

Pantherwood Limited

Registered in England & Wales; number: 2594283

Directors' report and financial statements

For the year ended 31 December 2001



**Report and financial statements
for the year ended 31 December 2001**

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The directors present their report and the audited financial statements for the year ended 31 December 2001.

Principal activities and business review

The principal activity of the Company is the provision of management and other services to group companies.

The results of the Company continue to develop in line with expectations and are expected to continue to do so for the foreseeable future.

Results and dividends

The directors do not recommend the payment of a dividend (2000: £Nil). The retained loss for the financial year of £228,000 (2000: loss £709,000) has been transferred to reserves.

Directors and their interests

The following directors held office during the year:

BD Day
NJ Marshall

The following director was appointed after the end of the financial year:

DJ Carr (appointed 21 January 2002)

The directors who held office at the end of the financial year did not have any disclosable interests in the ordinary shares of the Company.

The interests of the directors in the share capital of Evenser Group Limited, the Company's ultimate parent undertaking, are disclosed in the directors' report of that Company's financial statements.

Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year that 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.

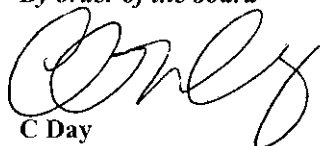
The directors confirm that suitable accounting policies have been used and applied consistently and reasonable and prudent judgements have been made in the preparation of the financial statements for the year ended 31 December 2001. The directors also confirm that that applicable accounting standards have been followed and that the financial statements have been prepared on the going concern basis.

The directors are responsible for keeping proper accounting records that 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.

Auditors

As a consequence of having adopted an elective resolution, the Company has dispensed with the need to hold an Annual General Meeting and the auditors, PricewaterhouseCoopers, will continue in office until further notice.

By order of the board

A handwritten signature in black ink, appearing to read 'C Day', written over the printed name.

C Day
Secretary

9 October 2002

We have audited the financial statements on pages 4 to 10, which have been prepared under the historical cost convention and the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and accounting standards are set out in the statement of directors' responsibilities on page 1.

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

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 is not disclosed.

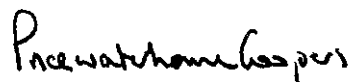
Basis of audit opinion

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 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 31 December 2001 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers
Chartered Accountants and Registered Auditors
Birmingham
14 October 2002

Profit and loss account
for the year ended 31 December 2001

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	2001 £'000	2000 £'000
Turnover (note 1)	64	21
Gross profit	64	21
Administrative expenses	(441)	(746)
Operating loss (note 2)	(377)	(725)
Income from shares in group undertakings (note 5)	139	-
Interest receivable and similar income (note 6)	10	25
Interest payable and similar charges (note 7)	-	(9)
Loss on ordinary activities before taxation	(228)	(709)
Taxation (note 8)	-	-
Loss for the year transferred to reserves (note 13)	(228)	(709)

The results for the year are wholly attributable to the continuing operations of the Company.

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

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

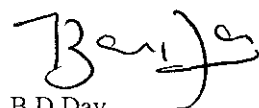
The notes on pages 6 to 10 form part of the financial statements.

Balance Sheet
as at 31 December 2001

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	2001 £'000	2000 £'000 <i>As restated</i>
Fixed assets		
Investments (note 9)	4,451	4,639
Current assets		
Debtors (note 10)	738	676
Cash at bank and in hand	-	186
	738	862
Creditors: amounts falling due within one year (note 11)	(4,502)	(4,586)
Net current liabilities	(3,764)	(3,724)
Net assets	687	915
Capital and reserves		
Called up share capital (note 12)	1,600	1,600
Profit and loss account (note 13)	(913)	(685)
Equity shareholders' funds (note 14)	687	915

The financial statements on pages 4 to 10 were approved by the board of directors on 9 October 2002 and were signed on its behalf by:



B D Day
Director

1 Principal accounting policies

On 1 December 2000 the Accounting Standards Board issued FRS 18 "Accounting Policies" which is applicable to the Company for the accounting period under review. The standard requires the Directors to consider whether the accounting policies adopted in the financial statements are those judged to be the most appropriate to the Company's circumstances, and for them to be revised regularly and changed as appropriate. Having reviewed the Company's accounting policies the Directors are satisfied they are the most appropriate.

The principal accounting policies consistently applied in the preparation of the accounts of the Company are described below.

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with applicable Accounting Standards.

Basis of consolidation

The financial statements contain information about Pantherwood Limited as an individual Company and do not contain consolidated financial information as the parent of a group. The Company is exempt under Section 228 of the Companies Act 1985 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its parent, Evenser Group Limited, a company registered in England and Wales.

Cash flow statement and related party disclosures

The Company is a subsidiary undertaking of Evenser Group Limited, where 90% or more of the voting rights are controlled within the group. The Company is included in the consolidated financial statements of Evenser Group Limited, which are publicly available from Companies House. Consequently, the Company has taken advantage of the exemption from preparing a cash flow statement under the terms of Financial Reporting Standard 1 (revised 1996). The Company is also exempt under the terms of Financial Reporting Standard 8 from disclosing related party transactions with entities that are part of Evenser Group Limited.

Investments

Fixed asset investments are shown at cost less, where appropriate, provision for impairment.

Turnover

Turnover represents amounts (excluding value added tax) derived from the provision of management services to group undertakings during the year. The Company only undertakes one class of business and all income originates in the United Kingdom.

Foreign currency

Trading results denominated in foreign currencies are translated into sterling at average rates of exchange during the year, except for material exceptional items which are translated at the rate on the date of the transaction. Monetary assets and liabilities are translated at the rates of exchange ruling at the year end except where rates of exchange are fixed under contractual arrangements. Non-monetary assets and liabilities are translated at the historic rate.

Taxation including deferred taxation

The charge for taxation is based on the profit/loss for the period and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Provision is made for deferred tax to the extent that it is probable that an actual asset or liabilities will crystallise.

1 Principal accounting policies (continued)**Pensions**

The Company contributes to a defined contribution pension scheme. Contributions to the scheme are charged to the profit and loss account in the year in which accrued.

Prior year adjustment

Prior year amounts were restated to reflect additional investment in a subsidiary undertaking, Cinevideo Limited. There was no impact on prior year profit and loss amounts.

2 Operating loss

The operating loss includes £47,000 (2000: £31,000) paid to Lindmead Consultants Limited, a company controlled by a former director, B Sheffield, in relation to consultancy services provided by him to the Company.

The fees for audit services are borne by the ultimate parent undertaking and are disclosed in the group consolidated financial statements.

3 Directors' emoluments

The emoluments of the directors were paid by the ultimate parent undertaking Evenser Group Limited and are disclosed in the financial statements of that entity. The ultimate parent undertaking did not make recharges to the Company in respect of these emoluments.

4 Employee information

	2001	2000
	£'000	£'000
Staff costs		
Wages and salaries	334	359
Social security costs	43	36
Pension costs	36	36
	413	431

Staff costs represent recharges from the ultimate parent undertaking for services provided by its employees who worked for the Company during the year.

The average monthly number of persons employed by the Company during the year was 2 (2000: 2).

5 Income from group undertakings

	2001	2000
	£'000	£'000
Income from shares in group undertaking	139	-

6 Interest receivable and similar income

	<i>2001</i> <i>£'000</i>	<i>2000</i> <i>£'000</i>
Interest receivable from group undertakings	10	25

7 Interest payable and similar charges

	<i>2001</i> <i>£'000</i>	<i>2000</i> <i>£'000</i>
Interest payable to group undertakings	-	9

8 Taxation

There is no tax charge in the year (2000: £Nil) due to losses and tax reliefs surrendered without payment. At the balance sheet date there was an unprovided tax asset of £6,000 (2000: £207,000) consisting of other short term timing differences.

9 Investments

	<i>Shares in group undertakings £'000</i>	<i>Loan to group undertakings £'000</i>	<i>Total £'000</i>
At 31 December 2000	1,416	188	1,604
Prior year adjustment (<i>note 1</i>)	3,035	-	3,035
At 31 December 2000 as restated	4,451	188	4,639
Repayment of loan	-	(188)	(188)
At 31 December 2001	4,451	-	4,451

The repayment relates to a loan with a group undertaking.

9 Investments (continued)

The following information relates to the subsidiary undertakings of the Company:

<i>Name of company</i>	<i>Proportion of ordinary shares held</i>		<i>Nature of business</i>
	<i>Directly</i>	<i>Indirectly</i>	
<i>Companies registered in England and Wales</i>	<i>%</i>	<i>%</i>	
Cinevideo Limited	100	-	Hire of video, sound and other equipment to the TV broadcast industry
Charter Broadcast Limited	100	-	Hire of TV broadcast equipment and provision of technical services
Charter Broadcast Projects Limited	100	-	Dormant
Charter Murphil Limited	100	-	Non-trading
<i>Companies incorporated in the USA</i>			
Charter Broadcast North America, Inc.	100	-	Non-trading
<i>Companies incorporated in Germany</i>			
Charter Broadcast GmbH	99.9	0.1	Hire of TV broadcast equipment

There is only one class of share for each subsidiary undertaking. All the above companies operated principally in their country of incorporation or registration.

10 Debtors

	<i>2001</i>	<i>2000</i>
	<i>£'000</i>	<i>£'000</i>
Trade debtors	4	-
Amounts owed by group undertakings	730	674
Other debtors	-	2
Prepayments and accrued income	4	-
	738	676

Amounts owed by group undertakings are unsecured, interest free and have no fixed date of repayment.

11 Creditors: amounts falling due within one year

	<i>2001</i>	<i>2000</i>
	<i>£'000</i>	<i>£'000</i>
		<i>As restated</i>
Bank overdrafts	534	289
Trade creditors	5	5
Amounts owed to group undertakings	3,955	4,110
Accruals and deferred income	8	182
	4,502	4,586

Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

12 Called up share capital

	<i>2001</i> <i>£'000</i>	<i>2000</i> <i>£'000</i>
<i>Authorised</i>		
Ordinary shares of £1 each	2,000	2,000
<i>Allotted, called up and fully paid</i>		
Ordinary shares of £1 each	1,600	1,600

13 Profit and loss account

	<i>£'000</i>
At 1 January 2001	(685)
Loss for the financial year	(228)
<i>At 31 December 2001</i>	<i>(913)</i>

14 Reconciliation of movements in equity shareholders' funds

	<i>2001</i> <i>£'000</i>	<i>2000</i> <i>£'000</i>
Loss for the financial year	(228)	(709)
Net movement in equity shareholders' funds	(228)	(709)
Equity shareholders' funds at 1 January 2001	915	1,624
<i>Equity shareholders' funds at 31 December 2001</i>	<i>687</i>	<i>915</i>

15 Contingent liabilities

The Company is party to a guarantee and debenture entered into by its ultimate parent undertaking Evenser Group Limited with National Westminster Bank plc whereby any actual, contingent, present and/or future obligations and liabilities of Evenser Group Limited and its UK subsidiary undertakings ("the Group") are secured by first fixed and floating charges over the assets of the Group.

The Group has entered into bank cross guarantees and debentures with National Westminster Bank plc secured by first fixed and floating charges over the assets of the Group in respect of the UK Group bank borrowings. At 31 December 2001 these bank borrowings amounted to £33,966,000 (2000: £30,731,000).

16 Immediate and ultimate parent undertaking

The immediate and ultimate parent undertaking of the Company's is Evenser Group Limited, a Company registered in England and Wales. The results of the Company are included in the Group accounts of Evenser Group Limited for the period ended 31 December 2001. The accounts of Evenser Group Limited may be obtained from the Company at its registered office: 3 Elm Court, Arden Street, Stratford-upon-Avon, Warwickshire, CV37 6PA.