

High Command Productions Limited

(Registered Number: 1402808)

Directors' Report And Financial Statements
31 December 1999



High Command Productions Limited

Directors' Report

The directors present their report and audited financial statements for the year ended 31 December 1999.

Principal Activity And Future Developments

The company provides film production services. It is envisaged that services will continue to be provided in future years.

Results And Dividends

The loss for the year amounts to £700 (1998: £424). The directors do not recommend the payment of a dividend (1998 : £nil).

Directors And Their Interests

The directors of the company during the year were:

J Jorritsma (The Netherlands)
M O'Sullivan

None of the directors had any interest in the company's share capital or in any transactions entered into by the company during the year which are required to be disclosed in accordance with the Companies Act 1985.

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 and 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume 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 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.

High Command Productions Limited

Directors' Report (Continued)

Year 2000

The company has not experienced any significant problems in connection with Year 2000 nor does it expect any problems in the future. All costs to render hardware and software Year 2000 compliant were borne by the ultimate parent undertaking.

Auditors

PricewaterhouseCoopers have indicated their willingness to remain in office and a resolution concerning their re-appointment will be proposed at the Annual General Meeting.

By the order of the Board

A handwritten signature in black ink, appearing to read 'N. K. Asai', is written over a horizontal line. The signature is stylized and includes a large flourish at the end.

N Asai
Secretary

17 April 2000

Auditors' Report To The Members Of High Command Productions Limited

We have audited the financial statements on pages 5 to 9 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the annual report. As described on page 1, this includes responsibility for preparing the financial statements in accordance with applicable United Kingdom accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and 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 United Kingdom Companies Act. 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 is not disclosed.

We read the other information contained in the annual report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

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 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.

**Auditors' Report To The Members Of
High Command Productions Limited** (Continued)

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31 December 1999 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

PricewaterhouseCoopers

PricewaterhouseCoopers
Chartered Accountants
and Registered Auditors

17 April 2000

High Command Productions Limited

Profit And Loss Account For The Year Ended 31 December 1999

	<i>Note</i>	1999 £	1998 £
Administrative expenses		(700)	(732)
Other operating income		-	308
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Loss on ordinary activities before taxation and retained loss for the year	2	(700)	(424)
Balance at 1 January		21,164	21,588
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Balance at 31 December		20,464	21,164

Turnover and loss on ordinary activities before taxation relate exclusively to continuing operations.

The company had no recognised gains or losses other than those reflected in the profit and loss account above.

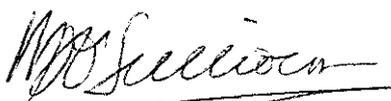
The notes on pages 7 to 9 form an integral part of these financial statements.

High Command Productions Limited

Balance Sheet As At 31 December 1999

	Note	1999 £	1998 £
Current assets			
Debtors	5	31,813	48,138
Cash at bank and in hand		6,535	-
		38,348	48,138
Creditors: amounts falling due within one year	6	(16,884)	(25,974)
Net current assets		21,464	22,164
Total assets less current liabilities		21,464	22,164
Capital and reserves			
Called up share capital	7	1,000	1,000
Profit and loss account		20,464	21,164
Equity shareholders' funds	8	21,464	22,164

Approved on behalf of the Board on 17 April 2000 and signed on its behalf by:



M O'Sullivan
Director

The notes on pages 7 to 9 form an integral part of these financial statements

High Command Productions Limited

Notes To The Financial Statements - 31 December 1999

1 Accounting Policies

a) Basis of Preparation of Financial Statements

The financial statements have been prepared under the historical cost convention in accordance with applicable accounting standards.

b) Turnover

Turnover represents amounts invoiced in respect of film production costs.

c) Foreign currencies

Assets and liabilities denominated in foreign currencies are expressed in sterling at the rates of exchange ruling at the balance sheet date. Trading results are expressed in sterling at the average rates ruling in the month. The resulting profits or losses are dealt with in the profit and loss account.

d) Cash flow statement

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 cash flow statement under the terms of Financial Reporting Standard 1.

2 Loss On Ordinary Activities Before Taxation

	1999	1998
	£	£
Loss on ordinary activities before taxation is stated after charging:		
Auditors' remuneration	700	700

3 Directors' Emoluments

None of the directors received any emoluments during the year (1998 - £nil).

4 Employees

There were no persons employed by the company during the year (1998 : nil).

High Command Productions Limited

Notes To The Financial Statements - 31 December 1999 (Continued)

5 Debtors

	1999 £	1998 £
Amounts owed by group undertakings	31,813	48,138

6 Creditors: Amounts Falling Due Within One Year

	1999 £	1998 £
Amounts owed to group undertakings	16,184	25,274
Accruals and deferred income	700	700
	16,884	25,974

7 Share Capital

	1999 £	1998 £
Authorised: 10,000 ordinary shares at £1 each	10,000	10,000
Allotted and fully paid: 1,000 ordinary shares at £1 each	1,000	1,000

8 Reconciliation Of Movements In Shareholders' Funds

	1999 £	1998 £
Opening shareholders' funds	22,164	22,588
Retained loss for the year	(700)	(424)
Closing shareholders' funds	21,464	22,164

High Command Productions Limited

Notes To The Financial Statements - 31 December 1999 (Continued)

9 Parent Undertaking

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 state of Delaware in the United States of America.

The consolidated financial statements of this company can be obtained from 1515 Broadway, New York 10036, USA.

10 Related Party Transactions

As a wholly owned subsidiary of Viacom Inc., the company has taken advantage of the exemption contained within Financial Reporting Standard Number 8 (Related Party Transactions) not to disclose related party transactions with other members of the Viacom Inc. group of companies.

The ultimate controlling party of the Company is National Amusements Inc., the parent undertaking of Viacom Inc.