

17334

FRIGHTMARES PRODUCTIONS LIMITED

Report and Accounts

30 November 2000

 ERNST & YOUNG



# Frightmares Productions Limited

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Registered No. 3817334

## **DIRECTORS**

R D Button

E H Senat

## **SECRETARY**

A R Parsons

## **AUDITORS**

Ernst & Young

Becket House

1 Lambeth Palace Road

London SE1 7EU

## **BANKERS**

Barclays Bank PLC

54 Lombard Street

London EC3V 9EX

## **SOLICITORS**

Denton Wilde Sapte

Five Chancery Lane

Clifford's Inn

London EC4A 1EU

## **REGISTERED OFFICE**

Warner Suite

Pinewood Studios

Iver Heath

Bucks SL0 0NH

# Frightmares Productions Limited

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## DIRECTORS' REPORT

The directors present their report and accounts for the period from incorporation on 30 July 1999 to 30 November 2000.

### RESULTS AND DIVIDENDS

The company made a loss, after taxation, of £2,062 for the period.

The directors do not recommend the payment of a final dividend for the period.

### PRINCIPAL ACTIVITY

The principal activity of the company is the production of a television mini series.

### DIRECTORS AND THEIR INTERESTS

The directors who served during the period were as follows:

R D Button	(appointed 30 July 1999)
E H Senat	(appointed 30 July 1999)
Instant Companies Limited	(appointed 30 July 1999; resigned 30 July 1999)

There are no directors' interests requiring disclosure under the Companies Act 1985.

### AUDITORS

Ernst & Young were appointed auditors during the period.

A resolution to reappoint Ernst & Young as the company's auditor will be put to the forthcoming Annual General Meeting. Ernst & Young has stated that, during 2001, it is intending to transfer its business to a limited liability partnership incorporated under the Limited Liability Partnerships Act 2000, to be called Ernst & Young LLP. If this happens, it is the current intention of the directors to use their statutory powers to treat the appointment of Ernst & Young as extending to Ernst & Young LLP.

By order of the board



Secretary

27 JUN 2001

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE  
ACCOUNTS

Company law requires the directors to prepare accounts 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 accounts, 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 accounts; and
- prepare the accounts 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 to enable them to ensure that the accounts 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.

## **REPORT OF THE AUDITORS**

**to the members of Frightmares Productions Limited**

We have audited the accounts on pages 5 to 8, which have been prepared under the historical cost convention and on the basis of the accounting policies set out on page 7.

### **Respective responsibilities of directors and auditors**

As described on page 3, the company's directors are responsible for the preparation of the accounts in accordance with applicable United Kingdom law and accounting standards. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you. Our responsibilities, as independent auditors, are established in the United Kingdom by Statute, the Auditing Practices Board and by our profession's ethical guidance.

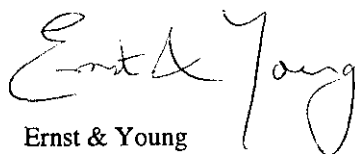
### **Basis of opinion**

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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, 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 accounts 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 accounts.

### **Opinion**

In our opinion the accounts give a true and fair view of the state of affairs of the company as at 30 November 2000 and of its loss for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

A handwritten signature in cursive script, appearing to read 'Ernst & Young', written over the printed name.

Ernst & Young  
Registered Auditor  
London

**27 JUN 2001**

# Frightmares Productions Limited

## PROFIT AND LOSS ACCOUNT

for the period from 30 July 1999 to 30 November 2000

	<i>Notes</i>	<i>Period ended 30 November 2000 £</i>
<b>TURNOVER</b>	2	836,878
Cost of sales		(836,878)
		<hr/>
<b>GROSS PROFIT</b>		-
Administration expenses		(2,062)
		<hr/>
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		(2,062)
Tax on loss on ordinary activities		-
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<b>LOSS ON ORDINARY ACTIVITIES AFTER TAXATION</b>		(2,062)
		<hr/> <hr/>

## STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

There are no recognised gains and losses other than the loss attributable to shareholders of the company of £2,062 in the period ended 30 November 2000.

# Frightmares Productions Limited

## BALANCE SHEET at 30 November 2000

		30 November 2000
	Notes	£
<b>CURRENT ASSETS</b>		
Cash at bank and in hand		4,143
		<u>4,143</u>
<b>CREDITORS: amounts falling due within one year</b>	4	(6,203)
		<u>(2,060)</u>
<b>NET CURRENT LIABILITIES</b>		
<b>CAPITAL AND RESERVES</b>		
Called up share capital	5	2
Profit and loss account	6	(2,062)
		<u>(2,060)</u>
<b>SHAREHOLDERS' FUNDS</b>		



Director

27 JUN 2001

# Frightmares Productions Limited

## NOTES TO THE ACCOUNTS

at 30 November 2000

### 1. ACCOUNTING POLICIES

#### *Accounting period*

The company prepares accounts for either 52 or 53 week periods ending within one week of 30 November.

#### *Accounting convention*

The accounts are prepared under the historical cost convention and in accordance with applicable accounting standards.

### 2. TURNOVER

Turnover represents amounts derived from the provision of production services and film revenues and is net of valued added tax.

Turnover arises in the following geographical areas:

	<i>Period ended</i> <i>30 November</i> <i>2000</i> <i>£</i>
Europe	836,878

### 3. OPERATING LOSS

(a) This is stated after charging:

	<i>Period ended</i> <i>30 November</i> <i>2000</i> <i>£</i>
Auditors' remuneration	750

### 4. CREDITORS: amounts falling due within one year

	<i>30 November</i> <i>2000</i> <i>£</i>
Amounts owed to group undertakings	5,453
Accruals	750
	6,203



# Frightmares Productions Limited

## NOTES TO THE ACCOUNTS at 30 November 2000

### 5. SHARE CAPITAL

	<i>Authorised 30 November 2000</i>	<i>Allotted, called up and fully paid 30 November 2000</i>
	<i>£</i>	<i>£</i>
Equity share capital:		
Ordinary shares of £1 each	1,000	2
	<u>1,000</u>	<u>2</u>

### 6. RECONCILIATION OF SHAREHOLDERS' FUNDS AND MOVEMENT ON RESERVES

	<i>Share capital £</i>	<i>Profit and loss account £</i>	<i>Total £</i>
At date of incorporation	2	–	2
Profit for the period	–	(2,062)	(2,062)
At 30 November 2000	<u>2</u>	<u>(2,062)</u>	<u>(2,060)</u>

### 7. ULTIMATE PARENT UNDERTAKING

The company's immediate parent undertaking is Bridge Productions Limited, a company registered in England and Wales.

Time Warner Entertainment Limited is the parent undertaking of the smallest group of undertakings of which the company is a member and for which group accounts are drawn up. Time Warner Entertainment Limited is registered in England and Wales and copies of its accounts can be obtained from the Registrar of Companies in Cardiff.

At 30 November 2000, Time Warner Inc., a company incorporated in the United States of America, was the ultimate parent undertaking and the parent undertaking of the largest group of undertakings of which the company is a member and for which group accounts are drawn up. Copies of Time Warner Inc's accounts can be obtained from 75 Rockefeller Plaza, New York, NY 10019, USA.

On 11 January 2001, Time Warner Inc. was merged with American Online Inc. to form AOL Time Warner Inc. AOL Time Warner Inc., a company incorporated in the United States of America, is now the ultimate parent undertaking and the parent undertaking of the largest group of undertakings of which the company is a member and for which group accounts are drawn up.