not approve the financial statements unless they are satisfied that they 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 accounting estimates that are reasonable and prudent, 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 adequate accounting records that are sufficient to show and explain the Company's transactions and 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 2006 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

Viacom Camden Lock Limited (previously Viacom (UK) Holdings Limited).

Directors' report for the year ending 30 September 2011 (continued)

Statement of disclosure of information to auditors

Each of the persons who is a director at the date of approval of this report confirms that

(a) so far as the directors are aware, there is no relevant audit information of which the Company's auditors are unaware, and

(b) 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 the Company's auditors are aware of that information

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006

Auditors
PricewaterhouseCoopers LLP have indicated their willingness to continue in office

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

By order of the board

J Currell
Director
20 December 2011

Viacom Camden Lock Limited (previously Viacom (UK) Holdings Limited).

Independent auditors' report to the members of Viacom Camden Lock Limited

We have audited the financial statements of Viacom Camden Lock Limited (the "Company") for the year ended 30 September 2011 which comprise the Profit and Loss Account, the Balance Sheet and the related notes The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

Respective responsibilities of directors and auditors
As explained more fully in the Statement of Directors' Responsibilities set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing

Scope of the audit of the financial statements
An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error This includes an assessment of whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements

Opinion on financial statements
In our opinion the financial statements

- give a true and fair view of the state of the Company's affairs as at 30 September 2011 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the Companies Act 2006

Opinion on other matter prescribed by the Companies Act 2006
In our opinion the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements

Viacom Camden Lock Limited (previously Viacom (UK) Holdings Limited).

Independent auditors' report to the members of Viacom Camden Lock Limited (continued)

Matters on which we are required to report by exception
We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the directors were not entitled to take advantage of the small companies' exemption in preparing the directors' report



Sam Tomlinson (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
1 Embankment Place
London
WC2N 6RH
London

20 December 2011

Viacom Camden Lock Limited (previously Viacom (UK) Holdings Limited).

Profit and loss account for the year ended 30 September 2011

	Notes	Year ended 30 September 2011 £	Period ended 30 September 2010 £
Turnover	1	**332,075**	-
Operating expenses		**(117,393)**	-
Profit on ordinary activities before interest and taxation	2	**214,682**	-
Interest payable and similar charges	3	**(48,251)**	-
Profit on ordinary activities before taxation		**166,431**	-
Tax on profit on ordinary activities	4	**(43,850)**	-
Profit for the period	10	**122,581**	-

The results relate wholly to continuing operations

The Company has no recognised gains or losses other than those included in the results above and therefore no separate statement of total recognised gains and losses is presented

There is no material difference between the profit on ordinary activities before taxation and the profit for the financial period stated above and their historical cost equivalents

The notes on pages 8 to 14 form part of the financial statements

Viacom Camden Lock Limited (previously Viacom (UK) Holdings Limited).

Balance sheet as at 30 September 2011

	Notes	As at 30 September 2011 £	As at 30 September 2010 £
Fixed assets			
Tangible assets	5	**19,065,727**	-
Current assets			
Debtors	6	**491,420**	1
Cash at bank and in hand		**1,288,165**	
		1,779,585	1
Creditors: amounts falling due within one year	7	**(20,722,730)**	-
Net current liabilities		**(18,943,145)**	1
Net assets		**122,582**	1
Capital and reserves			
Called up share capital	8	**1**	1
Profit and loss account	9	**122,581**	-
Total equity shareholder's funds	10	**122,582**	1

The financial statements of Viacom Camden Lock Limited (registered Company no 7139521) on pages 6 to 14 were approved by the Board of Directors 20 December 2011 and were signed on its behalf by

J Currell
Director

Viacom Camden Lock Limited (previously Viacom (UK) Holdings Limited).

Notes to the financial statements for the year ended 30 September 2011

1 ACCOUNTING POLICIES

A summary of the principal accounting policies, all of which have been applied consistently throughout the year and the preceding period is set out below

a) Basis of accounting

These financial statements are prepared on the going concern basis, under the historical cost convention, and in accordance with the Companies Act 2006 and applicable accounting standards in the UK

As described in Note 7, the Company was refinanced on 18 October 2011 and all outstanding intercompany loans were repaid using the proceeds from the issue of a £34 7m zero coupon loan note at a subscription value of £27 4m to a fellow group undertaking The zero coupon loan note is repayable on 18 October 2016 Following this refinancing, and after making enquiries, the directors have formed a judgement, that at the time of approving the financial statements, and having considered the Company's forecasts and projections, there is reasonable expectation that the Company has adequate resources to continue in operation for the foreseeable future For this reason the directors continue to adopt the going concern basis in preparing the financial statements

b) Turnover

Turnover represents rental income receivable under an operating lease from group undertakings

Rental income under operating leases is credited to the income statement on a straight-line basis over the period of the lease

c) Cash flow statement and related party transactions

The Company is a wholly owned subsidiary of Viacom Inc and is included in the consolidated financial statements of Viacom Inc , which are publicly available Consequently the Company has taken advantage of the exemption from preparing a cashflow statement under the terms of FRS 1 'Cashflow Statements' The Company is also exempt under the terms of FRS 8 'Related Party Transactions' from disclosing related party transactions with entities that are part of the Viacom Inc group or investees of the Viacom Inc group

d) Taxation

Current taxation is based on the results for the period

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

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Viacom Camden Lock Limited (previously Viacom (UK) Holdings Limited).

Notes to the financial statements for the year ended 30 September 2011 (continued)

1 ACCOUNTING POLICIES (Continued)

d) Taxation (continued)

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date

Amounts relating to deferred taxation are undiscounted

e) Tangible Fixed Assets

Tangible fixed assets are shown at cost less accumulated depreciation Cost includes the original purchase price of the assets and the costs attributable to bringing the asset to its working condition for its intended use

Depreciation is provided on all fixed assets as follows

Leasehold improvements	10%
Buildings	4%
Equipment, fixtures & fittings	10-20%

These rates are calculated to write off the cost, less estimated residual value, of each asset on a straight-line basis over its estimated useful life

2 PROFIT ON ORDINARY ACTIVITIES BEFORE INTEREST AND TAXATION

Operating loss is stated after charging / (crediting)

	Year ended 30 September 2011 £	Period ended 30 September 2010 £
Depreciation of owned tangible fixed assets	**107,762**	-
Auditors' remuneration for audit services	**9,600**	-

The Company had no employees during the year (2010 nil) and no director received any remuneration in respect of their services to the Company

3 INTEREST PAYABLE AND SIMILAR CHARGES

	Year ended 30 September 2011 £	Period ended 30 September 2010 £
Interest due to group undertakings	48,251	-

Interest receivable relates to loans from group undertakings – see note 7 for further details

4 TAX ON PROFIT ON ORDINARY ACTIVITIES

a) Analysis of tax charge in the year

The tax charge based on the taxable profit for the year comprises

	Year ended 30 September 2011 £	Period ended 30 September 2010 £
Current tax		
UK corporation tax on profits for the year at 26% (2010 28%)	51,790	-
Total current tax	51,790	-
Deferred tax		
Origination and reversal of timing differences	(7,940)	-
Total deferred tax	(7,940)	-
Tax on profit on ordinary activities	43,850	-

b) Factors affecting tax charge for the year

The tax assessed for the year differs from the standard effective rate of corporation tax in the UK as explained below

	Year ended 30 September 2011 £	Period ended 30 September 2010 £
Profit on ordinary activities before tax	166,431	-
Profit multiplied by UK standard rate of 26% (2010 28%)	43,272	-
Effects of		
Disallowable expenses	577	-
Depreciation in excess of capital allowances	7,940	-
Current tax charge for the period	51,790	-

Notes to the financial statements for the year ended 30 September 2011 (continued)

4 TAX ON PROFIT ON ORDINARY ACTIVITIES (continued)

A reduction in the UK corporation tax rate to 26% effective from 1 April 2011 was substantively enacted on 29 March 2011 following the Budget Statement A further reduction to 25% effective from 1 April 2012 was substantially enacted by Parliament on 5 July 2011 Further changes are proposed to reduce the tax rate by 1% per annum to 23% by 1 April 2014

5 TANGIBLE FIXED ASSETS

	Land £	Buildings £	Leasehold Improvements £	Equipment, Fixtures & Fittings	Total
Cost					
At 1 October 2010	-	-	-	-	-
Additions during the year	10,000,000	6,300,000	2,100,169	773,320	19,173,489
At 30 September 2011	**10,000,000**	**6,300,000**	**2,100,169**	**773,320**	**19,173,489**
Depreciation					
At 1 October 2010	-	-	-	-	-
Charge for the year	-	58,634	-	49,128	107,762
At 30 September 2011	**-**	**58,634**	**-**	**49,128**	**107,762**
Net Book Value					
At 30 September 2011	**10,000,000**	**6,241,366**	**2,100,169**	**724,192**	**19,065,727**
At 30 September 2010	-	-	-	-	-

On 8 July 2011, Viacom Camden Lock Limited acquired the Land and Buildings at 17-29 Hawley Crescent, Camden from a group Company at a fair market value of £16 3m The valuation was performed as at 31 March 2011 by independent external valuers, Drivers Jonas Deloitte

6 DEBTORS

	As at 30 September 2011 £	As at 30 September 2010 £
Due from Group Undertakings	**378,629**	-
VAT Receivable	**104,851**	-
Deferred Tax (note 13)	**7,940**	-
	491,420	-

Amounts due from group undertakings are unsecured, interest free and repayable on demand

7 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	As at 30 September 2011 £	As at 30 September 2010 £
Bank overdraft	**3,500,000**	
Accruals	**9,600**	-
Corporation tax	**51,790**	
Amounts due to group undertakings	**17,161,340**	-
	20,722,730	-

The interest rate applicable to the loans outstanding at 30 September 2011, which were unsecured and repayable on demand, was one month GBP LIBOR plus 0 625% These loans were repaid on 18 October 2011 as a result of a refinancing of the Company On the same day the Company issued a £34,721,041 zero coupon loan note, due 18 October 2016 to a fellow group undertaking, at a subscription price of £27,400,000

8 CALLED UP SHARE CAPITAL

	As at 30 September 2011 £	As at 31 September 2010 £
Allotted and called up		
1 ordinary share of £1 each	**1**	1

9 RESERVES

	Share capital £	Profit and loss account £	Total £
At 30 September 2010	1	-	1
Retained profit for the year	-	122,581	122,581
At 30 September 2011	**1**	**122,581**	**122,582**

10 RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS

	As at 30 September 2011 £	As at 30 September 2010 £
Opening shareholder's funds	1	-
Purchased Share Capital	-	1
Profit for the period	122,581	-
Closing shareholder's funds	122,582	1

11 CONTINGENT LIABILITIES

BMG Pool

The Company has entered into a cash pooling agreement with Bank Mendes Gans with respect to its sterling denominated bank account held with Bank Mendes Gans This arrangement includes a joint and several right of set off that allows BMG, under certain circumstances, to offset debit account balances with credit account balances of participating cash pool members who have entered into the agreement The cash pooling agreement requires the net pool balance to be positive and in the event of a shortfall the pool leader Viacom Global (Netherlands) B V will increase its cash balance position in order to make the pool positive At the balance sheet date, funds deposited by the Company into the cash pool and potentially at risk to cover liabilities elsewhere in the group amounted to £Nil (2010 £Nil) Funds drawn by the Company amounted to £3,500,000 (2010 £Nil)

12 CAPITAL COMMITMENTS

	As at 30 September 2011 £	As at 30 September 2010 £
Contracts placed for future capital expenditure not provided in the financial statements	8,336,885	-

13 DEFERRED TAX

	At 30 September 2011 £	At 30 September 2010 £
Depreciation in excess of capital allowances	7,940	-
Deferred Tax Asset	7,940	-
Deferred tax asset		
At start of period	-	-
Depreciation in excess of capital allowances	7,940	-
At 30 September	7,940	-

14 ULTIMATE CONTROLLING PARTY

The largest group for which consolidated financial statements are drawn up and of which the Company is a member is Viacom Inc , incorporated in the United States of America The consolidated financial statements of this Company can be obtained from 1515 Broadway, New York, 10036

Viacom International Inc , the immediate parent undertaking, a Company registered in the United States of America, is the smallest undertaking to consolidate these financial statements

The ultimate controlling party is National Amusements Inc , incorporated in the United States of America

15 CHANGE OF NAME

On 16 June 2011, the Company changed its name from Viacom (UK) Holdings Limited to Viacom Camden Lock Limited

16 SUBSEQUENT EVENTS

On 18 October 2011, the Company repaid the loans outstanding at the balance sheet date and issued a £34,721,041 zero coupon loan note at a subscription price of £27,400,000 Refer to note 7 for further detail