

CARLTON TELEVISION HOLDINGS LIMITED

ANNUAL REPORT

FOR THE YEAR ENDED 30 SEPTEMBER 1994

Registered Number: 2583084



CARLTON TELEVISION HOLDINGS LIMITED

ANNUAL REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 1994

	Pages
Directors' report	1
Report of the auditors	4
Profit and loss account	5
Balance sheet	6
Cash flow statement	7
Notes to the financial statements	9

CARLTON TELEVISION HOLDINGS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 SEPTEMBER 1994

The directors present their annual report and the audited financial statements for the year ended 30 September 1994.

Principal activities and business review

The principal activity of the company is to carry on the business of an investment company.

Results and Dividends

The profit and loss account for the year is set out on page 5.

The directors do not recommend the payment of a dividend. The profit for the financial year of £532 will be transferred to reserves.

Directors

The directors of the company who served during the year were

Lord Armstrong of Ilminster

D W Colson (resigned 6 October 1994)

B A Cragg

J F de Moller

P Glisenti (resigned 6 October 1994)

M P Green (resigned 1 May 1994)

P S Ibbotson (resigned 31 May 1994)

K P Jackson

The Hon Sara Morrison

L P H Rittner (resigned 31 December 1993)

N N Walmsley (Chairman)

B Wenham

On 1 May 1994 M P Green resigned as Chairman and N N Walmsley was appointed.

On 8 February 1995 K P Jackson resigned as director.

CARLTON TELEVISION HOLDINGS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 SEPTEMBER 1994

Directors' interests

None of the directors had any beneficial interest in the share capital of the company at 30 September 1994. J F de Moller, B A Cragg and N N Walmsley are also directors of Carlton Communications Plc, the holding company. Their interests in the shares of that company are disclosed in its directors' report.

The interests of the other directors of the company at 30 September 1994 in the shares of Carlton Communications Plc were as follows:-

	1 October 1993	30 September 1994
B Wenham	1,000	1,000

Options to acquire Ordinary shares in Carlton Communications Plc, exercisable between 3 and 10 years after the date of grant and at prices ranging from 450p to 705p, were held by directors as follows:-

	1 October 1993	Granted	Exercised	30 September 1994
K P Jackson	45,000	-	-	45,000

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 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 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.

CARLTON TELEVISION HOLDINGS LIMITED

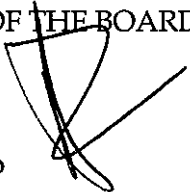
DIRECTORS' REPORT

FOR THE YEAR ENDED 30 SEPTEMBER 1994

Auditors

An elective resolution has been passed dispensing with the need to reappoint the auditors annually. In the absence of a notice proposing that the appointment be terminated, the auditors, Coopers & Lybrand, will be deemed to be reappointed for the next financial year.

BY ORDER OF THE BOARD



David Abdoo
Secretary

Registered Office:
15 St George Street
Hanover Square
London W1R 0LU

Dated: 10/7/96

CARLTON TELEVISION HOLDINGS LIMITED

REPORT OF THE AUDITORS TO THE MEMBERS OF
CARLTON TELEVISION HOLDINGS LIMITED

FOR THE YEAR ENDED 30 SEPTEMBER 1994

We have audited the financial statement on pages 5 to 13.

Respective responsibilities of directors and auditors

As described on page 2 the company's directors are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

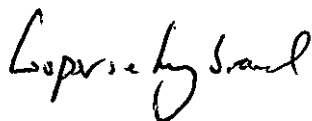
Basis of opinion

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.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 30 September 1994 and of its profit and cash flows for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



COOPERS & LYBRAND

Chartered Accountants and Registered Auditors

London

20/7/95

CARLTON TELEVISION HOLDINGS LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 SEPTEMBER 1994

	Notes	<u>1994</u> £	<u>1993</u> £
Administration expenses		(238)	(673)
		—	—
Operating loss	2	(238)	(673)
Interest receivable and similar income	4	1,032	1,029
Profit on ordinary activities before taxation		<u>794</u>	<u>356</u>
Tax on profit on ordinary activities	5	(262)	-
		—	—
Profit on ordinary activities after taxation for the financial year		<u>532</u>	<u>356</u>

STATEMENT OF ACCUMULATED PROFIT

Opening balance	7,185	6,829
Profit for financial year	532	356
	—	—
Closing balance	<u>7,717</u>	<u>7,185</u>

All operations in the year and in the comparative year were continuing.

The company has no recognised gains and losses other than those included in the profits above, and therefore no separate statement of total recognised gains and losses has been presented.

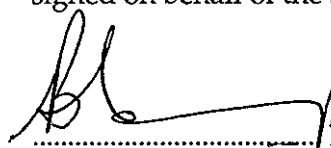
There is no difference between the profit on ordinary activities before taxation and the retained profit for the year stated above, and their historical cost equivalents.

CARLTON TELEVISION HOLDINGS LIMITED

BALANCE SHEET AS AT 30 SEPTEMBER 1994

	<u>Notes</u>	<u>1994</u> £	<u>1993</u> £
FIXED ASSET INVESTMENTS	6	67,000,000	67,000,000
CURRENT ASSETS			
Debtors-amounts owed by subsidiary undertaking		2,606,392	2,606,393
Other debtors		66	77
Investments	7	1,588	1,641
Cash at bank		61,862	60,973
		<u>2,669,908</u>	<u>2,669,084</u>
CREDITORS:amounts falling due within one year	8	(2,660,689)	(2,660,397)
NET CURRENT ASSETS		<u>9,219</u>	<u>8,687</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		67,009,219	67,008,687
CREDITORS:amounts falling due after more than one year	9	(42,000,000)	(42,000,000)
		<u>£25,009,219</u>	<u>£25,008,687</u>
CAPITAL AND RESERVES			
Called up share capital	10	24,930,680	24,930,680
Share Premium	11	70,822	70,822
Profit and loss account		7,717	7,185
Equity Shareholders' funds		<u>£25,009,219</u>	<u>£25,008,687</u>

Approved by the Board of Directors and
signed on behalf of the board by:

 Director

Dated: 20/7/95

CARLTON TELEVISION HOLDINGS LIMITED

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 SEPTEMBER 1994

	<u>Notes</u>	<u>1994</u> £	<u>1993</u> £
Net cash flow from operating activities	I	(27)	974
Returns on investments and servicing of finance:			
Interest and investment income received		5,250,902	2,000,898
Interest paid		(5,249,986)	(1,950,000)
		<hr/>	<hr/>
Net inflow from returns on investments and servicing of finance		916	50,898
Taxation paid		-	(1,000)
Investing activities			
Investment in subsidiaries		-	(26,000,000)
Financing activities			
Long term funding	II	-	26,000,000
		<hr/>	<hr/>
Movement in year		889	50,872
Opening cash balance		60,973	10,101
Closing cash balance		<hr/> <hr/>	<hr/> <hr/>

CARLTON TELEVISION HOLDINGS LIMITED

NOTES ON CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 1994**I. Reconciliation of operating loss to net cash flow from operating activities:**

	<u>1994</u>	<u>1993</u>
	<u>£</u>	<u>£</u>
Operating loss	(238)	(673)
Movement in working capital:		
Debtors	11	-
Creditors	147	1,647
Investments	53	-
	<u>(27)</u>	<u>974</u>

II. Change in loan stock during the year

	<u>1994</u>	<u>1993</u>
	<u>£</u>	<u>£</u>
Balance at 1 October 1993	42,000,000	16,000,000
Paid up during the year at par	-	26,000,000
Balance at 30 September 1994	<u>42,000,000</u>	<u>42,000,000</u>

CARLTON TELEVISION HOLDINGS LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED
30 SEPTEMBER 1994

1. ACCOUNTING POLICIES

A summary of the principal accounting policies is set out below:-

(a) BASIS OF ACCOUNTING

The accounts have been prepared using applicable accounting standards under the historical cost convention.

(b) BASIS OF CONSOLIDATION

No consolidated accounts have been prepared as the company is a subsidiary of Carlton Communications Plc, which is registered in England and Wales, and is therefore exempt from the requirement to prepare and deliver group accounts.

(c) DEFERRED TAXATION

Provision is made for deferred taxation to the extent that the liability is expected to crystallise within the foreseeable future.

(d) INVESTMENTS

Investments are carried at the lower of cost and market value.

2. OPERATING LOSS

Operating loss is stated after charging audit fee of £nil (1993:£500). Auditors' fees for other services in respect of Carlton Television Holdings Limited and its subsidiary undertaking, were £14,000 (1993:£19,000).

3. EMPLOYEE INFORMATION AND DIRECTORS' EMOLUMENTS

The company had no employees during the year (1993:nil), and no staff costs were incurred (1993:nil).

None of the directors of the company received any payment in respect of their services as directors of the company.

CARLTON TELEVISION HOLDINGS LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED
30 SEPTEMBER 1994

The directors of the company, who are also directors of Carlton Television Limited, are paid for their services as such directors by Carlton Television Limited. Total emoluments were £631,004 (1993 - £661,772).

The number of directors of Carlton Television Holdings Limited whose annual emoluments (excluding pension contributions) as directors of Carlton Television Limited were within the following ranges are:-

		<u>1994</u>	<u>1993</u>
£210,001	- £215,000	-	1
£205,001	- £210,000	1	-
£190,001	- £195,000	1	-
£180,001	- £185,000	-	1
£120,001	- £125,000	-	1
£105,001	- £110,000	1	-
£ 75,001	- £ 80,000	-	1
£ 65,001	- £ 70,000	1	-
£ 10,001	- £ 15,000	2	3
£ 0	- £ 5,000	6	5

No emoluments were paid to the Chairman of Carlton Television Limited (1993:nil). The highest paid director of Carlton Television Limited received emoluments of £222,221 (1993: £211,192).

4. OTHER INCOME	<u>1994</u>	<u>1993</u>
	£	£
Interest receivable from subsidiary undertakings	5,250,000	4,439,726
Interest payable to parent	(4,725,000)	(3,995,754)
Bank and other interest payable	(525,000)	(443,973)
Other interest receivable	860	858
Income from other investments	172	172
	<u>1,032</u>	<u>1,029</u>

CARLTON TELEVISION HOLDINGS LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED
30 SEPTEMBER 1994

5. TAXATION

	<u>1994</u>	<u>1993</u>
	<u>£</u>	<u>£</u>
United Kingdom corporation tax at 33% (1993: 33%)	262	-

6. FIXED ASSET INVESTMENTS

Investment in Subsidiary at Cost

	<u>Shares</u>	<u>Loans</u>	<u>Total</u>
	<u>£</u>	<u>£</u>	<u>£</u>
Cost at 1 October 1993	25,000,000	42,000,000	67,000,000
Investment in year	-	-	-
At 30 September 1994	<u>25,000,000</u>	<u>42,000,000</u>	<u>67,000,000</u>

The subsidiary undertaking of the company is:

	<u>Percentage of nominal value of issued ordinary shares held</u>	<u>Country of registration</u>
Carlton Television Limited	100%	England & Wales

In the opinion of the directors the value of fixed asset investments is not less than book value.

The company holds £100 million 12.5% Subordinated Unsecured Convertible Loan Stock 2002 issued by Carlton Television Limited of which £42 million was paid up as at 30 September 1994 (1993: £42 million).

7. CURRENT ASSET INVESTMENTS

Current asset investments relate to a holding of British Government Securities with a market value of £1,588 (1993: £1,700). These securities are listed on the International Stock Exchange.

8. CREDITORS

	<u>1994</u>	<u>1993</u>
	<u>£</u>	<u>£</u>
Amounts falling due within one year:		
Due to parent company	2,349,362	2,349,303
Taxation	50,219	50,000
Other creditors	261,108	261,094
	<u>2,660,689</u>	<u>2,660,397</u>

CARLTON TELEVISION HOLDINGS LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED
30 SEPTEMBER 1994

9. UNSECURED LOAN STOCK

On 10 May 1991 the company issued £100 million 12.5% Subordinated Unsecured Loan Stock 2002 to its shareholders of which £42 million was paid up at 30 September 1994 (1993: £42 million).

10. SHARE CAPITAL

	Number of shares	£
At 30 September 1994 and 30 September 1993		
Authorised ordinary share capital of £1 each	<u>150,000,000</u>	<u>£150,000,000</u>
	1994	1993
	£	£
Issued and fully paid ordinary share capital of £1 each	<u>£24,930,680</u>	<u>£24,930,680</u>
	1994	1993
	£	£
11. SHARE PREMIUM	<u>£70,822</u>	<u>£70,822</u>

12. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	1994	1993
	£	£
Profit for the financial year	532	356
Opening shareholders' funds	25,008,687	25,008,331
Closing shareholders' funds	<u>25,009,219</u>	<u>25,008,687</u>

13. ULTIMATE PARENT COMPANY

The company's ultimate parent company is Carlton Communications Plc, which is registered in England and Wales. Copies of its Report and Accounts may be obtained at 15 St George Street, Hanover Square, London W1R 0LU.

14. POST BALANCE SHEET EVENT

On 6th October 1994 Carlton Communications Plc acquired the two 5% minority interests in the company.